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CERRADO GOLD REPORTS NEW MINERAL RESOURCE FOR ITS SERRA ALTA DEPOSIT, TOCANTINS STATE, BRAZIL

- **New Serra Alta resource of 541,000 Indicated gold ounces and 780,000 Inferred gold ounces**
- **Expanded Resource to be Used to Deliver New Preliminary Economic Assessment in the coming weeks**

TORONTO, ONTARIO - Cerrado Gold Inc. (TSX.V: CERT) (OTCQX: CRDOF) ("Cerrado" or the "Company") is pleased to announce an updated mineral resource prepared by Micon International Limited at the Serra Alta deposit within its Monte do Carmo Gold Project in the State of Tocantins, Brazil. The update integrated the successful results of Phase 1 drilling initiated in October 2020 and finalized in April of this year with the previous drill results.

Serra Alta Updated Resource Highlights

- Total Indicated Resource of 9,108,000 tonnes at 1.85 g/t Au, containing 541,000 oz Au
- Total Inferred Resource of 13,197,000 tonnes at 1.84 g/t Au, containing 780,000 oz Au
- Notable Increase in total Mineral Resource: 62% more gold ounces from previous estimate (December 2018)
- Higher Confidence level: 41% of metal in Indicated category
- Over 99 % of the gold in the Indicated Resources category is included in the constraining pit shell, the other 0.4% is considered underground
- Over 90.5% of the Inferred Resource is included in pit shell, the other 9.2% is considered underground
- Excellent conversion rate of previous Inferred Resource into indicated confirms sound domaining and interpolation strategy
- Confirmation of Serra Alta as the anchor deposit of the district, as exploration continues
- Potential for replicating mineral endowed zones like Serra Alta or individual blocks within Serra Alta on regional scale remains high from Cerrado perspective

Mark Brennan, CEO and Co-Chairman commented *"We are extremely pleased with the updated resource estimate for the Serra Alta deposit, highlighting not only significant growth in contained ounces but also the significant improvement in the confidence of a large portion of the current resource base, as seen in the new Indicated Resources, which gives us strong confidence in high conversion rates going forward"*. He continued *"Further, this expanded resource base will be used in the upcoming Preliminary Economic Assessment for the Serra Alta deposit which will look at higher throughput and production rates relative to the previous study."*

The new Mineral Resource estimate was completed by Micon International Limited (Table 1) after completion of the Phase 1 drill program (See Cerrado's April 22, 2021 Press Release) that focused primarily on resource extension and category conversion. The Phase 1 drilling phase added substantive information to previous Cerrado and historic drilling that formed the basis of the previous Resource Estimate (Table 2) also prepared by Micon and disclosed in April 2019 (Effective day December 2018). The new resource estimate is now the basis of the ongoing PEA being carried out by GE21 which is expected to be completed in the near future.

Table 1. Serra Alta Mineral Resource Statement – Effective Date July 21, 2021

Mining Method	Cut-off Grade (g/t Au)	Resource Category	Tonnage (kt)	Avg. Au Grade (g/t)	Metal Content (koz)
Open Pit	0.30	Indicated	9,063	1.85	539
		Inferred	12,128	1.82	708
Underground	1.10	Indicated	45	1.66	2
		Inferred	1,069	2.10	72
OP + UG		Indicated	9,108	1.85	541
		Inferred	13,197	1.84	780

Estimate Notes:

1. Mineral resources were estimated by Mr. B. Terrence Hennessey, P.Geo. and Mr. Alan J. San Martin, MAusIMM (CP) of Micon International Limited. ("Micon"), a Toronto based consulting company, independent of Cerrado Gold. Both Mr. Hennessey and Mr. San Martin meet the requirements of a "Qualified Person" as established by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (May 2014) ("the CIM Standards").
2. Mineral resources are not mineral reserves and therefore do not have demonstrated economic viability.
3. The Serra Alta estimate has been completed entirely using Leapfrog Geo – EDGE software.
4. The estimate is based on a long-term gold price of US\$ 1,600 per ounce and economic cut-off grades 0.30 g/t Au (Open Pit) and 1.10 g/t (Underground).
5. Open Pit constrained resources are reported within an optimized pit shell; underground resources are reported within continuous and contiguous shapes which lie adjacent to and below the ultimate open pit shell and interpreted to be recoverable utilizing standard underground mining methods.
6. The mineral resource estimate has an effective date of July 21, 2021.
7. The Serra Alta gold deposit was modelled by Cerrado using a wireframe constructed based on a 0.1 g/t Au cut-off grade and a few vein interpretations.
8. Rock density was assigned to different lithologies based on the geological and mineralization models, using calculated average values of 2.624 g/cm³ in granite, 2.65 g/cm³ in volcanics and 2.60 g/cm³ inside mineralization wireframes.
9. Grade capping was used to control the influence of outliers in the estimate, raw assays were composited to 1.0 m and then assessed for capping. Grade capping used throughout the deposit was 45 g/t Au for the main broad envelope and 8.0 g/t Au for the interpreted veins.
10. The block model gold grades were estimated using the Ordinary Kriging interpolation method with searching parameters derived from geostatistical analysis performed within the mineralization wireframes. Variogram ranges go from 90 m to 150 m in the major axis.
11. The estimate assumes a metallurgical recovery of 98.5% gold, based on completed test-work to date.

