

Minera Alamos Inc.



Minera Alamos Enters Option Agreement to Acquire Guadalupe de Los Reyes Advanced Stage Gold-Silver Project in Mexico from Vista Gold

Minera Alamos Inc. (TSXV:MAI, OTCQB:VGMTF) (the "Company" or "Minera Alamos") is pleased to announce it has entered into an option agreement dated October 23, 2017 (the "Agreement") with Vista Gold Corp. ("Vista Gold") to acquire all of the issued shares (the "Shares") of Vista Gold's subsidiary Minera Gold Stake S.A. de C.V. which owns the Guadalupe de Los Reyes Project ("Guadalupe" or the "Project"). Guadalupe is a gold-silver project located in the Sierra Madre Range in Sinaloa, Mexico and approximately 3 hours from the Company's base of operations in Culiacan. It is one of the most significant historic gold producers in this region of Mexico and contains a near surface gold resource consisting of 380,100 Indicated ounces (6.8 MM tonnes @ 1.73 g/t Au) with an additional 155,200 Inferred ounces (3.2 MM tonnes @ 1.49 g/t Au)*, in addition to significant exploration potential from previously identified mineralized structures that remain undrilled. Minera Alamos' immediate goal is to utilize its extensive in-house technical expertise to evaluate the potential for the project to be developed as a low capital heap leaching operation.

Key Highlights

- **Acquisition of second high quality advanced stage gold development project:** Acquisition leverages Company's new strategic alliance with Osisko Gold Royalties Ltd. and management's extensive expertise with the development and operation of low capex heap leach projects in Mexico.
- **Project is ideal complement to Company's flagship La Fortuna gold project:** Addition of Guadalupe project almost triples the Company's current base of gold resources and is ideally located to be advanced in tandem as the Company's second potential production asset.
- **Acquisition cost of approximately US\$ 15/oz (gold):** Based on the Guadalupe resource totals as presently estimated.
- **Large prospective land package:** Over 6000 hectares of contiguous land holdings surrounding the historic Guadalupe de los Reyes mine. Large regional system of epithermal mineralized structures with at least eight zones of mineralization mapped and sampled at surface, only four of which have been partially drilled.

"One of our stated objectives since welcoming Osisko Gold Royalties as a strategic partner mid-year was to acquire additional near-term development projects in Latin America and significantly grow the Company's prospective production baseline. Entering into this agreement is the first step in this evolution and we look forward to additional announcements in the coming months", said Darren Koningen, President and CEO of Minera Alamos. "The development of Guadalupe is an ideal complement to our La Fortuna Gold Project which continues to advance towards production. The Company's strong portfolio now has two high quality gold assets with a significant combined resource base approaching one million ounces and large potential for exploration upside. Our team has a proven track record of developing low capital-intensity mines in Latin America and has the expertise and resources to simultaneously advance both projects toward production. We are very excited to have added such a great near-term development project to our growing asset portfolio."

*Note: Mineral Resource estimate as prepared by Tetra Tech Inc. in accordance with National Instrument 43-101 ("NI 43-101") under the supervision of a qualified person. The most recent Technical Report (Preliminary Economic Assessment – "PEA") was issued for Vista Gold by Tetra Tech on March 4, 2013 and amended/restated on July 3, 2014. Minera Alamos is treating the prepared resource estimates as current and reliable but will be evaluating development strategies for the project different than those outlined in the existing Technical Report (PEA). This includes consideration of an open pit mine with a heap leach extraction facility. The Company is required to file a technical report supporting the mineral resource estimate and results under its name within 45 days of this announcement.

Guadalupe Transaction Summary

Pursuant to the terms of the Agreement, the Company will earn 100% of the Shares by paying Vista Gold a total of US\$ 6.0 million in staged payments as follows: US\$ 1.5 million on closing, US\$ 1.5 million on each of the 12 and 24 month anniversary dates in order to maintain the option and a final purchase price of US\$ 1.5 million to acquire the Shares on or before the earlier of (i) an announcement of a construction decision by the Company, or (ii) the 48 month anniversary of the Agreement.

Production from any open pit (heap leach) mining operations at the Project (the "Open Pit Royalty") will be subject to a minimum 1% net smelter return royalty ("NSR") payable to Vista Gold which could increase up to 2% if gold prices exceed US\$ 1600 per ounce. This royalty is capped at a maximum cumulative amount of US\$ 2 million.

Vista Gold also retains the right to acquire a 49% non-carried interest in the development of underground gold resources should the Company decide at a later date to pursue potential zones of deep mineralization (excludes all open pit accessible mineralization). Where Vista Gold chooses not to participate in the development of any underground resource or, where they participate but are eventually diluted below a 10% interest, Vista Gold will retain a

NSR on mineral production from such underground production (the "Underground NSR") at the same rate as the Open Pit Royalty. The Underground NSR is not capped.

