



PRESS RELEASE

TSXV, BVL: ALT

## **Alturas to receive US\$1.2 million after reformulating the mining agreement on its iron-copper-gold Pampa Colorada project in northern Peru**

**Toronto, Lima, January 05, 2012** – Alturas Minerals Corp (“the Company”) is pleased to announce that its 100% Peruvian subsidiary Alturas Minerals S.A. (“Alturas”) has entered into a revised agreement dated December 29, 2011 (“the Agreement”) with Origen Group S.A.C (“Origen”), on its 100% owned 900 hectare Pampa Colorada mining concession (“the Concession”) located in northern Peru.

Under the Agreement, Alturas will transfer ownership of the Concession to Origen in consideration of a cash payment of US\$1.2 million. In addition, Origen will be required to make royalty payments to Alturas based on the tonnes of iron ore extracted. The Agreement also stipulates that starting 10 years after signing of the agreement, a minimum annual royalty of US\$250,000 will be paid to Alturas for each year regardless of iron ore production. The Agreement also provides Alturas with an option right (“the Option”) to acquire back either 60% majority interest or 100% of its interest in the Concession after Origen decides to terminate its iron ore operation on certain conditions.

Miguel Cardozo, President and CEO of Alturas commented: “The Company welcomes this revised agreement with Origen. It is consistent with our ongoing strategy to share exploration and development expense and risk at some of our key projects, whilst the Company focuses its resources on its flagship properties. Additionally, the agreement with Origen brings in additional cash that will help Alturas to continue its exploration investments in a period of market uncertainty”.

Mr. Cardozo added that: “The Pampa Colorada property contains massive magnetite-hematite mineralization outcropping over extensive areas, which constitutes the primary exploration and development target for Origen. In addition to the significant iron ore mineralization, there is also the potential for semi-concealed iron oxide copper-gold (IOCG) mineralization signaled by the existence of strong copper and gold rock anomalism within the mining concession. The Option granted to Alturas pursuant to the Agreement allows Alturas the ability to explore and develop the copper-gold potential of its Pampa Colorada mining concession in future”.

### ***About Most Relevant Deal Terms of the Agreement***

*Cash Payments:* Alturas has received from Origen US\$400,000 on signing of the agreement and will receive a second payment of US\$800,000 due on February 27, 2012 or 60 days after the execution of the Agreement. The transfer of the Concession to Origen will be effective on the date on which the US\$800,000 is received.

*Royalty Payments:* Alturas will also receive from Origen a royalty of US\$0.60 per ton of iron ore extracted from Pampa Colorada. However, Origen has the right to declare a resource/reserve estimate at any time either before or within the 12-month period after the first ton of iron ore has been extracted, in which case Origen will be entitled to reduce the royalty payment on such declared iron ore resources/reserves to US\$0.30 per ton. In order to rely on the lower price, Origen will be required to pay Alturas the total amount resulting of the multiplication of the declared resource/reserved iron ore tons by the agreed price per ton (US\$0.30) within 15 days after the formal

submission to Alturas of the resource/reserve estimate. Any iron ore extracted in excess of this initial resource/reserve calculation will carry a royalty at the original price of US\$0.60 per ton.

*Option:* The Option will commence on the earlier of the date on which Origen communicates to Alturas its decision to terminate its mining activities in the "Concession" or 30 days after Origen does not comply with its obligation to make the minimum annual royalty payment for a particular year and will have a term of six months.. Alturas will then have the right to acquire back either 60% or 100% of the Pampa Colorada mining rights for nominal consideration. Alturas will be entitled to acquire 100% of the mining rights if Origen expresses in writing its intention to abandon all of its interest in the Concession or if Origen has not complied with any of the following obligations: a) fulfilling all of its obligations under the Agreement; b) drilling at least 1,000 meters within the Concession as part of its iron ore exploration program; c) identifying through drilling or any other development or mine workings the existence of any kind of mineralization other than iron ore; or d) expressly committing to execute at least 1,000 meters of drilling in the mining concession as part of an exploration program duly coordinated and agreed on with Alturas. If Origen complies with all four above obligations, Alturas will have the right to buy 60% of the mining rights. If Alturas acquires 60% of the mining rights, both parties would contribute proportionally towards the development of the project. If Origen elects not to contribute, it would have the right to receive a 1% NSR royalty.

