Cerrado Gold Provides Update of Its near Mine Exploration Program and the New Antena Discovery at Its Minera Don Nicolas Project in Argentina

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- Esperanza/Rocio highlight near mine high grade zones
- New discovery of the Antena Vein System
- Trench results from Chulengo and Araña target provide details for drilling targets

Toronto, July 7, 2021 - CERRADO GOLD (TSXV: CERT) ("Cerrado" or the "Company") is pleased to announce the results from a further nineteen drill holes (totalling 2,868 m) from its ongoing 12,000-metre exploration drill program at its Minera Don Nicolás Project ("Minera Don Nicolás" or the "MDN Project") located in Santa Cruz province, Argentina. Reported diamond drill holes were collared at the Esperanza/Rocio and other Paula Andrea targets. As previously outlined, the focus for the current 12,000-metre district exploration program is to delineate new high grade mineralized zones and increase confidence, of near surface mineralization in the proximity of Cerrado's mining operations: La Paloma and Martinetas Pits. Results are actively being integrated into further economic studies for ultimate conversion of additional resources into the mine plan.

The 2021 exploration drill program at the Minera Don Nicolás Project commenced on February 5th at and has targeted initially areas within the Paloma area and the adjacent Paula-Andrea Area, including: Baritina, Chulengo, Antena, Esperanza and Rocio. Results from the first two target areas were released in May of this year.

The drill results reported in this press release include all assays received as June 25th, 2021 and represent complete for file holes from Esperanza/Rocio, nine holes from Antena, and five holes from the Chulengo and adjacent NW corridor target.

Mark Brennan, CEO & Co-Chairman commented, "We are very pleased that the initial drill results at Minera Don Nicolas continue to support our view that significant near surface and near mine targets remain to be defined. As these new targets are more fully defined, we believe they have the potential to support not only adding additional resources but potentially increasing the grade of the overall resource base, supporting production in the future."

Current Near Mine Drill Program at MDN

The near mine exploration program at Minera Don Nicolas is comprised of 12,000 metres of diamond drilling. As June 25th, 6675 meters have been completed. The program is focusing mainly on step-out and downdip drilling to target extensions of gold mineralization and infill drilling to upgrade resources. The initial areas of focus for the program follow mainly exploration targets that have been defined by limited historical drilling, such as the Esperanza South vein at Paloma and the Paula Andrea Area (e.g. Baritina, Chulengo and Araña targets).

Given that these targets are close to the current, high grade, La Paloma mining area they are ranked as high priority in order to potentially add new resources that subsequently undergo economic evaluation by the mine team. The current program is in addition to RC drilling undertaken by the mine for infill and grade control to extend the current mining areas of La Paloma and Martinetas both along strike and at depth.

Drilling in the La Paloma adjacent areas is expected to be completed early in July. The diamond rigs will then

mobilize to the Martinetas area. As is the case in La Paloma, drilling priorities in Martinetas will consider the proximity and economic viability of the different targets in the proximity of the Cerro Oro and Coyote Pits. The distribution of the footage of this years program, for which the ultimate scope is to gain confidence on the extent and economics of the satellite structures, aims to keep the balance of the resource inventory between the two main operations that Cerrado currently mines.

Esperanza/Rocio Vein

The Esperanza veins are part of the La Paloma system characterized by discrete narrow, arcuate, steeply dipping quartz breccia veins. The most notable structure within this system is the Sulfuro vein currently being mined by Cerrado. Esperanza is located west of Sulfuro, the northern segment of the 1km continuous strike vein was shallowly mined prior to Cerrado acquisition of Minera Don Nicolas.

Current drilling at Esperanza has focused on the southern zone of the vein system. The Esperanza vein system dips 75 degrees to the east (toward the Sulfuro vein) and has an average thickness of 0.3m to 6m. The five holes reported here, totalling 499m (see Figure 1) systematically intercepted also at depth the Rocio vein (slightly oblique with respect to Esperanza). Seven additional holes drilled at the Esperanza/Rocio veins are pending results. Preliminary modelling suggests stronger mineralization and gold tenor along the domain where both veins coalesce (sub vertical linear feature).

Importantly, the Esperanza structure is thought to coalesce with the main Sulfuro vein at an absolute depth of ~ 450 metres. The geometry of the predicted structural intersection is sub horizontal in nature and could be the loci of relevant additional gold endowment. This structural/mineralization model hypothesis remains drill untested but will be tested in the near future.

