



## **Atacama Pacific Reports Cerro Maricunga Infill Drilling Results and Provides Water Exploration Update**

**TORONTO, January 17, 2013 – Atacama Pacific Gold Corporation (TSXV:ATM)** (“Atacama Pacific”) is pleased to report drilling results from the 20,000-metre Phase IV infill drilling program at its 100% owned Cerro Maricunga oxide gold project as well as provide an update on ongoing water exploration activities.

Highlights from the infill drill program, summarized in Table 2 (attached), include:

- 132 metres grading 0.70 grams per tonne gold (“g/t Au”) from the Crux Zone (CMD-228)
- 78 metres grading 1.03 g/t Au from the Crux Zone (CMR-229) including 1.73 g/t Au over 36 metres
- 68 metres grading 0.39 g/t Au followed by 86 metres grading 0.58 g/t Au from a new extension of the Crux Zone (CMR-246)

“With the 20,000-metre Phase IV infill drilling program progressing well, the main focus of Atacama Pacific is the completion of its Preliminary Economic Assessment (“PEA”) scheduled for release prior to the end of this month”, said Carl Hansen, President and CEO of Atacama Pacific. “The PEA will outline the optimum mining and processing parameters and establish, within limits, the associated capital and operating costs for an open pit mining and heap leach processing operation at Cerro Maricunga.”

The core areas of the Lynx, Phoenix and Crux Zones have largely been drilled on 50 metre sections and the current infill drilling program is targeting potential extensions of the known mineralization, the margins of the resource model, and as well as confirming the block model interpretation. Infill drilling is also focused on determining the size and orientation of the Pollux Zone which was discovered towards the end of the Phase III drill program.

Drilling in the Pollux Zone is suggesting the gold mineralization may have an east-west orientation along a northwest striking trend similar to the Crux Zone. Further drilling, targeting the higher grade areas, is planned to confirm the orientation of the Pollux Zone mineralization.

Drill holes CMR-239 and CMR-241, drilled between the Crux and Phoenix zones in an area previously considered barren, returned significant intervals of +0.2 g/t Au mineralization including 62 metres grading 0.33 g/t Au and 44 m grading 0.47 g/t Au. Continued drilling will determine the extent of the mineralization in this area.

Atacama Pacific has completed 2 water exploration wells to depths of 185 and 224 metres in two aquifers within the boundaries of its AMX water exploration concessions. Both exploration wells hit significant water flows. A drill hole testing a third aquifer is presently at 92 metres with a target depth of 200 to 250 metres. A fourth drill hole may be undertaken. Upon completion of the water exploration drilling, a series of wells will be drilled to facilitate pump tests to determine sustainable water flow rate as required for permitting. As part of the pending PEA, Atacama Pacific has received a quote for the construction of the pipeline from the AMX concessions to Cerro Maricunga.



The measured and indicated (“M&I”) resources at the Cerro Maricunga Gold Project, summarized in Table 1, presently stand at 2.667 million ounces of gold in 163.9 million tonnes grading 0.51 g/t Au, at a 0.3 g/t Au cut-off, with a further 1.810 million ounces of gold in 120.7 million tonnes grading 0.47 g/t Au in the inferred category. The entire resource is associated with oxidized host rocks.

**Table 1 - Cerro Maricunga Resource Estimate**

Cut-off (g/t Au)	Measured		Indicated		Measured and Indicated			Inferred		
	Tonnes (millions)	Grade (g/t Au)	Tonnes (millions)	Grade (g/t Au)	Tonnes (millions)	Grade (g/t Au)	Gold Ounces (000's)	Tonnes (millions)	Grade (g/t Au)	Gold Ounces (000's)
0.2	60.4	0.44	187.5	0.41	247.9	0.42	3,344	226.3	0.36	2,654
<b>0.3</b>	<b>40.7</b>	<b>0.53</b>	<b>123.1</b>	<b>0.50</b>	<b>163.9</b>	<b>0.51</b>	<b>2,667</b>	<b>120.7</b>	<b>0.47</b>	<b>1,810</b>
0.4	24.5	0.64	71.2	0.61	95.8	0.62	1,912	57.8	0.60	1,118
0.5	15.1	0.77	42.8	0.72	57.9	0.74	1,370	32.3	0.73	754

### Corporate Update

As at Jan 19, 2012, Atacama had \$20.2 million in cash and 50,937,410 shares outstanding, of which management and insiders owned 15,030,424 shares or approximately 30%. Including 4,877,000 share options, the fully diluted outstanding shares total 55,814,410.

