



MINERA ALAMOS COMPLETES DEFINITIVE AGREEMENTS TO ACQUIRE THE CERRO DE ORO GOLD PROJECT, ZACATECAS, MEXICO

Toronto, Ontario and Vancouver, British Columbia— (Marketwired – August 4th, 2020)

Minera Alamos Inc. (the “Company” or “Minera Alamos”) (TSX VENTURE:MAI) is pleased to announce it has finalized Definitive Agreements with arms length parties (collectively the “Vendor”) to acquire 100% of the Cerro de Oro gold project comprising the Zacatecas I and Zacatecas II concessions near Concepcion del Oro, Zacatecas, Mexico (*see figure 1*), subject to approval of the TSX Venture Exchange. The acquisition of the two core claims in the district that contain a significant gold project with 76 holes and 8200 m of historic drilling bolsters the Company’s total claim holdings in the Concepcion del Oro district to approximately 6,500 ha in size. The two concessions are bounded by existing Minera Alamos concessions and the overall package is surrounded by a larger claim owned by the Company providing all the necessary land that would be required to facilitate the development of the deposit (*see figure 2*).

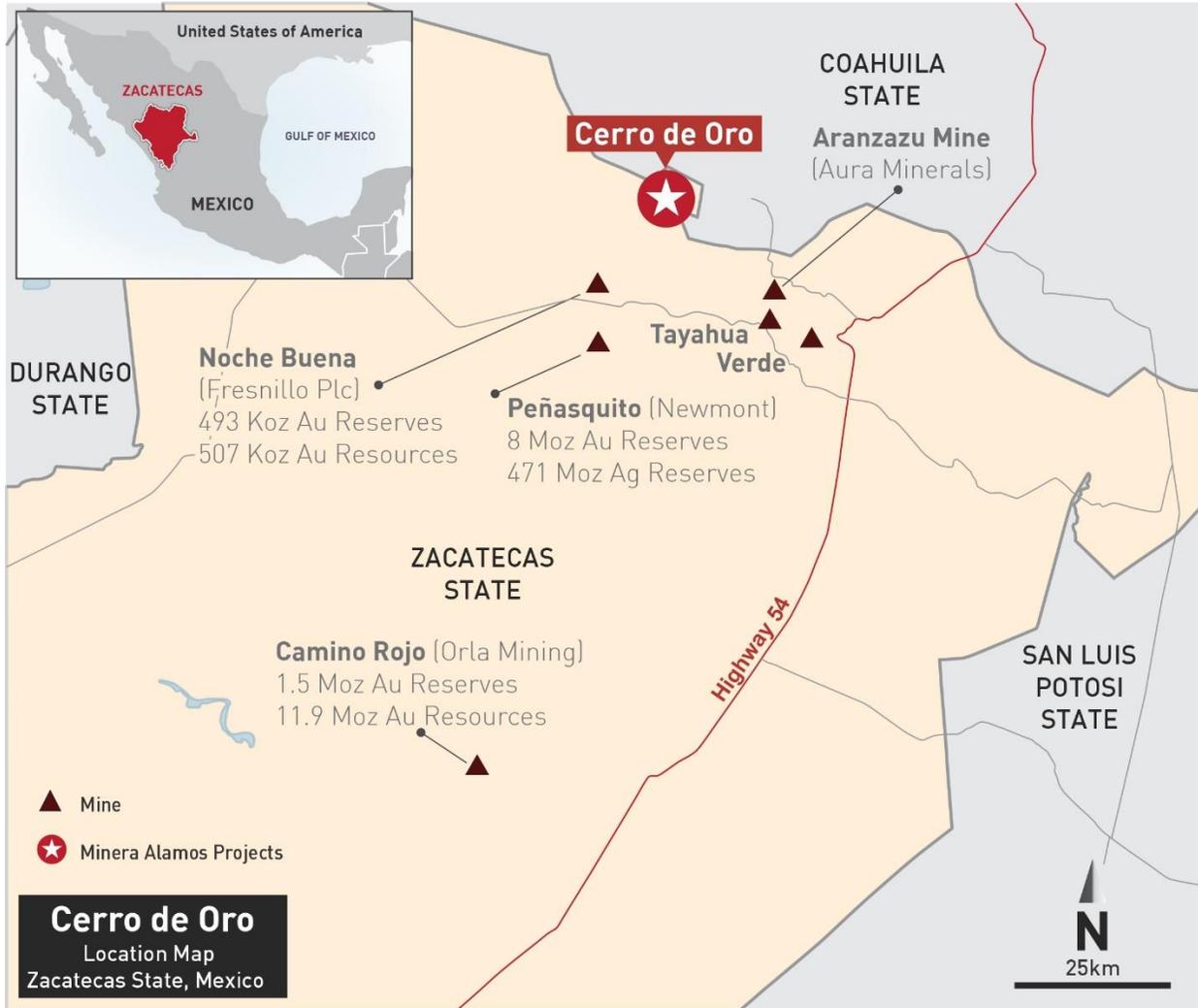
“The Cerro de Oro gold project has many characteristics that mimic the El Castillo gold mine our team developed under the Castle Gold Corporation banner from 2007 until its eventual sale in 2010.” stated Darren Koningen, CEO of Minera Alamos. “Cerro de Oro contains a large disseminated gold system with a significant oxidation profile and a low implied strip ratio with the majority of mineralized areas outcropping at surface. Northern Zacatecas has a rich mining history and hosts some of the largest gold deposits in north-central Mexico. We look forward to working with the local community and Mexican mining authorities to rapidly advance permitting and establish a new mine in the district.”