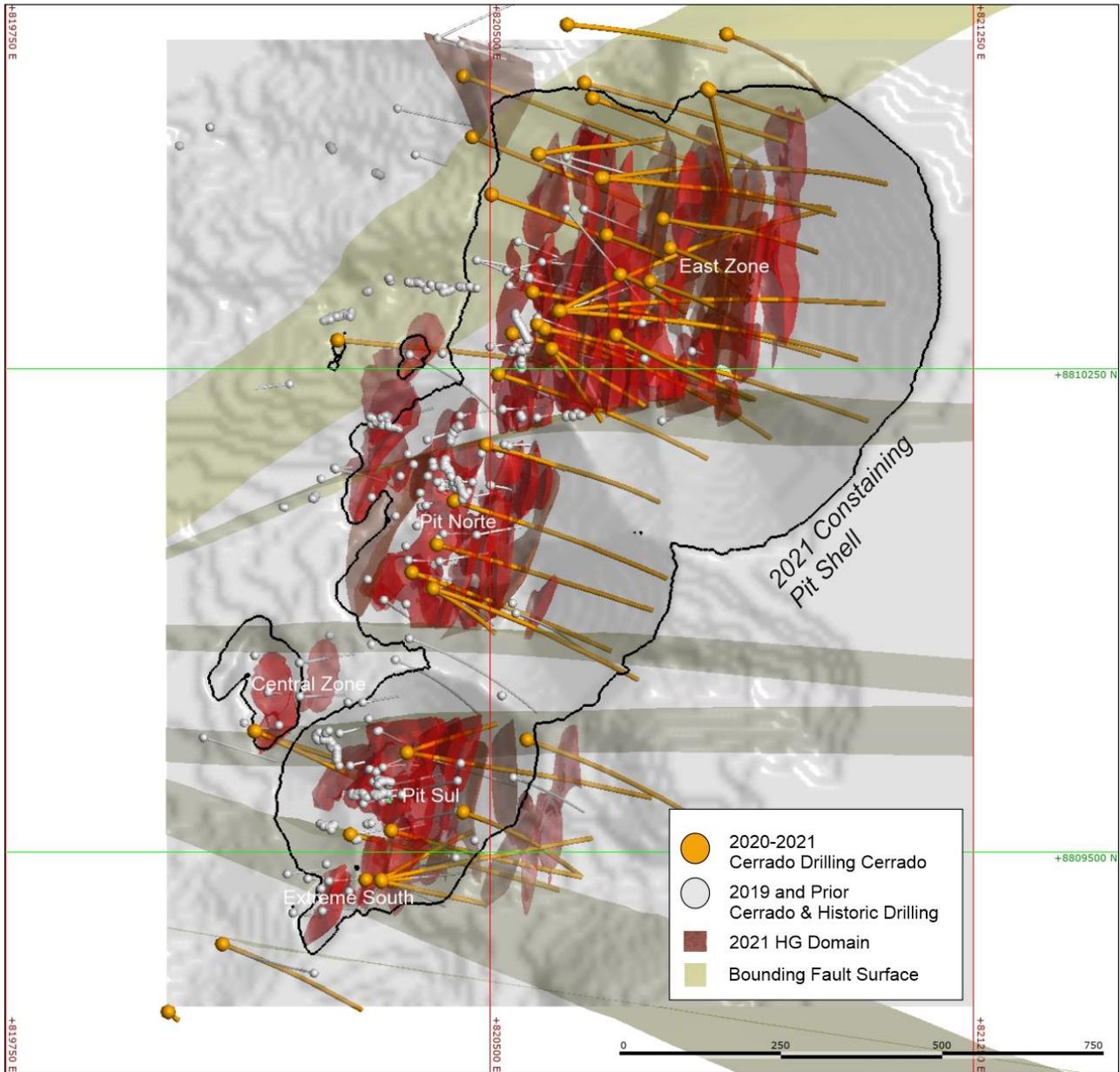
12. The estimate assumes the following costs: Mining (Pit) US\$ 2.00/t, Mining (Pit Waste) US\$ 1.70/t, Mining (Underground) US\$ 40.00/t, Processing US\$10.78/t, and G&A of US\$ 2.00/t.
13. The pit constrained resource is reported within an optimized pit shell that assumed a maximum slope angle of 55 degrees. Open pit mining recovery was assumed to be 100%. Open pit dilution was assumed to be 0%. Underground mining recovery was assumed to be 100%. Underground dilution was assumed to be 0%.
14. Micon has not identified any legal, political, environmental, or other risks that could materially affect the potential development of the mineral resource estimate.
15. The mineral resource estimates are classified according to the CIM Standards which define a Mineral Resource as “a concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other characteristics of a mineral resource are known, estimated, or interpreted from specific geological evidence and knowledge including sampling.
16. The mineral resource was categorized based on the geological confidence of the deposit into inferred and indicated categories. An inferred mineral resource has the lowest level of confidence. An indicated mineral resource has a higher level of confidence than an inferred mineral resource. It is reasonably expected that the portions of the inferred mineral resources could be upgraded to indicated mineral resources with additional infill drilling.
17. All procedures, methodologies and key assumptions supporting this mineral resource estimate are included in a NI 43-101F1 Technical Report which will be available at www.sedar.com.