Haywood Securities Inc. has acted as exclusive financial advisor to Minera Alamos in connection with the Agreement.

Guadalupe de los Reyes Project Background

Gold and silver were discovered at Guadalupe by the Spanish in the late 1700s and mining occurred in the area for over 150 years up until the 1950s. The main Guadalupe underground operation opened in the late 1800s and to date is the most significant source of gold production in the district. It is estimated (historical estimates only) to have produced approximately 500-600,000 ounces of gold and 40 million ounces of silver over its operational life at reported grades of +10 g/t Au and +500 g/t Ag. Most of the historical production is derived from a single section of mineralized structures over a length of approximately 2 km. At least eight other mineralized zones have been identified at site along three structural arms of the same large regional system. In total, the system mineralization has been mapped at surface over a total combined distance of approximately 10 km.

From the 1950s through the 1980s there was limited activity in the Guadalupe area other than exploration reconnaissance studies. The one exception was a small vat leaching operation that was constructed and operated by the local concession owner in the late 1980s. It is reported that during this period approximately 32,000 tonnes of coarse crushed mineralized rock (5-6 g/t au) was leached with cyanide in open vats.

Modern drilling was re-initiated at the Guadalupe project area in the 1990s and was targeted at defining significant area of shallow and lower grade gold/silver mineralization in areas surrounding the Guadalupe underground operations. Since that time, in excess of 40,000 meters of drilling (RC and diamond) have been completed within the current project boundaries. The resource estimates for the Project as completed by Tetra Tech (reported in accordance with CSA National Instrument NI 43-101 resource requirements) are summarized below.

Guadalupe de los Reyes Resources

Resource Classification	Metric Tonnes	Gold Grade (g/t)	Silver Grade (g/t)	Contained Gold (oz)	Contained Silver (oz)
Indicated	6,843,000	1.73	28.71	380,100	6,315,300
Inferred	3,200,000	1.49	34.87	155,200	3,639,000

Notes:

1. Mineral Resources are summarized as reported in the NI 43-101 Technical Report titled "Preliminary Economic Assessment of Guadalupe de los Reyes Gold Silver Project" by Tetra Tech and dated July 3, 2014

2. To the best of knowledge, information and belief of Minera Alamos, there is no new material scientific or technical information that would make the disclosure of the mineral resources in the Report inaccurate or misleading.
3. Mineral Resources were calculated based on a cut-off grade of 0.5 g/t Au.
4. No Measured Resources or Mineral Reserves of any category were identified.
5. Mineral Resources are not Mineral Reserves and by definition do not demonstrate economic viability. There is no certainty that all or any part of the Mineral resources will be converted into Mineral Reserves.

About Minera Alamos

Minera Alamos is an advanced stage exploration and development company. Its growing portfolio of high-grade Mexican projects includes the La Fortuna open pit gold project in Durango and the Los Verdes open pit copper-molybdenum project in Sonora. The Company is well financed to conduct all of its planned exploration and development activities and continues to pursue additional project acquisitions in Latin America.

Mr. Darren Koningen, P. Eng., Minera Alamos' President & 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 approved the scientific and technical disclosures in this news release.

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Caution Regarding Forward-Looking Statements

This news release may contain forward-looking information and Minera Alamos cautions readers that forward-looking information is based on certain assumptions and risk factors that could cause actual results to differ materially from the expectations of Minera Alamos included in this news release. This news release includes certain "forward-looking statements", which often, but not always, can be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". These statements are based on information currently available to Minera Alamos and Minera Alamos provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements with respect to Minera Alamos' future plans with respect to the Project, objectives or goals, to the effect that Minera Alamos or management expects a stated condition or result to occur and the expected timing for release of a resource and reserve estimate on the Project. Since

forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, the economics of processing methods, project development, reclamation and capital costs of Minera Alamos' mineral properties, the ability to complete a preliminary economic assessment which supports the technical and economic viability of mineral production. Minera Alamos' financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: the absence of funding resulting from a determination by Osisko Gold Royalties Ltd not to exercise the royalty options contemplated under the Investment Agreement on the terms provided for therein or at all; an inability to finance and/or complete an updated resource and reserve estimate and a preliminary economic assessment which supports the technical and economic viability of mineral production; changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with Minera Alamos' activities; and other matters discussed in this news release and in filings made with securities regulators. This list is not exhaustive of the factors that may affect any of Minera Alamos' forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Minera Alamos' forward-looking statements. Minera Alamos does not undertake to update any forward-looking statement that may be made from time to time by Minera Alamos or on its behalf, except in accordance with applicable securities laws.

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