28 June 2022

ASX Announcement

ASX: LCL

# Quinchia Project Update

## HIGHLIGHTS

- **Drilling updates across multiple targets within a 3km radius of 2.6Moz gold Resources defined at the Quinchia Gold Project**
- **393m @ 0.19g/t Au intersected ~200m below Miraflores resources. Follow up hole in progress**
- **Preliminary metallurgical results for Tesorito expected shortly**
- **Shift in focus from exploration to de-risking Tesorito-Miraflores economics**

**Los Cerros Limited (ASX: LCL) (Los Cerros** or the **Company)** is pleased to provide this update on recent exploration activity at the 100% owned Quinchia Gold Project, in Risaralda – Colombia. Quinchia is a cluster of porphyry and epithermal gold targets within a 3km radius, underpinned by established Mineral Resources of 2.6Moz @ 1g/t Au[1].

## SUMMARY

Timely flow of drill assays continue to be affected by Covid -19 related labour shortages at geochemical laboratories. This ASX release describes six drill results received from multiple prospects drilled across the Quinchia Gold Project:

**CENTRAL TARGET/MIRAFLORES DEEP –** a second drillhole (TS-DH61) to test the Central Target between Miraflores and Tesorito deposits and beneath the Miraflores gold resource.

**CEIBAL –** three drillholes, two in the north and one in the south of the Ceibal target, were drilled to test integrated geophysical-geochemical and geological targets that may represent the causative porphyry source of mineralisation intercepted in the 2021 drill campaign.

**TESORITO NORTH/CLARAS –** two drill holes testing the southern edge of a +400m gap along the Marmato Fault between northern most Tesorito drilling and the Claras blind porphyry target, ~1km to the north of Tesorito.

[1] *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.*

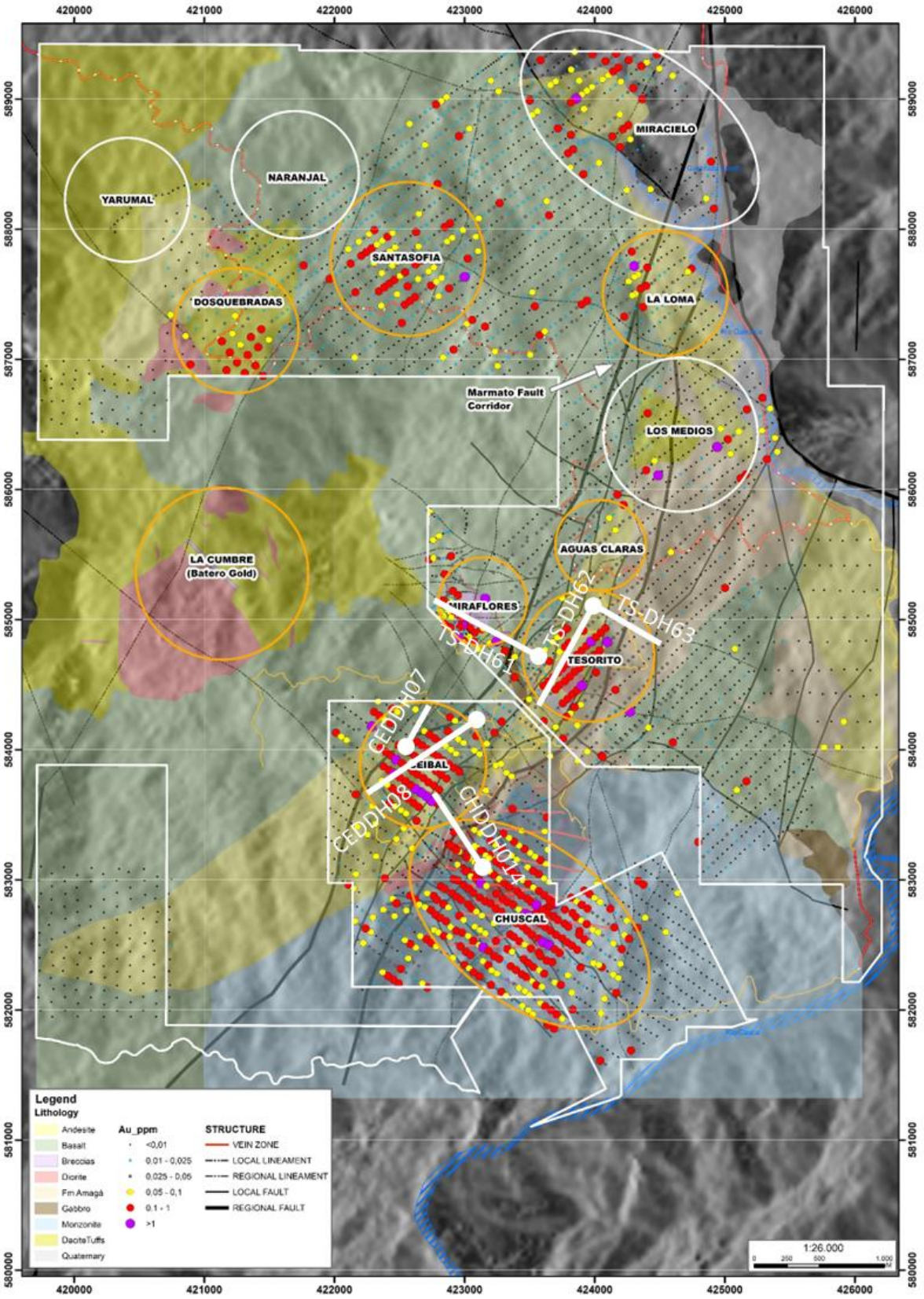


***Figure 1**: The Quinchia Gold Project contains multiple targets at various levels of investigation within a ~3km radius. This image reveals the major known target areas (orange circles) and earlier stage targets (white circles) over gold geochemistry in soils anomalism and major structures. La Cumbre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

## CENTRAL TARGET/MIRAFLORES DEEP

TS-DH61 followed up drillhole TS-DH57[2] (Figure 1 & 2), the first hole drilled into the geophysical target (Central Target) between Tesorito and Miraflores Resources and the Miraflores breccia pipe at depth. Due to rig capability limits TS-DH57 failed to exit the hydrothermal system. TS-DH61 was drilled from the same pad at a different azimuth and shallower inclination.

