

Montreal, Canada / TheNewswire / October 28, 2015 - [Algold Resources Ltd.](#) (ALG: TSXV - "Algold" or the "Corporation" www.algold.com) is pleased to announce that its wholly-owned subsidiary, Kanosak Barbados Inc., has entered into an arm's length option agreement ("Agreement") under which it has been granted a 90-day option to acquire from [Gryphon Minerals Ltd.](#) 's (ASX:GRY) ("Gryphon") the Mauritanian Tijirit and Akjoujt exploration licences (permit numbers EL447, EL1117 and EL448), which are approximately 2,200km2 in size.

Most importantly, this transaction will strengthen Algold's land position to 3,000 km2 in the Aoueouat Archean Greenstone Belt (Reguibat Shield) (Figure 1) through the acquisition of the Tijirit Property. This belt hosts the world class Tasiast gold deposit with Proven and Probable Reserves of 9.644 M oz Au (175 533 t @ 1.71 g/t Au) (Tasiast Technical report March 31, 2014, Kinross web site). Algold's qualified person is unable to verify this information with respect to Tasiast, which is not necessarily indicative of the mineralization on Tijirit. The option agreement also allows Algold to acquire the Akjoujt Project, which is situated 30 kilometres east of First Quantum's Guelb Moghrein copper/gold mine (23.7 Mt grading 1.88% Cu and 1.41 g/t Au).

The Tijirit Property is comprised of exploration licenses Nos. 447 and 1,117, with areas of 1,000 km2 and 460 km2, respectively. Tijirit is situated approximately 30 kilometers southeast of the Tasiast gold deposit. Tijirit is considered a brownfield site owing to the more than 35,000 meters of RC and 3,500 meters of DDH drilling that have been carried out on the property. Past exploration indicate a number of highly promising drill results on four gold prospects: Sophie I - II, Sophie III, Lily and Eleanor. Historical drill intersection highlights include SRC47: 16 m @ 2.47 g/t Au, SRC24: 14 m @ 4.01 g/t Au at Sophie I, LRC17: 16 m @ 2.8 g/t Au at Lily and ERC4: 6 m @ 17.63 g/t Au at Eleanor.

Akjoujt is comprised of exploration licence No. 448 and covers an area of 749 km2. Historical exploration performed on this property by Gryphon included more than 14,000 soil samples, 75 trenches and 18 RC by BRGM and 15 RC for 879 meters. Historical trenching highlights include 28 m @ 3.51 g/t Au.

The Agreement also grants an option to acquire Gryphon's 60% interest in Shield Saboussiri Mining Mauritania SA ("Shield"), an entity that owns a joint venture with respect to the Saboussiri project (permit numbers EL236, EL879 and EL1074). Under the Agreement, Algold may exercise its option on the Tijirit and Akjoujt exploration licences without also acquiring Gryphon's interest in Shield. If Algold exercises its option only in part, the consideration described below will remain unchanged.

Exploration completed on Saboussiri, comprised of exploration licenses Nos. 236 (33 km2), 879 (187 km2) and 1074 (971 km2) include some 12,226 soil samples, 5 trenches and 4 RC (707 m) and 11 DDH (1,411 m) holes. Historical drilling highlights include 22.3 m @ 2.1% Cu, 12.7 m @ 2.94% Cu, 35 m @ 1.44% Cu, 33 m @ 1.43% Cu. (Assays results reference: Gryphon's press releases dated August 5, 2013 and December 12, 2014 and annual report dated October 18, 2011.)

For the fiscal year ended June 30, 2015, Shield had net assets of C\$180,000, an intercompany loan of C\$4,600,000 (that loan being its only material liability), shareholder equity of (C\$4,400,000), no revenues and a net loss of C\$60,000 (all amounts are approximate and were converted from Mauritanian ouguiya as of October 27, 2015).

