

ALORO ENTERS INTO AN OPTION AGREEMENT WITH ALAMOS GOLD INC.

Alamos may acquire a 70% interest by incurring an aggregate of USD\$5,000,000 in exploration expenditures, making certain cash payments over three years



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/EINPresswire.com/ -- [ALORO MINING CORP.](#) – (the “Company or Aloro”) is

pleased to announce that it has entered into an option agreement (the “Option Agreement”) with Alamos Gold Inc. (“Alamos”), a Toronto Stock Exchange and New York Stock Exchange listed issuer. Alamos may acquire a 70% interest from Aloro by incurring an aggregate of USD\$5,000,000 in exploration expenditures and making certain cash payments over the course of three years in two mining concessions (title numbers 244241 and 246230), commonly known as the Los Venados Project (the “Project”) located in the Municipality Sahuaripa, in the State of Sonora, Mexico (the “Transaction”).

About the Transaction

Concurrent to the entry of the Option Agreement, Alamos’ wholly owned subsidiary, Minas de Oro Nacional, S.A. de C.V. A. (“MON”) and Exploraciones Aloro, S.A. de C.V. (“Exploraciones”), a wholly owned Mexican subsidiary of Aloro, have entered into an Option Agreement (the “Mexican Agreement”), pursuant to which MON must make certain exploration expenditures and cash payments on behalf of Exploraciones prior to acquiring a 70% interest in the Project. Pursuant to the terms of the Mexican Agreement, MON has the option to acquire a 70% interest in the Project (the “Option”) by incurring an aggregate of USD\$5,000,000 in exploration expenditures (collectively, the “Expenditures”) in accordance with the schedule set out below:

Payment Date Expenditures

On or before the first anniversary of the Mexican Agreement USD\$500,000 (mandatory)

On or before the second anniversary of the Mexican Agreement USD\$1,500,000 (optional)

On or before the third anniversary of the Mexican Agreement USD\$3,000,000 (optional)

Provided the Mexican Agreement remains in good standing on the applicable anniversary date, Alamos will, in accordance with the terms of the Option Agreement, pay the following amounts

in cash to the Company:

Upon entry into of the Mexican Agreement USD\$50,000

On or before the first anniversary of the Mexican Agreement USD\$125,000

On or before the second anniversary of the Mexican Agreement USD\$150,000

In addition, Alamos will make certain cash payments to the underlying optionor to match Aloro's payment obligations pursuant to an underlying option agreement for Los Venados 1 mineral concession (title number 244241). Such payments will be made on the Company's behalf as such payments become due and payable in accordance with the terms of the underlying option agreement, provided the Mexican Agreement is in good standing on the following dates:

Payment Date Cash Payment

Upon entry into of the Mexican Agreement CAD\$20,000 (mandatory) + IVA

On or before October 6, 2021 CAD\$60,000 + IVA

MON will also be responsible for the payment of the semi-annual mineral taxes due on both of the concessions within the Project, provided the Mexican Agreement is in good standing

Once MON has acquired the 70% interest in the Project, MON and Exploraciones have agreed to contribute to further exploration and development work on the Project on a pro rata basis according to their respective interests in the Project. Should either party decide not to contribute any part of its pro rata portion of any further work, then its interest will be diluted on a pro rata basis using a formula based on the total expenditures on the Project.

Net Smelter Returns Royalty

Upon completion of making the necessary payments and incurring the Expenditures, MON may exercise the Option and, upon doing so, will have earned a 70% interest in the Project and the Los Venados 1 mineral concession (title number 246230) will be subject to a 2% net smelter return royalty in favor of Aloro, of which 1% can be repurchased by MON for USD \$1,500,000.

Thomas A. Doyle, President and CEO of the Company, commented, "I am happy to have reached an agreement with Alamos after many months of discussions and negotiations. Alamos has extensive knowledge of the geology in the immediate area with their operation of the Estrella pit which is approximately 600 meters from our common border. Alamos has the experience, technical expertise, technical equipment, staff and large camp with airstrip, basically onsite. If a discovery is found on the Los Venados Project, they have the infrastructure in place. I am sure that Alamos will do a thorough job of exploring the large 32 sq km project "

About Aloro Mining Corp.

Aloro controls the 3199 -hectare Los Venados Project which is located in the central part of the Mulatos Gold District and is directly adjacent to the active Mulatos open pit of Alamos Gold Inc. and shares common borders to the south, east, and portions of the north. The western border is shared with Agnico Eagle Mines Limited where it operates the La India open pit. The known mineralization within the Mulatos District is gold-dominant, with accessory silver and copper.

ALORO MINING CORP. □

Per: "Thomas A. Doyle"

Thomas A. Doyle

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