TS-DH61 intersected country rock basalts from surface followed by hydrothermal breccias, interpreted as the Miraflores breccia pipe, over a down hole width of 393m, from 590m to 983m, before entering country rock basalts cut by several zones of hydrothermal breccia until end of hole at 1142m. The 393m wide intersection of the Miraflores breccia lithologies consisted of variable amounts of hydrothermal epidote-quartz-calcite cement and embedded clasts of basalts. Disseminated pyrite, sphalerite, galena and chalcopyrite are often common through the breccia interval. Localised higher gold values (0.1g/t to ~0.4g/t Au) relate to the presence of base metal sulfides in hydrothermal quartz-calcite cement that depict the white breccia, a subset of the Miraflores mineralisation that typically contributes the higher grades of the Miraflores Resource.

Compared to TS-DH57, which recorded a best intersection of 44m @ 0.10g/t gold from 1116m within breccia[2], the entire breccia zone logged in TS-DH61 of 393m assayed 0.19g/t gold from 590m (Table 1). It is noted that TS-DH61 is spatially closer to the Miraflores Resource shell and indicates potential mineralisation may extend beyond the current resource limits. Gold grades from surface to 590m are low and similar in tenor to those seen in TS-DH57 indicating the Central Target geophysical anomaly at these depths is likely caused by non-economic mineralisation such as magnetite and sulphides.

The Miraflores breccia pipe hosts the Miraflores gold Resource of 0.87Moz (which includes the Miraflores Reserve of 0.45Moz)[3]. The gold intersection reported in TS-DH61 occurs+200m below these resources. Hole QM-DH61 has been collared north of drillholes TS-DH57 and TS-DH61 to test this gap.

[2] *Refer ASX announcement 9 May 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.*

[3] *The Miraflores Reserve is included in the Miraflores Resource which also includes Inferred Resource. Refer ASX announcement dated 14 March 2017 (Miraflores Resource) and 27 November 2017 (Miraflores Reserve). 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.*

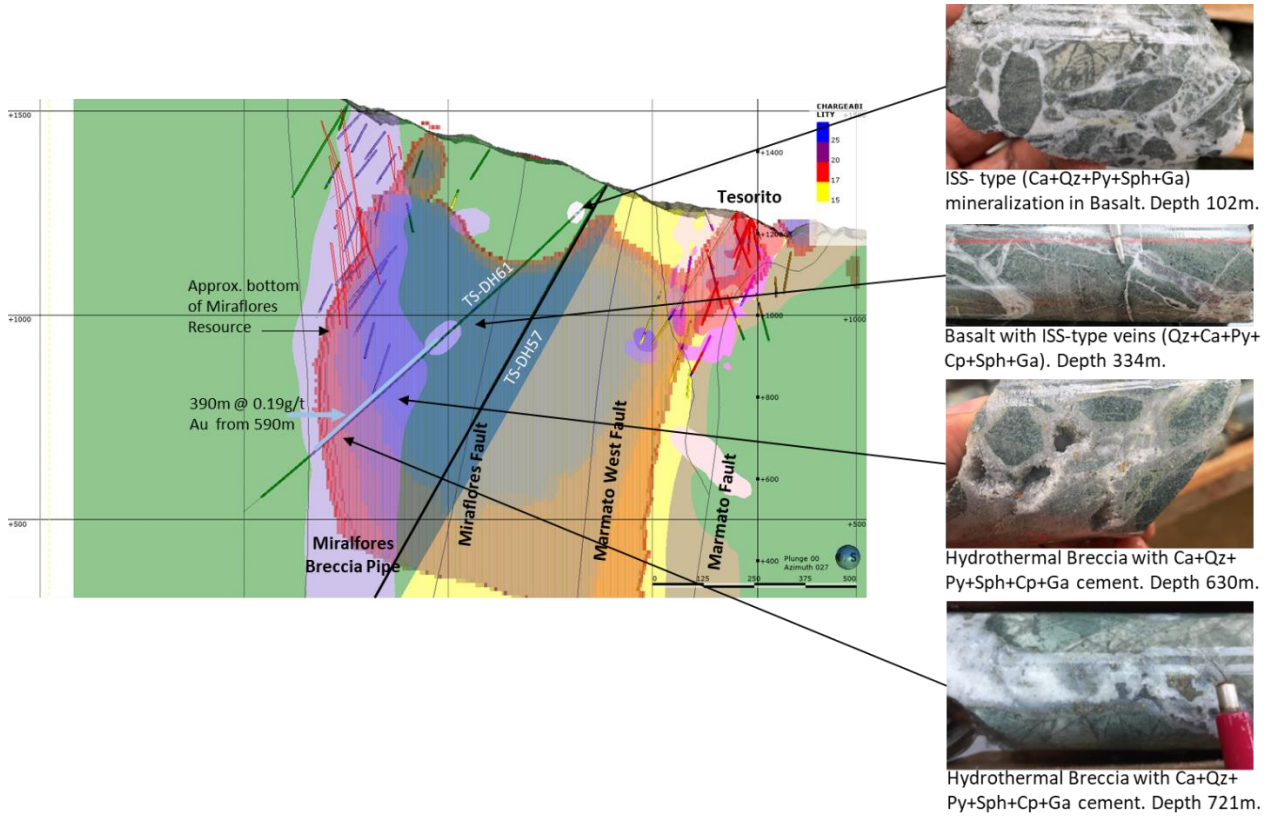


***Figure 2: Miraflores – Tesorito.*** *E-W regional cross section showing TS-DH61 drill trace over IP-Chargeability. Note: Colours of Tesorito Porphyry represent various mineralised units of the system. Photos shows the typical calcite, quartz-calcite cement of the breccia with typical base metal sulfide mineralisation.*

## TESORITO NORTH /CLARAS

Drillholes TS-DH62 and TS-DH63 (Figure 1) were collared from the same location at different azimuths. Both drillholes intercepted propylitic alteration overprinting argillic altered andesite country rock that hosts the Tesorito Gold Porphyry. The final 160 meters of TS-DH62 recorded a stronger intermediate argillic alteration overprinting, indicating the hydrothermal alteration system is open at depth.

