

## Quinchia gold drilling program to kick off

### *New gold target identified 200m north of existing Tesorito drilling*

#### HIGHLIGHTS

- ~2500m diamond drilling program to start in July - initially via conventional drilling service provider, transitioning to own rig that has recently been ordered
- Company's own diamond drill rig and ancillary equipment expected to arrive in Colombia in October to expand the drilling program
- Drilling to target:
  - Wide zones of near-surface porphyry mineralisation to confirm prior best intersection of **384m @1.01g/t Au from 16m<sup>1</sup>**
  - Higher grade porphyry-style gold intersections at Tesorito such as: **64m @ 1.67g/t Au** in TS-DH-07<sup>1</sup>; and **29.3m @ 1.9g/t Au** TS-DH-02<sup>1</sup>; and
  - a new gold-molybdenum soil anomaly 200m north of previous Tesorito drilling

**Los Cerros Limited (ASX: LCL) (Los Cerros or the Company)** is pleased to advise that it has commissioned its next drilling campaign on schedule with an anticipated start date of last week of July. The ~2,500m diamond drilling program will commence at the Tesorito porphyry before moving to targets at Chuscal and Miraflores, all located within the Company's Quinchia Gold Project in Colombia.

**All seven (7) previous holes drilled to date have successfully intersected porphyry-style gold mineralisation**, including impressive intercepts, such as:

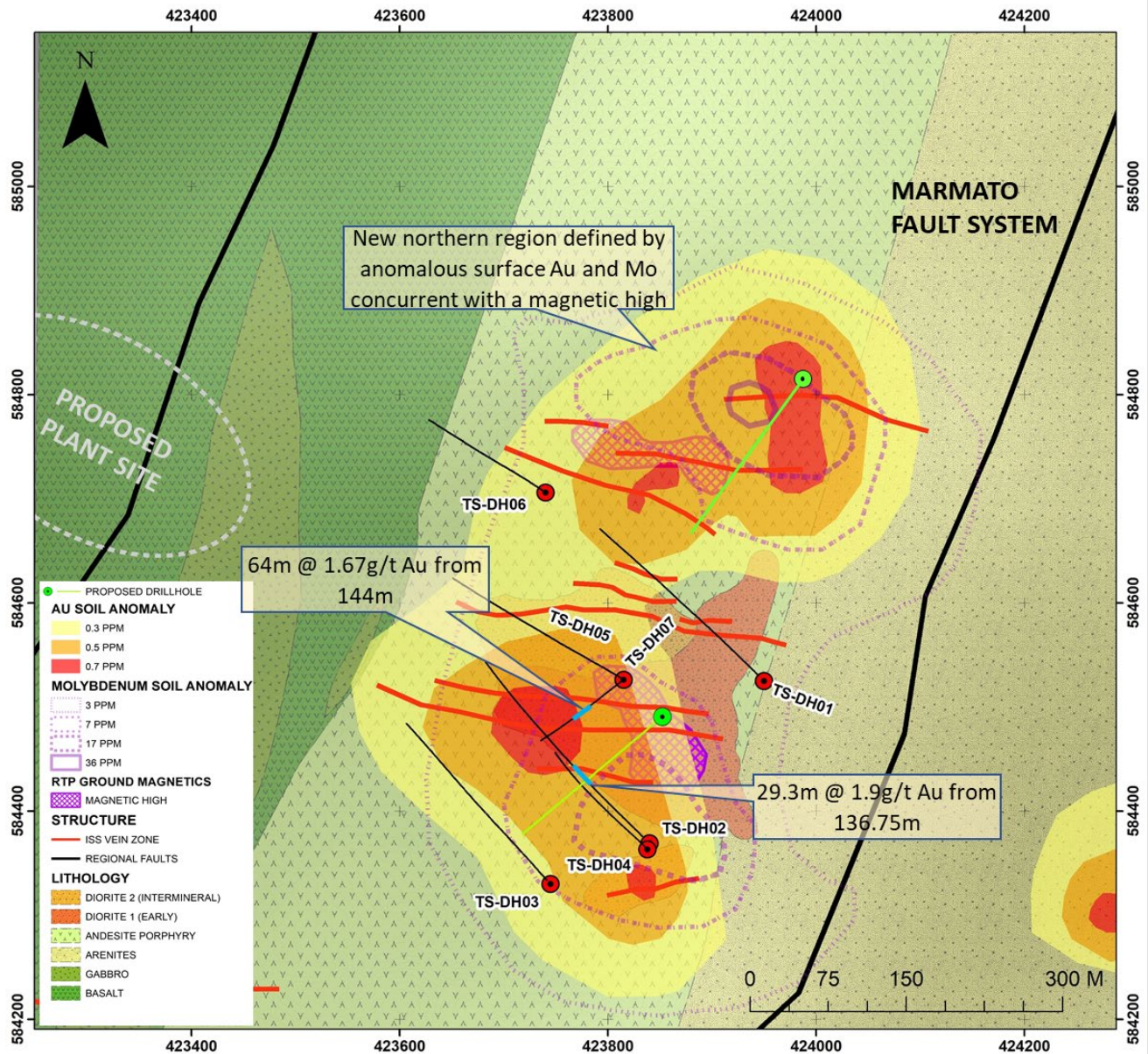
- **384m @ 1.01g/t** from 16m incl **29.3m @ 1.9g/t Au** from 136.75m in TS-DH-02<sup>1</sup>; and
- **253.1m @ 1.01g/t Au** from 2.9m incl **64m @ 1.67g/t Au** from 144m in TS-DH-07<sup>1</sup>

