

Tesorito Diamond Hole intercepts interpreted Potassic Core of Porphyry Gold System

HIGHLIGHTS

- First diamond hole of sustained program successfully completed at 325m after intercepting potassic alteration with intense porphyry and epithermal veining interpreted to be the core of the Tesorito Porphyry - Colombia
- Visual observations show compelling similarities with previous drilling that delivered very wide zones of strong gold mineralisation
- Assay results for this first hole expected in mid-September
- Diamond drill program ahead of schedule, with next hole to test the undrilled northern Tesorito surface anomaly
- Second diamond rig has been contracted, set to target high grade epithermal drilling at nearby Chuscal prospect in September
- Company-owned rig to initially focus at the Miraflores deposit, pursuing high grade gold targets outside the existing 877,000 ounce Mineral Resource¹

Los Cerros Limited (ASX: LCL) (Los Cerros or the Company), is pleased to advise that its first drill hole TS-DH08 at the near-surface Tesorito gold porphyry was completed last week. The rig has now relocated to test the Tesorito northern surface anomaly as planned.

Tesorito is a near-surface porphyry and part of the larger Quinchia Gold Project which has a total combined Resource of 1.3Moz gold² including a Reserve³ of 457,000 ounces at its Miraflores deposit, and is located in the Mid-Cauca Porphyry belt which hosts many multi-million ounce discoveries.

Drill hole TS-DH08 entered saprolite, interpreted to be weathered porphyry, from 7m and fresh diorite porphyry from 22m before leaving the diorite porphyry to enter basaltic country rock at 277m downhole (refer Table 1).

The 270m wide intersection of diorite porphyry contains a 69m zone (downhole length) of potassic alteration with porphyry style veining overprinted by zones of intense epithermal veining from 131m which is interpreted to represent the porphyry core.

Assay results remain on schedule for mid-September.

¹ First publicly released on 14th March 2017. No material change has occurred after that date that may affect the JORC Code (2012 Edition) Mineral Resource estimation

² Comprising Resources at Dosquebradas and Miraflores – see relevant statements at the end of this announcement

³ 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 estimate continue to apply

TS-DH08 was sited to test for continuity of encouraging gold intersections in previously drilled holes TS-DH07 and TS-DH02⁴:

- **384m @ 1.01g/t** from 16m incl **29.3m @ 1.9g/t Au** from 136.75m in TS-DH02; and
- **253.1m @ 1.01g/t Au** from 2.9m incl **64m @ 1.67g/t Au** from 144m in TS-DH07.



Photo: Drill core from TS-DH08 showing interpreted potassic core of the Tesorito porphyry. Rock type is typical medium-grained diorite with moderate potassic alteration and porphyry style A-type veinlets (2-10mm; 10-15/m) (thickness; density), disseminated pyrite and magnetite and overprinted epithermal style ISS veinlets (3-5mm; 3-8/m) (see also Table 1).

Los Cerros' Managing Director Jason Stirbinskis commented:

"This is a highly encouraging start to our drilling program. Based on the preliminary visual drill log, we see consistency in the lithology, alteration and veining with what we see in previous holes TS-DH07 and TS-DH02 which were drilled 50m and 100m respectively from TS-DH08.

The geologists have reported higher vein density than anticipated in some sections of the core (refer Table 1), which is encouraging for gold grade in those sub-zones. These sub-zones include a 69m downhole intercept of potassic alteration from 131m to 200m, believed to be the porphyry core, which potentially correlates to a 64m wide zone of higher grade material at similar depth in TS-DH07⁵."

⁴ See ASX announcement 30 August 2018 for the initial reporting of the Tesorito assays. The most significant intercepts have been disclosed to demonstrate the potential for future discovery. Readers are cautioned that such intercepts should not be considered to be indicative of the grades throughout the system and those wishing to consider more comprehensive results should refer to the 30 August 2018 announcement. The Company confirms that it is not aware of any new information that affects the information contained in the announcement

⁵ Subject to 3-D structural modelling of the oriented core once assays have been received

The rig is currently being relocated to the northern target 200m north of hole TS-DH08, where an undrilled zone of anomalous gold and molybdenum in soils occurs concurrent with a magnetic high (refer Figure 1)⁶.