Drillhole TS-DH63 crossed the Marmato Fault at a depth of 506m however drilling persisted to a depth of 649m to test a speculative magnetic susceptibility high anomaly in this region which can now be eliminated as a target.

Gold values in both holes were universally low (Tables 2 and 3) with limited elevated gold grades around local structures (veins etc.). Alteration pathfinders identified in both TS-DH62 and TS-DH63 add further weight to the inferred occurrence of a causative porphyry within the 400m gap between Tesorito North and Claras which would explain both northern extensions of gold grade envelopes at Tesorito and the anomalism at Claras.

This gap remains an area of interest.

## CEIBAL

Ceibal is a gold porphyry system identified in 2021, with large moderate grade gold intercepts (e.g. 500m @ 0.52g/t Au from surface in CEDDH01 and 586m @ 0.51g/t Au from surface in CEDDH02[4]). Recent drilling at three sites was focused on vectoring towards the yet to be discovered causative gold porphyry (Figure 3).

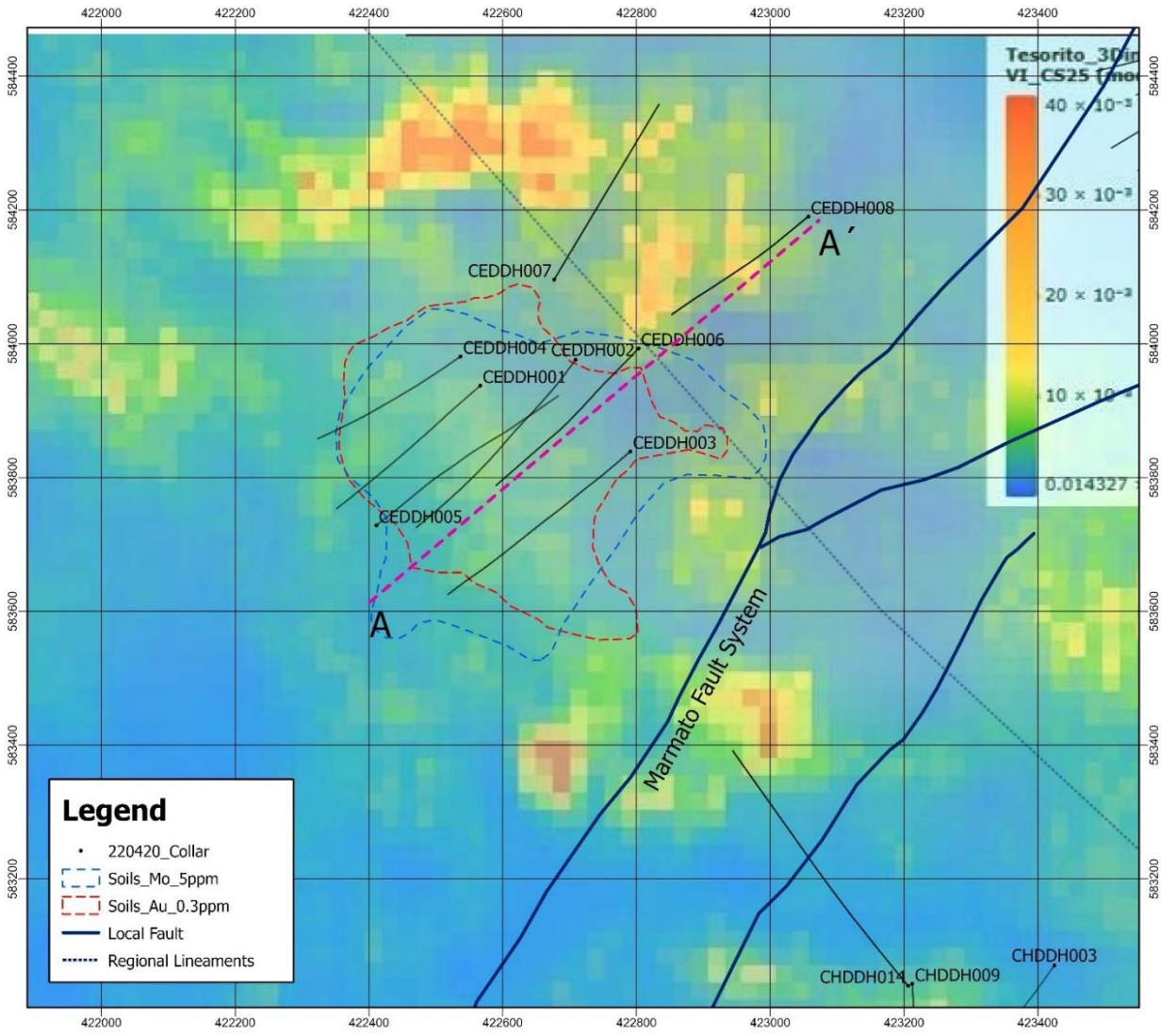


***Figure 3: Ceibal Area.*** *Plan view showing historic holes (CEDDH01-'05) and recent drill holes over magnetic susceptibility. Vectors in CEDDH07 and '08 both point back towards the area of historic drilling suggesting the causative porphyry target to be at depth in this location. The area defined by the Cu and Mo soil sample contours represents the interpreted location of the Ceibal causative porphyry at depth.*

Drillhole CEDDH07 (Table 4) was planned to cross through several geophysical anomalies north of previous drilling. The hole finished at 900m after having crossed through chloritic, argillic and propylitic altered units with occasional porphyry-associated veinlets, thin diorites dykes and magmatic breccia. Although reported gold values were low, they were quite uniform at ~100ppb. It also appears that high magnetic susceptibility has a direct relationship with the distribution of the

[4] *See ASX announcement 8 July 2021. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.*

potassic alteration, porphyry veining distributions and chargeability, all pointing towards a target south of CEDDH07. Likewise, Cu and Mo and other geochemical pathfinders such as Cu/Zn, Mo/Mn, Au/Cu also point south, toward the central zone under previous drilling (including CEDDH01 and 2), implying a deeper causative source in this area.