Resource Update

The previous and maiden resource statement for Serra Alta was published by Cerrado in April 2019 (Effective resource statement date December 2018). The new drilling completed by Cerrado between October 2020 and April 2021 (Phase 1 that included 55 diamond drill holes totalling 18,998 m) is the basis for this update. The new drilling focused on extension of the resource, mainly following the lateral extent of the high-grade mineralized zones and on increasing the confidence of the existing inventory (Figure 1). Total Drilling meterage included in the updated resource estimate is 40,501 m.

Most of the drilling completed in the recent drilling phase was done through low angle holes dipping (between 30- and 35-degrees dip) crossing perpendicularly the mineralized trends. Low angle holes allowed detailed refinement of the high-grade domain model in the different zones in the deposit, allowing additionally, the ability to target proximal zones to intrusive contacts that are the first order control in gold endowment and quartz vein density.

Figure 1. Serra Alta New High Grade and Vein Domains and Sectors and existing drill coverage (Phase 1 Cerrado 2020-2021 and Prior drilling)



Discussion of Results

High-grade (HG) domains were built to constrain the quartz vein related mineralization within the granitic host rock. The domains were defined by higher density of quartz veins, gold grade and consistent hydrothermal alteration and modeled through interpolants following structural trends constructed after oriented core detail vein orientation analysis. This domain strategy followed the scheme defined in the 2019 technical report. The high-grade domains and some additional discrete individual veins were modeled independently in each structural block (see figure 1: East Zone, Pit Norte, Central Zone, Pit Sul and Ext Sul). The structural blocks are bounded by high angle faults mapped on surface.

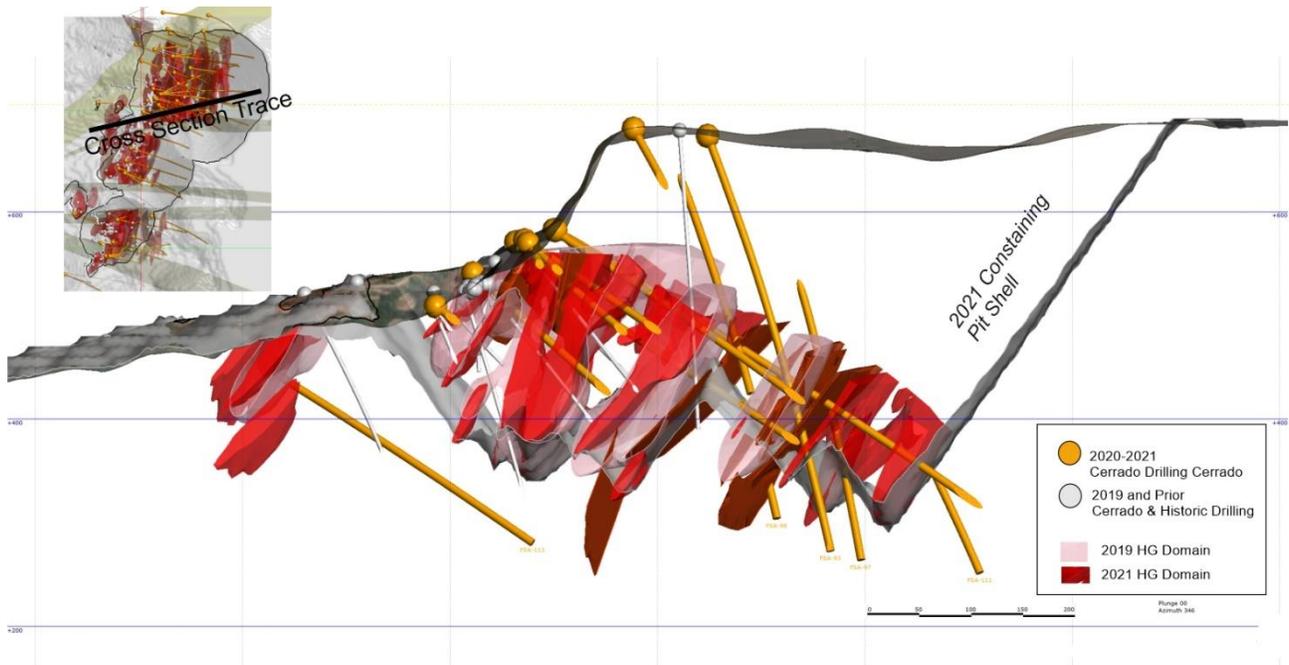
The most significant extension of the new resource materialized in the East Zone, (former N2 domain in the 2019 Technical Report). New drilling provided the basis for higher tonnage and grade, ultimately increasing an original 420,000 Oz of inferred Resource to 479,000 oz Au of Indicated Resource and 339,000 oz of Inferred Resource.