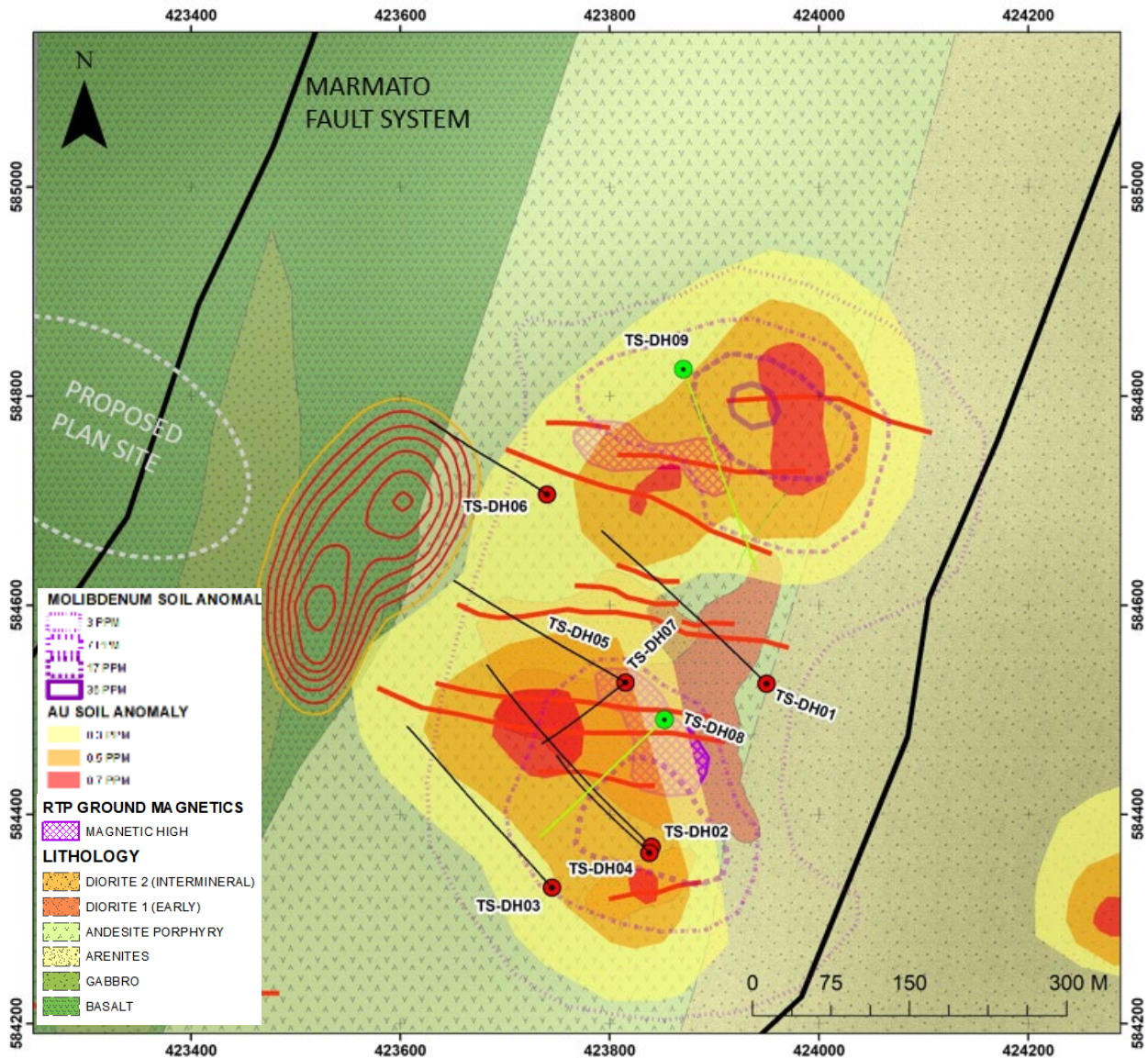


Figure 1: Tesorito is an at surface gold mineralised porphyry system. The Company's first hole of the current drill program (TS-DH08) has further explored the southern anomalous zone. The second hole (TS-DH09) will test the northern anomalous zone, defined by strong gold and molybdenum assays in soil over a magnetic high.

