



## **TOACHI MINING ANNOUNCES ADDITIONAL FINANCING OF C\$150,000**

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**Toronto, Ontario – February 27<sup>th</sup>, 2019: Toachi Mining Inc.**, (“Toachi” or the “Company”) (TSX-V: TIM) (OTCQB: TIMGF) is pleased to announce that it intends to proceed with a non-brokered private placement with a combination of insiders and high net worth investors, for an aggregate principal amount of C\$150,000 convertible debentures (the “Debentures”) of Toachi (the “Financing”). The Financing is conducted subsequently to the Company’s previously announced convertible debentures financing on January 24, 2019 and is oversubscribed from the original offering of C\$1,500,000.

Each Debenture will bear interest at an annual rate of 10.85% and may be converted into a maximum of 1,250,000 common shares of the Company at a conversion price of \$0.12 per share at any time prior to maturity. Maturity is 12 months following the closing date. No transaction or finder’s fees will be paid in conjunction with the issuance. The Debentures and its underlying common shares will be subject to resale restrictions of four month and one day from the closing.

The net proceeds from the Financing will be used to accelerate Toachi’s option payment to earn a controlling interest in the La Plata Project in Ecuador, advance engineering of the Toachi’s La Plata Project as well as for working capital and general corporate purposes.

Over a majority of the Financing is to be subscribed by insiders of the Company, including members of the Board of Directors. Insiders of Toachi will participate in the Financing on the same terms as arm’s length investors. Upon completion of the Financing, their aggregate shareholdings in the Company will not change on an undiluted basis and will increase from 19.70% to 20.10% on a partly diluted basis taking into account restrictions on conversion. The participation of each insider is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101") and Policy 5.9 Protection of Minority Security Holders in Special Transactions of the TSX Venture Exchange.

As Toachi is not listed on certain specified stock exchanges, it will be exempted from the requirement to obtain a formal valuation. Toachi will also be exempted from the minority approval requirements on the basis that at the time the transaction will be agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves interested parties, will exceed 25% of Toachi’s market capitalization or \$2,500,000.

Toachi did not file a material change report more than 21 days before the closing of the Financing, as the details of the aforementioned insiders' participation had not been confirmed at that time.

The board members of Toachi reviewed different financing opportunities as well as the state of the financial market and unanimously determined that the terms and conditions of the Financing, including the subscriptions of the related parties, were fair and equitable and represented the best strategic financing option available.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities of Toachi Mining Inc. in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities offered have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or unless an exemption from such registration is available.

Additional information relating to the Company is also available on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **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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