Eloro Resources Ltd. Announces Commencement of Underground Diamond Drilling Program at Iska Iska Silver-Polymetallic Property Area, Potosi Department, Southern Bolivia

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TORONTO, Sept. 14, 2020 - Eloro Resources Ltd. (TSX-V: ELO; OTCQX: ELRRF; FSE: P2QM)(“Eloro” or the “Company”) is pleased to announce that its Bolivian subsidiary Minera Tupiza S.R.L. has commenced the planned 3,500m underground diamond drilling program at Huayra Kasa on its optioned Iska Iska Polymetallic Project in Potosi Department, southern Bolivia. The Company and contractor Empresa Minera Villegas S.R.L. have implemented safeguards to protect personnel from COVID-19. Drilling, which will be HQ-sized core, is being carried out by Leduc Drilling S.R.L. an experienced Bolivian drill contractor. Details of the initial planned drill holes in the program are listed in Table 1 and shown on Figure 1 (refer to press release of August 11, 2020 for more details).

All underground workings are being systematically geologically mapped and channel sampled; to date this work is approximately one half completed. In addition, a surface trenching program is being carried out along with geological mapping and sampling to test the on-strike extension of the Huayra Kasa zone. Assay results for this work are pending. Preliminary geological work indicates that the Huayra Kasa zone extends at least 1 km along strike within the more extensive Iska Iska mineralized system. Silver-polymetallic mineralization within the Iska Iska system occurs over a potential strike length of more than 2.5km along major ring structures in a caldera complex.

Tom Larsen, President & CEO of Eloro commented: “This program will be the first drilling to ever be carried out on the property and is designed to test the full extent of the mineralized system in and around the Huayra Kasa underground workings. The mineralized/altered zone is exposed in the underground workings over a width of 100m but is likely much more extensive. Drilling will initially test a strike length of approximately 300m to a depth of 100m in the vicinity of the mine workings (Figure 1), however the potential strike length of the Huayra Kasa zone is at least 1 km. Iska Iska is situated in the highly prolific Southern Bolivian Silver belt and has excellent potential to host a significant silver-polymetallic mineral deposit”.

Qualified Person

Dr. Osvaldo Arce, P. Geo., an expert on Bolivian geology and a Qualified Person in the context of National Instrument 43-101 has reviewed and approved the technical content of this news release. Dr. Bill Pearson, P.Geo., Chief Technical Advisor for Eloro, and who has more than 45 years of worldwide mining exploration experience including extensive work in South America, will provide technical oversight to the program in consultation with Eloro’s Technical Advisory Committee and Micon International. Drill samples will be prepared in SGS’s preparation facility in Oruro, Bolivia with pulps sent to their main laboratory in Lima, Peru for analysis by fire assay for gold and silver as well as 31 element ICP. Eloro will employ an industry standard QA/QC program with standards, blanks and duplicates

About Iska Iska

Iska Iska polymetallic project is a road accessible, royalty-free property, wholly-controlled by the Title Holder, Empresa Minera Villegas S.R.L. and is located 48 km north of Tupiza city, in the Sud Chichas Province of the Department of Potosi. The property can be classified as a polymetallic (Ag, Zn, Pb, Au, Cu, Bi, Sn, In) epithermal-porphyry complex. This is an important mineral deposit type in Bolivia. Eloro’s Bolivian subsidiary, Minera Tupiza S.R.L., has an option to acquire a 99% interest in Iska Iska.

Geological mapping on the property by Eloro has revealed the spatial and temporal zonation of alteration and vein minerals in an area of about 5 square kilometres. The polymetallic mineralization occurs mainly as veins, subsidiary vein swarms, veinlets, stockworks, and disseminations, forming a subvertical vein system in both the stock and the volcanic and sedimentary rocks. Preliminary evaluation work including 42 channel samples in underground and on surface workings at Iska Iska returned significant results as summarized below. All of the channel samples included altered wall rock with widths ranging between 1.20 to 5.55 m, averaging 2.90 m (see press release of October 8, 2019 for further details).

