



## Atacama Pacific Reports Initial Cerro Maricunga Gold Resource Estimate of 1.62 Million Ounces Indicated and 1.95 Million Ounces Inferred

**Toronto, Canada, August 24, 2011 - Atacama Pacific Gold Corporation (TSXV:ATM)** (“Atacama Pacific”) is pleased to report an initial resource estimate from its oxide-associated Cerro Maricunga Gold Project of 92.8 million tonnes grading 0.54 gram per tonne gold (“g/t Au”) for 1.616 million ounces of gold in the indicated resource category, at a 0.3 g/t Au cut-off, and a further 116.7 million tonnes grading 0.52 g/t Au giving 1.949 million ounces in the inferred category. The Cerro Maricunga deposit is located in Chile’s Maricunga Mineral Belt, 20 kilometres south of Kinross Gold’s La Coipa mine. Table 1 summarizes the resource estimate at various cut-off grades.

“We are proud to announce our first resource estimate for the Cerro Maricunga gold deposit” stated Carl Hansen, President and CEO of Atacama Pacific. “The size of the estimate significantly exceeds our initial expectations and clearly demonstrates the future potential of Cerro Maricunga. With significant targets available, we are preparing to continue our aggressive pace of exploration with a 42,000-metre Phase III drill program scheduled to commence in October 2011. Considering the size of the resource and the continuing positive metallurgical results confirming that the oxide-associated gold mineralization is amenable to heap leach processing, plans are also being made to start engineering studies early 2012.”

**Table 1 - Cerro Maricunga Resource Estimate - August 2011**

Cut-off (g/t Au)	Indicated Category			Inferred Category		
	Tonnes (millions)	Grade (g/t Au)	Gold Ounces (000's)	Tonnes (millions)	Grade (g/t Au)	Gold Ounces (000's)
0.1	163.1	0.40	2,094	354.6	0.29	3,321
0.2	134.1	0.45	1,949	202.5	0.40	2,626
0.3	92.8	0.54	1,616	116.7	0.52	1,949
0.4	59.8	0.65	1,247	69.2	0.64	1,429
0.5	40.8	0.74	973	47.7	0.73	1,121
0.6	28.7	0.83	761	34.4	0.80	887
0.7	19.4	0.91	569	21.4	0.90	617
0.8	13.0	0.99	413	13.8	0.98	435

The Lynx and Phoenix Zones host the majority of the resource estimate with the entire 1.616 million ounce indicated resource hosted within the two zones (see Table 2 and Figure 1 attached). Drilling has established that the northern Lynx and central Phoenix Zones are essentially a single 1.4 kilometre mineralized zone, situated along two peaks within the Ojo de Maricunga volcanic complex, which are cut by north-westerly trending regional structure. The



Phoenix Zone is open at depth and along strike to the east-southeast where trenching has outlined further mineralization over 600 metres which has yet to be drill tested. The Lynx Zone remains open at depth, joins to the Phoenix Zone the southeast and is limited to the northwest by the edge of the volcanic complex.

To the southeast of the Phoenix Zone, the Crux Zone hosts an inferred resource of 577 thousand ounces of gold in 33.1 million tonnes grading 0.54 g/t Au. The Crux Zone is open at depth and to the northwest; however, to the southeast the mineralization is terminated along the margins of the volcanic centre. While geostatistical analysis confirmed that a portion of the Crux Zone resource could be classified in the indicated category, the resource was classified as inferred due to minor uncertainties regarding geological interpretation.

The fine grained gold mineralization is hosted within intrusive subvolcanics and related breccias emplaced along the north-westerly striking structure. The gold is associated with black-banded quartz veining and with finely disseminated iron oxides, dominantly magnetite. The mineralized system is sulphide poor with only rare grains of pyrite and chalcopyrite being observed.

### **Phase III Exploration Campaign**

The primary objective of the 42,000-metre Phase III exploration campaign, scheduled to begin in October 2011, will be to further expand the existing resources along strike, where open, and to depth as well as test new targets within the volcanic complex identified during the Phase II exploration program. A program of infill drilling will focus on converting the existing inferred category gold ounces to the measured and indicated categories. Preliminary engineering studies are scheduled to begin early 2012.

### **Resource Estimation Methodology**

The Cerro Maricunga resource estimate is based upon 33,382 metres of diamond and reverse circulation drilling in 90 drill holes. A total of 9,366 two-metre samples were used in the estimation: Lynx Zone – 2,217 samples; Phoenix Zone – 5,876 samples; and, Crux Zone – 1,273 samples.

Three-dimensional models were built for each zone using a 150-ppb contour and taking into account structure controls. Variography within each zone was analyzed by means of correlogram maps, down the hole and directional correlograms. Final results indicated an overall horizontal isotropy and vertical anisotropy, and that Lynx and Phoenix could be estimated as a single unit.

