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## **Eloro Resources and Tartisan Resources Enter into Agreement for Eloro to Acquire a 100% interest in Tartisan's La Victoria Polymetallic Property, Ancash, Peru**

**Toronto, Canada, May 30, 2016 – Eloro Resources Ltd. (TSX-V: ELO; FSE: P2Q) (“Eloro”) and Tartisan Resources Corp. (CSE:TTC) (“Tartisan”)** are pleased to announce that they have entered into a Letter of Intent Agreement (the “Agreement”) for Eloro to acquire Tartisan’s 100% undivided interest in La Victoria property (“La Victoria” or the “Property”), in consideration for: i) 6 million common shares (the “Shares”) and 3,000,000 non-transferable warrants (“Warrants”), ii) staged cash payments totalling C\$350,000, and iii) the granting of a 2% royalty interest (the “Royalty”), half of which (1%) can be repurchased by Eloro for C\$3 million (collectively, the “Transaction”). The Property, consisting of 8 mineral concessions totalling approximately 34.4 km<sup>2</sup>, is held by a Peruvian-based Tartisan subsidiary and is located in Huandoval District, Pallasca Province, Ancash Department, in the North-Central Mineral Belt of Peru. On completion of the proposed Transaction, Eloro will hold an undivided 100% interest in the Property, subject to the Royalty.

### **Transaction Highlights**

- Acquisition of Tartisan’s 100% interest in the Property currently governed by the La Victoria Option and Joint Venture Agreement dated July 3, 2014 (the “Option and Joint Venture Agreement”), as amended, in consideration of: i) the issuance of 6,000,000 Shares and 3,000,000 Warrants of Eloro, ii) a cash payment of C\$250,000 on closing, with a further payment of C\$100,000 six months from closing (the San Markito mineral claim will not be transferred by Tartisan to Eloro until such time that the final C\$100,000 payment is made). The Option and Joint Venture Agreement will be terminated upon completion of the Transaction.
- Each Warrant will give Tartisan the right to purchase one Share of Eloro at a price of \$0.40 for a period of three years after closing, subject to acceleration in certain circumstances.
- All securities issued to Tartisan in the Transaction would be subject to a lock-up agreement whereby Tartisan will be restricted from transferring securities of Eloro for a period of 18 months following the closing date of the Transaction, subject to certain exceptions, and transfers subsequent to that period will be subject to further restrictions, whereby should Tartisan wish to proceed with a disposition, it would be restricted to 1 million Shares every six months and Tartisan would agree to provide Eloro 45 days’ notice prior to any sale, during which time Eloro could identify a purchaser or purchasers of the Shares and would have the right of first refusal to place the Shares pursuant to the terms of a mutually agreeable sale.
- Eloro would grant Tartisan a 2% Royalty on the Property, with a buy-down provision for one-half (1%) of the Royalty for consideration of C\$3 million.
- During a two year term, Eloro would grant Tartisan a pre-emptive purchase right to participate in future Eloro financings to concurrently purchase such number of Eloro shares as would allow Tartisan to maintain the same beneficial ownership in aggregate, up to a maximum of 19.9%, as Tartisan owned immediately prior to the closing of the proposed financing.

- Tartisan will be entitled to nominate its C.E.O., Mr. Mark Appleby, to the Board of Directors of Eloro, during such time that Tartisan holds more than 10% of the outstanding Eloro Shares.
- For a four-year term, Tartisan will not vote its Shares of Eloro against any nominees to Eloro's Board of Directors proposed by Eloro or vote against any resolutions supported by the Board of Directors of Eloro, subject to certain exceptions.

The proposed Transaction would create a new "Control Person" in Eloro pursuant to applicable securities legislation as it is proposed that Eloro issue Tartisan 6 million Shares and 3,000,000 Warrants (representing 22.8% of the Shares of Eloro on a non-diluted basis, and 30.7% of the Shares of Eloro on a partially-diluted basis, assuming the exercise of only the Warrants). In accordance with the policies of the TSX Venture Exchange ("TSXV"), disinterested shareholder approval is required for the creation of a new Control Person.

The Transaction remains subject to several conditions, including: (i) the satisfactory completion of a due diligence review of the Property by Eloro, (ii) the completion and execution of a Definitive Agreement, (iii) approval of the Board of Directors of each of Eloro and Tartisan, (iv) the receipt of all necessary approvals, including the approval of the TSXV for Eloro and of the Canadian Securities Exchange for Tartisan, and (v) shareholder approval from the shareholders of Eloro and if applicable, the shareholders of Tartisan. Eloro will be making a submission to the TSXV in order to obtain conditional approval for the Transaction and will schedule an Annual and Special Meeting of its shareholders in order to obtain the required shareholder approval for the issuance of the securities pursuant to the Transaction. Any securities to be issued by Eloro pursuant to the proposed Transaction would be subject to a 4-month hold period.

### **La Victoria Property, Peru**

The La Victoria Property is free of royalties and consists of two adjacent, but not contiguous, properties totalling eight mining concessions encompassing approximately 34.4 square kilometres. The La Victoria Property is within 50 kilometres of several producing mines, with three producers visible from the Property, which has good infrastructure with road-access and nearby sources of water and electricity.

### **About Eloro Resources Ltd.**

Eloro is an exploration and mine development company with a portfolio of gold properties in Peru and precious and base-metal properties in northern and western Quebec. Eloro has been granted an option to acquire a 60% interest in La Victoria property, located in the North-Central Mineral Belt of Peru.

### **About Tartisan Resources Corp.**

Tartisan is a mineral exploration and development company based in Toronto, Canada with an emphasis on properties in Peru. The company owns the La Victoria property located in the northern Ancash Department, Peru. La Victoria property is located within 50 km of several producing mines including: La Arena owned by Tahoe Resources, Lagunas Norte (Alto Chicama) owned by Barrick Gold Corporation (TSX:ABX) and Santa Rosa owned by Compañía Minera Aurífera Santa Rosa (COMARSA).

**For further information please contact: Thomas G. Larsen, Chairman and CEO of Eloro or Jorge Estepa, Vice-President of Eloro at (416) 868-9168 or Mark Appleby, CEO of Tartisan Resources at (416) 804-0280.**

*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. 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, CSE nor its Regulation Services Provider (as that term is defined in the policies of the TSXV or CSE) accepts responsibility for the adequacy or accuracy of this release.*