



December 13, 2022

www.cerradogold.com

CERRADO GOLD REPORTS STRONG PROGRESS AT ITS MINERA DON NICOLAS MINE AND POSITIVE ADVANCES AT ITS MONTE DO CARMO PROJECT

- **Both projects showing very positive advances in growth & development**
- **Minera Don Nicolas Gold Production of approx. 15,000 oz's for Q4/22**
- **Las Calandrias Heap Leach Construction started; first gold pour April 2023**
- **New low-cost underground opportunity pushes Monte Do Carmo Feasibility Study to Q2 2023**
- **Monte do Carmo still expected to be one of the lowest cost producers of gold**

TORONTO, ONTARIO - Cerrado Gold Inc. [TSX.V: CERT] [OTCQX:CRDOF] ("Cerrado" or the "Company") is pleased to provide an update on the Q4 operational results at the Minera Don Nicolas mine ("MDN"), progress with development of the initial heap leach pad at the Las Calandrias deposit and progress with the ongoing Feasibility Study work at its 100% owned Monte Do Carmo Project ("MDC") in Tocantins.

Mark Brennan, CEO and Co-Chairman commented *"As we indicated earlier in the year, Q4 was expected to be a strong operating quarter for Minera Don Nicolas and we are pleased to report production is expected to be approximately 15,000 oz's with over 50,000 oz's produced for the full year, as per guidance. Of critical importance to MDN; we have developed a cohesive multi discipline strategy using open pit, heap leach and underground mining methods to grow operations and increase the life of mine. Once we see first pour of gold from the heap leach operations in April, MDN will be set for robust production and cash flow growth."*

He added, "We have seen very good progress with the feasibility study at Serra Alta, and in light of positive results from the addition of Gogó and additional zones, we have elected to extend the infill drill program modestly at the Monte Do Carmo property to incorporate these new areas into the feasibility study. While this will result in a slight delay to the delivery of the final Feasibility Study, we continue to see very good advancement to support the robust economics that are expected from the Serra Alta deposit to potentially make it one of the lowest cost gold mines in the world. We view the Serra Alta deposit as the first of several targets that we plan to explore to fully exploit the potential we see at our highly prospective Monte Do Carmo property."

Minera Don Nicolas Update

As previously outlined, mine planning at Minera Don Nicolas was scheduled to provide a significant improvement in Q4/22 versus Q3 and Q2 to reflect the mining sequencing which saw lower grade material during the mid point of the year. The new pits are performing better than expected, with

new ore control measures resulting in less dilution and higher feed grades to the processing plant. Based upon results to date, Q4/22 gold production and sales are expected to be more than 15,000 oz's resulting in full year production exceeding 50,000 oz's. Given higher gold production numbers, a decrease in dilution and an increase in the official dollar the AISC is expected to show a significant improvement from the previous quarter.

As outlined in the October 18, 2022 press release, development of the initial heap leach pad at the Las Calandrias deposit (north) has begun with construction under way and a second heap leach pad planned to begin construction at the Martinetas area (south) in 2023. As previously outlined, the addition of heap leach operations at MDN is targeted to increase production capacity to 90,000 oz's per annum by year end 2024 and will also reduce all in sustaining costs ("AISC") to ~\$1,000/oz by 2024. The heap leach pad at Calandrias is expected to add 20,000-25,000 oz's per year over a period of 4 years with the initial gold pour expected by April 2023 and full ramp up in Q2/23.

Funding for the initial US\$25million in capital required to develop the initial heap leach pad is also progressing well with US\$8.0 million of funding secured to date as announced on December 6, 2022. Funding via the issuance of additional term notes is expected to continue moving forward in conjunction with scheduled internally generated cash flows to fully fund capital requirements out of Argentina.

Serra Alta Feasibility Study Progress

Completion of the feasibility study at the Serra Alta deposit at MDC project is now expected to see a modest delay to reflect the decision to include recent new discoveries near Serra Alta into the feasibility study. Serra Alta is expected to be one of the lowest cost operating gold mines in the world.

Below we have presented an updated timeline for various key project milestones:

- Serra Alta infill campaign now due to be completed in December 2022
- Metallurgy testing completed for Serra Alta confirming recoveries of over 98%
- Preliminary License ("LP") forecasted for Q1 2023
- New Mineral Resource Estimate expected Q1 2023
- Engineering designs and other works on schedule
- Gogó da Onça to be included into Feasibility Study as a satellite open pit
- Secure project funding partners subject to feasibility study Q1 2023
- Construction or Installation License ("LI") forecasted for Q2 2023
- Feasibility Study to be completed by Q2 2023

Infill Drilling and Resource Update

The 2022 drilling program continues with 35,167 metres of infill/extensional and 3,480 metres of sterilization drilling completed as of December 9th, 2022. At Serra Alta, assay results of 97 full infill drill holes have been disclosed, and results to date continue to support the conversion of Inferred Resources to the Measured and Indicated categories. In addition, four exploratory drill holes to the east of the East Zone of Serra Alta returned anomalous assay grades defining a new mineralized zone called E3, as announced, November 21, 2022. The Company has decided to extend the infill campaign by an additional 6,300 metres to target potential areas to expand the Indicated and

Inferred Resources at Serra Alta in this region. The program is expected to be completed by December 2022 with an updated Mineral Resource Estimate to follow early in the new year.

