

Altan Rio Provides Drilling and Ownership Update on the Chandman Copper-Gold Project

January 12, 2012 – Vancouver, British Columbia – Altan Rio Minerals Limited, TSX.V: AMO (“Altan Rio” or “The Company”) is pleased to report that reconnaissance drilling has been completed at the KY porphyry intrusion and adjacent targets at the Chandman copper-gold Project (“Chandman”), part of the combined Chandman-Yol regional exploration project (“Chandman-Yol”), located in Khovd Aimag, western Mongolia. Altan Rio also reports that the Company is currently finalizing arrangements with Gallant Minerals Limited (“Gallant”) which will see the Company assume ownership of 100% of the five Chandman tenements.



Location of Altan Rio’s Chandman-Yol project in western Mongolia

holes for a total of 7,814.4 m drilled. Drilling was completed by Falcon Drilling Mongolia LLC. Drill core will be assayed by Stewart Group, Ulaanbaatar Mongolia with assay results expected early in 2012.

Drilling Update

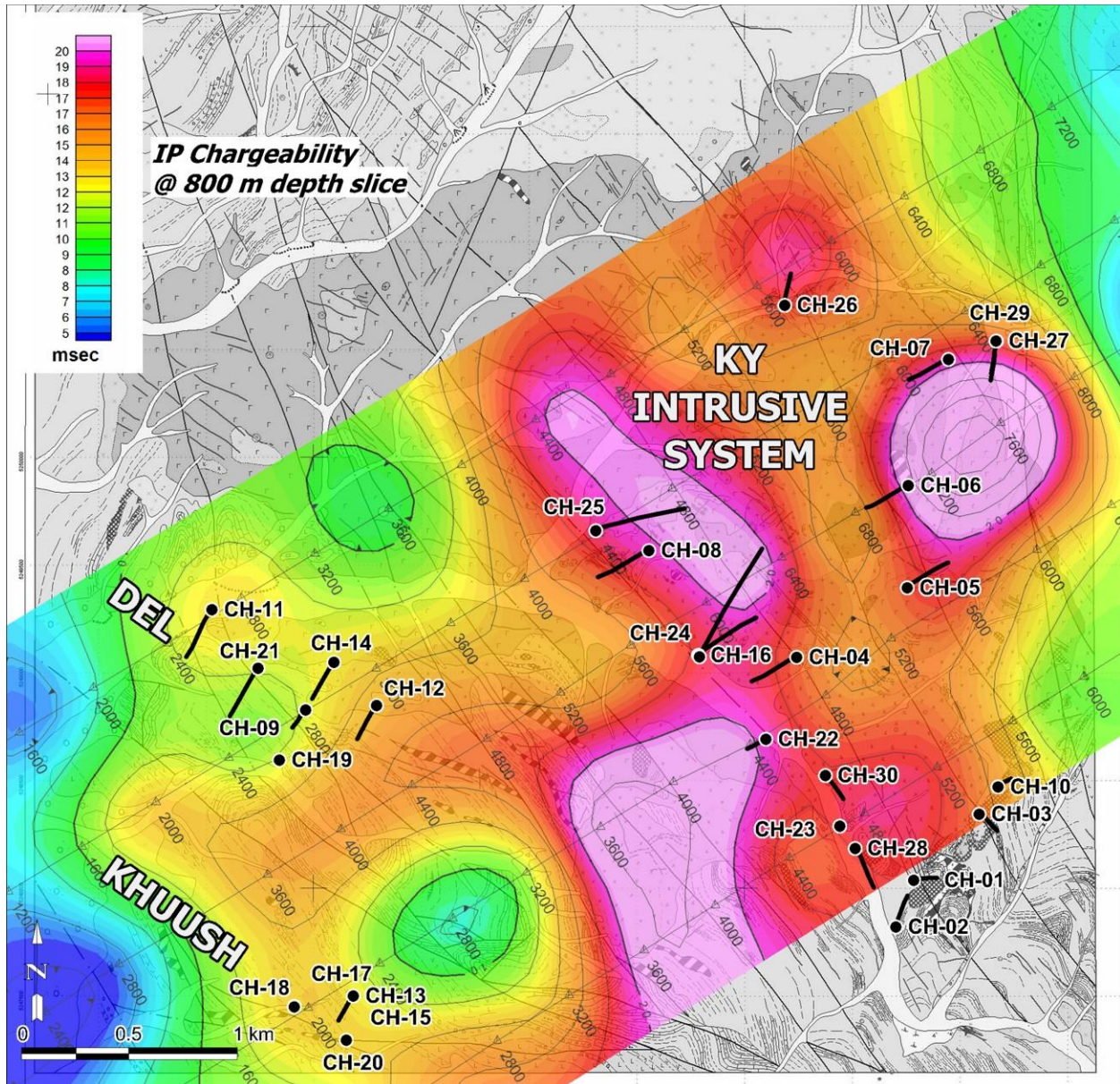
Two drill campaigns consisting of 17 diamond drill holes (5,167.7 m) were completed in 2009 and 2010. Encouraged by these results, a larger drill program was designed, budgeted and executed in 2011 to test the main higher chargeability portions of the IP anomalies.

