

Cerrado Gold Announces Q2 Gold Production Results for Its Minera Don Nicolas Mine in Argentina

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- Q2 Production of 16,255 Gold Equivalent Ounces ("GEO") vs 11,204 GEO in Q1, 2024.
- High-Grade ore from Calandrias Norte and continued ramp-up at Heap leach operations are supporting strong quarterly production.
- MDN 43-101 Preliminary Economic Assessment and Updated Mineral Resource Estimate are expected to be announced shortly.
- Balance sheet continues to improve, with approximately US\$10m in current liabilities repaid since Year End 2023.
- Significant cost reductions have also been made to reduce corporate expenses substantially.

TORONTO, July 17, 2024 - [Cerrado Gold Inc.](#) (TSXV:CERT)(OTCQX:CRDOF) ("Cerrado" or the "Company") announces production results for the second quarter of 2024 ("Q2 2024") from the Minera Don Nicolas Mine in Santa Cruz Province, Argentina ("MDN"). Full second quarter financial results are expected to be released in August 2024.

Q2 Operating Highlights

- Q2 2024 production of 16,255 GEO vs 11,204 GEO in Q1, 2024.
- Production for April of 6,641 GEO, May 5,486 GEO and June of 4,128 GEO (harsh winter conditions).
- Ramp-up of production from the Las Calandrias heap leach project continues, producing 421 GEO in April and ramping up to 943 GEO for June despite harsh winter weather conditions.
- Focus remains on delivering cashflow and rebuilding the balance sheet with significant progress made towards debt reduction during the quarter.

Operational results presented for Q2 2024 showed a marked improvement over the previous quarter as the full exploitation of the Calandrias Norte high-grade open pit was achieved in addition to the continued ramp up of the heap leach operations. Production results for June saw a modest decline due to harsh weather conditions which saw the closure of most roads in Santa Cruz and the closure of Comodoro Rivadavia airport for several days. Heavy snow impacted the transportation of high-grade ore to the mill and reduced mill throughput. That said, this material is expected to be processed in the coming months, supporting production levels going forward. The performance of the Heap leach during this period continues to improve despite the harsh weather and bodes well for the ramp-up to full commercial production, which we expect to occur in Q3/2024 as the weather improves. Performance of the crushing circuit at the Calandrias Sur Heap Leach Project continues to improve, allowing the placement of more ore on the heap leach pad during the quarter, which is key to delivering higher sustained production rates. Recovery rates are in line with expectations given ore on the pad to date. Production from the Heap Leach improved from 491 GEO in April to 985 GEO in May. It maintained close to these levels in June at 943 GEO despite extremely wet and cold conditions that affected leaching kinetics. Additional crushing capacity is being added via the addition of a mobile crushing unit that has recently been delivered to the site and is set to double overall crushing capacity at Calandrias Sur to around 10,000 tpd to support an increase in production in the latter part of the year doubling capacity to around 4,500 ounces per month.

The Company has also made significant progress in improving its working capital position during the quarter,

partly due to the cashflow generated by high gold prices and strong production but also from proceeds received under the sale of an option on the Monte Do Carmo project to a subsidiary of Hochschild, which was approved by shareholders on 27th June 2024. At quarter end, the Company has reduced overall current liabilities (payables, loans, and amounts due to the Sellers) by approximately US\$10MM from the beginning of the year, with further declines expected in the coming quarters, strengthening the overall financial position of the company. The Company has also seen a significant reduction in costs and corporate overhead to help to improve overall profitability for the future.

Mark Brennan, CEO and Chairman commented, "Production in the second quarter rebounded significantly from access to the high-grade ore at Calandrias Norte and a strong performance of both the CIL plant and the new heap leach facility. While conditions towards the end of the quarter impacted short term production levels, we are encouraged with the performance of the heap leach, which maintained production despite the wet conditions. With production levels expected to remain around the current level in Q3 we continue to execute on our plan to reduce debt levels and strengthen the balance sheet, and we expect to exit the coming months in a much stronger operating position."

Table 1. Key Operating Information

Update on Cease Trade Order

With the filing of the second quarter financials, the cease trade order on Cerrado common shares has now been revoked. The company is currently working with the TSX Venture Exchange to approve the resumption of trading which is expected in the near term.

Review of Technical Information

The scientific and technical information in this press release has been reviewed and approved by Sergio Gelcich, P.Geol., Vice President, Exploration for Cerrado Gold Inc., who is a Qualified Person as defined in National Instrument 43-101.

About Cerrado

Cerrado Gold is a Toronto-based gold production, development, and exploration company focused on gold projects in South America. The Company is the 100% owner of both the producing Minera Don Nicolás and Las Calandrias mine in Santa Cruz province, Argentina, and the highly prospective Monte Do Carmo development project, located in Tocantins State, Brazil. In Canada, Cerrado Gold is developing its 100% owned Mont Sorcier Iron Ore and Vanadium project located outside of Chibougamou, Quebec.

In Argentina, Cerrado is maximizing asset value at its Minera Don Nicolas operation through continued operational optimization and is growing production through its operations at the Las Calandrias Heap Leach project. An extensive campaign of exploration is ongoing to further unlock potential resources in our highly prospective land package in the heart of the Deseado Masiff.

In Canada, Cerrado holds a 100% interest in the Mont Sorcier Iron Ore and Vanadium project, which has the potential to produce a premium iron ore concentrate over a long mine life at low operating costs and low capital intensity. Furthermore, its high grade and high-purity product facilitates the migration of steel producers from blast furnaces to electric arc furnaces, contributing to the decarbonization of the industry and the achievement of SDG goals.

For more information about Cerrado please visit our website at: www.cerradogold.com.

Mark Brennan
CEO and Chairman

Mike McAllister
Vice President, Investor Relations

Tel: +1-647-805-5662
mmcallister@cerradogold.com

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Forward-looking statements contained in this press release include, without limitation, statements regarding the business and operations of Cerrado, the grade of ore being transported to the mill, the potential ramp up of production as winter conditions dissipate, the potential for additional crushing capacity being that may be added with the addition of a mobile crushing unit, the performance of the heap leach pad and CIL plant, anticipated production in Q3 and anticipated timing for the resumption of trading the Company's common shares in Canada over the facilities of the TSX Venture Exchange. In making the forward-looking statements contained in this press release, Cerrado has made certain assumptions. Although Cerrado believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, Cerrado disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

SOURCE: Cerrado Gold Inc.

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