In addition, given the potential for the Gogó da Onça deposit to complement the mine plan at Serra Alta, the Company will continue with geological modeling, infill drilling and other works to fully incorporate this new deposit into the Feasibility Study as a small satellite deposit.

Metallurgy and Process Design

The recent metallurgical test work to support the Feasibility Study at Serra Alta is now complete and is also complemented by two successive metallurgical campaigns during 2021 and 2020. Metallurgical testing now confirms gold recoveries of 98.5% with gravity concentration alone recovering as much as 85% of the gold. These exceptional results support the low operating costs and low capital footprint outlined in the PEA.

Tests were conducted with samples of ore processed in the laboratory of WESTECH in São Paulo to characterize the tailings and determine the process for recovering water and filtering the tailings to transport and co-dispose with waste in the waste pile. The samples were sent to the laboratory of CI&ALAB in Belo Horizonte for further geotechnical tests to determine its behavior in the co-disposition.

Additionally, a shipment of 115 Kg of mineralized material from the drill cores of Gogó da Onça were sent to TESTWORK to conduct the initial metallurgical testwork. While testing is ongoing, all indications to date support management's view that the metallurgy will be similar to that of Serra Alta.

Process Engineering Design is on schedule to be completed during January 2023 and subsequent final quotations for capital and operating costs during February 2023.

Permitting

The Company filed the Environmental Impact Statements ("EIS") with the Government Environmental Agency, NATURATINS on July 11th, 2022. The EIS is currently under review by NATURATINS prior to the issuance of the Preliminary License ("LP"), which is forecasted to be granted imminently. The company expects the subsequent Construction License ("LI") to be granted during Q2 2023.

Geotechnical Works

The Geotechnical logging campaign is on track to be completed by the end of December 2022 with approximately 4,000m of log description completed. The geotechnical parameters were stabilised by SRK Consulting (Global) Limited ("SRK") based on their experience and accounting for the nature of the Serra Alta deposit. Grupo GE21 ("GE21") was engaged to oversee the logging activities.

Drillholes selected for geotechnical testing are located at the vicinity of the projected pit shell. The historical non-split cores are considered in good condition to be logged and compose much of the geotechnical database.

The company has rescheduled the delivery the NI 43-101 compliant Feasibility Study to Q2, 2023 in order to incorporate additional infill and extensional drilling at Serra Alta.

Review of Technical Information

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

Mark Brennan
CEO and Co Chairman
Tel: +1-647-796-0023
mbrennan@cerradogold.com

David Ball
Vice President, Corporate Development
Tel: +1-647-796-0068
dball@cerradogold.com

About Cerrado

Cerrado is a Toronto based gold production, development and exploration company focused on gold projects in the Americas. The Company is the 100% owner of both the producing Minera Don Nicolás mine in Santa Cruz province, Argentina, and the highly prospective development project, Monte Do Carmo located in Tocantins State, Brazil.

At Minera Don Nicolas, Cerrado is maximising asset value through further operation optimization and continued production growth. An extensive campaign of exploration is ongoing to further unlock potential resources in our highly prospective land package.

At Monte Do Carmo, Cerrado is rapidly advancing the Serra Alta deposit through Feasibility and production. The Serra Alta deposit Indicated Resources of 541 kozs of contained gold and Inferred Resources of 780 kozs of contained gold. The Preliminary Economic Assessment demonstrates robust economics as well as the potential to be one of the industry's lowest cost producers. Cerrado also holds an extensive and highly prospective 82,542 ha land package at Monte Do Carmo.

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

Disclaimer

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This press release contains statements that constitute "forward-looking information" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation, all statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements contained in this press release include, without limitation, statements regarding the business and operations of Cerrado. In making the forward- looking statements contained in this press release, Cerrado has made certain assumptions, including, but not limited to Q4 and 2022 aggregate production and AISC at MDN, the timing of delivery of the feasibility study at MDC, obtaining the capital required and development of the Calandrias heap leach pad at MDN, the cost of production at MDC and anticipated key milestones at MDC including receipt of the LP. 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.