Minera Alamos Issue Positive Cerro de Oro PEA

Minera Alamos (TSX.V: MAI)

Announced the positive results of an independent Preliminary Economic Assessment for its Cerro de Oro Project in Zacatecas, Mexico.

Production highlights include an average annual gold production approaching 60,000 oz to 70,000 oz in Years 1 through 4, a low strip ratio, and capex of only $28 million.



Minera Alamos Cerro de Oro map show neighbouring mines in Mexico.

Minera Alamos	TSX.v : MAI
Stage	Development
Metals	Gold
Market cap	C$247 m @ 54c
Location	Sonora, Zacatecas, Durango – Mexico

Minera Alamos Announces Positive Preliminary Economic Assessment for the Cerro de Oro gold project

October 3, 2022
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After-Tax IRR of 111% and sub-$30 million CAPEX

Toronto, Ontario– (Marketwired – October 3, 2022)

Minera Alamos (TSXV: MAI) ("Minera" or the "Company") is pleased to announce the positive results of an independent Preliminary Economic Assessment ("PEA") for its Cerro de Oro Project (the "Project") in Zacatecas, Mexico.

The PEA was prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects*("NI 43-101") by Scott Zelligan, P.Geo., Lawrence Segerstrom, M.Sc.,CPG, Peimeng Ling, P.Eng., Alex Duggan, P.Eng. and Toren

Olsen, PG.

A Technical Report with the details of the PEA will be filed on SEDAR under the Company's profile within 45 days of the date of this news release. (*Note to reader: Unless stated all currency references are in US dollars).*

Highlights of PEA

- Production highlights
  - Average annual gold production approaching 60,000oz (~60,000oz to 70,000oz in Years 1 through 4).
  - 8.2 year mine life based on initial mineable total of 59 Mt of mineralization (0.37 g/t Au) heap leached at an average rate of approximately 20,000 tpd – +0.40 g/t Au in Years 1 through 4.
  - 477koz of gold produced in loaded carbon/doré.
  - LOM strip ratio of 0.3:1 (waste: mineralization)
- Robust economics using metals prices of $1,600/oz Au
  - LOM All-In Sustaining Cost (AISC) of $873/oz – averaging $763/oz in Years 1 through 4.
  - After-Tax NPV at 5% of $150.5M and IRR of 111%.
- Low capital intensity project with rapid payback:
  - Pre-production capital costs of $28.1M (includes 30% contingency).
  - Payback period of 11 months.
  - Used crushing plant already purchased reduces up-front capital requirements.
- Significant Upside
  - Mineralization appears open in multiple directions as well as to depth.
  - Additional metallurgical testing to examine amenability of gold recovery from deeper sulphide

zones of mineralization not accounted for in current resource calculations and mine plans (some early indications that material may prove to be leachable).

- Updated Inferred Mineral Resource estimate containing 67 million tonnes of 0.37 g/t Au (790 koz of contained gold) based on an upward revision of the base case resource metal price to $1,700/oz.

Doug Ramshaw, President, commented;

“Leaning on our team’s collective experience in mine building in Mexico with capital and operating costs informed by the recent construction and ramp up of the Santana gold mine, the Cerro de Oro PEA is a game changer for Minera as we strive to reach our initial target of a +100,000 oz/y gold producer.

“Given the rampant inflationary pressures across the industry, it is a testament to Minera’s smart and nimble business model that a new mine could be developed at Cerro de Oro for the low capital intensity presented in the PEA.”

PEA Cautionary Note:

Readers are cautioned that the PEA is preliminary in nature and includes inferred resources that are considered too

speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.

There is no certainty that the PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Additional work is needed to upgrade these mineral resources to mineral reserves.

For brevity, this summary has been abridged. To read the full Cerro de Oro news release, please click HERE

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If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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Disclosure

At the time of writing the author holds shares in ***Minera Alamos,*** *bought in the market at the prevailing price on the days of purchase.*

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