Drillhole CEDDH08 (Figure 4) is located NE of previous Ceibal drilling and tested a geophysical target between the drill pad and previous drilling. The hole intersected propylitic, chloritic and argillic altered country basalts. The hole ended in a major fault system at 960m interpreted as the western limb of the Marmato Fault Corridor, the primary controlling structure of Tesorito Gold Porphyry mineralisation. Gold grades are low along the entire hole.

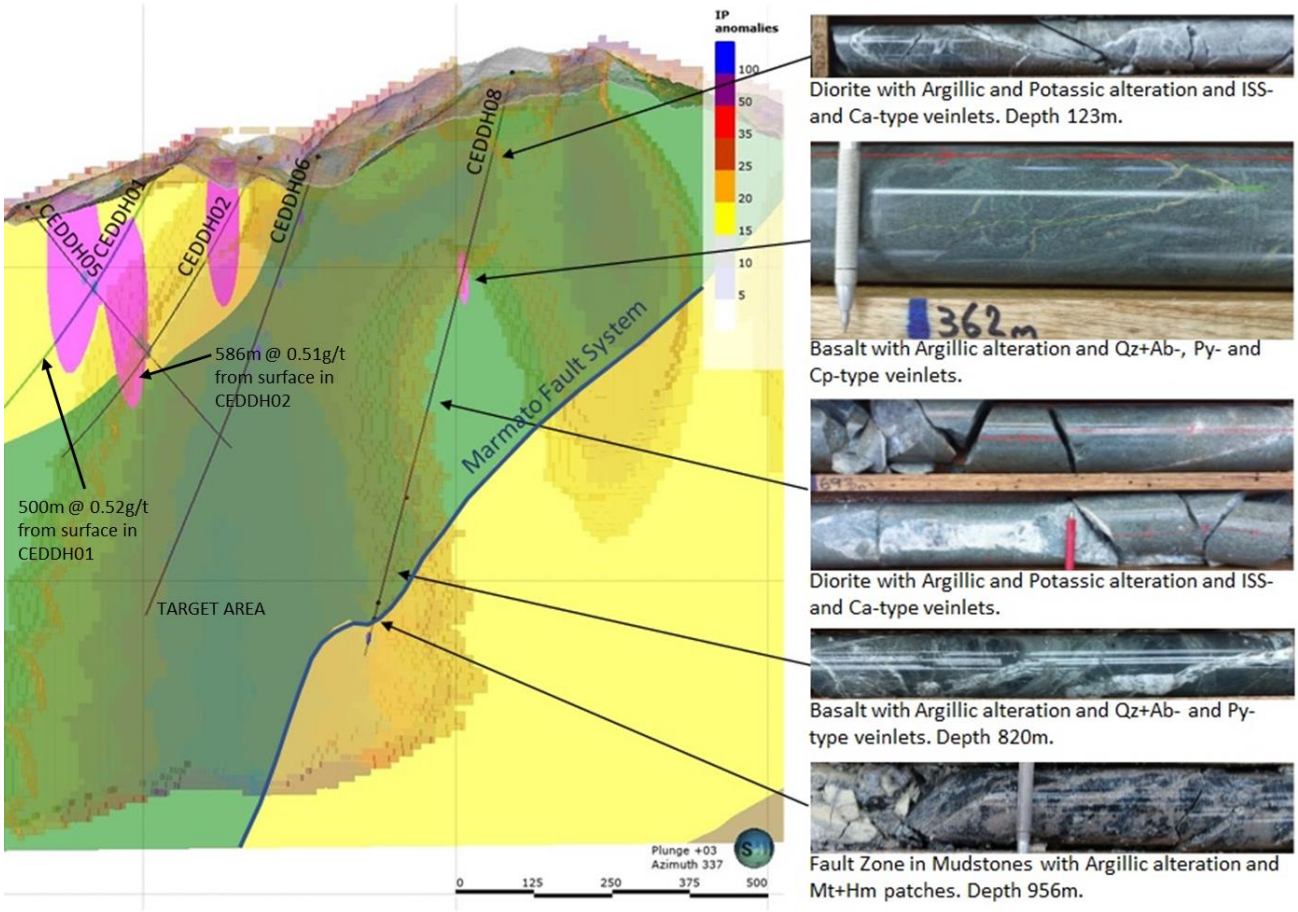


***Figure 4: Ceibal Target.*** *SW-NE regional cross section showing CEDDH08 drill trace over IP-Chargeability. Photos shows typical alteration and veinlet styles.*

Whilst CHDDH014 is labelled according to Chuscal drilling protocol given its pad location, it tested a southern Ceibal geophysical target and passed under surface mapped magmatic breccias towards Ceibal (Figure 1). For the first 323m the hole crossed through typical Chuscal units including a 109m zone of monzonite from 195m containing ISS veining grading 0.24g/t Au. From 323m, marked by a fault zone, potentially the eastern limb of the Marmato Fault Corridor, the drillhole intercepted pre-mineral diorites, until end of hole at 507m, with occasional shears and elevated gold values up to 1.58 g/t Au (Table 6).

Two Ceibal drilling programs have not located the causative porphyry source of the substantial gold intercepts in CHDDH01 and 02. A review of the substantial geochemical vectoring information from both campaigns and geophysics results is underway ahead of a return to drilling the target.