⁶ See ASX announcement 8 July 2020

TS-DH08 Summary of provisional visual log as at 18/8/2020

Co ords:		423852 mE	584490 mN	Azimuth/Inclination	230/60		
From (m)	To (m)	Interval (m)	Lithology	Alteration1	Alteration2	Fracture/Vein Density (#/m)	
0	7	7	Soil				
7	22	15	Saprolite	Phyllic	Potassic		
22	68	46	Diorite Porphyry	Chlorite-Sericite	Potassic	<20	
68	78	10	Intrusive Breccia	Sericite		5 to 10	
78	102	24	Diorite Porphyry	Sericite		3 to 5	
102	105	3	Intrusive Breccia	Sericite	Potassic	10 to 20	
105	112	7	Diorite Porphyry	Chlorite-Sericite	Potassic	10 to 20	
112	131	19	Intrusive Breccia	Chlorite-Sericite	Potassic	7 to 15	
131	148	17	Diorite Porphyry	Potassic	Chlorite-Sericite	7 to 30	
148	157	9	Diorite Porphyry	Chlorite-Sericite	Potassic	10 to 20	
157	159	2	Andesite	Chlorite-Sericite	Potassic	15 to 20	
159	200	41	Diorite Porphyry	Chlorite-Sericite	Potassic	10 to 15	
200	220	20	Diorite Porphyry	Chlorite-Sericite	Potassic	7 to 25	
220	231	11	Andesite	Chlorite-Sericite	Potassic	4 to 6	
231	237	6	Diorite Porphyry	Chlorite-Sericite	Sericitic	2	
237	240	3	Basalt	Chlorite-Sericite		3	
240	248	8	Fault Breccia	Chlorite-Sericite		5	
248	257	9	Basalt	Propylitic		8 to 15	
257	259	2	Conglomerate	Unaltered			
259	277	18	Diorite Porphyry	Chlorite-Sericite		5 to 15	
277	325	48	Basalt	Chlorite-Sericite		5 to 13	

Table 1: Summary visual log of TS-DH08. Alteration 1 is the dominant alteration based on preliminary visual logs.

Additional rig secured to target Chuscal Prospect

Ahead of the arrival of the Company-owned diamond drill rig, anticipated in October 2020, Los Cerros will secure an additional contractor rig for a minimum 1,000m to 2,000m shallow diamond drilling program at the Chuscal gold target, just 1km south of the current drilling at Tesorito. The second contractor rig is expected to arrive on site in mid-September 2020. Subject to completion of current field work and modelling at Miraflores, the Company-owned rig will be dedicated to exploration and resource drilling at Miraflores and/or the established porphyry targets at Chuscal.

Chuscal's appeal is the presence of two styles of mineralisation: porphyry associated gold mineralisation; and higher grade mineralised epithermal (ISS) veins which overprint the porphyry mineralisation. The approaching Chuscal program will focus on near surface, high grade epithermal vein gold.

In January 2020, the Company completed a four-hole maiden drilling program which revealed that the ISS veins are far more extensive than previously modelled and are associated with a regional fault structure generating gold bearing veins in a dominant E-W direction with secondary veins or splays from these major veins also carrying mineralisation. Vein related results from the recent drilling program include⁷:

- 2m at 8.28g/t Au from 248m in CHDDH002;
- 0.5m at 17.1g/t Au from 333m within 7m @ 2.07g/t Au from 331m in CHDDH002;

⁷ See ASX announcements 25 November 2019, 5 December 2019 and 23 December 2019. The Company confirms that it is not aware of any new information that affects the information contained in these announcements

- 6m @ 2.97g/t Au from 250m including a 0.4m high grade vein from 253.3m grading 31.8g/t Au in CHDDH003;
- 6m @ 2.52g/t Au and 10.25g/t Ag from 0m to 6m, including 2m @ 5.56g/t Au and 29g/t Ag from surface in CHDDH0001;
- 2m @ 6.44g/t Au and 87.40g/t Ag from 324m to 326m in CHDDH001; and
- 8m @ 2.82g/t Au and 29.96g/t Ag from 342m to 350m in CHDDH001.

It is intended that the pending drill program will consist of multiple shallow holes specifically targeting the strike extent of two major high grade vein sets - the Corporacion and Montana/Guyacanes veins, both of which are interpreted to be accountable for most of the above mentioned intercepts and have hosted successful artisanal miners for extended periods.

