



## **TOACHI MINING COMPLETES FINAL EARN-IN PAYMENT TO ACQUIRE 60% OWNERSHIP OF LA PLATA PROJECT**

**Toronto, Ontario – August 6, 2019: Toachi Mining Inc.**, (“Toachi” or the “Company”) (TSX-V: TIM) (OTCQB: TIMGF) is pleased to announce it has delivered the final US\$1.0 million milestone cash payment (the “Final Payment”) to its partner (the “Optionors”) to obtain 60% ownership of Compañía Minera La Plata S.A. (“CMLP”). CMLP is 100%-owner of the La Plata gold-copper VMS project and related concessions located in the Cotopaxi Province of Ecuador.

To date, the Company has paid the Optionors a total of US\$2.0 million in cash and fulfilled its requirement to incur a minimum of US\$3.8 million in exploration expenditures during the first phase of the Option Agreement. The funds for the Final Payment were obtained via a short-term loan facility and will be secured against the Company’s ownership position in CMLP. The short-term loan facility bears interest at a rate of CDOR plus 14% per annum and has been provided by Dundee Corporation. The facility matures on November 29, 2019, subject to acceleration in certain circumstances. With the delivery of the final payment, Toachi has been granted a 60% ownership interest and full operational control of its flagship project.

Toachi’s President & CEO, Alain Bureau stated, *“We are pleased to have fulfilled our obligations to complete the first phase of the Earn-In Agreement and take a controlling ownership interest in the La Plata project. With the first phase of the Earn-in satisfied, the Company is now in the enviable position of having no additional cash payment obligations on the project. Our work to date further supports our view that La Plata has the potential to be a robust operation with considerable exploration upside.”*

With the completion of the first phase of the Option Agreement (dated February 11, 2016), the Company now turns its attention to subsequent Earn-Ins opportunities to increase its ownership:

- 1- From 60% to 65% (+5%) by financing the cost of a Feasibility Study;
- 2- From 65% to 70% (+5%) by arranging construction financing of less than US\$60 million to build a mine at the La Plata project; or
- 3- From 65% to 75% (+10%) by arranging construction financing of more than US\$60 million to build a mine at the La Plata project.

### **Update on the Toachi-Atico Plan of Arrangement**

On August 1<sup>st</sup>, Toachi received the interim order from the Ontario Superior Court of Justice in connection with the previously announced business combination between Atico Mining Corporation (“Atico”) and Toachi. The Company continues to target early August for mailing of the management information circular. Assuming all conditions under the Arrangement Agreement dated July 8, 2019 between Toachi and Atico are satisfied, including the favourable outcome of the Company’s special meeting of shareholders scheduled on September 3, 2019, Toachi will seek the Ontario Court of Justice’s final order by September 9, 2019.

## **About Toachi Mining Inc.**

Toachi brings a disciplined and veteran team of project managers together with one of the industry's highest grade projects at La Plata in Ecuador. Toachi is focused on and committed to the development of advanced stage mineral projects throughout the Americas using industry best practices combined with a strong social license from local communities. Toachi Mining has 81,166,435 shares issued and outstanding.

## **Forward Looking Statements**

Certain statements contained in this news release may constitute "forward-looking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions, including, that the Company's financial condition and development plans do not change as a result of unforeseen events and that the Company obtains regulatory approval. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays, or cessation in planned work, that the Company's financial condition and development plans change, and delays in regulatory approval, as well as the other risks and uncertainties applicable to the Company as set forth in the Company's continuous disclosure filings filed under the Company's profile at [www.sedar.com](http://www.sedar.com). The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

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