Ranchero Announces Proposed Disposition of the Santa Daniela Property for a Total Consideration of Up to US$5.05m

VANCOUVER, British Columbia, Dec. 27, 2023 -- Ranchero Gold Corp. (“**Ranchero**” or the “**Company**”) (TSX.V:RNCH) is pleased to announce that its wholly-owned subsidiary Minera y Metalurgia Paika, S.A. de C.V. (“**Paika**”) has entered into a letter of intent dated December 22, 2023 (the “**LOI**”) with Minas de Oro Nacional, S.A. de C.V. (“**Minas de Oro**”), a wholly-owned subsidiary of Alamos Gold Inc. (TSX:AGI), for the proposed sale of Paika’s interest in four mineral licenses (the “**Licenses**”) comprising an area of 5,390 hectares, which represents approximately 24% of the surface area of the Company’s Santa Daniela mineral property located in Sonora, Mexico, in consideration for the cash payment of US$2,550,000 (the “**Cash Payment**”) and a conditional cash payment of US$2,500,000 (the “**Disposition**”).

An initial tranche of the Cash Payment in the amount of US$658,000 was paid to Paika concurrently with the execution of the LOI to pay for outstanding fees and taxes on the Licenses. In the event that the Disposition is not completed, Paika will be required to repay this amount to Minas de Oro. The remaining US$1,892,000 of the Cash Payment will be paid once the Licenses have been transferred to Minas de Oro. In the event that Minas de Oro declares a Mineral Reserve of, or mines, greater than 500,000 ounces of gold within the Licenses, Minas de Oro will pay Paika an additional US$2,500,000.

Closing of the proposed sale of the Licenses will be subject to a number of conditions precedent, including, without limitation:

a. execution of a definitive agreement between the parties;
b. receipt of all required regulatory, corporate and third-party approvals, including TSX Venture Exchange approval, and compliance with all applicable regulatory requirements and conditions necessary to complete the transaction;
c. approval of the shareholders of Ranchero to the sale of the Licenses; and
d. such other mutual conditions precedent customary for a transaction such as this.

In connection with shareholder approval, the Company has solicited voting support agreements from shareholders holding a total 44,483,247 shares, or 67.67% of the outstanding shares of the Company, confirming their intention to vote in favour of the Disposition.

The Company intends to relinquish its interest in the remaining portions of the Santa Daniela property in order to eliminate holding costs. Subject to the completion of the Disposition, the Company’s principal property will be its option interest in the Pinchi Lake nickel project, as announced by the Company in its press release dated November 21, 2023.

About Ranchero Gold

Ranchero is a gold exploration and development company currently focused on its 100%-owned Santa Daniela project located in Sonora, Mexico. The Santa Daniela project consist of a large land package in excess of 22,200 hectares within Mexico’s Sierra Madre Occidental – a newly emerging gold belt. The Santa Daniela project is also near a number of major gold mining operations in the region. Maíz Azul is the Company’s most advanced prospect where exploration efforts are underway.

On behalf of the Board of Directors of the Company:

Jesus Noriega
Interim Chief Executive Officer and Director

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Cautionary Note Regarding Forward Looking Statements

This news release contains certain forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate” “plans”, “estimates” or “intends” or stating that certain actions, events or results “ may”, “could”, “would”, “might” or “will” be taken, occur or be achieved), or that are not statements of historical fact, may be “forward-looking statements”. Forward-looking statements contained in this news release include, but are not limited to, statements regarding the potential Disposition of the Licenses, including the completion of all conditions precedent to the sale of the Licenses and the potential relinquishment of the remaining portions of the Santa Daniela project.

Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking statements. These risks and uncertainties include but are not limited to: risks related to regulatory approval and third-party approvals, inability to obtain shareholder approval, risks related to financial markets and mining companies generally, and risks related to changes in foreign laws and changing policies related to mining and local ownership requirements or resource nationalization generally. There can be no assurance that forward-looking statement will prove to be accurate, and actual results and future events could differ materially from those anticipate in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.