Resources were estimated via Ordinary Kriging in 3 passes. In the cases of Lynx and Phoenix, samples assaying greater than 3.00 g/t Au were capped, and those assaying greater than 2.00 g/t Au were given a restricted influence of 10 meters. Samples assaying greater than 2.35 g/t Au in Crux were capped. The resulting 10 x 10 x 10-metre block model was validated by means of global and conditional bias assessments as well as by drift analyses.



A total of 122 core specimens were tested for specific gravity. Specific gravity for each block in the model was estimated via Inverse Distance Squared method. The arithmetic average of the specific gravity, based on 64 tests on core from within the 0.15 g/t Au envelope, was 2.45.

The resources were classified according to the following criteria: blocks located within 50 metres in a N45°W direction and 100 metres in a N45°E direction of a drill hole were placed in the indicated category while the remaining blocks within the mineralized envelope were classified as inferred.

The Cerro Maricunga resource estimate was prepared under Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards (2005). Michael Easdon is the independent qualified person, as defined by National Instrument 43-101 (“NI 43-101”), for the resource estimate. SRK Consulting (Chile) S.A undertook to prepare and is responsible for the resource estimate. Joled Nur, Geostatistical Engineer for SRK Consulting (Chile) and a member of the Australasian Institute of Mining and Metallurgy, is the qualified person who prepared the resource estimate.

### **Quality Assurance / Quality Control Program**

Reverse circulation (“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 an approximate 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 Asesoría Minera Geoanalítica Ltda.’s sample preparation facility in Copiapo. Resulting pulps were then returned to Atacama Pacific’s storage facility for insertion of quality assurance and quality control (“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.

Sample quality assurance and quality control measures for the Phase II program included the insertion of duplicates, standards and blanks. Statistical analyses were performed for: 417 field duplicates for reverse circulation drilling; 117 coarse duplicates for diamond drilling; and 534 pulp duplicates for chemical laboratory analysis. Additionally, grade QA-QC analyses were performed for 534 standards and for 238 blank samples. Overall conclusions drawn from the QA-QC analyses are as follows:

- Analyses of duplicates show good precision, indicating that the protocols used for sample preparation and assaying were adequate.



- Analyses of standards used during exploration show good accuracy.
- Analyses of blanks show no serious contamination problems between samples.

The overall conclusion is that QA-QC data generated throughout the Cerro Maricunga Phase II drill program meets acceptability criteria and the exploration data can be used with confidence for resource modeling and estimation.

### **About Atacama Pacific Gold Corporation**

Atacama Pacific's 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 Gold Project. Atacama Pacific also has interests in four other mineral properties within close proximity to the Cerro Maricunga Gold Project and a fifth property in Chile's Region I.

### **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 Gold Project 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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### **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 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 "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.

**Table 2 - Cerro Maricunga Resource Estimate by Zone - August 2011**

<b>Lynx (North) Zone</b>						
	<b>Indicated Category</b>			<b>Inferred Category</b>		
<b>Cutoff (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>
0.1	48.0	0.40	614	114.5	0.36	1,322
0.2	36.0	0.48	554	79.8	0.44	1,139
<b>0.3</b>	<b>25.5</b>	<b>0.57</b>	<b>470</b>	<b>49.5</b>	<b>0.57</b>	<b>901</b>
0.4	18.5	0.66	391	34.8	0.66	739
0.5	13.3	0.74	316	26.6	0.73	623
0.6	9.1	0.83	243	21.5	0.77	532
0.7	6.4	0.91	188	12.7	0.86	351
0.8	4.5	0.98	140	8.7	0.90	253

<b>Phoenix (Central) Zone</b>						
	<b>Indicated Category</b>			<b>Inferred Category</b>		
<b>Cutoff (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>
0.1	115.1	0.40	1,480	105.4	0.28	932
0.2	98.2	0.44	1,395	72.2	0.33	770
<b>0.3</b>	<b>67.4</b>	<b>0.53</b>	<b>1,146</b>	<b>34.1</b>	<b>0.43</b>	<b>470</b>
0.4	41.3	0.64	856	13.5	0.57	247
0.5	27.6	0.74	658	7.7	0.66	165
0.6	19.6	0.82	518	3.6	0.81	94
0.7	13.0	0.91	381	2.5	0.88	70
0.8	8.5	1.00	273	1.2	1.04	41

<b>Crux (South) Zone</b>						
	<b>Indicated Category</b>			<b>Inferred Category</b>		
<b>Cutoff (g/t Au)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>	<b>Tonnes (millions)</b>	<b>Grade (g/t Au)</b>	<b>Gold Ounces (000's)</b>
0.1	-	-	-	67.2	0.37	801
0.2	-	-	-	49.8	0.44	712
<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.1</b>	<b>0.54</b>	<b>577</b>
0.4	-	-	-	21.0	0.66	443
0.5	-	-	-	13.4	0.78	334
0.6	-	-	-	9.2	0.88	261
0.7	-	-	-	6.2	0.99	197
0.8	-	-	-	3.9	1.14	142

Figure 1 – Cerro Maricunga Resource Category Contours – Plan 4750 Level