Drilling results at close space centers are being integrated in the updated long-term model and economically evaluated by the mine team for potential reserve conversion.

Figure 1. 3D View looking north of the Esperanza Rocio south drilling reported in this press release.

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/6185/89585_721adaef7424d8ce_002full.jpg

Antena Target

The Antena target is located 1,250m to the SSE of the Sulfuro pit. The width of the structure varies from 1m to 2m and consists of cryptocrystalline quartz veins and vein breccias with sulphides (pyrite, sphalerite, molibdenite ± galena). Textures features include breccias, massive and banding. Surrounding the veins massive-cryptocrystalline-quartz-sulphides stockworks develop as halos. The structures are dipping to the west between 70º to 80º and some of them are subvertical. Post-mineralization tectonic breccias are common affecting the veins, vein-breccias and stockworks, and probably represents the reactivation of the syn-mineralization faults. Also, the presence of post-mineralization low-angle dipping faults are interpreted and dislocates the mineralization (see Section below)

The 8 drill holes reported for the Antena target, totalling 1776 m, provide the first confirmation of continuity of mineralization below surface on this target and represent a new discovery. Refinement of the 3D modelling will be completed to better understand the geometry and grade potential size of these structures.

Figure 2. Antena Target Location.

To view an enhanced version of Figure 2, please visit:
https://orders.newsfilecorp.com/files/6185/89585_721adaef7424d8ce_003full.jpg

Figure 3. North/South cross section of Antena Discovery.

To view an enhanced version of Figure 3, please visit:
https://orders.newsfilecorp.com/files/6185/89585_721adaef7424d8ce_004full.jpg

Chulengo Target

Drill holes PA-D21-66 and PA-D21-67 completed in Chulengo did not intersect relevant mineralization, missing the gold endowed zones of the breccia/ledges domains. Chulengo mineralization is characterized by silica-sulfide cemented hydrothermal breccias and ledges with vuggy silica textures infilled by sulfides (oxides) and controlled by ENE-WSW to E-W faults dipping to the north. Also, the mineralization shows a lithological control forming dissemination and fine veinlets/stockworks in permeable lithologies.

Figure 4. Location of Chulengo Target.

To view an enhanced version of Figure 4, please visit:
https://orders.newsfilecorp.com/files/6185/89585_721adaef7424d8ce_005full.jpg

Drill hole PA-D21-68 was drilled ~ 500 m to the south of the Chulengo breccias and intercepted anomalous gold values resembling some of the proximal halos found in the Baretina target. Further field work will be completed to assess need of follow-up drilling.

Drill hole PA-D21-69 and 70 targeted IP chargeability anomalies that were explained by coarse pyrite concentrations in barren argillic altered volcanic rocks.

Chulengo trench results includes 3.70 m grading 18.31 g/t Au starting from 11.60 m (PA-T21-041) and 5.70 m @ 5.97 g/t Au starting from 20.20 m (PA-T21-035).

The results obtained confirm that the structures in Chulengo form "rosaries or possible extensional jogs" along the ENE-WSW corridor. In domains with efficient structural opening there is a better continuity of gold mineralization hosted by hydrothermal breccias with a matrix of quartz and sulfides that cut the entire volcanosedimentary sequence (ignimbrites and volcanoclastics) providing better vertical extent and overall economics significance as a possible near mine satellite.

Araña Target

Araña mineralization is characterized by Fe-Mn oxides, barite and cryptocrystalline quartz veinlets and stockworks and sectors with vuggy silica textures infilled by oxides). The main recognized structure has a NE-SW orientation, and the host rock is a rhyolitic dome. Figure 5 shows the trenches intersections and the interpretation of the ore bodies at surface and high-grade zones.

Notable trench results in Arana include 4.80 m grading 4.09 g/t Au (PA-T21_029) and 9.40 m grading 5.06 g/t Au (see Figure 5 and table 2). These encouraging results will be follow-up with shallow diamond drilling. Drill pads have been prepared and drilling should commence in July as part of the current phase.

Figure 5. Arana Target Trench Results.

