

## Quinchia Pre-PEA Studies Commissioned

**Los Cerros Limited (ASX: LCL) (Los Cerros or the Company)** advises that Ausenco Pty Ltd (Ausenco) has been engaged to develop a Preliminary Economic Assessment (PEA) of the Quinchia Project. The 100% owned Quinchia Gold Project, in Risaralda – Colombia includes the Miraflores, Tesorito and Dosquebradas deposits in a cluster of porphyry gold-copper targets, all located within a 3km radius (Figure 1), and underpinned by established Mineral Resources of 2.6Moz @ 1.02 g/t Au<sup>1</sup>.

Ausenco brings substantial experience from recent and similar studies/projects completed in South America such as Ero Copper Boa Esperanza (Feasibility Study-FS), Amarillo Gold Mara Rosa (FS), Discovery Silver Cordero (PEA), Silvercrest Las Chispas (FS/EPC), and Aris (formerly Caldas) Gold Marmato (PFS) located less than 50km NE of Quinchia.

In preparation for the PEA, a high level economic evaluation of three potential production scenarios will be undertaken, evaluating mining sequence, plant size/cost, open pit/underground permutations and other variables. From this study a base case will be selected for further investigation via the PEA.

- 1. Treatment Plant based on Miraflores underground as the initial development** (Table 1) with subsequent expansion or modifications in outer years to then accommodate materials from other sites within Quinchia (including Tesorito).

Quinchia subzone	Resource Category	CUT-OFF	TONNES (Mt)	Au (g/t)	Au (koz)
Miraflores - U.Ground	Measured + Indicated	1.2g/t Au	9.3	2.82	840
Miraflores - U.Ground	Inferred	1.2g/t Au	0.5	2.36	37
<b>TOTAL RESOURCE</b>			<b>9.8</b>	<b>2.80</b>	<b>877</b>

**Table 1:** 2017 Miraflores Resource.

- 2. Treatment Plant based on the combination of Miraflores (as above) plus incorporation of a high grade starter pit at Tesorito<sup>2</sup>** (Table 2) with incorporation of additional feed from the larger Tesorito pit shell, Dosquebradas and potential other sources in later years<sup>3</sup>.

CUT-OFF	TONNES (Mt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
0.8g/t Au	13.69	1.23	0.89	540	391

**Table 2:** Inferred Resource of the potential high grade starter pit within the larger Tesorito Resource optimised pit shell

<sup>1</sup> Contains a mix of Inferred, Indicated and Measured Resources. Using Tesorito MRE of 1.3Moz @ 0.81 g/t Au. The Miraflores Reserve is included in the Miraflores Resource. Refer ASX announcement dated 14 March 2017 (Miraflores Resource) and 27 November 2017 (Miraflores Reserve) and 25 February 2020 (Dosquebradas Resource) and 22 March 2022 (Tesorito Resource). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply.

<sup>2</sup> First released 22 March 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the estimates continue to apply

<sup>3</sup> There is insufficient metallurgical testwork complete thus far to establish process compatibility of Miraflores with Tesorito mineralisation. However, test work to date suggests Miraflores material is amenable to the Tesorito process pathway. Refer ASX announcement 7 July 2022.

**3. Treatment Plant based on Total Quinchia Resources<sup>1</sup>** (Table 3). The global Quinchia Resource currently stands at 2.6Moz from three locations within a 3km radius.

Quinchia subzone	Resource Category	CUT-OFF	TONNES (Mt)	Au (g/t)	Au (koz)
Tesorito	Inferred	0.5g/t Au	50.0	0.81	1,298
Dosquebradas	Inferred	0.5g/t Au	20.2	0.71	459
Miraflores - U.Ground	Measured + Indicated	1.2g/t Au	9.3	2.82	840
Miraflores - U.Ground	Inferred	1.2g/t Au	0.5	2.36	37
<b>QUINCHIA RESOURCE</b>			<b>80.0</b>	<b>1.02</b>	<b>2,634</b>

