



Santana Project Operations Update

Plant commissioning complete and on track for start of gold recovery this month

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Minera Alamos Inc. (the “Company” or “Minera Alamos”) (TSX VENTURE:MAI) is pleased to provide an operational update for the Santana gold mine, Sonora, Mexico.

The commissioning work at the Santana mine continues to proceed according to schedule with the gold recovery plant tested thoroughly and operational. This has occurred despite the significant rain fall covering southern Sonora in the first half of July. Given the vulnerable nature of the site at initial startup (large exposed leach pad areas and newly constructed excavations), Minera is pleased to report that overall the project proved extremely resilient to an exceptional rainfall event. The mine site saw in excess of an entire month of normal precipitation (200mm) over a two-week period and often in very concentrated windows. Some minor delays occurred with items such as final electrical hookups but the Company can report that all required plant electrical infrastructure is now in place and operational. In addition, improvements to areas of critical site drainage have been implemented which will be positive for future operations.

“Despite the challenging weather conditions since late June we have managed to complete the planned process plant commissioning and bring the leaching and recovery systems online at their design capacities. In addition, mining activities to open up the Nicho Norte pit have advanced to a point where we now have sufficient working area to transition to the larger equipment fleet planned for the ramp up to commercial operations.” stated Darren Koningen, CEO. “As expected, we have been able to gain valuable insights already from the project commissioning efforts that will allow us to make minor upgrades to improve future site operations in parallel with the project start-up and to optimize our mine planning models. We expect similar insights when we complete the final stages of testing with the start of gold extraction from our loaded leach pad material.”



Photo 1 and 2 – The Santana gold recovery (carbon) plant / Electrical Control

Site Commissioning Highlights

- Leach solution pumping and processing systems are all available and have been thoroughly tested during normal commercial operational flowrates in order to calibrate process instrumentation and test control systems and interlocks. Some minor adjustments have been identified which offer the potential for improvements but these changes will be implemented during normal operations.
- Overliner placement operations are continuing to advance in parallel with ore placement. Waste rock from within the pit limits is being crushed/screened and utilized as overliner so the associated costs are largely covered by the overall waste mining budget for the project.
- The preparation of the long term crushing and screening area is nearing completion following which the mobile equipment which is currently operating inside the mine pit limits will be relocated adjacent to the gold leach pad.
- Grade reconciliation methods and procedures are being prepared using the available data from the first two benches mined at Nicho Norte as a basis. The geometric distribution of mineralization has proven to be in good agreement with in-house planning models.
- As the Nicho Norte pit continues to advance, additional in pit (or near pit) roads are being developed in parallel to mining operations in order to provide required access for the future operations.
- To date, mining (and ore placement) has taken advantage of the smaller haul trucks that were already at site as part of the mine contractor's (Trigusa) earlier site construction works. This has proven to be an efficient deployment of capital resources during startup. In the second half of July as the pit working area access has improved, Trigusa will begin transitioning to larger LOM haul trucks that are all currently at site. As this occurs the company also transitions to LOM contract unit rates for mining operations that were negotiated previously.
- Excess rainwater contained in the pregnant pond (pictured below) is currently being transferred to the barren pond to avoid unnecessary dilution of gold leach solutions. Upon completion, reagents will be added to the process solutions to initiate the extraction of gold from the initial material placed on the heap leach pad and to test the overall leaching and recovery circuits as part of the normal start up of operations.



Photo 3 – The pregnant solution pond with floating pumping system in place and operational

Cautionary Statement

The Company does not have a feasibility study of mineral reserves, demonstrating economic and technical viability for the Santana project, and, as a result, there may be an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. Failure to commence production would have a material adverse impact on the Company's ability to generate revenue and cash flow to fund operations.

Mr. Darren Koningen, P. Eng., Minera Alamos' CEO, is the Qualified Person responsible for the technical content of this press release under National Instrument 43-101.

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About Minera Alamos Inc.

Minera Alamos is a gold development company poised to join the ranks of gold producers in 2021. The Company has a portfolio of high-quality Mexican assets, including the 100%-owned Santana open-pit, heap-leach development project in Sonora that is currently under construction, and which is expected to have its first gold production approximately mid-2021. The newly acquired 100%-owned Cerro de Oro oxide gold project in northern Zacatecas that has considerable past drilling and metallurgical work completed and could enter the permitting process rapidly. The La Fortuna open pit gold project in Durango (100%-owned) has an extremely robust and positive preliminary economic assessment (PEA) completed and the main Federal permits in hand. Minera Alamos is built around its operating team that together brought 3 mines into production in Mexico over the last 13 years.

The Company's strategy is to develop very low capex assets while expanding the projects' resources and continuing to pursue complementary strategic acquisitions.

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