- Silver. Anomalous silver values range between 35.5-694 g/t Ag (46% of channel samples).
- Gold. Anomalous gold values range between 0.31-28.6 g/t Au (42% of channel samples).
- Zinc. Anomalous zinc values range between 1.05-16.95% Zn (37% of channel samples).
- Lead. Anomalous lead values range between 0.41- 16.95% Pb (49% of channel samples).
- Copper. Anomalous copper values range between 0.1->1% (22% of channel samples).
- Bismuth. Anomalous bismuth values range between 967-7,380 g/t Bi (22% of channel samples).
- Indium. Anomalous indium values range between 10.35->500 g/t In (34% of channel samples).

The synchrotron study concluded that the mineral cluster analysis identified four mineralogical domains that cover the entire sampling area suggesting they are related and represent a single, large mineralizing system. Furthermore, the mineralogy of the domains is consistent with minerals identified in hand specimen and are likely related to a telescoped porphyry/epithermal style of mineralization. Domain 1 (Figure 1) is the most pervasive while Domains 2, 3 and 4 are more localized.

Dr, Osvaldo Arce, P.Geo., Project Manager in Bolivia, commented: “The results from this study support the concept of outlining potential bulk mineable silver-polymetallic mineralization at Iska Iska as concluded by Micon. Domain 1 is very widespread with mineralization and alteration occurring in all rock types including granodiorite, dacite and sandstone. Some samples returned grades comparable to those samples in the more restricted domains. Domain 2 contains high silver, zinc, lead and indium values while Domain 3 has high gold and bismuth values. Domain 4 returned the highest gold value with high silver and bismuth. It is likely that the mineralization in Domains 2 to 4 is a precious metal-rich epithermal style that occurs along structures cutting the widespread Domain 1 mineralization that is of disseminated porphyry style. It should be emphasized that this is a preliminary study the conclusions of which will be refined with additional surface/underground geological mapping and diamond drilling” (see press release June 25, 2020 for further details).

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.

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Table 1: Summary of Initial Planned Underground Diamond Drill Holes, Huayra Kasa Mine.

DDH No.	DRILL BAY No.	SECTION	EASTING UTM	NORTHING UTM	ELEV. (masl)	AZIMUTH	DIP	PLANNED LENGTH (m)
DHK-01	1	A-A'	205616	7656385	4155	180	-10?	100
DHK-02	1	A-A'	205616	7656385	4155	180	-50?	100
DHK-03	1	B-B'	205616	7656385	4155	90	00	75
DHK-04	1	B-B'	205616	7656385	4155	90	-45?	100
DHK-05	1	A-A'	205616	7656385	4155	N00	-50?	100
DHK-06	1	B-B'	205616	7656385	4155	270	00	150
DHK-07	1	B-B'	205616	7656385	4155	270	-45?	150
DHK-08	2	C-C'	205540	7656367	4155	150	-10?	100
DHK-09	2	C-C'	205540	7656367	4155	150	-45	150
DHK-10	2	D-D'	205540	7656367	4155	30	-50?	150
DHK-11	2	C-C'	205540	7656367	4155	330	00	100
DHK-12	2	C-C'	205540	7656367	4155	330	-45?	100
DHK-13	2	D-D'	205540	7656367	4155	210	00	100
DHK-14	2	D-D'	205540	7656367	4155	210	-45?	100
DHK-15	3	E-E'	205490	7656368	4155	315	00	100
DHK-16	3	E-E'	205490	7656368	4155	315	-45?	150
DHK-17	3	F-F'	205490	7656368	4155	270	00	100
DHK-18	3	F-F'	205490	7656368	4155	270	-45?	150
DHK-19	3	G-G'	205490	7656368	4155	225	00	100
DHK-20	3	G-G'	205490	7656368	4155	225	-45?	150
							TOTAL	2,225

Note: Final drill hole coordinates and depths may vary from planned.

Figure 1: Location of initial planned underground diamond drill holes, Huayra Kasa Mine. Mineral cluster domains from the synchrotron study (see press release June 25, 2020 for more details) are shown.

FIGURE 1 accompanying this announcement is available at
https://www.globenewswire.com/NewsRoom/AttachmentNg/2b5df548-0fb5-450c-b888-5e6452f80a6a