Los Cerros' Managing Director Jason Stirbinskis commented:

We are in an enviable position following our recent capital raising, providing funding and optionality to pursue multiple gold targets within our Quinchia Project which in itself has the foundation of the Miraflores Feasibility Study and 0.475Moz mineral Reserve. We are also expecting the arrival of our own drill rig in October which could potentially add a third drill rig to the mix and provide the opportunity to chase, in addition to the ongoing programs, high grade gold targets at Miraflores as well as the porphyry targets at Chuscal and Tesorito.

Results from the shallow Chuscal drilling will be integrated into vector targeting of the underlying Chuscal porphyry target to enable the Fathom modelling⁸ to be fine-tuned."

More detail of the Chuscal program will be provided as it develops over coming weeks.

⁸ See ASX announcement 15 May 2020 for detail of the porphyry target generated by the Fathom modelling outputs

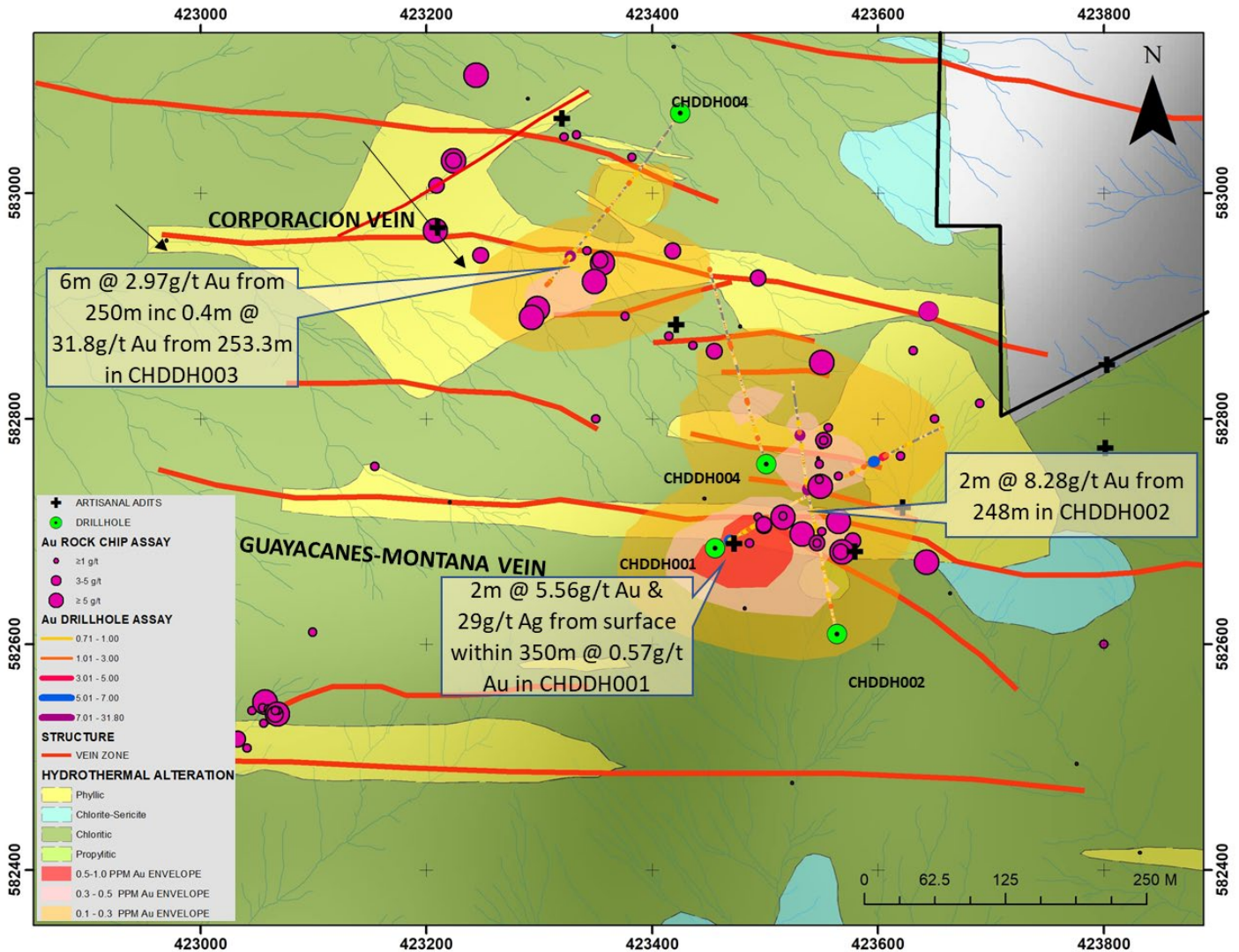


Figure 2: The Chuscal epithermal and porphyry gold prospect is within the Company's Quinchia project, less than 2km from Tesorito and Miraflores deposits. The series of proposed shallow holes will test strike extent of major E-W vein structures such as the Guyacanes-Montana and the Corporacion vein sets. Previous drilling has intercepted E-W veins (boxes) and surface rock chip samples (pink circles) have delivered encouraging results.

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

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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.

The Company is not aware of any new information or data that materially affects the information included in this release.

MIRAFLORES PROJECT RESOURCES AND RESERVES

The Miraflores Project Mineral Resource estimate has been estimated by Metal Mining Consultants in accordance with the JORC Code (2012 Edition) and first publicly reported on 14 March 2017. No material changes have occurred after the reporting of these resource estimates since their first reporting.

Miraflores Mineral Resource Estimate, as at 14 March 2017 (100% basis)

