

## PACIFIC ROAD RESOURCES FUND II ANNOUNCES EXECUTION OF TRANSACTION AGREEMENT WITH CUORO RESOURCES CORP.

VANCOUVER, BRITISH COLUMBIA, May 28, 2012, Pacific Road Resources Fund II and Pacific Road Resources Fund II L.P. (together with Pacific Road Resources Fund II, "**Pacific Road**") are pleased to announce the entering into of a definitive transaction agreement (the "**Agreement**"), in connection with certain investments proposed to be made in CuOro Resources Corp. (TSX-V: CUA; FSE: 6BC) ("**CuOro**" or the "**Corporation**") by Pacific Road (the "**Transaction**"). The proceeds of the Transaction, if any, will be used to further the exploration and development of the Corporation's properties. The TSX Venture Exchange (the "**TSXV**") has conditionally approved the terms of the Transaction as set out in the Agreement.

Under the terms of the Agreement, the Corporation has agreed to grant to Pacific Road two separate options to purchase units of the Corporation by way of non-brokered private placements, subject to certain terms and conditions as set out in the Agreement. The proposed Transaction is subject to shareholder approval and in each case the final approval of the TSXV. Also, subject to certain terms and conditions as set out in the Agreement, including that shareholder approval has been obtained, the Purchasers have agreed to acquire between two million and three million Common Shares of the Corporation ("**Common Shares**") in the secondary market. If, prior to the Purchasers completing secondary market purchases, either (i) the closing market price of the Common Shares on the TSXV reaches or exceeds \$2.00 per Common Share or (ii) there is a takeover bid for the Corporation or agreement for the change of control of the Corporation or similar event, the Purchasers will continue to have the right, but will no longer have the obligation, to acquire Common Shares in the secondary market. Market purchases must be completed within the earlier of 120 days from obtaining shareholder approval and two years from the date of the Agreement, or the Agreement shall terminate. Pacific Road did not acquire any common shares of the Corporation as part of entering into the Agreement and does not currently own any common shares of the Corporation.

The first option to purchase units of the Corporation (the "**P1 Units**") contemplates an investment of between \$5.0 and \$7.5 million at a price of \$2.00 per P1 Unit, subject to increase if required by the pricing rules of the TSXV. Each P1 Unit shall consist of one Common Share and one-half of a Common Share purchase warrant of the Corporation. Each whole warrant shall be exercisable for one Common Share at a price of \$2.50 for a period of two years from the date of issue, but will not be exercisable until 65 days after the issue of the P1 Units.

If Pacific Road exercises the minimum amount of the P1 Units, it will acquire 2.5 million Common Shares and warrants to purchase an additional 1.25 million Common Shares. If Pacific Road exercises the maximum amount of the P1 Units, it will acquire 3.75 million Common Shares and warrants to purchase an additional 1.875 million Common Shares. The amount of securities Pacific Road will acquire, assuming in-the-market purchases of 2 million Common Shares, is 4.5 million Common Shares and warrants to purchase 1.25 million Common Shares, representing 15.9% of the issued and outstanding shares on an "as-issued, as-exercised" basis. The maximum amount of securities Pacific Road will acquire, assuming in-the-market purchases of 3 million Common Shares, is 6.75 million Common Shares and warrants to purchase 1.875 million Common Shares, representing 22.0% of the issued and outstanding shares on an "as-issued, as-exercised" basis.

The second option to purchase units of the Corporation (the "**P2 Units**") contemplates an investment of up to \$40.0 million at a price per P2 Unit equal to the 20-day volume-weighted average price of the Corporation's Common Shares at the time the second option is exercised, subject to the pricing rules of the TSXV. Each P2 unit shall consist of one Common Share and one-half of a Common Share purchase warrant of the Corporation. Each whole warrant shall be exercisable for one Common Share at a price equal to 125% of the P2 Unit purchase price for a period of two years from the date of issue. The second option cannot be exercised for at least 65 days after the closing of the purchase under the first option, and the outside date for exercise of the second option is five years from the execution and delivery of the Agreement.

The final number of units to be issued under each option, if exercised, and the price and expiry dates of the securities to be issued under each option will be announced at the time such option is exercised by Pacific Road.

Assuming that all contemplated purchases of securities in the market and exercise of options to purchase units of the Corporation are made by Pacific Road, which are expected to be completed at different stages over an

aggregate period of time not to exceed five years from the date of the Agreement, it is expected that Pacific Road will ultimately become a control person in the Corporation within the meaning of the TSXV rules and applicable securities laws.

The Agreement contains representations and warranties of the Corporation and Pacific Road as well as certain conditions precedent and covenants that must be satisfied in connection with the Transaction. The Corporation has also agreed to grant to Pacific Road certain shareholder rights including representation on the board of directors of the Corporation, registration rights and pre-emptive rights conditional upon the completion of the exercise of the first option. The Agreement contains a mutual termination right as well as certain termination rights in favour of the Corporation and Pacific Road, respectively.

Pacific Road purchased the securities for investment purposes and may or may not purchase or sell securities of the Corporation in the future on the open market or in private transactions, depending on market conditions and other factors.

A copy of the early warning report filed in connection with the investment is available on the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com) or may be obtained by contacting Greg Dick at +61 2 9241 1000.

**For more information, please contact:**

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**About Pacific Road Resources Funds and Pacific Road Capital Management Pty Limited**

The Pacific Road Resources Funds are private equity funds investing in the global mining industry. They provide expansion and buyout capital for mining projects, mining related infrastructure and mining services businesses located throughout resource-rich regions of the world. The Pacific Road Resources Funds are managed and advised by Pacific Road Capital Management Pty Ltd ("**PRCM**"). The PRCM team, located in Sydney, Australia, San Francisco and New York, USA, is comprised of experienced mining investment professionals that have extensive knowledge and experience in the mining and infrastructure sectors, including considerable operating, project development, transactional and investment banking experience. For further information on the Pacific Road Resources Funds and PRCM, please go to their website at [www.pacroad.com.au](http://www.pacroad.com.au).