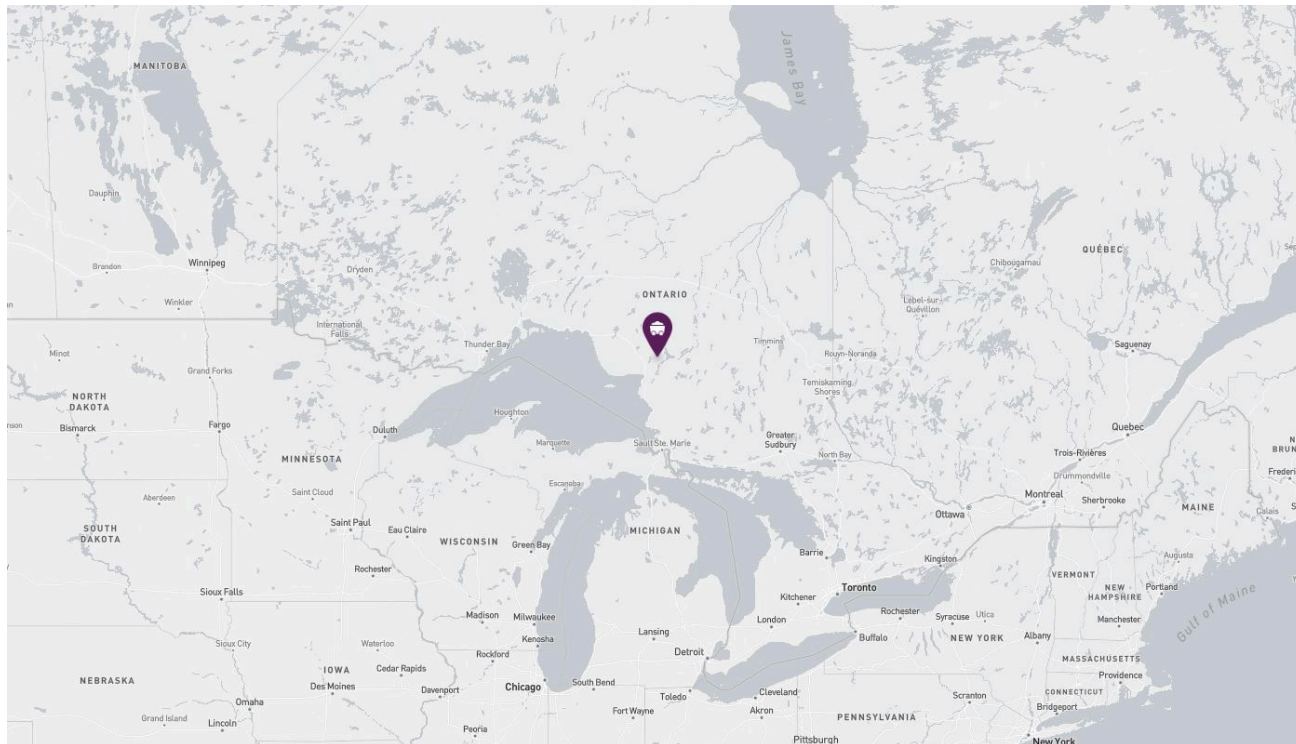


## Alamos Gold acquisition of Magino Gold Project



Jurisdiction	Algoma District
Province/State	Ontario
Country	Canada
<hr/>	
Nature of Engagement	M&A
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Client	Alamos Gold
Client Role	Acquiror
Value	\$325,000,000 USD

Torys acted as counsel to Alamos Gold in its US\$325 million acquisition of all of the issued and outstanding shares of Argonaut Gold Inc.

On March 27, 2024, Alamos Gold Inc. (“Alamos”) and Argonaut Gold Inc. (“Argonaut”) announced a definitive agreement whereby Alamos would acquire all of the issued and outstanding shares of Argonaut pursuant to a court approved plan of arrangement under the *Business Corporations Act* (Ontario), for an implied estimated total consideration of US\$325 million. As part of the transaction, Alamos would acquire Argonaut’s Magino Gold Project.

The Magino Gold Project, located adjacent to Alamos’ Island Gold Mine in northeastern Ontario, is an operating open-pit mine located 40 km northeast of Wawa, Ontario, approximately 14 km southeast of the town of Dubreuilville, in the Algoma District. The property consists of seven patented mining claims, 69 unpatented mining claims, and four leased mining claims, encompassing a total areas of 2,204.495 hectares. The integration of the operations at Island and Magino is expected to create one of the largest and lowest cost gold mines in Canada and will solidify Alamos’ position as the 3rd largest gold producer in Canada.

Closing of the transaction occurred on July 12, 2024.

Concurrent with the transaction, Argonaut’s assets in the United States and Mexico were spun out to its existing shareholders as a newly created junior gold producer, Florida Canyon Gold Inc. (“Florida Canyon Gold”). Florida Canyon Gold owns the Florida Canyon mine in the United States, as well as the El Castillo Complex, the La Colorada operation, and the Cerro del Gallo project, located in Mexico.

Under the terms of the arrangement, each holder of an outstanding common share of Argonaut was entitled to receive 0.0185 Alamos common shares and 1 share of Florida Canyon Gold (after giving effect to a 10:1 share consolidation).

Alamos issued approximately 20.4 million Class A shares as part of the transaction and on closing has approximately 419.7 million Class A shares outstanding. Alamos and former Argonaut shareholders own approximately 95% and 5% of the pro forma company, respectively.

Immediately following closing, Alamos completed a US\$10 million private placement into Florida Canyon Gold, increasing Alamos’ equity interest in the company to approximately 19.99%.

Argonaut’s common shares were de-listed from the Toronto Stock Exchange on July 15, 2024. Florida Canyon Gold’s common shares commenced trading on the TSX Venture Exchange on July 16, 2024, under the symbol “FCGV”.

Further information can be found on Globe Newswire’s [website](#).

[Argonaut](#) is a Canadian-based mid-tier gold producer with a portfolio of operations in North America.

[Alamos](#) is a Canadian-based intermediate gold producer with diversified production from three operating mines in North America.

The Torys team was led by Kevin Morris and that included Braden Jebson, Kendall Grant, Max Ledger and Maddy Beaudry (corporate/M&A), Chris Bornhorst and Connor Murray (U.S. securities), Gillian Dingle (litigation), Jennifer Lennon (employment), Omar Wakil and Rebecca Wagner (competition), Andrew Wong and Steve Marshall (Canadian tax), David Mattingly and Chris Saki (U.S. tax).