Avesoro Resources Inc. Loan Agreement

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TORONTO, Oct. 21, 2019 - Avesoro Resources Inc. (the "Company" or "Avesoro") (TSX: ASO, AIM: ASO) announces that it has entered into a loan agreement in connection with an additional working capital facility (the "New Facility") of up to US$5,000,000, in a total of two tranches, with Avesoro Jersey Limited ("AJL") to assist with satisfying the Company's near term cashflow needs.

Loan Agreement

The Company intends to draw down a first tranche of US$3,500,000 in the coming days, with the funds being made available for general working capital purposes. The second tranche of up to US$1,500,000 is drawable until December 31, 2019, at the mutual agreement of both parties. The New Facility is unsecured and is subordinated to the Company's existing facilities. Interest will be charged on the drawn amount at a fixed rate of 3.0 per cent per annum. The tranches of the New Facility are due to be repaid in full no later than 12 months following drawdown of the relevant tranche. There is no early repayment penalty. Following drawdown of the first tranche, the balance of working capital loans provided by AJL to the Company is US$45,735,025.

Related Party Transaction (AIM Rule 13)

AJL is a substantial shareholder of the Company (72.9% of the Company's issued and outstanding Common Shares). As a result, entering into the New Facility constitutes a related party transactions under the AIM Rules for Companies. The independent directors of the Company, being Mr David Netherway, Mr Jean-Guy Martin and Mr Loudon Owen consider, having consulted with the Company's Nominated Adviser, that the terms of the New Facility are fair and reasonable insofar as the Company's shareholders are concerned.

The entry into the New Facility is also a related party transaction for the purposes of Multilateral Instrument 61-101 – Protection of Minority Shareholders in Special Transactions ("MI 61-101") in Canada. The Company is relying on the exemption available under section 5.7(f) of MI 61-101 from the minority shareholder approval requirements. The New Facility is not a type of related party transaction that is subject to the formal valuation requirement under MI 61-101.

About Avesoro Resources Inc.

Avesoro Resources is a West Africa focused gold producer and development company that operates two gold mines across West Africa and is listed on the Toronto Stock Exchange ("TSX") and the AIM market operated by the London Stock Exchange ("AIM"). The Company's assets include the New Liberty Gold Mine in Liberia and the Youga Gold Mine in Burkina Faso.

For more information, please visit www.avesoro.com

Market Abuse Regulation (MAR) Disclosure

Certain information communicated in this announcement was, prior to its publication, inside information for the purposes of Article 7 of Regulation 596/2014.

SOURCE Avesoro Resources Inc.

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