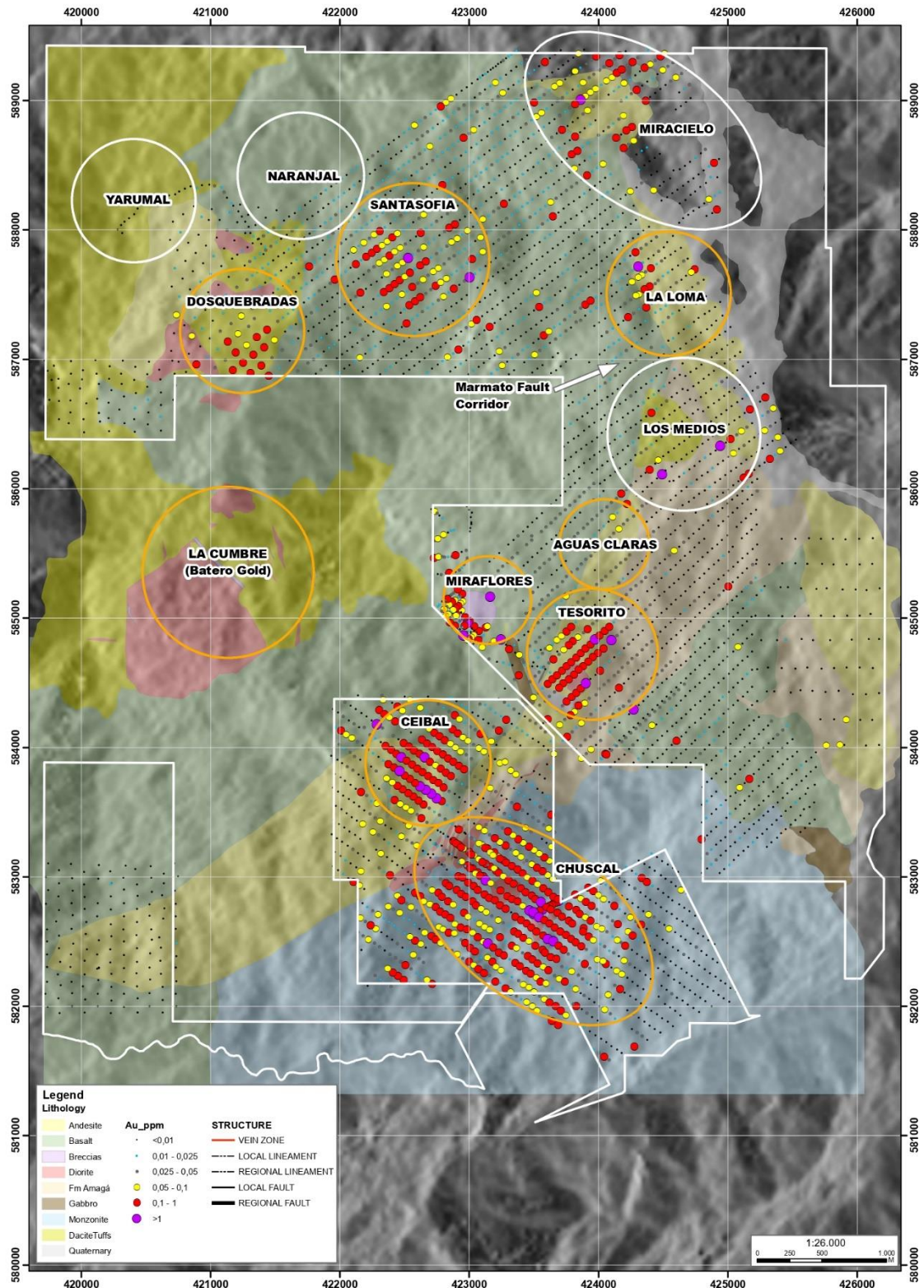
**Table3:** Quinchia Resource<sup>1</sup>

The abovementioned high level evaluation, and subsequent PEA, will be led from Ausenco's Toronto base (supported by Moose Mountain Technical Services) with its extensive and current experience in South American projects, and will draw from its extended network of relevant experts across technical, financial and ESG matters.