All drill holes tested the southern highest grade 250m x 250m region of an 800m long x 350m wide NNE trending gold-molybdenum soil anomaly. Recent infill soil sampling reveals the anomaly comprises two separate higher grade regions, with the northern region untested by drilling (Figure 1). Both higher grade centres are broadly similar in size, with each corresponding to a magnetic high, overprinting E-W trending epithermal veining and porphyry style alteration. The northern centre is poorly exposed but higher in gold and molybdenum values than the southern centre.

The drill program will commence with testing the continuity of wide higher grade intersections (eg. 64m @ 1.67g/t Au and 29m @ 1.9g/t Au in holes TS-DH-02 and TS-DH-07 referenced above), and it is planned to then test the newly defined northern gold-molybdenum soil geochemistry anomaly (Figure 1).

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<sup>1</sup> See release 30 August 2018. The Company confirms that it is not aware of any new information that affects the information contained in the announcement



*Figure 1: Tesorito is an at surface gold mineralised porphyry system. The Company's first hole of the pending drill program will further explore the southern anomalous zone that has already delivered impressive results. The Company is also developing its drilling strategy for the northern anomalous zone defined here by gold and strong molybdenum assays in soil over a magnetic high.*

### Company owned drill rig status

Los Cerros advises that the Company's new C5C diamond drill rig (Figure 2) and ancillary equipment is expected to arrive in Colombia around early October. The assets have been purchased under the \$2M Los Cerros / Hongkong Ausino (**Ausino**) Strategic Partnership Agreement (**SPA**)<sup>2</sup>.

<sup>2</sup> See announcement 22 April 2020 for further details of the SPA

Los Cerros' Managing Director Jason Stirbinskis commented:

*"With full support from Ausino, the Company has decided to commence drilling sooner via a Colombian drilling services provider while we wait for our own equipment to arrive. The intention is to drill at least two ~350m length diamond holes at Tesorito first and then, once we have our own rig with the efficiencies that it should bring, we will tackle more targets across the Quinchia Gold Project.*

*The encouraging work of our Colombian geologists and international consulting experts has generated a good number of exciting targets to be drill tested. The first two holes will provide additional geological data to fine tune several deeper porphyry targets".*