## Path Forward

The Company is acutely aware of current difficult commodity and equity markets and in-country issues causing considerable downward pressure on the Company's share price. The Board has consulted broadly on this issue both in Australia and North America and based on feedback received has refined its business plan as further outlined below.

In response to changing dynamics, the Company is directing greater focus towards activities that progress and de-risk the current advanced asset base. In practical terms this translates to:

1. Prioritising advancing the Preliminary Economic Assessment (PEA) to demonstrate greater confidence in the economic potential of the Quinchia Project.
2. Reducing speculative drilling in conjunction with a review of exploration targeting.

Whilst the Company believes in the significant potential for additional discoveries within the Quinchia Project, it places higher temporary priority on delivering against point 1, maintain a strong balance sheet, and being primed for improved capital markets and other opportunities. As such, the Company is reducing its monthly drilling expenditure. Drilling contracts are such that programs can be ramped up at short notice.

The Company acknowledges the recent election of Snr Gustavo Petro as President of Colombia and extensive recent commentary in media. We highlight that President-elect Petro is an economist and former Mayor of Bogota. His well-documented stance towards the hydrocarbon industry is consistent with emerging global trends of decarbonisation. President-elect Petro has a focus on the environment and broader ESG elements as part of a primary conviction to improve the economic situation of disadvantaged Colombians, in which Los Cerros and the broader mineral industry could play an effective role. Managing Director, Jason Stirbinskis is currently in Colombia meeting with government authorities and local management.

**Los Cerros Managing Director, Jason Stirbinskis summarised**

*"With the release of the Tesorito Resource, Los Cerros transitioned to early metallurgical/engineering investigations to de-risk the advanced projects at Quinchia concurrent with new target, speculative drilling to zero-in on another Tesorito. The Company has decided to dedicate more energy to the former and less to the latter while challenging market circumstances persist. The strategy will serve to re-enforce the Company valuation while preserving existing funds of $14M[5]so that we are primed for better conditions and other opportunities that are likely to emerge in this changed environment."*

*Drill hole assay summaries*

| From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (g/t) | Mo (g/t) |
|---|---|---|---|---|---|---|
| 0 | 35.1 | 35.1 | 0.01 | 1.17 | 171 | 0.89 |
| 35.1 | 38.4 | 3.3 | 0.17 | 1.29 | 215 | 0.40 |
| 38.4 | 590.4 | 552.0 | 0.02 | 0.26 | 120 | 0.28 |
| 590.4 | 983.3 | 392.9 | 0.19 | 1.78 | 270 | 0.55 |
| 983.3 | 983.73 | 0.4 | 0.6 | 1.63 | 115 | 2.18 |
| 983.73 | 1121.9 | 138.2 | 0.037 | 0.56 | 145 | 0.36 |
| 1121.9 | 1123.9 | 2.0 | 0.44 | 1.12 | 50 | 0.51 |

[5] *Unaudited*

| | | | | | | |
|---|---|---|---|---|---|---|
| 1123.9 | 1142 | 18.1 | 0.01 | 0.33 | 122 | 0.22 |

***Table 1:*** *Summary assay data from TS-DH61. Where appropriate, summary data (weighted average composites) are presented.*

| From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (g/t) | Mo (g/t) |
|---|---|---|---|---|---|---|
| 0 | 349.75 | 349.75 | 0.005 | 0.047 | 3.28 | 0.31 |
| 349.75 | 350.45 | 0.7 | 0.92 | 12.45 | 8.5 | 3.7 |
| 350.45 | 742 | 391.55 | 0.007 | 0.092 | 4.34 | 0.31 |
| 742 | 744 | 2 | 0.1 | 1.14 | 21.1 | 0.42 |
| 744 | 800.8 | 56.8 | 0.01 | 0.2 | 14 | 0.7 |

***Table 2:*** *Summary assay data from TS-DH62. Where appropriate, summary data (weighted average composites) are presented.*

| From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (g/t) | Mo (g/t) |
|---|---|---|---|---|---|---|
| 0 | 244.95 | 244.95 | 0.006 | 0.16 | 5.446 | 0.231 |
| 244.95 | 246.6 | 1.65 | 0.27 | 43.9 | 4.8 | 2.01 |
| 246.6 | 451.1 | 204.5 | 0.007 | 0.066 | 1.72 | 0.17 |
| 451.1 | 452.6 | 1.5 | 0.13 | 0.585 | 12.05 | 0.59 |
| 452.6 | 474.05 | 21.45 | 0.016 | 0.077 | 3.24 | 0.21 |
| 474.05 | 475.75 | 1.7 | 0.26 | 1.265 | 34.5 | 0.51 |
| 475.75 | 526 | 50.25 | 0.012 | 0.13 | 26.36 | 0.31 |
| 526 | 527 | 1 | 0.44 | 1.65 | 129 | 2.21 |
| 527 | 649 | 122 | 0.007 | 0.11 | 97 | 0.21 |

***Table 3:*** *Summary assay data from TS-DH63. Where appropriate, summary data (weighted average composites) are presented*

