



Altaley Mining Corporation
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Canada

Altaley Mining Announces First Tranche Closing of \$4.24 Million and Updates Tahuehueto Construction

VANCOUVER, BRITISH COLUMBIA, APRIL 21, 2022

Altaley Mining Corporation (“Altaley” or the “Company” (TSX-V: ATLY; OTCQX: ATLYF; Frankfurt: TSGA) announces that it has closed a first tranche of its non-brokered private placement financing (the “Private Placement”) for gross proceeds of \$4,240,703.60 on the issuance of 12,116,296 Units at \$0.35 per Unit. Each Unit consists of one common share of the Company (a “Unit Share”) and one half of one transferable share purchase warrant (each whole warrant a “Warrant”). Each Warrant entitles the holder thereof to acquire one additional common share (a “Warrant Share”) at a price of CAD \$0.55 per Warrant Share for a period ending two (2) years (the “Expiry Date”) following the closing of the Private Placement (the “Closing Date”) subject to an acceleration clause. If, at any time between Closing Date and the Expiry Date, the closing price of the Company’s common shares (“Shares”) on the TSX Venture Exchange (the “Exchange”) exceeds \$0.75 for 15 consecutive trading days, then the Company will earn the right, by providing notice (the “Acceleration Notice”) to the Warrant holder via news release or written notice, to accelerate the Expiry Date of the Warrants to 4:00pm (Vancouver time) on that date which is 30 days from the date of the Acceleration Notice (the “Accelerated Expiry Date”). In such instance, all Warrants that are not exercised prior to the Accelerated Expiry Date will expire on the Accelerated Expiry Date.

All securities issued in connection with the private placement are subject to a four month plus one day hold period under applicable Canadian securities laws. Finder’s fees of \$68,340 cash were paid in connection with the Private Placement. The Private Placement is subject to receipt of final approval of the TSX Venture Exchange.

The Company intends to close the remaining \$759,296 second tranche of the unit private placement under the same terms outlined above as remaining private placement subscription agreements and proceeds are received by the Company.

The net proceeds from the Units will be used by the Company for working capital purposes related to the ramp-up of mining and milling operations at the Tahuehueto Mine and for general working capital purposes.

TAHUEHUETO CONSTRUCTION UPDATE

At Tahuehueto, construction has advanced such that the first ball mill has now successfully completed its initial dry testing phase and has been deemed ready to process ore ([Ball Mill Dry Test Video](#)). The flotation circuit has been successfully wet tested, and various mill components such as thickening tanks, concentrate filters, tailings thickeners are ready and available to start production.

Final work is in process and expected to be completed within the next week on the waterline to supply water to the mill after which, the mill is expected to start pre-production ore processing operations using the first ball mill with up to 500 tpd capacity. The second ball mill will be installed in the coming months to allow the mine to ramp up to its build capacity of 1,000 tpd during Q3, 2022.

Underground development is well advanced with numerous working faces available to easily provide ongoing ore feed to the mill at 1,000 tpd. To date, previous pre-production mining plus current



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underground development mining has stockpiled approximately 24,000 tonnes of ore which is ready to feed the mill.

Ralph Shearing, CEO, President of Altaley commented “The start of pre-production mining at Tahuehueto will be one of Altaley’s most important milestones and is the culmination of many years of hard work advancing this project through its exploration and development phases and as we go into the final stretch of construction to install the second ball mill allowing Altaley and its shareholders to participate in and realize the benefits of a substantial increase in the Company’s revenue from a robust new gold mine.”

About Altaley Mining Corporation

Altaley Mining Corporation is a Canadian based mining company with two 100% owned Mexican gold, silver, and base metal mining projects.

Altaley's Tahuehueto mining project is in north-western Durango State, Mexico where construction has been advanced to more than 95% of completion on its 1,000 tonne per day processing facility and related mine infrastructure to initiate production of gold, silver, lead, and zinc in concentrates at Tahuehueto. The Company is targeting initial pre-production in April 2022 and ramping up to full production capacity during Q3-Q4 2022.

Campo Morado is an operating polymetallic base metal mine with mining and milling equipment currently producing at an average of 2,200 tonnes per day and is currently estimated to be Mexico’s 6th largest zinc producer.

Visit: www.altaleymining.com

On Behalf of the Board of Directors

(signed) “Ralph Shearing”

Ralph Shearing, P. Geol,
CEO, President, and Director

CAUTIONARY NOTE REGARDING PRODUCTION DECISIONS AND FORWARD-LOOKING STATEMENTS

It should be noted that Altaley declared commercial production at Campo Morado prior to completing a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, readers should be cautioned that Altaley’s production decision was made without a comprehensive feasibility study of established reserves such that there is greater risk and uncertainty as to future economic results from the Campo Morado mine and a higher technical risk of failure than would be the case if a feasibility study were completed and relied upon to make a production decision. Altaley has completed a preliminary economic assessment (“PEA”) mining study on the Campo Morado mine that provides a conceptual life of mine plan and a preliminary economic analysis based on the previously identified mineral resources (see News Release dated November 8, 2017 and April 4, 2018). Furthermore, It should be noted that Altaley intends to commence pre-production and ramp up to fill commercial production at Tahuehueto prior to completing a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, readers should be cautioned that Altaley’s pre-production and production decisions will be made without a comprehensive feasibility study of established reserves such that there is greater risk and uncertainty as to future economic results from the Tahuehueto mine and a higher technical risk of failure than would be the case if a feasibility study were completed and relied upon to make such production decisions. Altaley has completed a positive pre-feasibility study (the “Pre-Feasibility Study”) and updated mineral reserves/resources estimates at its flagship Tahuehueto Mine that provides a conceptual life of mine plan and a preliminary economic analysis based on a 1,000 tonne per day operation (see News Release dated March 7, 2022)

Statements contained in this news release that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities laws. Forward-



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Looking Information includes but is not limited to conditions or financial performance that are based on assumptions about future economic conditions and courses of action; the timing and costs of future activities on the Company's properties, such as production rates and increases; success of exploration, development and bulk sample processing activities, and timing for processing at its own mineral processing facility on the Tahuehueto project site. In certain cases, Forward-Looking Information can be identified using words and phrases such as "plans," "expects," "scheduled," "estimates," "forecasts," "intends," "anticipates" or variations of such words and phrases. In preparing the Forward-Looking Information in this news release, the Company has applied several material assumptions, including, but not limited to, that the current exploration, development, environmental and other objectives concerning the Campo Morado Mine and the Tahuehueto Project can be achieved; that commencement of pre-production mining and milling operations at Tahuehueto will proceed as planned; the continuity of the price of gold and other metals, economic and political conditions, and operations. Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. There can be no assurance that Forward-Looking Information 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 Information. Except as required by law, the Company does not assume any obligation to release publicly any revisions to Forward-Looking Information contained in this news release to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Neither 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.

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