

New area of interest revealed at Quinchia Project

Colombia Update

HIGHLIGHTS

- **Ceibal expert review reveals new area of interest, sparking immediate low-cost field program to better understand the opportunity**
- **Ceibal porphyry target is part of the Quinchia Project which hosts a 2.6Moz gold Resource⁶**
- **Quinchia pre-scoping production assessment review recently completed, justifying further investigations**
- **Miraflores EIA recently submitted - marks the final major submission required for development approvals at Miraflores**

Los Cerros Limited (ASX: LCL) (Los Cerros or the Company) is pleased to advise that an ongoing detailed geological review of the Company's 100% owned Quinchia Project in Colombia has revealed an area of interest at the Ceibal porphyry target not previously tested and necessitating follow up field work.

The Ceibal review includes recent guidance and insights from Los Cerros' Principal Geologist, John Dobe. John is a globally recognised porphyry expert, who joined the Company recently, as part of the recent acquisition of PNG focussed Footprint¹.

The review considered surface geology, geochemistry and geophysical data along with critical assay, mineralogical and alteration pathfinders from core produced in the 2021 Ceibal drilling program. Of particular value was information extracted from diamond drill holes CEDDH001, '002 and '005 which indicates the direction of increased alteration and heat signatures (and hence the direction of increasing mineralisation).

These drill holes reported extensive low grade gold mineralisation however the causative porphyry was not intersected:

- 500m @ 0.52g/t Au from surface in CEDDH001 drilled towards the new area of interest²
- 586m @ 0.51g/t Au from surface in CEDDH002 drilled towards the new area of interest²
- 512m @ 0.36 g/t Au from surface in CEDDH005 drilled away from the new area of interest³

Interpretation of available data reveals an area in the SW of the Ceibal drilling, an area that has not been previously drilled (Figure 2). Field work will now focus on a program of channel sampling from trenches to gather additional vectoring data to better target the causative porphyry.

¹ See ASX announcement 25 November 2022.

² See announcement 8 July 2021. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

³ See announcement 22 November 2021. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

Whilst the Company's exploration spend in Colombia has been considerably reduced in light of the recent acquisition of PNG mineral properties, and decision to focus Colombia expenditure on Quinchia development options, this relatively low-cost exercise to better understand the potential at Ceibal, is considered prudent.

Los Cerros' Principal Geologist, John Dobe added

"The Ceibal target displays several key characteristics that warrant follow up. Importantly, the mineralisation intersected to date is all hosted within wallrock/host rock to a yet to be discovered causative porphyry.

The host basalts and andesite have extensive moderate to strong SCC (sericite-chlorite and clay) alteration with overprinting lower temperature phyllic and propylitic alteration extending to the NE. This alteration zonation pattern is consistent with peripheral alteration to similar gold-rich porphyries in the district and other gold-rich porphyries globally. Also, intense quartz-magnetite and magnetite vein (M type veining) densities recorded in the drillholes with associated gold mineralisation is an encouraging sign of a nearby mineralised causative porphyry.

The confluence of geophysics and geochemical pathfinders and its structural similarity to the Company's Tesorito 1.3Moz⁴ porphyry all bode well for another fertile porphyry source occurring at Ceibal. None of the drilling to date has intercepted a causative "early mineral" intrusive which would be the likely source of the expansive Ceibal gold mineralisation intersected so far".

The Ceibal target is located less than 1km from the Company's at surface, high grade, Tesorito gold porphyry discovery (Figure 1). Both Tesorito and Ceibal sit within structural intersections of the Marmato Fault corridor with NW trending lineaments. It is believed these structural controls are instrumental in the formation of the Tesorito porphyry and might also therefore apply at Ceibal.

⁴ See ASX announcement dated 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.