*Figure 2: The Company's Atlas Copco (Epiroc) drill rig is ready for shipping*

## Quinchia Gold Project

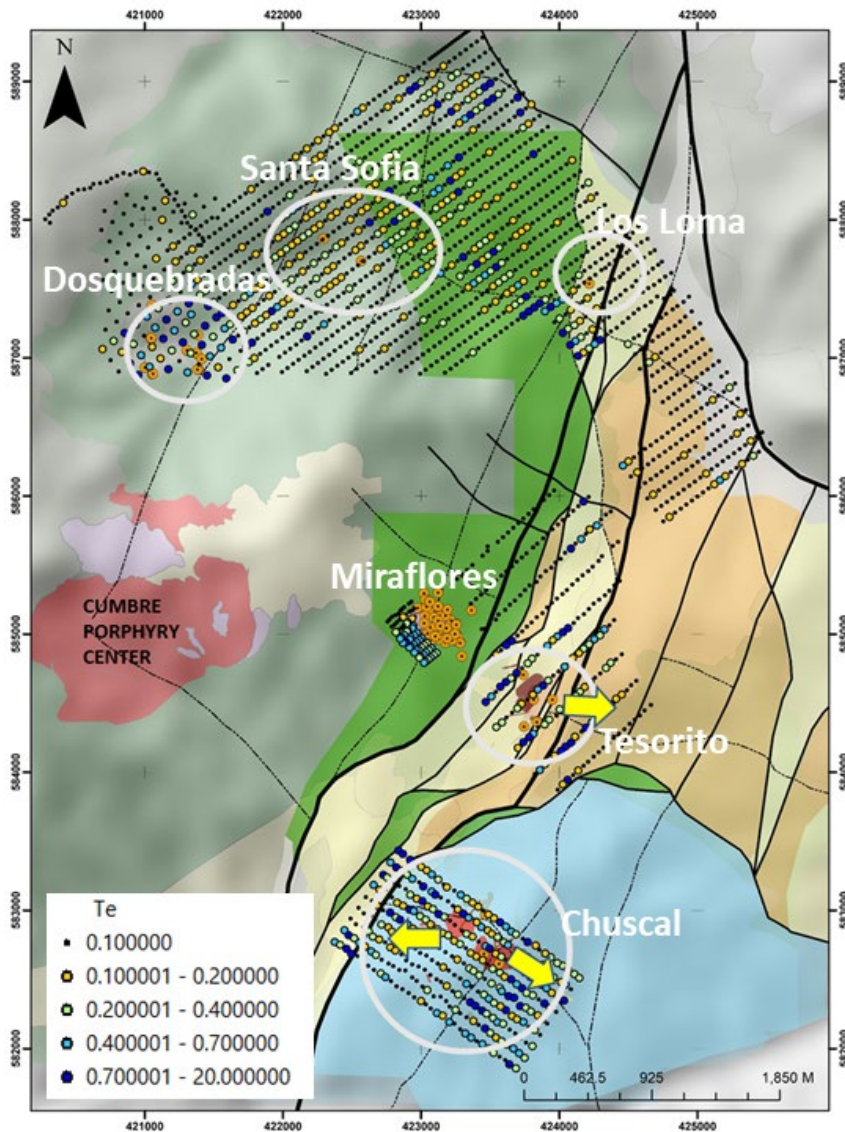
Chuscal and Tesorito prospects are part of the larger Quinchia Gold Project which also comprises Miraflores, Dosquebradas and other established targets and untested areas of interest within the ~7,500ha parcel (Figure 3).

The Miraflores Gold Deposit has an existing **Resource of 877,000 Au ounces at 2.80g/t Au** and **Reserve of 457,000 Au ounces at 3.29g/t Au**<sup>3</sup>. The Dosquebradas Deposit has an Inferred Resource of 459,000 Au ounces grading 0.71g/t Au<sup>4</sup>.

With further exploration success elsewhere within the Quinchia Gold Project, leveraging existing mine planning, plant design and approval status of Miraflores (Mining Authority approval of PTO (construction and operation plan)), the ability to fast track towards gold production becomes a compelling opportunity.

<sup>3</sup> 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

<sup>4</sup> Inferred Mineral Resources using 0.5g/t Au cut-off grade. See announcement 25 February 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcement



*Figure 3: The Quinchia Gold Project contains multiple targets at various levels of investigation within a ~3km radius. This image reveals the major known target areas and tellurium anomalism, a pathfinder element associated with substantial intrusive bodies such as porphyries.*

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

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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.

The information presented here that relates to Mineral Resources of the Dosquebradas Project, Quinchia District, Republic of Colombia is based on and fairly represents information and supporting documentation compiled by Mr. Scott E. Wilson of Resource Development Associates Inc, of Highlands Ranch Colorado, USA. Mr Wilson takes overall responsibility for the Resource Estimate. Mr. Wilson is Member of the American Institute of Professionals Geologists, a "Recognised Professional Organisation" as defined by the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Wilson is not an employee or related party of the Company. Mr. Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr. Wilson consents to the inclusion in the news release of the information 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
<b>Measured &amp; Indicated</b>	<b>9,269</b>	<b>2.82</b>	<b>2.77</b>	<b>840</b>	<b>826</b>
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
<b>Total</b>	<b>4.32</b>	<b>3.29</b>	<b>2.77</b>	<b>457</b>	<b>385</b>