To view an enhanced version of Figure 5, please visit:

https://orders.newsfilecorp.com/files/6185/89585_721adaef7424d8ce_006full.jpg

Table 1. Drill Hole Collars

Hole_Id	Easting	Northing	Elevation	Depth (meters)	Azimuth	Dip
ESP-D21-49	2592817	4715707	153.68	122	270	-50
ESP-D21-50	2592837	4715707	153.69	137	270	-50
ESP-D21-51	2592810	4715690	154.88	88	270	-50
ESP-D21-52	2592820	4715674	156.29	82	270	-50
ESP-D21-54	2592827	4715640	157.67	70	270	-50
AN-D21-001	2593342	4714418	148.47	253	100	-50
AN-D21-002A	2593347	4714457	148.74	118	100	-50
AN-D21-003	2593266	4714429	153.62	247	100	-50
AN-D21-004	2593321	4714380	150.34	103	100	-50
AN-D21-005	2593281	4714391	151.65	151	100	-50
AN-D21-006	2593250	4714100	140.36	257	90	-60
AN-D21-007	2593181	4714445	160.23	229	100	-60
AN-D21-007A	2593179	4714446	160.33	293	100	-60
AN-D21-008	2593426	4714399	151.64	125	100	-50
PA-D21-66	2595695	4713025	159.89	48	350	-60
PA-D21-67	2595692	4713033	159.6	32	170	-60
PA-D21-68	2595640	4712570	154.26	80	225	-50
PA-D21-69	2595180	4713041	133.43	230	330	-60
PA-D21-70	2595122	4713140	136.33	203	330	-60

Table 2. Drill Hole relevant Intercepts

Target	DDH	From	To	LENGTH (m)	True Width (m)	Drillholes Au (g/t)
Esperanza	ESP-D21-49	39.15	40.30	1.15	0.96	6.01
	ESP-D21-49	97.00	99.00	2.00	1.98	0.63
	ESP-D21-49	105.60	108.10	2.50	2.50	1.43
	including	105.60	106.90	1.30	1.30	2.24
	ESP-D21-49	109.00	113.60	4.60	4.60	3.02
	including	109.00	111.40	2.40	2.40	3.76
	ESP-D21-49 and	112.90	113.60	0.70	0.70	4.50
	ESP-D21-50	64.50	65.00	0.50	0.42	0.59
	ESP-D21-50	122.65	129.20	6.55	6.55	1.21
	including	122.65	125.25	2.60	2.60	2.36
	ESP-D21-51	27.60	29.40	1.80	1.60	5.13
	including	27.60	28.35	0.75	0.67	8.05
	and	29.00	29.40	0.40	0.36	7.75
	ESP-D21-52	39.60	40.55	0.95	0.85	3.30
	including	39.60	40.00	0.40	0.36	4.24
	ESP-D21-52	78.05	78.85	0.80	0.78	0.95
	ESP-D21-54	50.15	54.00	3.85	3.74	0.67
	including	51.25	54.00	2.75	2.67	0.82

	AN-D21-001		37.30	38.00	0.70	0.48	1.31
	AN-D21-001		84.05	86.60	2.55	1.70	4.30
		including	84.05	85.00	0.95	0.63	10.45
	AN-D21-002A		47.60	49.00	1.40	1.08	0.64
	AN-D21-002A		57.30	58.00	0.70	0.54	0.50
	AN-D21-003		50.25	50.75	0.50	0.32	1.19
	AN-D21-003		65.50	66.50	1.00	0.87	1.71
	AN-D21-003		95.50	101.45	5.95	4.55	0.38
	AN-D21-003		105.00	106.00	1.00	0.76	1.36
	AN-D21-004		55.85	58.90	3.05	2.20	0.50
	AN-D21-004		74.70	75.35	0.65	0.47	0.83
Antena	AN-D21-005		74.85	77.80	2.95	2.21	1.82
		including	75.70	76.50	0.80	0.60	3.48
	AN-D21-006		80.00	84.00	4.00	2.49	1.49
		including	80.00	81.00	1.00	0.62	2.01
		and	83.00	84.00	1.00	0.62	3.01
	AN-D21-006		117.45	120.70	3.25	2.01	1.76
		including	119.15	120.70	1.55	0.96	2.88
	AN-D21-007				NSA		
	AN-D21-007A		189.60	191.00	1.40	0.98	2.09
		including	190.45	191.00	0.55	0.39	3.49
	AN-D21-008		82.20	84.80	2.60	2.52	0.33
		including	83.20	83.90	0.70	0.68	0.48
Chulengo	PA-D21-66				NSA		
	PA-D21-67				NSA		
	PA-D21-68				NSA		
Corredor NW	PA-D21-69				NSA		
	PA-D21-70				NSA		

