Cerrado Gold Provides Update on the Las Calandrias Heap Leach Project at Its Minera Don Nicolas Mine in Argentina

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- First production expected in second quarter 2023
- Highlights for the project include:
  - Project represents the first stage of the MDN growth program to deliver production rate of approximately 90,000 ounces per annum and All In Sustaining Costs ("AISC") below US$1,000 per ounce by 2024
  - Imminent growth to come from the development of heap leach operations at Las Calandrias and subsequently from the Martinetas area to process lower grade material
  - Las Calandrias first gold pour targeted for 2Q 2023
  - All engineering and testing completed, including Infill drilling, metallurgical testing and detailed design
  - Permitting is well advanced and all remaining approvals are expected during Q4 2022
  - Long-lead items have been ordered and construction to commence in Q4 2022 as planned

TORONTO, October 18, 2022 - Cerrado Gold Inc. (TSX.V:CERT)(OTCQX:CRDOF) ("Cerrado" or the "Company") is pleased to provide an update on the progress of its development of the gold heap leach project at the Las Calandrias deposit at its Minera Don Nicolas Mine located in Santa Cruz, Argentina ("MDN"). The heap leach production strategy follows extensive review of the potential to utilize alternative production technologies at MDN with the aim of mining lower grade material not being delivered to the CIL plant.

As initially outlined in a press release dated February 9, 2022, the addition of heap leach operations at MDN is targeted to increase production rates to 90,000 ozs per annum from the 2022 rate of approximately 50,000 ozs with a reduction in AISC to below $1,000 ozs by 2024. Production growth and cost reduction is planned from the development of two heap leach operations, firstly at Las Calandrias and secondly at the Martinetas area.

The initial heap leach operation located at Las Calandrias is expected to commence production in Q2 2023. The Company has budgeted approximately US$25 million in development capital in 2022 and 2023 to construct the project. Financing of development is expected to be predominately from sources internal to Argentina.

The Company has completed all metallurgical works, geotechnical testing of the site and a detailed design of the crushing circuit and heap leach pad. License and permit submissions have been completed and main orders for crushing and construction of the pad have been placed or are in final negotiations. First material is expected to be loaded on the pad towards the end of Q1 2023, and the first gold production is expected in Q2 2023.

Mark Brennan, CEO and Co-Chairman commented "As we prepare to enter the Construction Phase at the Las Calandrias project, work to date has confirmed our expectations of the viability of using heap leach methodologies to more fully exploit the known resources at MDN as seen at neighbouring operations. As a result, we are now one step closer to delivering on the first stage of our production growth strategy at MDN by utilizing lower grade material that would otherwise not be processed. The Calandrias project is the first step in our goal to reach production rates of 90,000 ounces per annum with reduced AISC's at MDN by the end of 2023."

Production Plan

The Company has developed an internal mine plan to process lower grade and transitional material through

a purpose-built heap leach facility at Las Calandrias. Extraction will be conducted via open pit mining at an estimated life of mine strip ratio of 0.75:1. A plan view of the current pit design is shown below in Figure 1.

Figure 1. Las Calandrias Pit Design

Metallurgical Testing

The company has completed all Metallurgical work at Las Calandrias and expects an average recovery of 67% from processing the Oxide and Transitional material. Recoveries in the primary zone are currently around 36% on average, with grades 30% higher than in the oxide and mixed zones. Testing to date has confirmed the following Au recovery rates for each ore type.

Ore Type	Au Recovery
Oxide	70%
Mixed or Transitional	50%
Primary	36%

Plant Design

The Las Calandrias plant will be constructed to have a 2Mtpa capacity through a two-stage crushing process and pad design that will be built in stages. Water required for processing is currently expected to be sourced through third party purchases, however, ongoing hydrological drilling could add additional proprietary sources which would deliver a positive impact on operating costs and productions rates. A layout of the pad and ancillary infrastructure is shown below in Figure 2.