"The exploration licenses are an excellent addition to our highly prospective Legouessi and Kneivissat properties in Mauritania. Our already significant land portfolio within the mineral-rich Archean Greenstone Belt triples to more than 4,000 km2," stated Algold's President and Chief Executive Officer, Francois Auclair. "Moreover, previous exploration conducted on the new properties serves to accelerate Algold's development in just a few short months. In a very challenging market, we are pleased with the opportunity to accelerate value creation for our shareholders."

The consideration payable by Algold under the Agreement consists of the following:

1.
 - (i) 1,666,666 Algold common shares ("Common Shares") in consideration of the Option, to be issued upon receipt of approval of the terms of the Agreement from the TSX Venture Exchange (the "TSXV"); and
2.
 - (ii) 8,700,000 Common Shares upon the exercise of the Option;

3.

(iii)a payment of C\$1.5 million, payable at the option of Algold either in cash or through the issuance of up to 12,500,000 Common Shares ("Milestone Shares") upon the earlier of:

- the date that is 90 days after Algold announces that there is an NI 43-101 compliant mineral resource (of any one or more categories of measured, indicated or inferred) of 500,000 ounces on a gold equivalent ounces basis at any of the Properties or combination thereof; and

- the later of the following two dates:

- the date which falls 15 months from the date of the Agreement (but only if Algold has exercised the Option); and

- the date on which the Mauritanian authorities communicate the renewal of the licenses with respect to the Properties; and

4.

(iv)an additional cash payment of C\$1.5 million, payable within 90 days of achieving an NI 43-101 compliant mineral resource (of any one or more categories of measured, indicated or inferred) of 1,000,000 ounces on a gold equivalent ounces basis at any of the Properties or combination thereof.

The issue price of any Milestone Shares issued under the Agreement will be the greater of (a) the 20 day volume weighted average price of the Common Shares on the TSXV up to the last business day before Algold's election to issue those Milestone Shares; and (b) \$0.12. Algold has agreed not to issue to Gryphon a number of Milestone Shares that would cause Gryphon to become a new Control Person (as defined in the TSXV's policies). If, as a result, Algold is unable to make the payment described above at item (iii) solely through the issuance of Milestone Shares, it must pay the shortfall in cash.

The Saboussiri property is subject to a right of first refusal in favour of a third party. If that right is exercised, Gryphon shall pay Algold an amount equal to that which Gryphon receives from the third party pursuant to the exercise of the pre-emptive right.

The granting of the Option and the completion of this acquisition are conditional upon receiving TSXV approval. All Common Shares issued under the Agreement will be subject to a four-month hold period.

Quality Assurance / Quality Control (QA/QC)

This press release has been reviewed for accuracy and compliance under National Instrument 43-101 by Andre Ciesielski, Pgeo, DSc., [Algold Resources Ltd.](#)'s Lead Consulting Geologist and Qualified Person.

ABOUT ALGOLD

[Algold Resources Ltd.](#) is focused on the exploration and development of gold deposits in West Africa. The board of directors and management team are seasoned resource industry professionals with extensive experience in the exploration and development of world-class gold projects in Africa.

CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING INFORMATION

This news release discusses items that may constitute forward-looking statements within the meaning of securities laws and that involve risks and uncertainties. Such statements include those with respect to the completion of the acquisition of Gryphon's properties (the "Properties") and share issuances to be made. Although Algold believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in such forward-looking statements are based on reasonable assumptions, they can give no assurances that those expectations will be achieved and actual results may differ materially from those contemplated in the forward-looking statements and information. Such assumptions, which may prove incorrect, include that the acquisition of the Properties will obtain all required regulatory approvals and that Gryphon will complete the sale of the Properties. Factors that could cause actual results to differ materially from expectations include Algold's inability to obtain the required approvals or Gryphon's refusal to proceed, for whatever reason, either on a timely basis or at all. These factors and others are more fully discussed in Algold's filings with Canadian securities regulatory authorities available at www.sedar.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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