

PRESS RELEASE

Atacama Announces C\$32,025,000 Bought Deal Public Offering and Secondary Offering of Common Shares

Not for distribution to U.S. newswire services or dissemination in the United States

June 21, 2011, Toronto, ON – Atacama Pacific Gold Corporation (“Atacama” or the “Company”), (TSX-V: ATM) is pleased to announce that it has entered into an agreement with RBC Capital Markets (“RBC”), under which RBC has agreed to purchase on a bought deal basis pursuant to a short form prospectus, 6,100,000 common shares (the “Offering”) comprised of 5,800,000 common shares issued by the Company from treasury (the “Treasury Offering”) and 300,000 common shares from an existing shareholder (the “Secondary Offering”) at a price of C\$5.25 per common share (the “Offering Price”). The proceeds from the Treasury Offering are C\$30,450,000 and the proceeds from the Secondary offering are C\$1,575,000. The Company and the Selling Shareholder have granted the underwriters an over-allotment option to purchase up to an additional 15% of the Offering at the Offering Price, exercisable in whole or in part, at any time prior to 30 days following the Closing Date.

Net proceeds of the Treasury Offering will be used to advance development of the Company's Cerro Maricunga Gold Property and for general corporate purposes. The Company will not receive any proceeds pursuant to the Secondary Offering.

The Offering is scheduled to close on or about July 12, 2011 (the “Closing Date”) and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange.

Copies of the preliminary prospectus may be obtained from RBC Capital Markets, Attention: Distribution Centre, 277 Front St. W., 5th Floor, Toronto, Ontario M5H 2X4 (tel: 416-842-5349).

For further information please contact:

Carl B. Hansen - President and CEO

Phone: 416 861 8267 - Email: info@atacamapacific.com

or visit Atacama Pacific's website at www.atacamapacific.com

The securities referred to in this press release have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This press release does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States.

FORWARD LOOKING STATEMENTS

This release contains forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements with respect to completion of the Offering, completion of economic assessments, exploration results, the success of exploration activities generally, mine development prospects, and future gold production. Often, but not always, forward-looking statements can be identified by the use of words such as “advance”, “plans”, “planning”, “expects” or “does not expect”, “continues”, “scheduled”, “estimates”, “forecasts”, “intends”, “potential”, “anticipates”, “does not anticipate”, or “belief”, or describes a “goal”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the results of due diligence activities, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in Atacama Pacific’s publicly filed documents. Although Atacama Pacific has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), accepts responsibility for the adequacy or accuracy of this release.