Figure 2. Pad and Plant Design

Las Calandrias Infill

During late 2021 and in 2022 MDN completed an infill drill program to support its understanding of the resource and to make a development decision. During this program a further 3,582m were drilled (1,320m DDH and 2,262m RC) in addition to the historical holes and assays.

A summary of the Total Exploration holes at the Las Calandrias property are presented below:

Hole Type	# Holes	Metres
DDH	210	24,583
RC	45	2,424
Grand Total	255	27,007

The company has received assays for all drilling to date at Las Calandrias. Drill hole locations and composites are provided in in Figure 3. and Tables 2. and 3. below.

Figure 3. Las Calandrias Plan view and drill hole locations

Table 2. Drill Hole locations

Hole_ID

UTM E

UTM N

Elevation

Depth

Dip

Azimuth

E-D21-093	2614267 4724147 153.7	60	61	39	
E-D21-094	2614322 4724144 151.7	60	61	38	
E-D21-095	2614299 4724114 149.9	60	60	40	
E-D21-096	2614343 4724106 151.5	60	60	38	
E-D21-097	2614378 4724057 154.7	60	60	40	
E-D21-098	2614353 4724075 149.6	60	60	40	
E-RC21-001	2614295 4724173 156.3	54	60	40	
E-RC21-002	2614287 4724232 157.9	54	60	40	
E-RC21-003	2614252 4724221 163.7	54	60	40	
E-RC21-004	2614225 4724238 166.3	54	60	40	
E-RC21-005	2614236 4724271 165.7	54	60	40	
E-RC21-006	2614208 4724315 163.9	54	60	40	
E-RC21-007	2614156 4724267 168.5	54	60	40	
E-RC21-008	2614092 4724226 163.9	54	60	20	
E-RC21-009	2614067 4724268 159.4	54	60	40	
E-RC21-010	2614121 4724284 163.9	54	60	40	
E-RC21-011	2614014 4724269 163.6	54	60	40	
E-RC21-012	2614011 4724211 157.8	54	60	40	
E-RC21-013	2614374 4724097 150.8	54	60	40	
E-RC21-014	2614029 4724192 153.3	54	60	40	
LC-D21-001	2613898 4724641 184.8	60	59	21	
LC-D21-002	2614110 4724593 174.8	60	61	20	
LC-D21-003	2614122 4724624 169.2	60	61	18	
LC-D21-004	2614133 4724575 169.5	60	61	20	
LC-D21-005	2614150 4724522 167.0	60	61	19	
LC-D21-006	2614160 4724556 164.4	60	62	20	
LC-D21-007	2614170 4724587 162.9	60	61	20	
LC-D21-008	2614176 4724508 169.5	60	61	20	
LC-D21-009	2614166 4724483 172.1	60	61	20	
LC-D21-010	2614208				

4724468

164.6

60

61

10

LC-D21-011	2614220	4724505	164.6	60	61	20
LC-D21-012	2614240	4724481	165.6	60	62	19
LC-D21-013	2614277	4724475	166.5	60	61	21
LC-D21-014	2614259	4724431	165.7	60	61	21
LC-D21-015	2614316	4724411	155.8	60	61	21
LC-D21-016	2614340	4724373	151.8	60	60	20
LC-RC21-001	2614142	4724384	166.8	54	60	20
LC-RC21-002	2614094	4724391	172.0	54	60	20
LC-RC21-003	2614068	4724350	168.1	54	60	20
LC-RC21-004	2614000	4724349	175.9	54	60	20
LC-RC21-005	2613980	4724532	183.4	54	60	20
LC-RC21-006	2613980	4724409	173.7	54	60	20
LC-RC21-007	2614069	4724449	178.9	54	60	20
LC-RC21-008	2614111	4724480	172.7	54	60	20
LC-RC21-009	2614013	4724479	180.7	54	60	20
LC-RC21-010	2613996	4724499	179.4	54	60	20
LC-RC21-011	2613967	4724497	181.9	54	60	20
LC-RC21-012	2613933	4724495	177.4	54	60	20
LC-RC21-013	2613963	4724690	182.9	54	60	20
LC-RC21-014	2613925	4724709	185.2	54	60	20
LC-RC21-015	2613908	4724666	184.7	54	60	20
LC-RC21-016	2613899	4724640	185.1	54	60	20
LC-RC21-017	2613826	4724592	179.7	54	60	20
LC-RC21-018	2613816	4724567	176.7	54	60	20
LC-RC21-019	2613768	4724714	183.9	54	60	20
LC-RC21-020	2613781	4724741	185.3	54	60	20
LC-RC21-021	2613790	4724792	177.9	54	60	20
LC-RC21-022	2613736	4724791	176.8	48	60	20
LC-RC21-023	2613758	4724760	181.3	54	60	20
LC-RC21-024	2613568					