| From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (g/t) | Mo (g/t) |
|---|---|---|---|---|---|---|
| 0.00 | 86.00 | 86.00 | 0.125 | 0.62 | 248 | 7.17 |
| 86.00 | 114.00 | 28.00 | 0.074 | 0.32 | 189 | 3.97 |
| 114.00 | 221.80 | 107.80 | 0.132 | 0.59 | 268 | 8.91 |
| 221.80 | 230.00 | 8.20 | 0.022 | 0.12 | 22 | 2.87 |
| 230.00 | 262.00 | 32.00 | 0.148 | 0.48 | 259 | 16.84 |
| 262.00 | 272.00 | 10.00 | 0.064 | 0.33 | 100 | 8.90 |
| 272.00 | 277.69 | 5.69 | 0.107 | 0.69 | 216 | 21.05 |
| 277.69 | 390.00 | 112.31 | 0.063 | 0.92 | 183 | 5.13 |
| 390.00 | 402.00 | 12.00 | 0.165 | 0.70 | 306 | 3.93 |
| 402.00 | 436.00 | 34.00 | 0.335 | 0.97 | 387 | 5.40 |
| 436.00 | 454.00 | 18.00 | 0.178 | 1.02 | 325 | 3.10 |
| 454.00 | 527.00 | 73.00 | 0.067 | 0.44 | 163 | 4.44 |
| 527.00 | 544.00 | 17.00 | 0.111 | 1.23 | 118 | 2.17 |
| 544.00 | 564.00 | 20.00 | 0.071 | 0.33 | 115 | 1.77 |
| 564.00 | 585.35 | 21.35 | 0.142 | 0.76 | 195 | 0.81 |
| 585.35 | 595.00 | 9.65 | 0.082 | 0.25 | 75 | 1.54 |
| 595.00 | 600.00 | 5.00 | 0.161 | 0.41 | 159 | 1.07 |
| 600.00 | 708.00 | 108.00 | 0.040 | 0.97 | 143 | 0.52 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 708.00 | 719.50 | 11.50 | 0.180 | 3.13 | 214 | 0.36 |
| 719.50 | 740.30 | 20.80 | 0.028 | 1.16 | 207 | 0.18 |
| 740.30 | 745.90 | 5.60 | 0.122 | 3.13 | 277 | 0.30 |
| 745.90 | 756.00 | 10.10 | 0.028 | 0.44 | 120 | 0.28 |
| 756.00 | 764.00 | 8.00 | 0.128 | 2.97 | 487 | 5.76 |
| 764.00 | 769.60 | 5.60 | 0.020 | 0.84 | 273 | 6.89 |
| 769.60 | 770.00 | 0.40 | 0.330 | 1.34 | 145 | 3.46 |
| 770.00 | 795.20 | 25.20 | 0.010 | 0.30 | 57 | 2.22 |
| 795.20 | 796.20 | 1.00 | 0.660 | 13.90 | 1455 | 2.31 |
| 796.20 | 859.00 | 62.80 | 0.020 | 0.40 | 161 | 2.68 |
| 859.00 | 860.00 | 1.00 | 0.560 | 1.70 | 245 | 7.63 |
| 860.00 | 900.20 | 40.20 | 0.016 | 0.22 | 143 | 5.03 |

***Table 4:*** *Summary assay data from CEDDH007. Where appropriate, summary data (weighted average composites) are presented*

| From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (g/t) | Mo (g/t) |
|---|---|---|---|---|---|---|
| 0.00 | 122.30 | 122.30 | 0.048 | 3.18 | 193 | 1.20 |
| 122.30 | 134.15 | 11.85 | 0.086 | 0.59 | 171 | 4.22 |
| 134.15 | 307.35 | 173.20 | 0.057 | 0.60 | 169 | 4.10 |
| 307.35 | 344.00 | 36.65 | 0.013 | 2.41 | 114 | 0.18 |
| 344.00 | 350.65 | 6.65 | 0.127 | 1.16 | 166 | 0.89 |
| 350.65 | 411.30 | 60.65 | 0.076 | 0.55 | 152 | 3.92 |
| 411.30 | 418.64 | 7.34 | 0.008 | 0.09 | 22 | 1.19 |
| 418.64 | 515.48 | 96.84 | 0.056 | 0.34 | 149 | 2.11 |
| 515.48 | 519.30 | 3.82 | 0.007 | 0.06 | 17 | 0.43 |
| 519.30 | 550.00 | 30.70 | 0.059 | 0.47 | 111 | 1.00 |
| 550.00 | 686.68 | 136.68 | 0.014 | 0.23 | 114 | 0.33 |
| 686.68 | 696.45 | 9.77 | 0.009 | 0.20 | 23 | 0.81 |
| 696.45 | 774.95 | 78.50 | 0.021 | 0.17 | 114 | 0.71 |
| 774.95 | 839.42 | 64.47 | 0.058 | 0.21 | 180 | 3.43 |
| 839.42 | 923.45 | 84.03 | 0.010 | 0.25 | 116 | 0.17 |
| 923.45 | 938.85 | 15.40 | 0.005 | 0.09 | 19 | 0.27 |
| 938.85 | 959.91 | 21.06 | 0.018 | 0.43 | 218 | 4.03 |

***Table 5:*** *Summary assay data from CEDDH008. Where appropriate, summary data (weighted average composites) are presented*

