



THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

31 January 2017

**Avesoro Resources Inc.
TSX: ASO
AIM: ASO**

CREDIT COMMITTEE APPROVAL OF REVISED AND IMPROVED FINANCE FACILITY TERMS

Avesoro Resources Inc. (“Avesoro” or the “Company”), the TSX and AIM listed West African gold producer, is pleased to announce that it has received approval of a revised term sheet from the credit committees of Nedbank Limited and FirstRand Bank Limited (acting through its Rand Merchant Bank division) (collectively the “Lenders”). The revisions include improved conditions and rescheduled repayment terms of its existing project finance facilities with the Lenders in exchange for the provision of a personal guarantee from Mehmet Nazif Günal, Non-Executive Chairman of the Company, and a corporate guarantee from Avesoro Holdings Limited, the beneficial owner of 73.5% of the Company’s issued equity.

Highlights:

- Rescheduled repayment structure agreed with no further capital repayments due until 31 March 2018, allowing the Company to generate a prudent level of cash reserves before repayments commence, with the repayments scheduled to reflect the current life of mine production profile of the New Liberty Gold Mine (“New Liberty”);
- Senior facility loan tenor extended by two years until 31 January 2022, whilst the tenor on the subordinated facility has been extended to the earlier of 12 months following the repayment of the senior facility or 31 January 2023;
- The senior facility interest rate remains at US\$ London Interbank Offered Rate (“LIBOR”) plus 1.8% until 2020, following which it will increase to LIBOR plus 4.3% and the subordinated facility interest rate remains the same at LIBOR plus 7.5%;
- Removal of the cash sweep mechanism that obliged the Company to use surplus cash generated by New Liberty to accelerate loan repayments, thereby allowing surplus cash generated to now be spent on value enhancing activities including project expansion and exploration; and
- Removal of the majority of the financial covenants and distribution tests, increasing operating flexibility and reducing the Company’s administrative burden and monitoring costs associated with the facilities.

The senior finance facility remains backed by the Export Credit Insurance Corporation of South Africa Limited (“ECIC”) and is subject to their final Board approval. The Company’s Lenders have extended the default waiver and standstill agreement announced on 15 December 2016 until 31 March 2017 to allow time for the completion of the legal documentation required to amend the facilities and document the guarantees.

Commenting on the revised terms of the project finance facility, Serhan Umurhan, Chief Executive Officer of Avesoro Resources, said:

“We are pleased to have successfully concluded negotiations with our lending banks and importantly on improved terms. This represents a positive conclusion to negotiations between the Company and

its Lenders which have benefited from assistance provided by Endeavour Financial who have acted as financial advisors to the Company in respect of this matter.

The agreement provides stability for management to build on the material progress made since the initial investment by Avesoro Holdings in the Company during June 2016. I would like to offer my thanks for the continued support of the Lenders whilst we have worked to stabilise operations at New Liberty.

I would also like to offer our gratitude to Mr Mehmet Nazif Gnal, the Company's Non-Executive Chairman and to the wider Avesoro Holdings Group for their support of the Company by providing a guarantee over the obligations of this finance facility."

Contact Information

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About Avesoro Resources Inc.

The Company's assets include the New Liberty Gold Mine in Liberia (the "New Liberty Gold Mine," "New Liberty" or the "mine") which has an estimated proven and probable mineral reserve of 8.5 Mt with 924,000 ounces of gold grading 3.4 g/t and an estimated measured and indicated mineral resource of 9,796 Kt with 1,143,000 ounces of gold grading 3.63 g/t and an estimated inferred mineral resource of 5,730 Kt with 593,000 ounces of gold grading 3.2 g/t. A Definitive Feasibility Study ("DFS") has been completed, the first gold pour has taken place and commercial production has been declared. The foregoing mineral reserve and mineral resource estimates and additional information in connection therewith are set out in the Company's technical report dated March 25, 2015 and entitled "New Liberty Gold Project, Bea Mountain Mining Licence Southern Block, Liberia, West Africa, Definitive Project Plan.