The increase in tonnage reflects the lateral continuity of the High-Grade domain to the East (currently 500m lateral extent is recognized). The increase in grade is explained by better coverage over the intrusive contact buffer zone that is believed to be one of the main primary controls on vein density and gold endowment. Figure 2 shows a cross section along the East Zone, showing the new model High Grade domain and discrete veins jointly with the drill pattern (low angle holes) that allowed better modeling and lateral extent exploration. These veins are similar to the parallel veins that form the High Grade domain (quartz associated with gold and sulphides) but occur as single continuous trends, extending from 100 m to 300 m along strike with true thickness varying from 1 to 10 meters.

Table 2. Mineral Resource Comparison (December 2018 and July 2021)

Mining Method	July 2021 Mineral Resource					December 2018 Mineral Resource				
	Cut-off Grade (g/t Au)	Resource Category	Tonnage (kt)	Avg. Au Grade (g/t)	Metal Content (koz)	Cut-off Grade (g/t Au)	Resource Category	Tonnage (kt)	Avg. Au Grade (g/t)	Metal Content (koz)
Open Pit	0.3	Indicated	9,063	1.85	539	0.49	Indicated			
		Inferred	12,128	1.82	708		Inferred	13,323	1.79	762
Underground	1.1	Indicated	45	1.66	2	1.5	Indicated			
		Inferred	1,069	2.1	72		Inferred	405	3.92	51
OP + UG		Indicated	9,108	1.85	541		Indicated			
		Inferred	13,197	1.84	780		Inferred	13,639	1.85	813

Figure 2. Cross section on the East Zone showing resource lateral new extension and pattern of the low angle drilling



The new resource estimate consolidates Serra Alta as the probable anchor deposit in the conceptual district scale potential of the Monte do Carmo District.

The improved geological coverage of the drilling both along the granite unit strike and along the concealed intrusive contact zones have allowed the Cerrado team to refine considerably the understanding of the controls on the intrusion hosted gold mineralization including country rock, proximity to intrusive contact zones, relevant hydrothermal alteration, and late offsetting structures.

Exploration Implications

As a result of the drilling results returned to date, the team has identified several areas with potential for additional extension within the new Total Resource volume and a strategy for further resource conversion.

The current resource stretches for a strike length of 1.5 km and as referred previously is segmented in blocks that share the main primary features of the mineralized trends (granite hosted quartz veins, broader hydrothermal alteration, structural trends), have specific characteristic (e.g. contact rock: Volcanic Vs Quartzites and vein density) that also effect on metal tenors and extension of the mineralized zones. Notably the East Zone block that covers only a quarter (~ 400 m) of the resource strike length concentrates two thirds of the gold endowment.

In terms of the exploration strategy, this implies that relatively small blocks with a discrete footprint have potential for hosting multi hundred thousand ounces of gold. As referred in previous disclosures Cerrado

controls extensive areas of fertile granite contact zones that share the Sierra Alta features like possible cupula levels, alteration assemblages, quartz veining and in several cases known artisanal mining.

From the Cerrado point of view, the potential of replicating endowed zones along this contact trace similar to the Serra Alta whole or individual block within Serra Alta remains high.

Review of Technical Information

Technical information contained in this new release related to the Mineral Resource has been reviewed by Mr. B. Terrence Hennessey, P.Geol. and Mr. Alan J. San Martin, MAusIMM (CP) of Micon International Limited. ("Micon"), a Toronto based consulting company, independent of Cerrado Gold. Mr Hennessey and Mr. San Martin have verified the data disclosed, including sampling, analytical, and test data underlying the drill results, and they consent to the inclusion in this release of said data in the form and context in which it appears. Other 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.

Notice to Readers

There is no certainty that any part of the Mineral Resources estimated will be converted into a Mineral Reserves estimate. Disclosure regarding Mineral Resource estimates included herein have been prepared by the Company in accordance with National Instrument 43-101 ("NI 43-101

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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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