#### **About the Pampa Colorada Iron-Copper-Gold project**

*The 900 hectare Pampa Colorada project is located 730 kilometers northwest of Lima in the department of Cajamarca in northern Peru, next to a major highway that connects to the coastal city of Chiclayo. The project is 15km north of the copper-gold-molybdenum Cañariaco porphyry deposit, forming part of the same belt that hosts other major copper-gold-molybdenum porphyry deposits such as La Granja, Galeno, Minas Conga and Michiquillay. Alturas acquired 100% of the property through staking in 2005. At Pampa Colorada, Late Jurassic volcanic rocks have been intruded by andesitic, dioritic and dacitic stocks of probable Tertiary age. Strong hydrothermal alteration occurs over an area of approx. 2.5 x 1.0 kilometers and, within this broader area, a north-south corridor of more intense silicic, pyrrhotitic, magnetitic and hematitic alteration, brecciation and stockworking covers an area of at least 1.50 x 0.25 kilometers. Alteration and mineralization correlate with a distinct ferruginous colour anomaly. Strong copper (max. 0.12%), gold (max. 1.20 grams/tonne), silver (max. 22.3 grams/tonne) and zinc (max. 0.31%) anomalies have been confirmed in reconnaissance outcrop sampling by Alturas, corresponding to zones of massive hematite, magnetite and pyrrhotite alteration, and/ or quartz-sulfide stockworking. The Company believes that the features described are consistent with the upper levels of a mineralized Iron Oxide Copper-Gold (IOCG) system. No reportable resource or reserve has yet been defined on the property.*

#### **About Alturas Minerals Corp**

*Alturas is a Canadian corporation, and is the indirect parent of the Peruvian company, Alturas Minerals S.A. ("Alturas Peru") and of the Chilean company, Alturas Chile Limitada ("Alturas Chile"). Alturas Peru has been exploring various mineral projects in Peru since January 2004. Alturas Chile initiated exploration activities during the second quarter of fiscal 2010. Alturas' exploration strategy is focused on the discovery of large copper-gold porphyry/skarn deposits and epithermal gold mineralized deposits.*

*The principal assets of Alturas are five drill-ready mineral exploration projects located in Peru and Chile, including the Chapi Chapi-Utupara, Sombrero, Huajoto and Ccaccapaqui projects in Peru, and La Corina property in Chile. In addition, Alturas Peru has interests in three other less-advanced exploration projects in Peru (Callejones, San Antonio and La Divina).*

#### **About Origen Group**

*Origen Group S.A.C. is a wholly-owned subsidiary of Beijing Limawei Metal Trade Co. Ltd. incorporated in Peru to acquire and develop high-quality mineral resources, thus ensuring to obtain high quality raw materials in the long-term and stable manner. The controlling shareholder of Beijing Limawei Metal Trade Co., Ltd. is the company Jiaqi Steel and Iron Industry Co., Ltd. which is located in Beijing. And Jiaqi Steel and Iron Industry Co., Ltd. is the controlling shareholder. Jiaqi Steel and Iron Industry Co., Ltd. has two large iron and steel processing facilities in China: Tangshan Jiaqi Steel and Iron Industry Co., Ltd. and Chifeng Yuanlian Steel and Iron Industry Co. Ltd. with*

*total assets valued at 4 billion RMB (0.6 billion CAD) and annual revenues amounting 10 billion RMB (1.5 billion CAD)*

*For further information, please visit the Company's website at [www.alturasminerals.com](http://www.alturasminerals.com)*

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