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CERRADO GOLD ACHIEVES RECORD GOLD PRODUCTION, HEAD GRADES AND OPERATING MARGINS AT ITS MINERA DON NICOLÁS MINE IN THE THIRD QUARTER

- **MDN completes restructuring phase in Q3 and moves to “normalized” operations with optimized operating metrics expected in Q4**

TORONTO, ONTARIO - Cerrado Gold Inc. (TSX.V: CERT) (OTCQX: CRDOF) ("Cerrado" or the "Company") is pleased to announce its operational and financial results for the third quarter of 2021 ("Q3/21"). The third quarter represents the final quarter of restructuring of operations at its Minera Don Nicolás ("MDN") Mine in Santa Cruz Province, Argentina, with the stage set for substantially improved results from operations in Q4. The financial results are reported and available on SEDAR as well as on the Company's website (www.cerradogold.com).

(All numbers reported in US dollars)

Q3 2021 Minera Don Nicolás ("MDN") Operational Highlights:

- Another consecutive quarter of record gold production of 10,168 ounces, 6% higher than the previous high of 9,607 ounces
- An all-time high for average gold head grade of 3.57 g/t and a 20% improvement over Q2 2021
- Strong operating margin of \$3.5 million and operating cash flows of \$2.3 million in the third quarter
- Cash Cost per ounce sold of \$1,075, a 12% improvement over Q2 2021 and the fourth consecutive quarter of improvement
- AISC of \$1,382/oz, a record low since the Cerrado acquisition and the fourth consecutive quarter of improvement

Mark Brennan, CEO and Co-Chairman stated: *"It has been extremely gratifying to see the strong performance delivered by Cerrado's Argentinian team in the third quarter. Our restructuring program implemented post acquisition of MDN continues to bear fruit as demonstrated by our successful Q3 results. The Company is now positioned well to deliver consistent and strong results going into Q4 and we fully expect to see continued improvement in all key operating and financial metrics."*

Corporate Highlights

- Announced the appointment of Clinton Swemmer as Vice President, Technical Services and David Ball as Vice President, Business Development.

Third Quarter 2021 Operational and Financial Performance

Key Operating Information	Unit	Three Months Ended September		Nine Months Ended September	
		2021	2020	2021	2020
Operating Data					
Ore Mined	ktonnes	113.47	65.76	291.14	125.40
Waste Mined	ktonnes	1,461.57	966.57	4,052.75	1,829.08
Total Mined	ktonnes	1,653.75	1,033.09	4,513.38	1,973.62
Strip Ratio	waste/ore	12.88	14.70	13.92	14.59
Mining rate	ktpd	18.17	11.23	16.90	10.23
Ore Milled	ktonnes	102.43	85.70	303.61	166.51
Head Grade Au	g/t	3.57	2.24	3.05	2.35
Head Grade Ag	g/t	13.01	8.15	10.71	6.96
Recovery Au	%	88%	87%	91%	89%
Recovery Ag	%	63%	64%	64%	62%
Mill Throughput	tpd	1,126	932	1,137	884
Gold Ounces Produced	oz	10,168	4,512	27,259	11,377
Silver Ounces Produced	oz	28,595	11,799	66,513	22,737
Gold Ounces Sold	oz	9,648	6,635	25,976	12,121
Silver Ounces Sold	oz	25,836	14,771	61,825	23,398
Average realized price and Average realized margin					
Metal Sales	\$ 000's	17,930	12,563	46,951	21,927
Cost of Sales	\$ 000's	14,425	11,937	41,366	19,991
Gross Margin from Mining Operations	\$ 000's	3,505	626	5,585	1,936
Average realized price per gold ounce sold	(1) \$/oz	1,795	1,843	1,747	1,770
Total Cash Cost per gold ounce sold	(1) \$/oz	1,075	1,386	1,202	1,220
Average realized margin per gold ounce sold	(1) \$/oz	720	457	545	549
Total Cash Costs	(1) \$ 000's	\$10,372	\$9,195	\$31,222	\$14,793
Total cash costs per ounce sold	(1) \$/oz	\$1,075	\$1,386	\$1,202	\$1,220
ASC - Mnera Don Nicolas	(1) \$/oz	\$1,382	\$1,830	\$1,534	\$1,637
Financial					
Total revenue	\$ 000's	17,930	12,563	46,951	21,927
Mine operating expenses	\$ 000's	14,425	11,937	41,366	19,991
Income (loss) from mining operations	\$ 000's	3,505	626	5,585	1,936
Net loss	\$ 000's	(1,401)	(1,912)	(8,838)	(7,398)
Adjusted EBITDA	(1) \$ 000's	2,644	109	3,440	385
Operating cash flow before movements in working capital	(1) \$ 000's	2,424	(418)	1,933	14,155
Operating cash flow	\$ 000's	2,841	4,003	3,125	18,336
Cash and cash equivalents	\$ 000's	5,333	9,061	5,333	9,061
Working capital surplus (deficiency)	\$ 000's	(5,063)	4,103	(5,063)	4,103
Capital Expenditures	\$ 000's	2,308	2,204	6,954	3,674
(1) This is a non-IFRS performance measure, see non-IFRS Performance Measures					
(*) Does not include key operating information and statistics for the period from March 16, 2020 to March 31, 2020 at Mnera Don Nicolas					