### National Instrument 43-101 Compliance

Michael Easdon, a Professional Geologist registered with the State of Oregon, USA, is the independent qualified person, as defined by National Instrument 43-101 (“NI 43-101”) for the Cerro Maricunga Phase IV exploration program. Mr. Easdon has reviewed and verified the content of this press release. Dr. Eduardo Magri, a mining engineer (University of Witwatersrand) and a Fellow of the Southern African Institute of Mining and Metallurgy, is the independent qualified person for the Cerro Maricunga resource estimate released September 25, 2012. The Cerro Maricunga resource estimate was prepared under Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards (2005). NCL Ingeniería y Construcción Ltda. undertook to prepare and is responsible for the resource estimate under the supervision of Dr. Eduardo Magri and Antonio Couble (NCL Associate).

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](http://www.atacamapacific.com)

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.

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**Table 2 - Summary of Cerro Maricunga Drill Results** ( $\geq 10$  m intervals composited at a 0.2 g/t cut-off)

Hole #	Section	From (metres)	To (metres)	Interval (metres)	Grade (g/t Au)	Zone	Notes
CMR-223	750	150	170	20	0.26	Pollux	Extension
CMD-224	750	26	50	24	0.27	Crux	Extension
CMR-226	300	48	68	20	0.35	Crux	At the SE end of Crux
		172	196	24	0.32		
		224	234	10	0.34		
CMR-227	450	86	102	16	0.34	Crux	SW contact
		114	132	18	0.44		
		160	222	62	0.44		
		236	266	30	0.50		
		286	296	10	0.27		
CMD-228	600	0	132	132	0.70	Crux	SW contact of higher grade material
including		14	30	16	1.09		
CMR-229	550	0	78	78	1.03	Crux	Higher grade surface mineralization
including		12	48	36	1.73		Confirmed
		148	172	24	0.40		
		228	238	10	0.22		
		254	278	24	0.34		
CMR-231	950	212	254	42	0.25	Pollux	NE contact
CMD-232	1050	96	106	10	0.29	Pollux	
CMR-233	650	166	180	14	0.22		
CMR-234	1000	0	20	20	0.22	Pollux	Possible change in orientation of zone
		62	164	102	0.28		
CMR-235	1050	0	14	14	0.31	Pollux	NE contact
		72	82	10	0.33		
CMD-236	850	8	44	36	0.35	Pollux	
		52	62	10	0.35		
		126	164	38	0.29		
		190	288	98	0.31		
CMR-237	550	0	88	88	0.47	Crux	SW contact
including		10	54	44	0.64		
CMR-238	700	50	114	64	0.40	Crux	
CMR-239	900	6	18	12	0.44	Phoenix	SE extension of zone of Phoenix;
		26	88	62	0.33		drilled from CMR-241
CMR-241	900	106	150	44	0.47	Phoenix	SE extension of zone of Phoenix;
including		106	124	18	0.75		drilled from CMR-239
CMR-243	1050	170	186	16	0.24	Phoenix	Extension of Phoenix -
		196	210	14	0.30		towards CMR-239 & -241
CMR-244	2500	0	14	14	0.35		
CMR-246	350	10	78	68	0.39	Crux	New extension of the Crux
		112	198	86	0.58		

NOTES: Unless otherwise noted, reported gold grades are composited at a 0.2 g/t Au cut-off. All intervals represent down-hole lengths and not true widths. Drill holes prefixed "CMD" are diamond drill holes; holes prefixed "CMR" are RC drill holes.