Resource Classification	Tonnes (000t)	Au (g/t)	Ag (g/t)	Contained Metal (koz Au)	Contained Metal (koz Ag)
Measured	2,958	2.98	2.49	283	237
Indicated	6,311	2.74	2.90	557	588
Measured & Indicated	9,269	2.82	2.77	840	826
Inferred	487	2.36	3.64	37	57

Notes:

- i) Reported at a 1.2 g/t gold cut-off.
- ii) Mineral Resource estimated by Metal Mining Consultants Inc.
- iii) First publicly released on 14 March 2017. No material change has occurred after that date that may affect the JORC Code (2012 Edition) Mineral Resource estimation.
- iv) These Mineral Resources are inclusive of the Mineral Reserves listed below.
- v) Rounding may result in minor discrepancies.

Miraflores Mineral Reserve Estimate, as at 27 November 2017 (100% basis)

The Miraflores Project Ore Reserve estimate has been estimated by Ausenco in accordance with the JORC Code (2012 Edition) and first publicly reported on 18 October 2017 and updated on 27 November 2017. No material changes have occurred after the reporting of these reserve estimates since their reporting in November 2017.

Reserve Classification	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Contained Metal (koz Au)	Contained Metal (koz Ag)
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

Notes:

- i) Rounding of numbers may result in minor computational errors, which are not deemed to be significant.
- ii) These Ore Reserves are included in the Mineral Resources listed in the Table above.
- iii) First publicly released on 27 November 2017. No material change has occurred after that date that may affect the JORC Code (2012 Edition) Ore Reserve estimation.

Source: Ausenco, 2017

Dosquebradas Inferred Mineral Resource Estimate, as at 25 February 2020 (100% basis)

Cut-Off (g/t Au)	Tonnes ('000t)	Au (g/t)	Au (koz)	Ag (g/t)	Ag (koz)	Cu (%)	Cu (pounds)
0.3	57,794	0.50	920.8	0.6	1,036	0.04	56,767
0.4	34,593	0.60	664.1	0.6	683.8	0.05	38,428
0.5	20,206	0.71	459.1	0.7	431.7	0.06	24,867

Notes:

- i) No more than 6m internal waste is included in the weighted intervals
- ii) Inferred Mineral Resources shown using various cut offs.
- iii) Based on gold selling price of US\$1,470/oz.
- iv) Mineral Resource estimated by Resource Development Associates Inc.

