



Toachi Mining Inc. Starts Drill Program at La Plata Project

Developing the High Grade La Plata Gold-Copper-Silver-Zinc VMS Project in Ecuador

Toronto, Ontario – August 15, 2016: Toachi Mining Inc., (“Toachi” or the “Company”) (TSXV-TIM) is pleased to announce that the Company has started a drill program at its La Plata high grade volcanogenic massive sulphide (“VMS”) gold-copper-silver-zinc project in Ecuador.

Phase One Exploration Program

Toachi’s program, including a first-phase 4,000-m drill program and a review of historic exploration data, has several objectives:

- Verification of historic drill results, which will allow for the incorporation of these results into a National Instrument 43-101 resource estimate.
- In-fill drilling in the main mineralized zones to improve confidence limits in resource estimation.
- Testing for down dip extensions of mineralization with the main La Plata mineralized massive sulphide lenses.
- Exploration drilling to test known massive sulphide targets identified across the property concessions for more than four kilometres. See the exploration target map at the end of this press release.
- Reprocessing of historic gravity survey data, which was completed in 2000 and highlights several discrete gravity highs.

Toachi has also completed an initial historic data review and analysis of drill core under the supervision of Dr. Allan Miller, which is designed to provide a better understanding of controls on mineralization at La Plata prior to the start of a drilling program. Dr. Miller spent a career with the Geological Survey of Canada and is an authority on VMS deposits and their genesis.

Key Appointments

Toachi is also pleased to announce the appointment of Phillip Fox to the position of Exploration Manager effective immediately. He will be responsible for the direct field management of the multiphase program being initiated. Phil has more than 20 years of mineral exploration experience working with a variety of international mining companies, including RSG Global, one of the world's premier mineral consultancies.

As part of his compensation package, Mr. Fox has been granted 150,000 stock options, as allowed under the Company's stock option plan. These options can be exercised to purchase one common share at a price of \$0.38 and carry a term of five years.

Dr. Julian Barnes, Technical Advisor to the Company, has also been granted 150,000 stock options with the same terms and conditions.

The La Plata Project

Toachi entered into an option agreement with a private Ecuadorean company to earn between a 60% to 75% interest in the La Plata gold-copper-silver-zinc VMS project, located 85 km south of Quito, Ecuador. For complete terms of the transaction, please see our press release dated February 11, 2016 at www.toachimining.com.

La Plata is a gold-rich VMS sulphide deposit that was the subject of small scale mining from both an open pit and underground workings from 1975-1981.

From 1996 to 2000, Cambior Inc., a Canadian mining company, completed 8,628 metres of drilling and a preliminary resource estimate totaling 840,000 tonnes grading 4.8 grams gold per tonne, 4.1% copper, 54.4 grams silver per tonne and 0.7% lead and 4.2% zinc per tonne in 1999, according to a report completed by AMEC Foster Wheeler, a mining consulting firm, in March 2015.

Following a drill program by Cornerstone Capital Resources Inc., which included 5,933 metres of drilling from 2006-2007, a revised mineral resource estimate totaling 913,977 tonnes grading 8.01 grams gold per tonne, 88.3 grams silver per tonne, 5.01% copper, 6.71% zinc and 0.78% lead per tonne in the inferred category was completed.

The resource estimates described above are historical estimates as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* S.2.4 (“NI 43-101”). Toachi has not completed the work required to independently analyze and verify the results of the previous operators nor has a qualified person completed sufficient work to classify the estimates as current mineral resources or mineral reserves. With respect to the Cambior estimate, the Company is also not aware of what categories were used in the estimate. As a result, Toachi is not treating these estimates as current mineral resources or mineral reserves.

The Company believes these historic results provide an indication of the potential of the property and are relevant from an on-going exploration perspective.

Exploration Potential

The 2,300 hectare La Plata project also includes at least eight discrete exploration targets defined by coincident rock geochemistry, favorable geology and geophysics. These targets which extend along strike from the main La Plata mineralized zones for 4 km, have had limited drill testing by only 8 holes. Toachi management believes the volcanic stratigraphy across the concessions is favorable for hosting additional massive sulphide mineralization.

Phillip Fox, MAIG, a Qualified Person as defined by NI 43-101, has reviewed and approved the contents of this press release.

About Toachi Mining

Toachi Mining brings a disciplined and veteran team of project managers together with a high grade gold-copper-silver-zinc VMS project at La Plata in Ecuador. Toachi Mining 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 38,349,937 million shares issued and outstanding.

