

TORONTO, ONTARIO--(Marketwired - March 3, 2017) - [Eloro Resources Ltd.](#) (TSX VENTURE:ELO)(FRANKFURT:P2Q) ("Eloro") is pleased to announce it has signed a letter agreement (the "Agreement") with Cott Oil and Gas Limited ("Cott") (ASX:CMT), granting Cott an option to acquire up to a 25% interest in Eloro's wholly-owned La Victoria Gold Silver Project ("La Victoria" or the "Property"), by completing up to C\$5 million in expenditures by July 31, 2018. The Property covers approximately 80.4 square kilometres and is held by a Peruvian-based Eloro subsidiary and is located in Huandoval District, Pallasca Province, Ancash Department, in the prolific North-Central Mineral Belt of Peru.

The Agreement

Under the terms of the Agreement, Cott can earn an initial 10% interest in the Property by expending C\$2 million (exclusive of all applicable taxes) by or before October 30, 2017 ("Stage 1 Earn-in Period"), and a further 15% interest ("Stage 2 Earn-in Period") by expending an additional C\$3 million (exclusive of all applicable taxes) by or before July 31, 2018. At the end of either the Stage 1 Earn-in Period or the Stage 2 Earn-in Period, a joint venture would be formed between Eloro and Cott on the basis of their respective interest in La Victoria on the typical terms for a joint venture, with Eloro being the operator and the typical dilution provisions.

Pursuant to the Agreement, Cott would grant Eloro a right of first refusal ("RFR") pursuant to which Cott would be obliged to give Eloro at least 60 days prior written notice of any proposed sale of any interest in the Property to a third party and Eloro would have the right to exercise its RFR within 30 days of receipt of such notice from Cott by matching the third party offer. Additionally, should Eloro propose to sell all or a majority of its interest in the Property to a third party, Eloro must first consult with Cott about the identity of the third party and the proposed terms of sale. If Eloro proceeds with the sale, Cott will be obliged to sell its interest to the third party on a *pro rata* basis in accordance with the terms of Eloro's sale to the third party.

Eloro and Cott have agreed to proceed to the execution and delivery of a definitive agreement ("Definitive Agreement"), incorporating the terms contained in the Agreement. The execution of the Definitive Agreement is subject to the satisfactory completion by Cott of its due diligence investigation of the Property and also subject to the approval by the Boards of Directors of Eloro and Cott, and in the case of Cott, the approval of the ASX Limited and if applicable, shareholders of Cott, and in the case of Eloro, the approval of the TSX Venture Exchange.

Eloro Resources at the PDAC

Eloro will be participating at the PDAC 2017 convention in Toronto and invites you to visit us at Booth 2326 (Investors Exchange) in the South Building, Metro Toronto Convention Centre from March 5 - 8, 2017.

About Eloro Resources Ltd.

Eloro is an exploration and mine development company which holds a 100% undivided interest in the La Victoria Gold/Silver Project, located in the prolific North-Central Mineral Belt of Peru. The La Victoria Gold/Silver Project covers 80.4 square kilometers and is within 50 km of several large, low-cost producing gold mines, with three producers visible from the property. Infrastructure in the area is good with access to road, water, and electricity and is located at an altitude that ranges from 3,100m to 4,200m above sea level. Eloro also holds a portfolio of gold and base-metal properties in northern and western Quebec.

About Cott Oil and Gas Limited

Cott is an ASX publicly-listed company that sold its oil and gas interests in late 2016 and has since been looking to diversify into the mineral resource sector. The Chairman of Cott, Mr. Stephen Dennis, has been actively involved in the mining industry for over 30 years and is also Chairman of several listed resource companies in Australia. Mr. Dennis was for 8 years, up to 2015, Managing Director and CEO of [CBH Resources Ltd.](#), a significant producer of silver, lead and zinc, which is the Australian-based subsidiary of Toho Zinc Co. Ltd., a Japanese company listed on the Tokyo Stock Exchange.

Information in this news release may contain forward-looking information. Statements containing forward-looking information express, as at the date of this new release, the Corporation's plans, estimates, forecasts, projections, expectations, or beliefs as to future events of results and are believed to be reasonable based on information currently available to the Corporation. There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.

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

For additional technical information on the La Victoria Project, the reader is referred to the NI 43-101 Technical Report on the La Victoria Au-Ag Property, Ancash, Peru filed under Eloro's profile on SEDAR (www.sedar.com).

Contact

Thomas Larsen
President and CEO
(416) 868-9168

Jorge Estepa
Vice-President
(416) 868-9168