



Atacama Pacific Drills 208 Metres Grading 0.60 g/t Gold at Cerro Maricunga

Reports Further Positive Metallurgical Test Results

TORONTO, February 17, 2011 – Atacama Pacific Gold Corporation (TSXV:ATM) (“Atacama Pacific”) is pleased to report continued positive drill assay results from the Phase II exploration program underway on its 100%-owned Cerro Maricunga Gold Project, located 140 kilometres northeast of Copiapo, Chile. The nine drill holes, reported in Table 1, returned significant intervals of +0.3 gram per tonne gold (“g/t Au”) mineralization hosted within oxidized breccias extending to depths in excess of 450 metres. A map is attached which presents the drill hole collar locations.

Assay highlights, at a 0.3 g/t Au cut-off, from the current drilling program include:

- CMR-025 (Phoenix Zone) - 254 metres of 0.57 g/t Au and 146 metres of 0.55 g/t Au
- CMR-028 (Phoenix Zone) - 208 metres of 0.60 g/t Au including 44 metres of 1.00 g/t
- CMR-022 (Lynx Zone) - 76 metres of 0.77 g/t Au including 30 metres of 1.13 g/t

Phoenix drilling, which targeted the core and the northeast contact of the zone, continued to intersect wide zones of low to moderate grade gold mineralization. Along the northeast contact, significant intervals of lower grade gold mineralization, in the 0.2 to 0.3 g/t Au range, were encountered as halos surrounding higher grade zones. For example, the entire 444 metre length of CMR-025 returned 0.53 g/t Au when composited using a cut-off grade of 0.2 g/t Au. The last four metres of CMR-025 graded 0.96 g/t Au.

Along the Lynx Zone, drill hole CMR-022 returned 76 metres grading 0.77 g/t Au including a higher grade interval of 30 metres grading 1.13 g/t Au. A lower grade interval of 0.42 g/t Au over 30 metres was encountered closer to surface. CMR-022 traced the Lynx Zone a further 100 metres along strike towards the Phoenix Zone and extended the oxide associated mineralization to a depth of 300 metre below surface. The mineralization and zone of oxidization remains open to depth.

“We continue to be very pleased with the drill results from Cerro Maricunga”, stated Carl B. Hansen, President and CEO of Atacama Pacific, “as they further establish the continuity of the large oxidized, breccia-hosted gold system extending over a strike of 2.5 kilometres and to depths in excess of 450 metres. Four drill rigs are presently operating on the property with two rigs targeting the 400 metre wide Phoenix Zone and the other two drills tracing the gold mineralization from the Lynx and Crux Zones towards the Phoenix Zone. We look



forward to our initial resource estimation on Cerro Maricunga, planned for the third quarter of 2011.”

Table 1 - Summary of Cerro Maricunga Drill Assay Results (at a 0.3 g/t Au cut-off grade)

Hole #	Section	From (metres)	To (metres)	Interval (metres)	Grade (g/t Au)	Notes
CMD-016	500	0	40	40	0.79	NW extension of Crux Zone
CMD-019	1000	40	58	18	0.52	NW extension of Crux Zone
		170	188	18	0.30	
CMR-020	1650	0	16	16	0.49	Core of Phoenix Zone
		94	188	94	0.53	
		228	246	18	0.47	
		304	340	36	0.85	
CMR-022	2200	96	126	30	0.42	Lynx Zone traced to 300 m depth
		206	282	76	0.77	
		242	272	30	1.13	
CMR-023	850	2	34	32	0.33	NW extension of Crux Zone
		96	116	20	0.43	
CMR-024	1350	2	18	16	0.37	NE contact of Phoenix Zone
		56	134	78	0.56	
		148	178	30	0.62	
CMR-025	1700	0	254	254	0.57	SW into core of Phoenix
		0	46	46	0.73	
		142	174	32	0.81	
		196	216	20	0.93	
		298	444	146	0.55	Ends in mineralization (~1 g/t Au)
CMR-028	1550	0	208	208	0.60	Core of Phoenix to NE contact
		0	84	84	0.74	
		28	72	44	1.00	
		38	56	18	1.31	
		264	318	54	0.37	
CMR-029	1500	34	88	54	0.44	NE contact of Phoenix Zone
		166	230	64	0.41	

Note: Drill holes prefixed “CMD” are diamond drill holes; holes prefixed “CMR” are RC drill holes. All drill holes were collared at -60 degrees. All intervals represent down-hole lengths and not true widths.