| From (m) | To (m) | Interval (m) | Au (g/t) | Ag (g/t) | Cu (g/t) | Mo (g/t) |
|---|---|---|---|---|---|---|
| 0.00 | 56.25 | 56.25 | 0.059 | 0.49 | 51 | 6.81 |
| 56.25 | 56.70 | 0.45 | 0.370 | 1.64 | 129 | 3.85 |
| 56.70 | 112.30 | 55.60 | 0.066 | 0.19 | 62 | 11.19 |
| 112.30 | 112.60 | 0.30 | 0.660 | 41.00 | 363 | 9.39 |
| 112.60 | 121.30 | 8.70 | 0.106 | 0.32 | 65 | 8.17 |
| 121.30 | 191.00 | 69.70 | 0.048 | 0.12 | 46 | 8.91 |
| 191.00 | 198.00 | 7.00 | 0.477 | 107.69 | 320 | 8.68 |
| 198.00 | 204.48 | 6.48 | 0.073 | 0.22 | 47 | 8.10 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 204.48 | 218.00 | 13.52 | 0.257 | 0.46 | 53 | 9.54 |
| 218.00 | 224.00 | 6.00 | 0.640 | 2.50 | 58 | 8.19 |
| 224.00 | 242.00 | 18.00 | 0.173 | 0.52 | 79 | 7.81 |
| 242.00 | 243.00 | 1.00 | 1.510 | 3.53 | 129 | 4.93 |
| 243.00 | 249.50 | 6.50 | 0.471 | 0.63 | 67 | 9.82 |
| 249.50 | 260.00 | 10.50 | 0.063 | 0.13 | 29 | 5.72 |
| 260.00 | 262.00 | 2.00 | 0.610 | 3.99 | 117 | 38.50 |
| 262.00 | 286.00 | 24.00 | 0.067 | 0.21 | 29 | 5.44 |
| 286.00 | 294.00 | 8.00 | 0.421 | 0.94 | 232 | 67.32 |
| 294.00 | 316.00 | 22.00 | 0.112 | 0.41 | 127 | 3.99 |
| 316.00 | 318.00 | 2.00 | 1.040 | 1.83 | 230 | 3.47 |
| 318.00 | 336.00 | 18.00 | 0.085 | 0.70 | 72 | 1.95 |
| 336.00 | 338.00 | 2.00 | 1.420 | 9.07 | 163 | 1.96 |
| 338.00 | 378.45 | 40.45 | 0.024 | 0.35 | 19 | 0.55 |
| 378.45 | 380.50 | 2.05 | 1.050 | 30.20 | 288 | 1.33 |
| 380.50 | 416.00 | 35.50 | 0.012 | 0.23 | 18 | 0.44 |
| 416.00 | 425.65 | 9.65 | 0.078 | 3.79 | 115 | 1.08 |
| 425.65 | 436.20 | 10.55 | 0.009 | 0.32 | 10 | 0.65 |
| 436.20 | 437.40 | 1.20 | 0.291 | 15.40 | 530 | 2.63 |
| 437.40 | 464.15 | 26.75 | 0.011 | 0.27 | 8 | 0.43 |
| 464.15 | 465.30 | 1.15 | 0.717 | 30.84 | 135 | 6.85 |
| 465.30 | 495.00 | 29.70 | 0.019 | 0.47 | 11 | 0.57 |
| 495.00 | 496.60 | 1.60 | 1.580 | 6.17 | 147 | 2.96 |
| 496.60 | 506.00 | 9.40 | 0.116 | 0.34 | 14 | 0.48 |
| 506.00 | 506.65 | 0.65 | 0.830 | 6.73 | 115 | 1.33 |
| 506.65 | 800.40 | 293.75 | 0.013 | 0.15 | 8 | 0.58 |

***Table 6:*** *Summary assay data from CHDDH014. Where appropriate, summary data (weighted average composites) are presented*

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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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

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** |

Note: Miraflores Resource includes Miraflores Reserve

MIRAFLORES RESERVE

| CATEGORY | TONNES (Mt) | Au (g/t) | Ag (g/t) | Au (koz) | Ag (koz) |
|---|---|---|---|---|---|
| Proved | 1.7 | 2.75 | 2.2 | 150 | 120 |
| Probable | 2.6 | 3.64 | 3.13 | 307 | 264 |
| **Total** | **4.3** | **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 |

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# JORC Code, 2012 Edition – Table 1 report template - Drill Results

## *Section 1 Sampling Techniques and Data*

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

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *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.* | • Diamond drilling is carried out to produce HQ and NQ core.<br>• Following verification of the integrity of sealed core boxes and the core within them at the Company's core shed in Quinchia, the core is 'quick logged' by a Project Geologist and marked for sampling. Following the marking of the cutting line and allocation of sample numbers, allowing for insertion of QAQC samples, the core is cut by employees in the Company's facility within the core-shed.<br>• Nominally core is cut in half and sampled on 2m intervals, however the interval may be reduced by the Project Geologist based on the visual 'quick log'.<br>• Samples are bagged in numbered calico sacks and these placed in heavy duty plastic bags with the sample tag. Groups of 5 samples are bagged in a hessian sack, labelled and sealed, for transport.<br>• Sample preparation is carried out by ALS' Laboratory in Medellin where the whole sample is crushed to -2mm and then 1kg split for pulverising to -75micron.<br>• Splits are then generated for fire assay (Au-AA26) and analyses for an additional 48 elements using multi-acid (four acid) digest with ICP finish (MEMS61) at ALS' laboratory in Lima, Peru. |
| *Drilling techniques* | • *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).* | • The drilling program is a diamond drilling program 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* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure* | • The drillers are required to meet a minimum recovery rate of 95%.<br>• On site, a Company employee is responsible for labelling (wood spacer block) the beginning and end depth of each drill run plus actual and expected |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *representative nature of the samples.*<br>• *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.* | recovery in meters. This and other field processes are audited on a daily basis.<br>• 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.<br>• Orientated sections of core are aligned, and a geology log prepared.<br>• Following logging, sample intervals are determined and marked up and the cutting line transferred to the core.<br>• Core quality is, in general, high and far exceeding minimum recovery conditions. |
| *Logging* | • *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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Logging is carried out visually by the Project Geologists focusing on lithology, structure, alteration and mineralization characteristics. Initially a 'quick log' is carried out to guide sampling and this is then followed by detailed logging. The level of logging is appropriate for exploration and initial resource estimation evaluation.<br>• All core is photographed following the initial verification on receipt of the core boxes and then again after the 'quick log', cutting and sampling. Ie half core.<br>• All core is logged and sampled, nominally on 2m intervals respectively but in areas of interest more dense logging and sampling may be undertaken.<br>• On receipt of the multi-element geochemical data this is interpreted for consistency with the geologic logging. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling* | • 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.<br>• 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 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | a physical archive.<br>• The large size (4-8kg) of individual samples and continuous sampling of the drill hole, provides representative samples for exploration activities.<br>• Through the use of QAQC 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. |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *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.*<br>• *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.* | • Gold assays will be obtained using a lead collection fire assay technique (AuAA26) and analyses for an additional 48 elements obtained using multi-acid (four acid) digest with ICP finish (ME-MS61) at ALS' laboratory in Lima, Peru.<br>• Fire assay for gold is considered a "total" assay technique.<br>• 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.<br>• No field non-assay analysis instruments were used in the analyses reported.<br>• Los Cerros uses certified reference material and sample blanks and field duplicates inserted into the sample sequence.<br>• Geochemistry results are reviewed by the Company for indications of any significant analytical bias or preparation errors in the reported analyses.<br>• Internal laboratory QAQC checks are also reported by the laboratory and are reviewed as part of the Company's QAQC analysis. The geochemical data is only accepted where the analyses are performed within acceptable limits. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • All digital data received is verified and validated by the Company's Competent Person before loading into the assay database.<br>• Over limit gold or base metal samples are re-analysed using appropriate, alternative analytical techniques (Au-Grav22 50g and OG46).<br>• Reported results are compiled by the Company's geologists and verified by the Company's database administrator and exploration manager.<br>• No adjustments to assay data were made. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Location of data points* | • *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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • 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.<br>• On completion of the drilling program the collars of all holes will be surveyed using high precision survey equipment.<br>• 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.<br>• The grid system is WGS84 UTM Z18N. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • The interpretation of surface mapping and sampling relies on correlating isolated points of information that are influenced by factors such as weathering, accessibility and sample representivity. 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.<br>• It is only with drilling, that provides information in the third dimension, that the geologic model can be refined. |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *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.* | • Drill hole is preferentially located in prospective area.<br>• All drillholes are planned to best test the lithologies and structures as known taking into account that steep topography limits alternatives for locating holes.<br>• Drill holes are oriented to determine underlying lithologies and porphyry vectors and to intercept the two principal sets of veining. |
| *Sample security* | • *The measures taken to ensure sample security.* | • All core boxes are nailed closed and sealed at the drill platform.<br>• On receipt at the Quinchia core shed the core boxes are examined for integrity. If there are no signs of damage or violation of the boxes, they are opened and the core is evaluated for consistency and integrity. Only then is receipt of the core formally signed off.<br>• The core shed and all core boxes, samples and pulps are secured in a closed |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | Company facility at Quinchia secured by armed guard on a 24/7 basis.<br>• Each batch of samples are transferred in a locked vehicle and driven 165 km to ALS laboratories for sample preparation in Medellin. The transfer is accompanied by a Company employee. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • 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* | • *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.*<br>• *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.* | • The Exploration Titles were validly issued as Concession Agreements pursuant to the Mining Code.<br>• 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.<br>• There are no outstanding encumbrances or charges registered against the Exploration Title at the National Registry. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • 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.<br>• 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.<br>• In 2005, Sociedad Kedahda S.A. (Kedahda), now called AngloGold Ashanti 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. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • 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.<br>• On 24 March 2009, B2Gold advised the AMM that it had decided to not make further option payments and the property reverted to AMM under the terms of the option agreement.<br>• Seafield Resources Ltd. (Seafield) signed a sale-purchase contract with AMM to acquire a 100% interest in the Mining Contract on 16 April 2010.<br>• Seafield completed the payments to acquire 100% of rights and obligations on the Miraflores property in 30 November 2012. AMM stopped the artisanal exploitation activities in the La Cruzada tunnel on the same date, and transferred control of the mine to Seafield.<br>• Since June 2010, Seafield drilled 63 drillholes for a total of 22,259m on the Miraflores Project adjacent to Tesorito.<br>• 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.<br>• 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. |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • The 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.<br>• 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. |