First publicly released on 25 February 2020. No material change has occurred after that date that may affect the JORC Code (2012 Edition)

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Not reporting on assaying or sampling at this stage. No analytical data is currently available at this stage in the drilling. Information on lithology, alteration and indications of mineralisation ie sulphide concentrations and vein densities are qualitative, based on visual logging by the project geologists. These features indicate zones of potential gold mineralisation, however geochemistry is required to confirm the presence and grade of gold value.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> The Tesorito drilling program is a diamond drilling using HQ diameter core. In the case of operational necessity this will be reduced to NQ core. Where ground conditions permit, core orientation is conducted on a regular basis.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to 	<ul style="list-style-type: none"> The drillers are required to meet a minimum recovery rate of 95%. On receipt the core is visually verified for inconsistencies including depth labels, degree of fracturing (core breakage versus natural), lithology progression etc. If the core meets the required conditions it is cleaned, core pieces are orientated and joined, lengths and labelling are verified, and geotechnical observations made. The core box is then photographed.

Criteria	JORC Code explanation	Commentary
	<i>preferential loss/gain of fine/coarse material.</i>	<ul style="list-style-type: none"> • Orientated sections of core are aligned, and a geologic log prepared. • Following logging, sample intervals are determined and marked up and the cutting line transferred to the core.
<i>Logging</i>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Preliminary field logging is completed by Company Geologists on standard log sheet templates. The logging is predominantly qualitative with visual estimates made of vein densities. No reports on assays or sampling or quantitative values is made at this stage. • Initially a quicklog is carried out to guide sampling and then this is followed by detailed logging. The level of logging is appropriate for exploration and initial resource estimation evaluation.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • After logging and definition of sample intervals by the geologist, the marked core is cut in half using a diamond saw in a specially designed facility on site. All core is cut and sampled. The standard sample interval is 2m but may be varied by the geologist to reflect lithology, alteration or mineralization variations. • As appropriate, all half or quarter core generated for a specific sample interval is collected and bagged. The other half of the core remains in the core box as a physical archive. • The large size (4-8kg) of individual samples and continuous sampling of the drill hole, provides representative samples for exploration activities. • Through the use of QA/QC sample procedure in this phase of drilling, any special sample preparation requirements eg due to unexpectedly coarse gold, will be identified and addressed prior to the resource drilling phase.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Gold assays will be obtained using a lead collection fire assay technique (AuAA26) and analyses for an additional 48 elements obtained using multiacid (four acid) digest with ICP finish (ME-MS61) at ALS's laboratory in Lima, Peru. • Fire assay for gold is considered a "total" assay technique. • An acid (4 acid) digest is considered a total digestion technique. However, for some resistant minerals, not considered of economic value at this time, the digestion may be partial e.g. Zr, Ti etc. • No field non-assay analysis instruments were used in the analyses reported. • Los Cerros uses certified reference material and sample blanks and field duplicates inserted into the sample sequence. • Geochemistry results are reviewed by Los Cerros for indications of any significant analytical bias or preparation errors in the reported analyses.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Internal laboratory QAQC checks are also reported by the laboratory and are reviewed as part of the Los Cerros QAQC analysis. The geochemical data is only accepted where the analyses are performed within acceptable limits.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> All digital data received is verified and validated by the Company's Competent Person before loading into the assay database. Over limit gold or base metal samples are re-analysed using appropriate, alternative analytical techniques. (Au-Grav22 50g and OG46) Reported results are compiled by the Company's geologists and verified by the Company's database administrator and exploration manager. No adjustments to assay data were made.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> The drill hole is located using a handheld GPS and LIDER DTM. This has an approximate accuracy of 3-5m considered sufficient at this stage of exploration. On completion of the drilling program the collars of all holes will be surveyed using high precision survey equipment. Downhole deviations of the drill hole are evaluated on a regular basis and recorded in a drill hole survey file to allow plotting in 3D. The grid system is WGS84 UTM Z18N.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> n/a.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drill hole is preferentially located in prospective area. All drillholes are planned to best test the lithologies and structures as known taking into account that steep topography limits alternatives for locating holes.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples are secured in a closed facility at Quinchia secured by armed guard on a 24/7 basis. Each batch of samples are transferred in a locked vehicle and driven 165km to ALS laboratories for sample preparation in Medellin.

Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> At this stage no audits have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Exploration Titles were validly issued as Concession Agreements pursuant to the Mining Code. The Concession Agreement grants its holders the exclusive right to explore for and exploit all mineral substances on the parcel of land covered by such concession agreement. There are no outstanding encumbrances or charges registered against the Exploration Title at the National Registry.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Artisanal gold production was most significant from the Miraflores mines during the 1950s. Interest was renewed in the area in the late 1970s. In the 1980s the artisanal mining cooperative "Asociación de Mineros de Miraflores" (AMM) was formed. In 2000, the Colombian government's geological division, INGEOMINAS, with the permission of the AMM, undertook a series of technical studies at Miraflores, which included geological mapping, geochemical and geophysical studies, and non-JORC compliant resource estimations. In 2005, Sociedad Kedahda S.A. (Kedahda), now called AngloGold Ashanti de Colombia S.A., a subsidiary of AngloGold Ashanti Ltd., entered into an exploration agreement with the AMM, and carried out exploration including diamond drilling in 2005 to 2007 at Miraflores, completing 1,414.75m. In 2007 Kedahda optioned the project to B2Gold Corp. (B2Gold), which carried out exploration including additional diamond drilling from 2007 to 2009. B2Gold made a NI 43-101 technical study of the Miraflores Project in 2007. On 24 March 2009, B2Gold advised the AMM that it had decided not to make further option payments and the property reverted to AMM under the terms of the option agreement. Seafield signed a sale-purchase contract with AMM to acquire a 100% interest in the Mining Contract on 16 April 2010. Seafield completed the payments to acquire 100% of rights and obligations on

Criteria	JORC Code explanation	Commentary
		<p>the Miraflores property in 30 November 2012. AMM stopped the artisanal exploitation activities in the La Cruzada tunnel on the same date, 30 November 2012 and transferred control of the mine to Seafield.</p> <ul style="list-style-type: none"> • Since June 2010, Seafield has drilled 63 drillholes for a total of 22,259m on the Miraflores Project adjacent to Tesorito. • The initial exploration undertaken by Seafield at Tesorito in 2012 and 2013 included systematic geological mapping, rock and soil sampling, followed by trenching within the area of anomalous Au and Cu in soils. • Seafield commissioned an Induced Polarisation (IP) survey over the Tesorito Prospect in August 2012 and undertook a three-hole diamond drilling program for a total of 1,150.5m in 2013.
<p><i>Geology</i></p>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Tesorito area is underlain mainly by fine to coarse grained, intrusive porphyritic rocks of granodioritic to dioritic composition, which intrude an andesite porphyry body of the Miocene Combia formation, Tertiary sandstones and mudstones of the Amaga Formation, as well as basaltic rocks of the Barroso Formation of Cretaceous age. The intrusives suite show variable intensities of hydrothermal alteration, including potassic alteration overprinted by quartz-sericite and sericite-chlorite alteration. NNE to EW faulting controls the intrusive emplacement and mineralization, including faulting of contacts between the rock units. The depth of sulphide oxidation observed in the drill holes is approximately 20m. • Gold, copper and molybdenite observed in the intrusive rocks is typical of Au-Cu-Mo rich porphyry deposit; mineralisation occurs as sulphides and magnetite in disseminations as well as in veinlets and stockworks of quartz. Pyrite, chalcopyrite and molybdenite have been recognised.
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does</i> 	<ul style="list-style-type: none"> • As per body of the announcement.

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	<i>not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Not reporting on assaying or sampling – not required.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> The results reported in this announcement are considered to be of an early stage in the exploration of the project. Mineralisation geometry is not accurately known as the exact number, orientation and extent of mineralised structures are not yet determined.
<i>Diagrams</i>	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Geological map showing exploration results including drilling over the Tesorito Prospect is shown in the body of the announcement.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Reporting is considered balanced.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> A ground magnetic survey that covered the Chuscal and Tesorito Prospects was performed in 2019 and presented two magnetic high anomalies that are spatially related to the soil gold and molybdenum anomalies. The magnetic high anomalies appear associated with the presence of potassic alteration and quartz-magnetite veining and stockworks.

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<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Additional drilling is required to systematically test the nature and extent of both the higher-grade mineralization that appears to be associated with EW trending sheeted veins, as well as the broader intercepts of NNE-trending moderate-grades related to the porphyry-style mineralization. The objective of the proposed program is to test continuity of wide high grade intersections in holes TS-DH02 and TS-DH07 to potentially guide resource targeted drilling in a second phase drilling program, and to test the northern gold-molybdenum soil geochemistry anomaly.