

Quadro Signs LOI for the Tulks South Property, Newfoundland

Vancouver, British Columbia--(Newsfile Corp. - July 26, 2021) - **Quadro Resources Ltd. (TSXV: QRO) (OTCQB: QDROF) (FSE: G4O2) ("Quadro" or the "Company")** is pleased to announce that it has signed a binding letter of intent ("LOI") with Buchans Minerals Corporation ("BMC") for the gold prospective Tulks South Property (the "Property"), located proximal to Quadro's Long Lake project, Newfoundland. The LOI sets out a proposed transaction (the "Proposed Transaction") pursuant to which Quadro has acquired from BMC an option to acquire a 51% interest (the "Initial Option") in BMC's claims which comprise the Property, followed by the right to acquire an additional 19% interest (the "Second Option" or "Joint Venture") in the event that BMC elects not to participate in work programs after Quadro has earned its initial 51% interest.

The Tulks Property consists of 212 claim units covering a portion of the Tulks volcanic belt. These claims are tied onto Quadro's Long Lake property and the entire package now consists of 482 units (120.5 sq km) covering a broad Monzonite intrusive unit which trends northeast across the properties. This unit is parallel to the Valentine Lake Monzonite which hosts Marathon Gold's Valentine Lake deposits located 7 km to the southeast of the Quadro claims. *(Total Measured Mineral Resources (inclusive of the Mineral Reserves) comprise 1.9 Moz (31.7 Mt at 1.86 g/t) with Indicated Mineral Resources (inclusive of the Mineral Reserves) of 1.19 Moz (23.2 Mt at 1.60 g/t). Additional Inferred Mineral Resources are 0.96 Moz (16.77 Mt at 1.78 g/t Au). (N.I. 43-101 Technical Report & Pre-Feasibility Study on the Valentine Gold Project Newfoundland and Labrador, Canada Report date: April 21, 2020 Effective date: April 18, 2020 Prepared for: Marathon Gold Corporation 10 King St. East, Suite 501, Toronto, ON, M5C 1C3 Prepared by: Ausenco Engineering Canada).*

(Mineralization hosted on these established operations is not necessarily indicative or representative of the mineralization that may be hosted on the Company's property.)

Previous work in 2020, by Quadro, on the Long Lake project included soil sampling and prospecting which defined a 700 m long gold target (Ricky Target) highlighted by a strong Au-in-soil anomaly and a number of float samples with values up to 33.65 g/t Au (see Quadro press releases dated January 5, 2021, and November 30, 2020, for more details). A field program is currently in progress consisting of geophysics, prospecting and geochemistry and this program will be expanded to cover the BMC claims. Detailed ground magnetics and induced polarization is being completed on the Ricky target and a diamond drill has been mobilized to the property.

LOI TERMS

- 1. Initial Option.** Quadro may exercise the Initial Option by incurring Cdn \$500,000 of exploration expenditures on the Property as follows:
 - a. On signing of this LOI, Quadro will issue payment of \$54,250 to BMC as reimbursement for payment made by BMC in lieu of required assessment work, which will be reimbursed once assessment is filed.
 - b. Completing Cdn\$85,000 of Expenditures by the first anniversary of the LOI;
 - c. Completing a further Cdn\$110,000 of Expenditures on or before the second anniversary of the LOI;
 - d. Completing a further Cdn\$135,000 of Expenditures on or before the third anniversary of the LOI; and
 - e. Completing a further Cdn\$170,000 of Expenditures on or before the fourth anniversary of the LOI.
- 2. Second Option or Joint Venture.** Upon Quadro having incurred Cdn \$500,000 of exploration expenditures and exercised the Initial Option and submitted to BMC a technical report on the work completed during the Initial Option period and a proposed work program and budget for the next

phase of exploration or development, BMC will have 60 days in which to:

- a. Elect to participate in a joint venture (the "Initial Joint Venture") with Quadro for the further development of the Property with Quadro having an initial 51% interest and BMC having an initial 49% interest; or
- b. Elect not to participate in the Initial Joint Venture in which case Quadro will have the right to exercise the Second Option by incurring a further \$250,000 of Expenditures within 12 months of BMC electing not to participate in the Initial Joint Venture and upon completion of such Expenditures the parties will form a joint venture with Quadro having a 70% interest and BMC having a 30% interest (the "Second Joint Venture").

In the event that Quadro fails to complete the Expenditures required to exercise the Second Option the parties will revert to forming the Initial Joint Venture.

After forming the Initial Joint Venture or the Second Joint Venture as the case may be, if a participant's interest is diluted to less than 10% its interest will be converted to a 2% NSR. The other participant will have the right to purchase fifty percent of the NSR (i.e. 1%) by paying the holder of the NSR \$1.5 million and such purchasing participant will have a right of first refusal on the remaining 1% NSR.

BMC is a base metal-focused company and as such, if deposit areas are defined having gross in situ base metal values greater than the gross in situ precious metal values, such areas will be developed as a base metal project(s). The project areas would be defined covering the base metal deposits and BMC would become operator of the base metal project(s) on a 70% BMC/30% Quadro joint venture pursuant to a definitive agreement containing usual commercial terms for joint venture projects of that nature.

Quadro and BMC will work towards completion of a Definitive Agreement on or before September 1, 2021.

Wayne Reid, P. Geo., VP Exploration for Quadro and a qualified person as defined in National Instrument 43-101, is responsible for this release and supervised the preparation of the information forming the basis for this release.

About Quadro Resources - Quadro is a publicly traded mineral exploration company. It is led by an experienced and successful management team and is focused on exploring for gold in North America. The Company's shares trade on the TSX Venture Exchange under the symbol "QRO". Quadro owns a 100% interest in the Staghorn property, has an option to earn a 100% interest in the Long Lake and Careless Cove properties, and has an option to earn an initial 51% interest in the Tulks South Property, in Newfoundland.

On behalf of the board of directors,
Quadro Resources Ltd.

"T. Barry Coughlan"
President and CEO

Tel (604) 644-9561
info@quadroresources.com

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