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Drill hole Information</td><td>
<ul>
<li>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:
<ul>
<li>easting and northing of the drill hole collar</li>
<li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li>
<li>dip and azimuth of the hole</li>
<li>down hole length and interception depth</li>
<li>hole length.</li>
</ul></li>
<li>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.</li>
</ul>
</td><td>
<table>
<tr><th>HOLE</th><th>EASTING</th><th>NORTHING</th><th>RL (m)</th><th>EOH (m)</th><th>AZIMUTH</th><th>DIP</th></tr>
<tr><td>TS-DH61</td><td>423544.00</td><td>584698.00</td><td>1290.00</td><td>1142.00</td><td>302.00</td><td>45.00</td></tr>
<tr><td>TS-DH62</td><td>423923.10</td><td>585178.27</td><td>1214.10</td><td>800.80</td><td>200.00</td><td>70.00</td></tr>
<tr><td>TS-DH63</td><td>423923.10</td><td>585178.27</td><td>1214.10</td><td>649.00</td><td>120.00</td><td>70.00</td></tr>
<tr><td>CEDDH007</td><td>422677.00</td><td>584096.00</td><td>1284.00</td><td>900.20</td><td>30.00</td><td>70.00</td></tr>
<tr><td>CEDDH008</td><td>423057.00</td><td>584190.00</td><td>1408.00</td><td>959.91</td><td>230.00</td><td>75.00</td></tr>
<tr><td>CHDDH014</td><td>423206.14</td><td>583040.46</td><td>1157.23</td><td>800.40</td><td>320.00</td><td>60.00</td></tr>
</table>
</td></tr>
<tr><td>Data aggregation methods</td><td>
<ul>
<li>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.</li>
<li>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.</li>
<li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li>
</ul>
</td><td>
<ul>
<li>No metal equivalent values have been stated.</li>
<li>Quoted intervals use a weighted average compositing method of all assays within the interval. Uncut intervals include values below 0.1 g/t Au.</li>
<li>No cut of high grades has been done.</li>
<li>All widths quoted are intercept widths, not true widths, as there is insufficient information at this stage of exploration to know the geometries within the system.</li>
</ul>
</td></tr>
</table>

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *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').* | • The results reported in this announcement are considered to be of an early stage in the exploration of the project.<br>• Mineralisation geometry is not accurately known as the exact number, orientation and extent of mineralised structures are not yet determined. |
| *Diagrams* | • *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.* | • Geological maps showing the location of drill holes and exploration results including drilling are shown in the body of the announcement. |
| *Balanced reporting* | • *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.* | • Reporting is considered balanced. |
| *Other substantive exploration data* | • *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.* | • A ground magnetic survey that covered the 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. An induced polarisation survey (IP) completed in 2021 revealed a chargeabilty high. |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* | • Additional drilling is required to systematically test the nature and extent of mineralisation.<br>• The objective of the drill program is to test anomalous zones, within the Marmato Fault |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Corridor. . |