The Company produced 10,168 ounces of gold and 28,595 ounces of silver during the three months ended September 30, 2021, as compared to 4,512 ounces of gold and 11,799 ounces of silver in the three months ended September 30, 2020. Production is 125% higher in the three months ended September 30, 2021 due to more tonnes mined, higher throughput, higher grade and higher recoveries. Production of 10,168 ounces of gold in the third quarter 2021 also represented a 6% improvement over the 9,607 ounces of gold produced in the second quarter of 2021.

The average gold head grade of 3.57 g/t was the highest quarterly head grade recorded since the Cerrado acquisition and represents a 59% increase as compared to the average head grade of 2.24 recorded in the third quarter of 2020. The third quarter gold head grade of 3.57 g/t also represents a 20% improvement over the 2.97 gold head grade recorded in Q2 2021, Cerrado's previous high for gold head grade.

Mill throughput of 102,431 tonnes of ore represents a 20% increase in throughput as compared to the third quarter of 2020. Recovery was also slightly higher in the third quarter 2021, 1% higher as compared to the third quarter 2020.

The Company generated revenue of \$17.9 million for the three months ended September 30, 2021, from the sale of 9,648 ounces of gold and 25,836 ounces of silver at an average realized price per gold ounce sold of \$1,795. For the three months ended September 30, 2020, the Company generated revenue of \$12.6 million from the sale of 6,635 ounces of gold and 14,771 ounces of silver. Revenue from sales of gold and silver for the current period was 43% higher than the three months ended September 30, 2020, due the higher gold sales as a result of higher mining rates, higher grades and higher throughput. This was offset slightly by the lower realized price in the current period as compared to the three months ended September 30, 2020.

Cash operating costs per ounce sold was \$1,075 per ounce in the three months ended September 30, 2021, which is the lowest achieved in the last five quarters and fourth consecutive quarter of improvement. Third quarter 2021 cash operating costs per ounce sold represents a 12% reduction as compared to Q2 2021 and a 22% reduction as compared to Q3 2020.

Net loss for the three months ended September 30, 2021, was \$1.4 million as compared to \$1.9 million for the three months ended September 30, 2020, an improvement of \$0.5 million. The decrease in net loss is primarily a result of a mine operating margin of \$3.5 million (an increase of \$2.6 million) offset by an increase in general and administrative expenses of \$0.8 million and an increase of other expense by \$1.0 million. Net loss in the third quarter of 2021 also represented a \$0.4 million improvement as compared to Q2 2021.

The Company incurred general and administrative expenses of \$2.5 million for the three months ended September 30, 2021, a \$0.8 million increase compared to the general and administrative expenses incurred during the three months ended September 30, 2020. During the three months ended September 30, 2021, the Company had slight increases in professional fees and non-cash stock-based compensation expenses. These increases in general and administrative expenses were largely the result of an increase in corporate activities required after the acquisition of MDN in 2020.

Other expense incurred of \$0.9 million during the three months ended September 30, 2021, was \$1.0 million higher than the \$0.1 million of other income recorded during the three months ended September 30, 2020. During the three months ended September 30, 2021, the Company recorded a \$1.0 million cost as a result of the working capital settlement agreement with the sellers.

Adjusted EBITDA was \$2.6 million in the third quarter of 2021 which is a \$2.5 million improvement as compared to the \$0.1 million adjusted EBITDA recorded in the third quarter 2021. Adjusted EBITDA also represented a \$0.9 million improvement as compared to the second quarter 2021.

Basic and diluted loss per share for the three months ended September 30, 2021, was \$0.02, compared to the basic and diluted loss per share of \$0.04 for the three months ended September 30, 2020, a \$0.02 per share improvement as a result of the improved operating performance of the mine in 2021.

Technical Disclosure/Qualified Person

The scientific and technical information contained 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 NI 43-101.

Mark Brennan
CEO and Co Chairman
Tel: +1-647-796-0023

mbrennan@cerradogold.com

Nicholas Campbell, CFA
Director, Corporate Development
Tel.: +1-905-630-0148

ncampbell@cerradogold.com

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

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