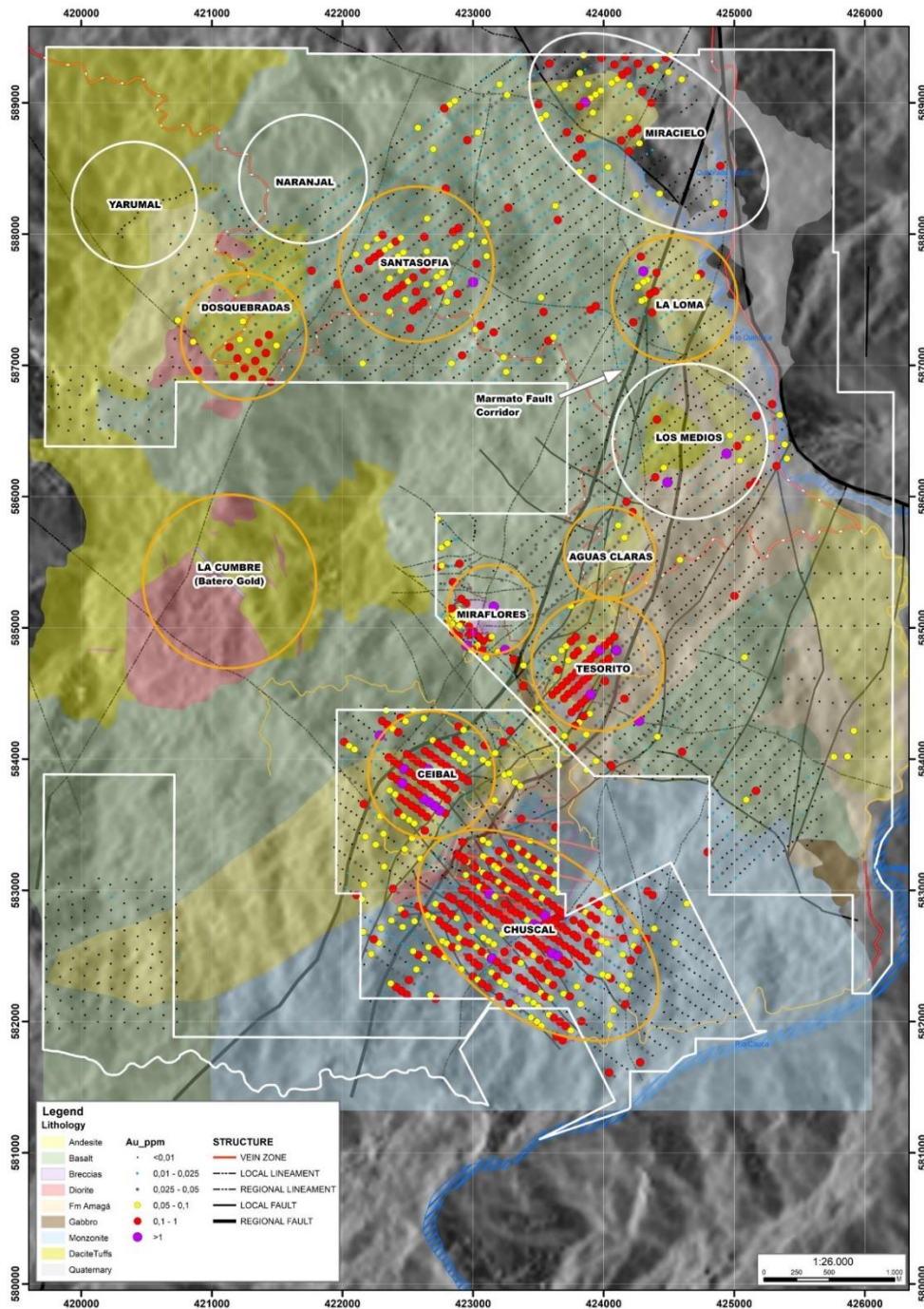


Figure 1: The Quinchia Project contains multiple targets at various levels of investigation within a ~3km radius. This image reveals the major known target areas (orange circles) and earlier stage targets (white circles) over gold geochemistry in soils anomalism and major structures. Ceibal and Tesorito share similar structural characteristics and are ~1km apart.