Three drill holes, collared along the north westerly trending extension of the Crux Zone, encountered +0.3 g/t Au mineralization extending over a strike length of 500 metres with true widths of +20 metres. Drill hole CMR-016 was collared into 40 metres grading 0.79 g/t Au and a second hole has been drilled in the opposite direction to determine the width of the gold zone. Significant halos of 0.2 to 0.3 g/t Au mineralization were also encountered.



Metallurgical Results – Preliminary Comminution Tests

Crushing and grinding of ore is a significant capital and operational cost in many mineral processing plants. As such it is important to fully determine the comminution parameters relevant to the crushing of the Cerro Maricunga gold mineralization in order to determine potential cut off grades and to assist in plant design.

Two samples of gold mineralized material were tested to determine: 1) the work index, the amount of energy, measured in kilowatt hours per tonne (“kWhr/t”), required to grind the host rock; and, 2) the bond abrasion index, to determine abrasiveness of the mineralized material.

Table 2 summarizes the results from the test work. The Work indices were low varying from 10.63 to 11.26 kWhr/t suggesting relatively low power requirements for crushing. The work index was determined from ball mill grindability tests conducted at 100 mesh (150 µm).

The abrasion tests returned low (0.067) to moderate (0.124) Bond Abrasion indices, averaging 0.095. Material with a Bond Abrasion Index of less than 0.1 has relatively low abrasiveness to processing equipment. Abrasion indices were conducted on a -3/4” + 1/2” fraction of crushed samples.

Table 2 – Comminution Test Results

Sample	Work Index (kWhr/t)	Bond Abrasion Index
45640	10.63	0.067
45643	11.26	0.124
Average	10.95	0.095

The reported test work was completed by metallurgical testing and consulting services firm Phillips Enterprises, LLC of Golden, Colorado. Atacama Pacific’s metallurgical testing program is managed by AMTEL (Advanced Mineral Technology Laboratory Ltd), London, Canada.

About Atacama Pacific Gold Corporation

Atacama Pacific’s principal business is the acquisition, exploration and development of precious metals resource properties in Chile. Atacama Pacific’s principal mineral property is the Cerro Maricunga oxide-associated, breccia-hosted gold project, located in Region III, 140 kilometres by road northeast of the city of Copiapo. Atacama Pacific’s goal is to become a producer of gold through the exploration and development of the Cerro Maricunga Project. Atacama Pacific also owns four other mineral properties within close proximity to the Cerro Maricunga Project and a fifth property in Chile’s Region I.



Quality Control / Quality Assurance Program

RC chips and diamond drill core from Atacama Pacific's drilling campaign were collected at the drill under the direct supervision of Atacama Pacific staff. Both the RC samples and drill core were appropriately tagged, secured and transported to the Atacama Pacific exploration camp and then to Atacama Pacific's secure sample, logging and storage site in Copiapo, Chile. Each RC chip sample was split to obtain a 15 kilogram sample for assay purposes. Representative chips were collected from each sample for logging purposes. Drill core was logged, marked at two metre intervals for sampling and split longitudinally with a diamond drill saw. One half of the core was bagged and sample tags attached and the second half of the core was returned to the core boxes. All samples were appropriately tagged and sent to Asesoria Minera Geoanalitica Ltda.'s ("Geoanalitica") sample preparation facility in Copiapó. Resulting pulps were then returned to Atacama Pacific's storage facility in order to insert QA-QC pulps and re-numbering (bar codes) before being transported by Atacama Pacific personnel to Activation Laboratorios Ltda. ("Actlabs") in Coquimbo, Chile for analysis.

Samples were analyzed for gold using fire assay techniques using two assay/ton samples (about 50 gram) with an atomic absorption spectrographic finish for a sensitivity of 5 ppb (.005 ppm) gold. Approximately 10% of the samples submitted to Actlabs comprise field rejects for RC chip samples, coarse rejects for drill core, pulp duplicates, standard and blank samples to ensure laboratory quality control procedures.

Five metre channel samples, collected by company staff, are prepared by Geoanalitica in Copiapo before being shipped to the Geoanalitica lab in Antofagasta, Chile for assay. Sample security is similar to that in place for the drill samples.

National Instrument 43-101 Compliance

Under National Instrument 43-101 ("NI 43-101") of the Canadian Securities Administrators, the qualified person for the Cerro Maricunga Property is Michael Easdon, a resident of Santiago, Chile and a Professional Geologist registered with the State of Oregon, USA. Mr. Easdon, an independent qualified person as defined by NI 43-101, has reviewed and verified the contents of this press release.

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