

Service of Civil Proceedings

Los Cerros Limited (ASX: LCL) ("Company") advises that Mr Simon Brown has commenced civil proceedings in the District Court of Western Australia against Andes Resources Limited, a wholly owned subsidiary of the Company.

Mr Brown is currently an employee of Andes Resources.

Mr Brown claims that there was a settlement agreement to pay him redundancy pay of \$120,821 plus accrued annual leave. Mr Brown seeks damages against Andes Resources for breach of the alleged settlement agreement.

The Company has been joined to the proceedings on the basis it is alleged it was also a party to the settlement agreement.

It is unclear what, if any, damages are sought by Mr Brown against the Company.

The Company was served with the proceedings on Wednesday 26 February 2020.

The Company and Andes Resources intend to defend the proceedings brought by Mr Brown on the basis there was no settlement agreement and Andes Resources did not make Mr Brown's position redundant. The Company will continue to keep the market informed of all developments in accordance with its continuous disclosure obligations under the Listing Rules.

This announcement has been authorised and approved by the Board.

- ENDS -

Jason Stirbinskis
Managing Director
Los Cerros Limited