Highlights of the Acquisition

- Historical exploration data consisting of 8200m of drilling and 6000m of trench sampling.
- Gold mineralization delineated over an area of approximately 500m x 1000m (to oxidized depths in excess of 70-80m) which appears to remain open in multiple directions.
- Majority of the mineralization is exposed at surface and readily accessible for potential open pit mining operations.
- Location/infrastructure – excellent established mining region – good road access and accessible grid power.
- Augments the Company’s local existing claim holdings to now include the core mineralized area.
- Historical metallurgical work that indicates amenability to conventional heap-leaching methods.
- Existing databases of historical information which are currently being reviewed and should support the preparation of a maiden NI43-101 compliant resource report that is in progress.
- The agreement conveys 100% ownership to Minera with no underlying royalties subject to meeting the schedule of payments outlined below (*see Transaction Terms*).

The project is located less than 3km from the town of Melchor Ocampo and approximately 30 km from the district’s mining hub at Concepcion del Oro. This area of north-central Mexico is famous for its mineral production, most notably related to gold and silver rich-intrusive-related deposits. Of particular note are a number of nearby large-scale mining operations including Peñasquito (Newmont) just 30km away, Tayahua (Frisco), Noche Buena (Fresnillo) and Camino Rojo (Orla).

Figure 1 – Regional Location Map



The disseminated gold and skarn related mineralisation at Cerro de Oro is represented by a gold porphyry system characterized by A, B, and magnetite veins with associated potassic alteration that is overprinted by phyllic alteration, with the gold mostly hosted by a porphyritic intrusive centre. The deposit is divided into two zones (North and South) by an east-west fault. Initial drilling was conducted in the 1990’s by Noranda and was comprised of 20 widely spaced holes on approximately 100m to 200m spacings. The drill holes in this initial program were limited to an average depth of approximately 75m with most holes ending within oxide gold mineralization that would indicate potential for additional gold mineralization beyond the limit of the drilling. Subsequent groups have completed approximately 4,000m of additional drilling that served to infill the Noranda program and extend the known

mineralization to depths up to 100-150m. All drill data for the project is currently being evaluated by the Company and its consultants as they work towards the completion of a NI 43-101 compliant resource estimate for the project.

The property contains numerous historical pits, trenches and various underground workings. Although some of the site activity appears to be from a period of more than 75 years ago, the most significant period of recorded activity occurred in the 1950's and included the completion of a series of exploration pits, shafts, declines and adits around the side of the Cerro de Oro hill in the center of the concession area. Two areas of high-grade underground structures were mined via adits and declines from surface using a series of internal raises and cross-cuts completed to a vertical depth of approximately 150 metres.

