Minera Alamos Inc.: Updates Shareholders on Debt Restructuring & Shares for Debt Transaction

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TORONTO, ONTARIO--(Marketwired - Sep 16, 2014) - Minera Alamos Inc. (the "**Company**") (TSX VENTURE:MAI) today provided an update on the debt restructuring transaction initially described in a press release dated August 20, 2014.

The Company has now complied with most of the closing conditions set by the TSX Venture Exchange (" **TSXV**") and is awaiting the final clearance of a TSXV Form 2A - Personal Information Form submission. The closing of this transaction will result in the renegotiation of approximately $808,800 in promissory notes, convertible debentures and related interest by way of a new $770,000 debenture and the conversion of $108,800 in related interest into 543,571 common shares. In connection with the restructuring:

1. Of the eight debenture holders, two are non-arm's length and are related parties to certain insiders;
2. These two individuals hold $400,000 of the $770,000 in debentures (52%) and will receive 96,877 (18%) of the shares issued in lieu of interest owed;
3. All of the original debenture holders have voluntarily submitted formal declarations to the TSXV attesting that they are not acting in concert by virtue of any agreement, arrangement, commitment or understanding, with any one or several of the other holders of the Debentures;
4. For purposes of TSXV regulations related to insiders and control limits, the largest non-arm's length debenture holder has contractually agreed that they and the related insider will be treated as a single group; and
5. Under the terms of the new debenture, the debt may be converted at any time and the Company may redeem the debt at any time with no penalty.

The Company also announced that on August 28, 2014, it received an unsolicited proposal for an alternate financing arrangement. The proposal offered to increase the secured debt to $1,000,000, increase the conversion rate to $0.25 and increase the exercise price of the warrant to $0.30. The proposal also carried a finder's fee of 10%.

After very careful review and consideration, the Board of Directors of Minera Alamos unanimously determined that the proposal was both financially and strategically inferior to the restructuring announced on August 20, 2014. More specifically:

- After taking into consideration the addition of the finder's fee and incremental transaction costs, the Board found no material financial improvement in the terms;
- The proposal failed to demonstrate any incremental strategic or business value;
- The proposal failed to identify the identities of the proposed debt holders; and
- The proposal inadequately demonstrated that the proposed investors were capable of funding the transaction.

The Company has just completed a lengthy five-month process of negotiation with debt holders and an exhaustive review by the TSXV who, in evaluating the compliance of the restructuring with Exchange regulation, has extensively reviewed transactions spanning the last three years. The Company wishes to express its gratitude to the current debt holders for their patience and support during this review.

In evaluating the proposal received on August 28, 2014 the Board of Directors were mindful of the unknown length of time that may be required to negotiate and obtain final approval for an alternate transaction.

On Saturday, September 13, 2014, the Company received a revised proposal from the same parties, which the Board will give appropriate consideration.

About Minera Alamos

Minera Alamos is a junior exploration and development company; its projects include the Los Verdes copper-molybdenum porphyry project in Sonora, northern Mexico that is currently the subject of a pre-feasibility study.

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