4724821

160.0

54

60

20

LC-RC21-025	2613576	4724739	169.6	54	60	20
LC-RC21-026	2614353	4724411	156.2	54	60	20
LC-RC21-027	2614330	4724452	158.6	54	60	20
LC-RC21-028	2614245	4724399	159.9	54	60	20
LC-RC21-029	2613256	4724445	154.9	54	60	20
LC-RC21-030	2613283	4724373	152.6	54	60	20
LC-RC21-031	2613434	4724513	153.4	54	60	20
LC-RC21-032	2613528	4724460	155.8	54	60	20
LC-RC21-033	2613555	4724370	154.7	54	60	20
LC-RC21-034	2613610	4724436	158.3	54	60	20
LC-RC21-035	2613090	4724381	151.6	54	60	20

*Collar coordinates by GNSS TP-20 UTM Coordinates, Datum: SAD69 / zone 22S.
*Azimuth Set by compass
*Dip and drill hole trajectory by DEVIFLEX Devico

Table 3. Drill Hole Composites

Holeid	Domain	from	to	Au_ppm	Ag ppm
E-D21-095	Transition	8.0	22.0	0.76	2.66
E-D21-096	Transition	22.7	28.1	0.85	4.39
E-D21-097	Oxide	2.0	16.0	1.02	11.21
E-D21-097	Transition	16.0	34.0	0.83	6.56
E-D21-097	Primary	54.0	60.0	1.78	10.07
E-D21-098	Oxide	0.2	8.0	0.57	5.57
E-D21-098	Transition	14.0	24.0	0.59	5.92
E-RC21-004	Primary	20.0	26.0	1.54	10.53
E-RC21-005	Oxide	2.0	20.0	4.56	16.38
E-RC21-006	Oxide	16.0	30.0	1.24	7.11
E-RC21-006	Primary	30.0	36.0	1.85	6.83
E-RC21-008	Oxide	0.0	34.0	0.70	2.36
E-RC21-009	Oxide	18.0	36.0	0.54	1.34
E-RC21-009	Primary	40.0	54.0	1.54	6.19