Historical information from the Noranda drilling and trenching programs in the mid 1990's are presented below in Figures 3 through 5 for reference purposes (Note: *As the Noranda drill results and trenching data are historic in nature, Minera Alamos has not yet been able to fully verify the data disclosed, including sampling, analytical, and test data underlying the information included in the following tables.*)

Figure 2 – Minera Alamos Cerro de Oro Project Claim Holdings



Table 1 – Noranda 1993-94 Drilling Results *

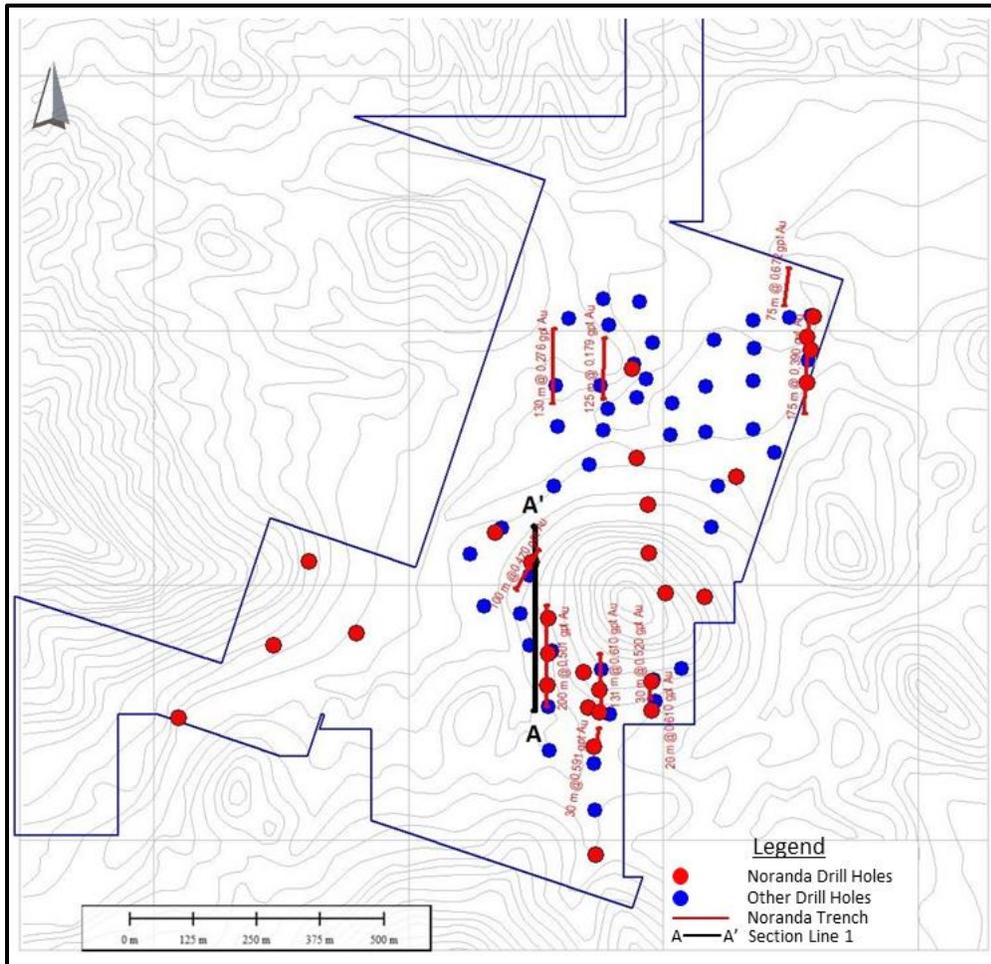
| Hole Number | From (m) | To (m) | Interval (m) | Au Grade (g/t) | Zone |
|----------------|-----------|-------------|--------------|----------------|---------------|
| C094-19 | 0 | 92 | 92 | 0.45 | North – oxide |
| C094-17 | 0 | 71 | 71 | 0.31 | North – oxide |
| C094-20 | 0 | 77 | 77 | 0.29 | North – oxide |
| C093-04 | 0 | 80 | 80 | 0.31 | North – oxide |
| C094-26 | 0 | 40 | 40 | 0.27 | South – oxide |
| C094-23 | 0 | 70 | 70 | 0.75 | South – oxide |
| C093-02 | 0 | 45 | 45 | 0.54 | South – oxide |
| C094-24 | 0 | 70 | 70 | 0.34 | South – oxide |
| C094-25 | 0 | 70 | 70 | 0.40 | South – oxide |
| C094-27 | 0 | 27 | 27 | 0.47 | South – oxide |
| C094-28 | 0 | 38 | 38 | 0.66 | South – oxide |
| C094-29 | 0 | 24 | 24 | 0.62 | South – oxide |
| and | 40 | 70 | 30 | 0.26 | South – oxide |
| C093-06 | 0 | 30 | 30 | 1.29 | South – oxide |
| C094-31 | 0 | 81.7 | 81.7 | 0.44 | South – oxide |
| C094-32 | 0 | 38 | 38 | 0.44 | South – oxide |
| and | 74 | 102 | 28 | 0.31 | South – oxide |
| C094-16 | 0 | 27 | 27 | 0.18 | South – oxide |
| and | 34 | 70 | 36 | 0.44 | South – oxide |