The 2011 Chandman drill program consisted of 13 diamond drill

The objective of the 2011 program was three-fold;

1. Test combined IP and geochemical anomalies that exceed 2 km in length along the Del and Khuush copper-gold bearing structural zones
2. Attempt wide (300 m) offsets of previously reported CH-09 intersection (32.13 m @ 1.49 g/t Au and 0.6% Cu) in the Del zone
3. Provide the first tests of large, high-amplitude IP anomalies deep in the KY porphyry intrusive system, directly beneath robust copper-gold-arsenic soil and rock anomalies

The Chandman-Yol regional exploration program for the 2011 field season aimed to continue geophysical and geochemical survey coverage of the large license area and identify new target zones for future drill campaigns. The Company is pleased to report this was a solid success with at least 3 new target zones of gold and copper mineralization identified during the season. This work complements previous programs that also identified new areas of copper and gold mineralization. At least seven large untested drill target zones have been delineated and will be the focus of 2012 and 2013 exploration campaigns.



Completed drill holes at Altan Rio's Chandman Project in Khovd Aimag, western Mongolia, showing IP chargeability in colour, over geological map in gray. Holes CH-18 through CH-30 drilled in 2011.

Ownership Update

Pursuant to the Option Agreement dated November 26, 2007 with Gallant, Altan Rio held the right to acquire 80% of the shares of GS Minerals Corp. Ltd., a Bermuda incorporated company, who's wholly owned Mongolian subsidiary Braveheart Resources LLC is the 100% owner of the five Chandman tenements.

Exercise of the option was subject to Altan Rio incurring US\$3 million of cumulative exploration on the properties over a four year period, as well as making a total of US\$650,000 in cash payments to Gallant. In November 2011, the last of the payments (US\$500,000) was paid to Gallant, along with a notice of exercise.

Upon receipt of the notice of exercise, Gallant (as per the Option Agreement) elected to transfer to Altan Rio its remaining 20% interest in the tenements in exchange for a 2.5% Net Smelter Return Royalty. As such, as soon as the associated documentation has been completed, Altan Rio will hold 100% of the shares in GS Minerals Corp. Ltd. and hence beneficially hold 100% of the five Chandman tenements.

About the Chandman-Yol Project

The Chandman-Yol Project is located in mountainous basin and range country in eastern Khovd Aimag, western Mongolia, about 1,050 km west of the capital Ulaanbaatar. It consists of 9 tenements, all of which are owned 100% by Altan Rio, with the 5 Chandman tenements being subject to a 2.5% NSR.

Mineralization at Chandman, discovered in 2005, includes Cu, Au, As, Mo, Ag, Sb, Zn, Pb, in broad zones of intense quartz-sericite-sulfide alteration, which are thought to represent high-level near-typical Cu-Au porphyry systems with distal iron-rich skarns. Mineralization occurs across 55+ km of the license package and represents a large, new and under-explored copper-gold porphyry terrain.

Altan Rio has invested approximately US\$5M to date, exploring the project with recent work including geophysical surveys, geochemistry, sampling, trenching and diamond drilling. The main copper-gold porphyry target consists of a broad zone of highly anomalous copper and gold located in a magnetic low, 3 km-long and 1 km-wide, potentially representing a large sulphidized body at depth.

About Altan Rio

Altan Rio was founded in 2007 and is based in Vancouver BC, Canada. The company explores large-scale gold and copper projects in one of the world's most prospective mineral regions; Mongolia. The Company is currently exploring license holdings totaling more than 153,310 hectares (378,873 acres). Our properties contain significant zones of newly identified primary gold and copper mineralization across a very large area of unexplored ground.

Competent Person Statement

J. Kelly Cluer, a Qualified Person as defined by National Instrument 43-101, has reviewed the preparation of the scientific and technical information in this press release in respect to the Chandman-Yol Project.

On behalf of Altan Rio Minerals Limited,

“Evan Jones”

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