Eloro Resources Announces Proposed Financing

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TORONTO, June 02, 2020 - Eloro Resources Ltd. (TSX-V: ELO; FSE: P2Q) (“Eloro” or the “Corporation”) is pleased to announce a proposed non-brokered private placement (the “Private Placement”) of up to 5,000,000 units of Eloro at a price of $0.30 per unit (“Units”) for proceeds of up to $1,500,000.

Each Unit will consist of one common share (“Common Share”) and one half of one Common Share purchase warrant (a “Warrant”). Each whole Warrant will entitle the holder to purchase one Common Share at a price of $0.50 per share for a term of 24 months following the closing of the Private Placement.

In the event that any subscriber {“Subscriber”) purchases 4,500,000 Units pursuant to the Private Placement, the Corporation will grant to such Subscriber a right and option to participate in any private placement offering of Common Shares (whether or not any warrants are attached thereto) to subscribe for a sufficient number of Common Shares to maintain the Subscriber’s then applicable percentage holding of Common Shares (the “Anti-dilution Right”), such Anti-dilution Right to be exercisable until seven days prior to the closing date of the applicable private placement offering and such Anti-dilution Right to expire three years from the closing date of the proposed Private Placement.

The proceeds of the Private Placement will be used for working capital purposes and to fund exploration efforts on Eloro’s optioned and wholly-owned properties. The Private Placement is subject to approval by the TSX Venture Exchange. Directors and/or officers of the Corporation will be participating in the Private Placement. All securities issued pursuant to the Private Placement will be subject to the applicable statutory four-month hold period.

About Eloro Resources Ltd.

Eloro is an exploration and mine development company with a portfolio of gold and base-metal properties in Bolivia, Peru and Quebec. Eloro has an option to acquire a 99% interest in the highly prospective Iska Iska Property, which can be classified as a polymetallic epithermal-porphyry complex, a significant mineral deposit type in the Potosi Department, in southern Bolivia. Eloro recently commissioned a NI 43-101 Technical Report on Iska Iska, which was completed by Micon International Limited and is available on Eloro’s website and under its filings on SEDAR. Iska Iska is a road-accessible, royalty-free property. Eloro also owns an 82% interest in the La Victoria Gold/Silver Project, located in the North-Central Mineral Belt of Peru some 50 km south of Barrick's Lagunas Norte Gold Mine and Pan American Silver’s La Arena Gold Mine. La Victoria consists of eight mining concessions and eight mining claims encompassing approximately 89 square kilometres. La Victoria has good infrastructure with access to road, water and electricity and is located at an altitude that ranges from 3,150 m to 4,400 m above sea level.

For further information please contact either Thomas G. Larsen, President and CEO or Jorge Estepa, Vice-President at (416) 868-9168.

Caution regarding Forward-Looking Information
Information in this news release may contain forward-looking information. Statements containing forward looking information express, as at the date of this news release, the Corporation’s plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Corporation including the size and other terms of the Private Placement. There can be no assurance that statements of forward-looking information 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.