Forward Looking Statements

Certain information set forth in this news release contains "forward-looking statements", and "forward-looking information under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include the Company's expectations about the completion of the Option Transaction. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: the ability of the Company to obtain TSX Venture Exchange approval for the Option Transaction on the terms described herein or at all, or the Company receiving funding to complete the Option Transaction. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such

statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements. Trading in the securities of the Company should be considered highly speculative.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities 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 or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

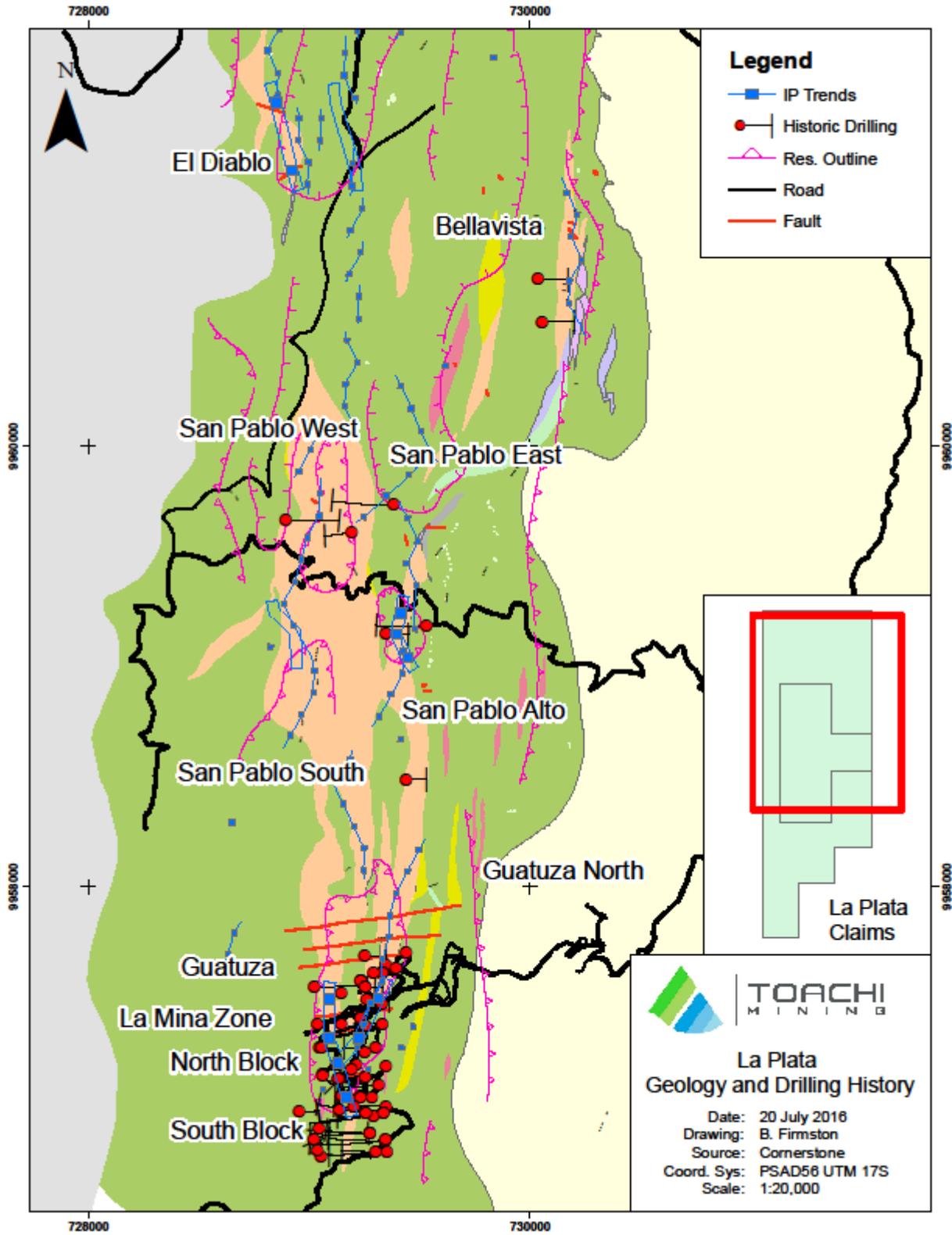
FOR ADDITIONAL INFORMATION PLEASE CONTACT

Nick Tintor, President and CEO

Telephone: 416 987 0855

Email: ntintor@rgmi.ca

Website: www.toachimining.com



La Plata Exploration Target Map

