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CERRADO GOLD CLOSING US\$20 MILLION STREAM FINANCING AGREEMENT WITH SPROTT RESOURCE STREAMING AND ROYALTY TO FUND THE MONTE DO CARMO GOLD PROJECT IN BRAZIL

- **Funding solution for development of project to construction decision in Q1 2023**

TORONTO, ONTARIO – CERRADO GOLD ("Cerrado" or the "Company") (TSX.V:CERT) (OTCQX: CRDOF) is pleased to announce that it has entered into a US\$ 20 million gold and silver stream agreement (the "**Stream Agreement**") with Sprott Resource Streaming and Royalty Corp. ("**Sprott**") for its Monte do Carmo gold project located in the State of Tocantins, Brazil (the "**Project**").

The Stream Agreement provides for the sale and delivery to Sprott of 2.25% of all gold and silver produced from the Project of which Cerrado has the ability to buy back 50% of the stream based upon the buyback schedule below. Proceeds will be used to complete the ongoing works to deliver a 43-101 Compliant Feasibility Study for the Project and for general corporate and working capital purposes.

To facilitate funding in advance of commercial production, Sprott has issued a US\$20 million secured note (the "**Note**") that bears interest at a rate of 10% per annum, calculated and payable quarterly and will mature on the earlier of the achievement of commercial production together with certain other conditions, or March 14, 2031.

Subject to the approval of the TSX Venture Exchange (the "**TSXV**"), the Company may elect to satisfy the payment of any accrued and unpaid interest on the Note by the issuance of common shares of the Company (the "**Common Shares**") at a price per Common Share equal to 95% of the volume weighted average price (the "**VWAP**") of the Common Shares for the 5 trading days immediately prior to the date payment is due or any combination of cash and Common Shares in the Company's sole discretion. The Note is secured against the Project assets. The Note is intended to subordinate to future project financing for the Project.

Mark Brennan, CEO & Co-Chairman of the Company commented, "*We are very pleased to be partnering again with Sprott to fully finance our feasibility study and development works at Monte do Carmo. The facility is a non-dilutive, attractive financing that allows full flexibility to add additional project financing for construction beginning in 2023*".

Mike Harrison, Managing Partner of Sprott commented, "*Our continued support of Cerrado demonstrates our confidence in management and the quality of their projects. The results of the Monte Do Carmo PEA Technical Report demonstrate a Tier One, high-return, low-cost gold project with excellent exploration potential in a good jurisdiction. This funding provides catalytic capital to advance the project to a construction decision, and also provides the opportunity for Sprott to provide construction financing as the Company advances the project.*"

The Company has a one-time option (the “**Buy-Down Option**”) to reduce the applicable stream percentage by 50%, by exercising its option and paying the applicable amount below:

- On or before June 30, 2024 – US\$12.5 million
- From July 1, 2024 until June 30, 2025 – US\$13.0 million
- July 1, 2025 until June 30, 2026 – US\$13.5 million

At the election of the Company, the Company may satisfy the Buy-Down Option purchase price in cash or, subject to the approval of the TSXV, by the issuance of Common Shares at a deemed price per Common Share equal to 95% of the 5-day VWAP for the 5 trading days immediately prior to the applicable effective date for the Buy-Down Option.

The Company has provided Sprott a first right of approval to participate in any future Stream or Royalty type financing until certain delivery thresholds are met. Sprott RSR has previously expressed interest in potential additional financing of approximately US\$60 million.

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About Cerrado Gold

Cerrado Gold is a public gold producer and exploration company with gold production derived from its 100% owned Minera Don Nicolás mine in Santa Cruz province, Argentina. It also owns 100% of the assets of Minera Mariana in Santa Cruz province, Argentina. The company is also undertaking exploration at its 100% owned Monte Do Carmo project located in Tocantins, Brazil. For more information about Cerrado Gold please visit our website at: www.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 Gold. In making the forward- looking statements contained in this press release, Cerrado Gold has made certain assumptions, including, but not limited to ability of Cerrado to expand its drilling program at its Minera Don Nicolas Project and increase its resources. Although Cerrado Gold 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 Gold 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.