#### **Los Cerros Managing Director, Jason Stirbinskis added**

*"Ausenco's experience is very relevant and practical given they often construct and manage the facilities they design- we've already seen that with the work they recently completed for us on Tesorito's metallurgy<sup>3</sup>. We look forward to their guidance as we further develop our understanding of the Quinchia discoveries. Our strategy for the Quinchia Project is to build confidence around our established Resources. This includes defining likely process flows and assessing production scenario permutations open to us considering both underground and open pit resources within a 3km radius. We expect the preliminary step of assessing the optimum base case production options to be completed by year end allowing for progression to the PEA. During this period a review of previous exploration activities continues."*

The Company awaits assays from a recently completed deep hole at the Miraflores deposit which marked the final hole of an 80 hole, 37,000m program at Quinchia over recent years. The program has delivered a maiden Inferred Resource for Tesorito<sup>2</sup> bringing the total Quinchia Resource to 2.6Moz, identified many additional targets for ongoing investigation and has vastly improved understanding of the local structures controlling gold mineralisation. A comprehensive geological and drill targeting review is currently underway assimilating the enormous amount of data gathered from exploration activities since late 2019.



**Figure 1:** The Quinchia Gold Project contains multiple targets at various levels of investigation within a ~3km radius. This image reveals the major known target areas (orange circles) and earlier stage targets (white circles) over gold geochemistry in soils anomalism and major structures. La Cumbre is a gold project within the area owned by TSX listed Batero Gold ([www.baterogold.com](http://www.baterogold.com)).

For the purpose of ASX Listing Rule 15.5, the Board has authorised this announcement to be released.

**For further enquiries contact:**

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**FORWARD LOOKING STATEMENTS** This document contains forward looking statements concerning Los Cerros. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Los Cerros' beliefs, opinions and estimates of Los Cerros as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur.

**JORC STATEMENTS - COMPETENT PERSONS STATEMENTS**

The technical information related to Los Cerros assets contained in this report that relates to Exploration Results (excluding those pertaining to Mineral Resources and Reserves) is based on information compiled by Mr Cesar Garcia, who is a Member of the Australasian Institute of Mining and Metallurgy and who is a Geologist employed by Los Cerros on a full-time basis. Mr Garcia has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Garcia consents to the inclusion in the release of the matters based on the information he has compiled in the form and context in which it appears.

## Mineral Resources and Reserves Statement

<b>QUINCHIA GOLD PROJECT - MINERAL RESOURCE ESTIMATE (MRE)</b>					
<b>Quinchia subzone</b>	<b>Resource Category</b>	<b>CUT-OFF</b>	<b>TONNES (Mt)</b>	<b>Au (g/t)</b>	<b>Au (koz)</b>
Tesorito	Inferred	0.5g/t Au	50.0	0.81	1,298
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<b>QUINCHIA RESOURCE</b>			<b>80.0</b>	<b>1.02</b>	<b>2,634</b>
<i>Note: Miraflores Resource includes Miraflores Reserve</i>					
<b>MIRAFLORES RESERVE</b>					
<b>CATEGORY</b>	<b>TONNES (Mt)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>	<b>Au (koz)</b>	<b>Ag (koz)</b>
Proved	1.70	2.75	2.20	150	120
Probable	2.62	3.64	3.13	307	264
<b>Total</b>	<b>4.32</b>	<b>3.29</b>	<b>2.77</b>	<b>457</b>	<b>385</b>

The information in this section is drawn from the following ASX releases:

<b>Deposit</b>	<b>Release Date</b>
Miraflores Mineral Resource Estimate and explanatory notes	14 March 2017
Miraflores Ore Reserve Estimate and explanatory notes	17 November 2017
Dosquebradas Mineral Resource Estimate and explanatory notes	25 February 2020
Tesorito Resource Mineral Resource Estimate and explanatory notes	22 March 2022