Table 2 – Noranda 1993-94 Trenching Results *

| Trench Number | Trench Length (m) | Au Grade (g/t) | Zone |
|---------------|-------------------|-----------------|----------------------|
| 1 | 75m | 0.67 g/t | North – oxide |
| 2 | 175m | 0.39 g/t | North – oxide |
| 3 | 130m | 0.27 g/t | North – oxide |
| 4 | 125m | 0.18 g/t | North – oxide |
| 5 | 100m | 0.47 g/t | South – oxide |
| 6 | 200m | 0.50 g/t | South – oxide |
| 7 | 131m | 0.61 g/t | South – oxide |
| 8 | 30m | 0.52 g/t | South – oxide |
| 9 | 20m | 0.61 g/t | South – oxide |
| 10 | 30m | 0.59 g/t | South – oxide |

**As the Noranda drill results and trenching data are historic in nature, Minera Alamos has not been able to fully verify the data disclosed, including sampling, analytical, and test data underlying the information included in the following table.*

Figure 5 – Trench Location Map



“The team at Minera is extremely excited to have added the Cerro de Oro project to our pipeline of gold development projects for less than 1% dilution of our existing issued share capital. We will continue to pursue complementary asset level acquisitions that serve the best interests of our shareholders.” stated Doug Ramshaw, President of Minera Alamos. “Recent disposals of some non-core equity holdings have more than covered the initial payments for this new acquisition even including our minimum planned expenditures as we initiate permitting related activities for the Cerro de Oro project in the second half of the year.”

Transaction Terms

The schedule of payments will be as follows:

| Amount (\$US) | Instalment Due Date |
|--|---------------------|
| 400,000 cash + 2,000,000 MAI shares ^(b) | Closing |

| | |
|---|------------------------|
| 300,000 cash ^(a) + 500,000 shares ^(b) | 12 months from Closing |
| 400,000 cash ^(a) + 500,000 shares ^(b) | 24 months from Closing |
| 800,000 cash ^(a) + 500,000 shares ^(b) | 36 months from Closing |
| 1,000,000 cash ^(a) + 500,000 shares ^(b) | 48 months from Closing |

- a) Instalment payments will be in the form of cash. Alternately, should both parties agree a portion or all of the cash amount can be replaced with the issuance of an equivalent dollar value of shares. Shares, if issued, will be priced at the 20-day VWAP on the Exchange, ending on the Instalment Date listed in the table above and in accordance with the rules and requirements of securities laws and the TSX Venture Exchange.
- b) Payment Shares are subject to any and all restrictions on resale under applicable securities laws and TSX Venture Exchange requirements, typically being a hold period of four months and a day following the date of issue and any and all legending requirements. Should the Vendor elect to sell or dispose of any of the Payment Shares they will give Minera Alamos at least 10 business days advance notice to help facilitate such sales.

The Transaction remains subject to acceptance and approval by the TSX Venture Exchange.

As part of the negotiation, the Vendor have completed the elimination of a pre-existing underlying 30% NPI that was capped at US\$2.2 million. With the elimination of this NPI there are no existing encumbrances on the project. No royalties exist on the land surrounding Cerro de Oro already owned by Minera Alamos.

Production Threshold Bonus Payment

In addition to the earn-in commitments in the table above, a final bonus payment of US\$1,000,000 will be payable to the Vendor upon the production of 50,000 ounces of gold from the Cerro de Oro project.

Partial Sale of Non-Core Investments

The Company also announces that through two separate transactions involving non-core equity holdings it has received gross proceeds of \$1,390,000 in recent weeks that will serve to cover not only the initial payment pursuant to the Cerro de Oro transaction but also the minimum expected budget for the project over the next 12 months. As of July 31st, 2020 the market value of its remaining equity holdings totals approximately \$4,200,000.

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. Mr. Koningen has supervised the preparation of, and has approved the scientific and technical disclosures in, this news release.

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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 in early 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 Company is nearing the end of the permitting process for the project. A construction decision on La Fortuna could be made in late 2020 or early 2021, highlighting the organic growth the existing project portfolio can provide to the overall production profile. Minera Alamos is built around its operating team that together brought 3 mines into production in Mexico over the last 12 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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