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MINERA DON NICOLAS RECEIVES INITIAL US\$4 MILLION OPTION PAYMENT FROM CERRO VANGUARDIA SA FOR THE SALE OF ITS MICHELLE EXPLORATION PROPERTIES FOR TOTAL CONSIDERATION OF US\$14 MILLION

- **Initial US\$4 Million Peso Equivalent Option Payment received which further strengthens balance sheet**
- **Remaining consideration of US\$10 Million Pesos equivalent payable on exercise; within 3 years**
- **Company well-positioned to drive future growth via its existing operating Minera Don Nicolas gold mine in Argentina and its Mont Sorcier development project in Quebec**
- **Company issues loan to Ascendant Resources Inc**

TORONTO, ONTARIO – Cerrado Gold Inc. [TSX.V:CERT][OTCQX:CRDOF; FRA:BAI0] (“**Cerrado**” or the “**Company**”) announces that its wholly owned subsidiary Minera Don Nicolas SA (“**MDN**”) has received the option payment of US\$4 million equivalent in Argentina pesos at the CCL Buyers rate pursuant to the previously announced option agreement with Cerro Vanguardia S.A. (“**CVSA**”) a wholly-owned subsidiary of AngloGold Ashanti Holdings Plc. MDN has granted to CVSA the option to purchase a 100% interest in certain exploration properties located in the south region of its Minera Don Nicolas Project in Santa Cruz, Argentina.

Mark Brennan, CEO and Chairman commented: *“The option of these non-core properties immediately improves the balance sheet and short-term capital position at MDN allowing MDN to focus on its core properties. In addition to our current strong operating cashflows at MDN and capital proceeds from previous asset sales, we are well positioned to pursue growth programs at our MDN Mine and our Mont Sorcier high grade iron project, as well as allowing us to consider additional opportunities to grow the Company in the near term.”*

The Company also announces that it has issued a loan (“**Loan**”) to Ascendant Resources Inc. (“**Ascendant**”) in the principal amount of US\$275,000. The Loan bears interest at a rate of 10.0% per annum, compounded monthly and matures on demand, on not less than 366 days notice.

Ascendant is a Toronto-based mining company focused on the exploration and development of the highly prospective Lagoa Salgada VMS project located on the prolific Iberian Pyrite Belt in Portugal.

Additional information on Ascendant can be found on its website at www.ascendantresources.com.

The Company notes that while there is a commonality of directors and officers between Cerrado and Ascendant, the companies are not "related parties" as defined in Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* ("MI 61-101") and accordingly the Loan is not considered a "related party transaction" as defined in MI 61-101.

About Cerrado

Cerrado Gold is a Toronto-based gold production, development, and exploration company focused on gold projects in South America. The Company is the 100% owner of both the producing Minera Don Nicolás and Las Calandrias mine in Santa Cruz province, Argentina. In Canada, Cerrado Gold is developing its 100% owned Mont Sorcier Iron Ore and Vanadium project located outside of Chibougamou, Quebec.

In Argentina, Cerrado is maximizing asset value at its Minera Don Nicolas operation through continued operational optimization and is growing production through its operations at the Las Calandrias Heap Leach project. An extensive campaign of exploration is ongoing to further unlock potential resources in our highly prospective land package in the heart of the Deseado Masiff.

In Canada, Cerrado holds a 100% interest in the Mont Sorcier Iron Ore and Vanadium project, which has the potential to produce a premium iron ore concentrate over a long mine life at low operating costs and low capital intensity. Furthermore, its high grade and high purity product facilitates the migration of steel producers from blast furnaces to electric arc furnaces, contributing to the decarbonization of the industry and the achievement of SDG goals.

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

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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, that CVSA will exercise the option and pay MDN the consideration upon exercise, the value of Argentina pesos at the CCL Buyers rate, and the business, prospects and potential of Ascendant. In making the forward- looking statements contained in this press release, Cerrado has made certain assumptions, including, but not limited to the satisfactory completion of due diligence by Amarillo and the exercise of the Option by Amarillo, the satisfaction of all conditions to closing of the Proposed Transaction, including the receipt of all required approvals (including regulatory and shareholder approval), cash flow generated from MDN and changes in economic and monetary policies and regulations in jurisdictions in which Cerrado and its subsidiaries operate. 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.