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

# 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"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Soil samples were obtained from the C-Horizon, bagged and tagged with unique sample identity numbers, transported and submitted to ALS Colombia Ltda located in Medellin for sample preparation. Sample preparation included drying at &lt;60°C, sieve sample to -180 micron (80 mesh) from which a representative 30g sample was obtained using a riffle splitter. Gold assays were obtained using a lead collection fire assay technique (FAA313) and assays an additional 54 elements were obtained using multi-acid (four acid) digest for (ICM40B) at ALS's laboratory in Lima, Peru.</li> <li>The saprock (saprolite) and rock chip sampling program was conducted by the exploration team of Los Cerros, who comply with industry standard practices. Los Cerros has a geologist responsible for verification of QA/QC on all samples generated by the company and samples are not released for inclusion in the company's database until they pass the QA/QC controls. The samples were prepared by ALS in Medellin and analysed for Gold (FA) and 49 elements (ICP MS-ES) in ALS's laboratory in Lima, Peru.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	
Logging	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Soil samples are taken on a regular grid (NE sample lines on a 100m * 50m spacing) over the zone of interest with each sample being collected from the C Horizon in the soil profile. The C-Horizon is classified as the weathered lithology at the point of collection. In Tesorito region this generally occurs at a depth of between 0 &amp; 2m. As the sample is weathered, by definition there has been remobilization of some elements but the geochemistry is considered indicative of the lithology.</li> <li>Rock samples, where possible, are taken from outcrops or saprock however during reconnaissance mapping samples from float material may also be taken if it is considered by the geologist that the material is locally derived with minimum transport. Samples are chip samples with the sample weight varying from 2 – 3kg.</li> <li>Outcrops of fresh rock in the sub-tropical environment that characterizes Tesorito, are not common. The area is predominantly covered by saprolite, soil cover or recent volcanic ash falls. Therefore, rock samples are not collected on a regular grid but where they occur and generally exhibit some degree of weathering and/or alteration. The geochemistry is indicative of what may be found at depth.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All samples are prepared at the ALS Medellin facility using industry accepted preparation procedures. Pulps for assay and analysis are sent to their facility in Lima Peru.</li> <li>Gold assays are obtained using a lead collection fire assay technique (Au-AA26) and analyses for an additional 48 elements using multi-acid (four acid) digest with ICP finish (ME-MS61) at ALS's laboratory in Lima, Peru.</li> <li>Fire assay for gold is considered a "total" assay technique.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>No field non-assay analysis instruments were used in the analyses reported.</li> <li>Los Cerros uses certified reference material, blank samples and field duplicates inserted into the sample sequence to verify both preparation and analytical quality.</li> <li>Results from Los Cerros' QA/QC samples are reviewed by Los Cerros for indications of any significant analytical bias or preparation errors in analyses reported by the Laboratory.</li> <li>The Laboratory also carries out internal laboratory QA/QC checks which are also reported and reviewed as part of the Los Cerros. QA/QC analysis. The geochemical data is only accepted where the analyses are performed within acceptable industry standard limits.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>All digital data received is verified and validated by the Company's Competent Person before loading into the assay database.</li> <li>Over limit gold or base metal samples are re-analysed using appropriate, alternative analytical techniques. (Au-Grav22 50g and OG46).</li> <li>Reported results are compiled by the Company's geologists and verified by the Company's database administrator and exploration manager.</li> <li>No adjustments to assay data were made.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Soil and rock-chip sample locations were positioned using a hand-held GPS.</li> <li>Accuracy of a hand-held GPS (+/- 5m) is considered appropriate for this level of early exploration.</li> <li>The grid system is WGS84 UTM Z18N.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>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.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>A soil geochemical survey (207 samples) was undertaken by Los Cerros over a regular grid with fifty meter spaced samples along 100m-spaced lines extending over an area of 1.7km x 1.5km to fill in the 200 m spacing of the former soil geochemical survey.</li> <li>A soil geochemical survey (194 samples) was undertaken by the previous option owner (Minera Seafield SAS) over a regular grid with fifty meter spaced samples along 200m-spaced lines extending over an area of 1.7km x 1.5km.</li> <li>The interpretation of surface mapping and sampling relies on correlating isolated points of information that are influenced by factors such as weathering,</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>accessibility and sample representativity. This impacts on the reliability of interpretations which are strongly influenced by the experience of the geologic team. Structures, lithologic and alteration boundaries based on surficial information are interpretations based on the available data and will be refined as more data becomes available during the exploration program.</p> <ul style="list-style-type: none"> <li>It is only with drilling, that provides information in the third dimension, that the geologic model can be refined.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The nature and extent of the soil geochemical sampling achieves an unbiased representation of the distribution of the elements assayed.</li> <li>Rock chip sampling can be biased positively or negatively by effects such as alteration. Silicification associated with fault systems or hydrothermal systems results in rocks that are more resistant whereas whole phyllic or potassic alteration can have the opposite effect. It is an indication of what may be encountered at depth but surface sampling in this environment does not map the subsurface.</li> <li>The current sampling pattern is considered appropriate for the program to reasonably assess the prospectivity of known features interpreted from other data sources.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>n/a at this stage as no audits have been undertaken.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and</i>	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>The Exploration Titles were validly issued as Concession Agreements pursuant to the Mining Code.</li> <li>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</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>land tenure status</i>	<p><i>park and environmental settings.</i></p> <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<p>concession agreement.</p> <ul style="list-style-type: none"> <li>There are no outstanding encumbrances or charges registered against the Exploration Title at the National Registry.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>In 2005, Sociedad Kedadha S.A. (Kedadha), 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.</li> <li>In 2007 Kedadha 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.</li> <li>On March 24, 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.</li> <li>Seafield signed a sale-purchase contract with AMM to acquire a 100% interest in the Mining Contract on April 16, 2010.</li> <li>Seafield completed the payments to acquire 100% of rights and obligations on the Miraflores property in November 30, 2012. AMM stopped the artisanal exploitation activities in the La Cruzada tunnel on the same date, November 30, 2012 and transferred control of the mine to Seafield.</li> <li>Since June 2010, Seafield has drilled 63 drillholes for a total of 22,259m on the Miraflores Project adjacent to Tesorito.</li> <li>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.</li> <li>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.</li> </ul>