E-RC21-010	Oxide	12.0	32.0	1.32	4.88
E-RC21-012	Oxide	2.0	10.0	0.44	2.13
E-RC21-012	Transition	16.0	26.0	1.01	4.75
E-RC21-012	Primary	38.0	44.0	3.97	13.87
E-RC21-013	Oxide	0.0	16.0	1.99	11.66
E-RC21-014	Oxide	6.0	18.0	0.66	1.57
LC-D21-003	Oxide	1.2	12.0	0.49	1.08
LC-D21-005	Oxide	8.0	18.0	0.59	1.08
LC-D21-005	Oxide	24.0	38.0	0.39	0.53
LC-D21-008	Oxide	16.0	21.4	0.81	2.99
LC-D21-009	Oxide	6.0	16.0	0.47	0.56
LC-D21-009	Transition	22.0	29.0	0.49	2.13
LC-D21-011	Oxide	2.0	10.0	0.39	1.01
LC-D21-012	Oxide	0.0	14.0	0.76	2.00
LC-D21-013	Oxide	18.0	27.5	0.30	0.98
LC-D21-013	Transition	27.5	33.4	0.55	1.62
LC-D21-014	Oxide	6.0	22.0	0.64	1.76
LC-D21-014	Primary	54.0	60.0	2.17	3.70
LC-RC21-001	Oxide	2.0	10.0	1.40	3.07
LC-RC21-001	Oxide	30.0	46.0	0.61	7.86
LC-RC21-001	Primary	46.0	54.0	1.82	12.67
LC-RC21-002	Oxide	14.0	32.0	0.60	10.36
LC-RC21-003	Oxide	38.0	46.0	0.44	8.58
LC-RC21-004	Oxide	28.0	36.0	0.66	4.40
LC-RC21-004	Oxide	42.0	52.0	0.50	18.16
LC-RC21-007	Oxide	20.0	36.0	0.66	4.59
LC-RC21-007	Oxide	38.0	44.0	0.32	2.17
LC-RC21-008	Oxide	4.0	16.0	0.53	4.25
LC-RC21-012	Oxide	12.0	18.0	0.37	5.10
LC-RC21-013	Primary	44.0			

52.0

0.81

88.80

LC-RC21-017 Oxide	2.0	8.0	0.94	1.93
LC-RC21-017 Primary	48.0	54.0	1.00	54.66
LC-RC21-018 Primary	46.0	54.0	0.84	33.13
LC-RC21-019 Oxide	46.0	52.0	0.54	14.97
LC-RC21-022 Oxide	8.0	22.0	0.53	7.24
LC-RC21-022 Oxide	26.0	34.0	1.05	16.82
LC-RC21-024 Oxide	2.0	20.0	0.63	21.60
LC-RC21-028 Oxide	8.0	22.0	0.67	3.12

Economic cut-off grade applied in the composites varies according to Domain. Primary; 0.3 g/t Au; Transition: 0.4 g/t Au; and Primary 0.81 g/t Au

Quality Assurance and Quality Control

Analytical work of MDN reported drill holes was carried out by Alex Stewart international, Argentina S.A. Labs (ASI). The facilities of the prep lab and assay lab are in San Julian, 184 Km from MDN mine operations. MDN sends out 10% of samples to check at ALS international labs (ALS) with the prep lab located in Mendoza and assay labs in Lima, Peru and Vancouver, Canada. In the main laboratory ASI (Mendoza), the samples are systematically analyzed for gold (ppm) and silver (ppm) by fire assay (Au4-50 + AgICP-AR-39) regarding the over limits with fire assay results greater than 10 ppm, a second assay is applied including gravimetric finishing (FA50GRAV), with respect to silver, analyzes greater than 200ppm are carried out by AgFA50GRAV.

ASI has routine quality control procedures which ensure that every batch of samples includes three sample repeats, two commercial standards and blanks. Cerrado used standard QA/QC procedures, when inserting reference standards and blanks, for the drilling program. The Reference material used are from CDN Resource Laboratories Ltd. Included in the batches following MDN internal protocols.

The historic database was verified by AGP in 2018. In addition, AGP verified the assay data provided by the company against the assay certificates provided by the laboratories: ALS (Mendoza) and ASi (Mendoza), as provided by New Dimension. AGP verified approximately 20% of New Dimension's database across all drill campaigns with any errors corrected prior to finalizing the drillhole database.

SRK undertook an assessment of the geological model in 2021 and made a number of recommendations that have since been adopted. MDN has reviewed and updated the information into the geological model with the latest drillhole information and using the recommendations of SRK.

Metallurgical testing work was carried out by National University of San Juan, Institute of Mining Investigations. MDN send half core samples for sample preparation to the lab. The laboratory has routine quality control procedures which ensure that testing is to Approved and recognised Standards.

Review of Technical Information

The scientific and technical information in this press release has been reviewed and approved by Clinton Swemmer, P.Eng., Vice President, Technical Services for Cerrado Gold Inc., who is a Qualified Person as defined in National Instrument 43-101.

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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.

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