Table 3. Trench relevant Intercepts

Target	Trench ID		From	To	LENGTH (m)	Au (g/t)
Antena	AN-T21-018			NSA		
Antena	AN-T21-019			NSA		
Antena	AN-T21-020		181.00	182.00	1.00	1.60
			196.10	198.60	2.50	0.42
Antena	AN-T21-021		31.70	39.60	7.90	1.10
		including	33.80	35.80	2.00	1.83
		and	36.80	38.90	2.10	1.37
			121.50	122.00	0.50	1.14
Chulengo	PA-T21-025		18.00	19.00	1.00	2.31
Chulengo	PA-T21-026			NSA		
Chulengo	PA-T21-027			NSA		
Chulengo	PA-T21-035		20.20	25.90	5.70	5.97
		including	20.90	25.00	4.10	7.97
		and	24.40	25.00	0.60	28.96
Chulengo	PA-T21-037		14.50	16.90	2.40	0.53
			14.50	15.40	0.90	1.04
Chulengo	PA-T21-040			NSA		
Chulengo	PA-T21-041		4.00	9.00	5.00	1.54
		Including	6.00	7.00	1.00	2.97
			11.60	15.30	3.70	18.31
		Including	12.90	14.30	1.40	37.03
Araña	PA-T21-029		5.30	10.10	4.80	4.09
		including	6.30	7.30	1.00	15.25
		and	9.10	10.10	1.00	2.08
Araña	PA-T21-030		7.20	8.30	1.10	1.94

			7.20	16.60	9.40	5.06
Araña	PA-T21-031	including	9.20	11.00	1.80	7.87
		and	15.60	16.60	1.00	17.81
			10.50	13.50	3.00	2.00
Araña	PA-T21-032	including	10.50	11.50	1.00	3.28
Araña	PA-T21-033		16.30	21.00	4.70	0.46

Quality Assurance and Quality Control

Analytical work was carried out 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.

Review of Technical Information

The scientific and technical information 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.

Minera Don Nicolás Overview

Minera Don Nicolás is located 1,625km southwest of Buenos Aires, Argentina in the Deseado Massif region in the mining-friendly province of Santa Cruz. The project is comprised of several exploration concessions totaling 333,400 ha. The largest regional centre is Comodoro Rivadavia, which provides logistical and other support for the operations.

MDN Project is situated within the world renowned Deseado Massif where the underlying geology of the region is dominated by rhyolitic and andesitic volcanic and tuffaceous volcaniclastic lithologies of Middle to Upper Jurassic age (130 to 170 ma). It is criss-crossed by numerous extensive fault and fracture zones, which served as conduits for hydrothermal activity during periods of Jurassic volcanism. The result of this activity is a widespread network of shallow level mineralized "epithermal" fissure veins, breccias, and stock-work systems, many of which carry potentially economic Au and Ag mineralization. The Deseado Massif region is host to several epithermal gold-silver deposits and several multi-million-ounce gold deposits, including Cerro Vanguardia (Anglo Gold), Cerro Negro (Newmont GoldCorp), Cerro Morro (Yamana).

In February 2012, Minera IRL published a Full Feasibility Technical Report in accordance with NI 43-101 (Filed on SEDAR, Minera IRL Ltd., Feb 16, 2012). Construction of the facilities was completed in 2017 and initial production began December 2017.

Current mining operations are conducted in two areas, the high grade La Paloma deposit and the Martinetas deposits, approximately 30km apart. Ore is processed through a 1,000 tpd CIL plant located near the Martinetas pit. The project currently supports 325 employees and contractors on a fly-in fly-out basis. Mineral Don Nicolás has strong regional and local community backing having signed agreements with the two neighboring communities.

Cerrado acquired the MDN Project property in March 2020 and undertook a fundamental review of the resource database and based upon a significant geological re-interpretation, engaged SRK to conduct an independent NI 43-101 updated resource technical report (August 2020) which is available on the Cerrado

Gold website and SEDAR.

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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.

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