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• <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"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The results have been reported for all drilling undertaken on the Tesorito Prospect to date (the first three holes TS_DH_01 – 03) which were drilled by the previous owners of the project, and the last 4 holes drilled by Metminco (now called Los Cerros) in 2018 (TS_DH04 – 07).</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the</i></li> </ul>	<ul style="list-style-type: none"> <li>• No metal equivalent values have been stated.</li> </ul>

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	<p><i>procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>																																				
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>The results reported in this announcement are considered to be of an early stage in the exploration of the project.</li> <li>Mineralisation geometry is not accurately known as the exact number, orientation and extent of mineralised structures are not yet determined.</li> </ul>																																			
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Geological map showing exploration results including drilling over the Tesorito Prospect is shown in Figures 1 &amp; 3</li> </ul>																																			
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Summary statistics of selected elements for soil-sampling results</li> </ul> <table border="1"> <thead> <tr> <th></th> <th><b>GOLD</b> (ppb)</th> <th><b>SILVER</b> (ppm)</th> <th><b>COPPER</b> (ppm)</th> <th><b>MOLYBDENUM</b> (ppm)</th> </tr> </thead> <tbody> <tr> <td>Number of values</td> <td>207</td> <td>207</td> <td>207</td> <td>207</td> </tr> <tr> <td>Minimum</td> <td>10</td> <td>0.019</td> <td>1.88</td> <td>0.02</td> </tr> <tr> <td>Maximum</td> <td>1360</td> <td>13.9</td> <td>1590</td> <td>57.6</td> </tr> <tr> <td>Mean</td> <td>80.53</td> <td>0.2867</td> <td>93.04</td> <td>1.57</td> </tr> <tr> <td>Median</td> <td>10</td> <td>0.139</td> <td>58.8</td> <td>0.61</td> </tr> <tr> <td>Mode</td> <td>10</td> <td>0.093</td> <td>121.5</td> <td>0.24</td> </tr> </tbody> </table>		<b>GOLD</b> (ppb)	<b>SILVER</b> (ppm)	<b>COPPER</b> (ppm)	<b>MOLYBDENUM</b> (ppm)	Number of values	207	207	207	207	Minimum	10	0.019	1.88	0.02	Maximum	1360	13.9	1590	57.6	Mean	80.53	0.2867	93.04	1.57	Median	10	0.139	58.8	0.61	Mode	10	0.093	121.5	0.24
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<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>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 and are presented in Figure 1. The magnetic high anomalies appear associated with the presence of potassic alteration and quartz-magnetite veining and stockworks.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>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.</li> <li>The objective of the proposed program is to test continuity of wide high grade intersections in holes TSDH-02 and TSDH-07 to potentially guide resource targeted drilling in a second phase drilling program, and to test the north gold-molybdenum soil geochemistry anomaly.</li> </ul>