The New Liberty Gold Mine is located within the Southern Block of the 100% owned Bea Mountain mining licence. This licence covers 478 km² and has a 25 year, renewable, mineral development agreement. The Bea Mountain mining license also hosts additional gold projects of Ndablama, Gondoja, Weaju and Leopard Rock which are the focus of exploration programs during 2016. Ndablama has an indicated mineral resource of 386,000 ounces of gold grading 1.6 g/t and inferred mineral resource of 515,000 ounces of gold grading 1.7 g/t and Weaju has an inferred mineral resource of 178,000 ounces of gold grading 2.1 g/t. The Yambesei (473 km²), Archaen West (56 km²), Mabong (36.6 km²) and Mafa West (15.6 km²) licences will also be subject to preliminary reconnaissance geological work. The foregoing mineral resource estimates and additional information in connection therewith are set out in the Company's technical report dated December 1, 2014 and entitled "Ndablama and Weaju Gold Projects, Bea Mountain Mining Licence, Northern Block, Technical Report on Mineral Resources" ("Ndablama and Weaju Technical Report 2014").

The Company also has a gold exploration permit in Cameroon.

Qualified Persons

The Company's Qualified Person is Mark J. Pryor, who holds a BSc (Hons) in Geology & Mineralogy from Aberdeen University, United Kingdom and is a Fellow of the Geological Society of London, a Fellow of the Society of Economic Geologists and a registered Professional Natural Scientist (Pr.Sci.Nat) of the South African Council for Natural Scientific Professions. Mark Pryor is an independent technical consultant with over 25 years of extensive global experience in exploration, mining and mine development and is a "Qualified Person" as defined in National Instrument 43 -101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators and has reviewed and approves this press release.

Forward Looking Statements

Certain information contained in this Announcement constitutes forward looking information. This information may relate to future events or the Company's future performance. All information other than information of historical fact is forward looking information. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "predict" and "potential" and similar expressions are intended to identify forward looking information. Specific statements that constitute forward looking information include statements regarding the timing and completion of legal documentation required to amend the loan facilities and to document the guarantees. This forward looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking information. No assurance can be given that this information will prove to be correct and such forward looking information included in this Announcement should not be unduly relied upon. This information speaks only as of the date of this Announcement.

Actual results could differ materially from those anticipated in the forward looking information contained in this news release as a result of the risk factors, including: the risk that the waiver and standstill agreement will terminate; the risk that legal documentation may not be completed as anticipated; risks normally incidental to exploration and development of mineral properties; the inability to obtain required waivers and amendments from the Company's creditors in respect of its debt repayment obligations and consequential risks of default thereon; risks related to operating in West Africa; health risks associated with the mining workforce in West Africa; risks related to the Company's title to its mineral properties; adverse changes in commodity prices; risks related to current global financial conditions; the inability of the Company to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities and other risks relating to the legal and regulatory frameworks in Liberia, including adverse changes in applicable laws; competitive conditions in the mineral exploration and mining industry; risks related to obtaining insurance or adequate levels of insurance for the Company's operations; risks related to environmental regulations; uncertainties in the interpretation of results from drilling; risks related to the legal systems in Liberia; risks related to the tax residency of the Company; changes in exchange and interest rates; risks related to the activities of artisanal miners; actions of third parties that the Company is reliant upon; lack of availability at a reasonable cost or at all, of plants, equipment or labour, including required equipment, explosives and other necessary material not being delivered in the expected time frame, or at all; the inability to attract and retain key management and personnel; political risks; and future unforeseen liabilities and other factors.

The forward looking information included in this Announcement is expressly qualified by this cautionary statement and is made as of the date of this Announcement. The Company does not undertake any obligation to publicly update or revise any forward looking information except as required by applicable securities laws.