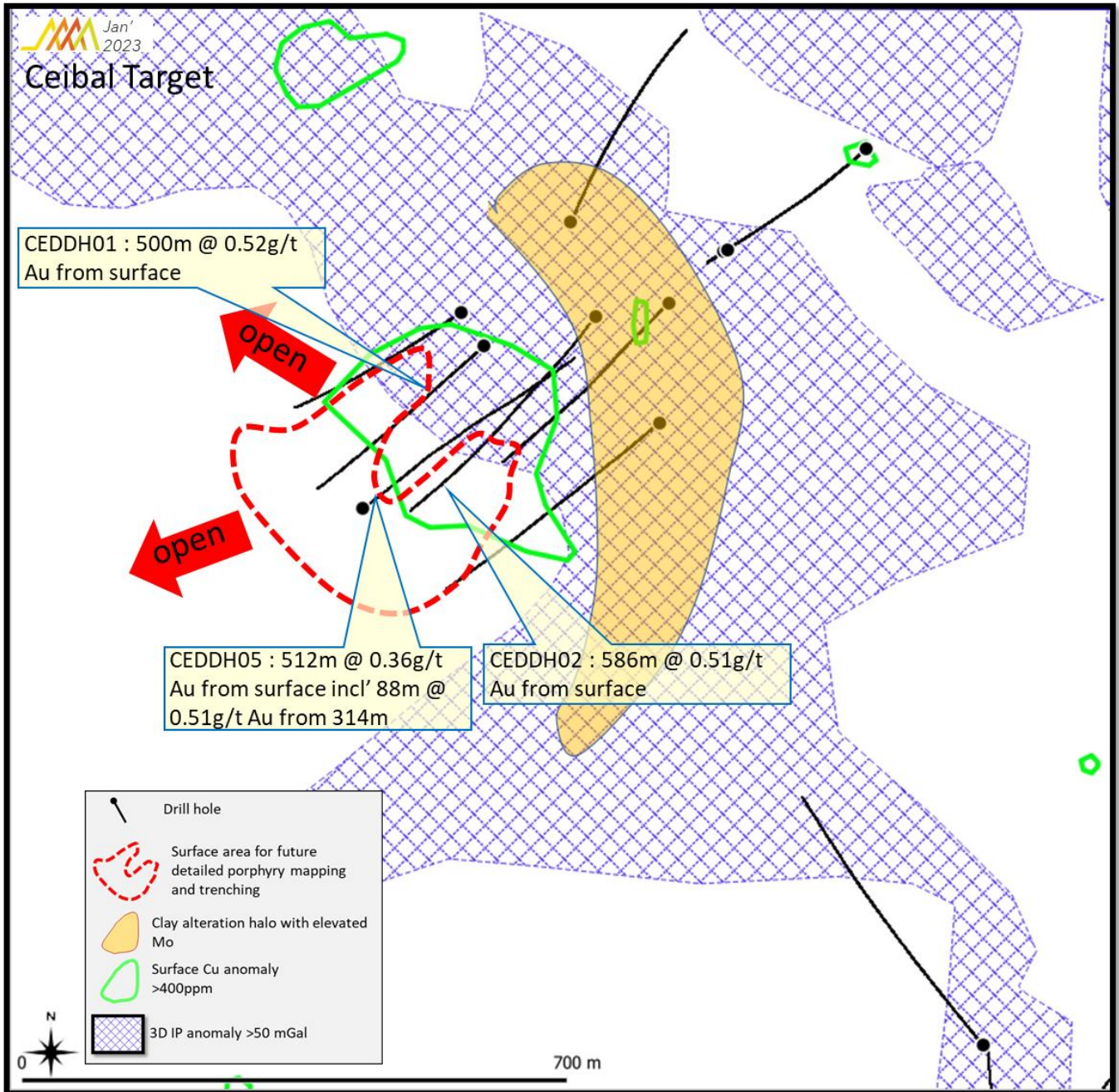


Figure 2: Ceibal target. Surface geophysics and geochemical/mineralogical pathfinders in soils and drilling have prompted a program of field work and trenching in the SW quadrant of the target area. Whilst drilling has intercepted substantial lengths of gold mineralisation, the causative porphyry source has not been intercepted.

Quinchia pre-scoping assessment complete

Results of a study, led by Ausenco's Toronto based team (supported by Moose Mountain Technical Services), investigating production options for the Company's Quinchia Project is complete⁵. The Company is encouraged by the study outcomes with several investigated production scenarios warranting further consideration.

⁵ See ASX announcement dated 29 August 2022 for detail.

The purpose of this pre-scoping assessment was to identify a rational basis for the selection of favourable potential production scenarios for further investigation, considering mining sequence, plant size/cost, open pit/underground permutations, and other variables.

The Quinchia Project is a cluster of porphyry and epithermal gold/copper targets within a 3km radius (Figure 1), underpinned by established Mineral Resources of 2.6Moz @ 1g/t Au⁶. Whilst Ceibal is part of the Quinchia Project, its potential to contribute to any future productions scenarios was not considered given its very early exploration status.

Miraflores EIA Submitted

The Company has submitted the Environmental Impact Assessment (EIA), based on the 2017 Miraflores DFS, to local authorities for review. The EIA is the final submission ahead of the grant of Miraflores development approvals. The timeline of approval is variable ranging from a minimum 6 months to considerably longer. Miraflores is an advanced sub-section of the Quinchia Project with a 457koz Reserve grading 3.3g/t Au⁷ and describing an underground mining operation. Commencing with small scale production, such as described in the DFS, is just one of the production scenarios considered in the abovementioned pre-scoping assessment.

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

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⁶ 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.

⁷ The Miraflores Reserve is included in the Miraflores Resource which is part of the Quinchia Resource. Refer ASX announcement dated 27 November 2017. 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.

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

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

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

Deposit	Release Date
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