

Site preparation underway for first round of drilling at Kusi Copper/Gold Prospect

Los Cerros Limited (ASX:LCL) (Los Cerros or the Company) is pleased to announce the engagement of Quest Exploration Drilling (PNG) LTD, (**QED**), to undertake Los Cerros' first drilling at its recently acquired Kusi Copper/Gold Prospect, part of the 100% owned Ono Project, Papua New Guinea. This maiden program is planned to drill 3,000m, over ~18 diamond holes. Site preparations have begun, targeting a March start date.

The Ono Project consists of 1,630km² of granted, contiguous exploration licenses over an intrusive complex considered prospective for gold/copper in skarns and porphyry plus epithermal gold/silver mineralisation. Ono is situated ~150km from the industrial port of Lae, where QED are based, and within the same structural belt as the Hidden Valley gold mine (an operating open pit gold and silver mine owned by Harmony Gold Mine) and the Wafi-Golpu copper/gold project (an advanced exploration project in 50/50 JV between Harmony and Newcrest Mining) (Figure 1).

The primary focus of the drilling program is to further test gold/copper oxide skarn mineralisation within an upper limestone unit established from previous drilling, trenching and surface sampling (Figure 2, Photo 1), including assays¹:

- **10.1m @ 2.39g/t Au** from 0m in diamond drill hole KSDD003
- **20m @ 2.89g/t Au** from 107m in diamond drill hole KSDD004
- **35m @ 3.04g/t Au** from 136m in diamond drill hole KSDD007
- **20m @ 3.84g/t Au** in trench FPR TR 1
- **71m @ 4.96g/t Au, 4.77g/t Ag & 0.37% Cu** in trench KSTC45A
- **8m @ 11.5g/t Au, 2.6% Cu and 24g/t Ag** in trench FPR TR4 (Leah's Lode)

The above mentioned, trench FPR TR4¹ at Leah's Lode (Photo 2), delivered individual 2m samples within the trench of **27.74g/t Au with 3.6% Cu** and **43.3g/t Au with 12.1% Cu**. A sample of outcrop located 2m SW of trench FPR TR4 reported **61.3g/t Au with 10.8% Cu**¹ (Photo 2). Leah's Lode is a 2022 discovery and has never been drilled.

The drilling program is part of a larger Kusi exploration program which includes additional trenching and mapping to define the extent of the mineralised skarn horizon which occurs within the upper limestone unit and which has a modelled total area of approximately 3km x 1.5km (Figure 2).

Los Cerros Managing Director, Jason Stirbinskis added

"The recent PNG acquisition¹ has multiple copper, nickel and gold targets with Kusi being a standout target. Much of the Ono Project area, of which Kusi is a part, has never been prospected or assessed with modern techniques and understanding. As such, we believe the Ono Project has the potential to

¹ See ASX announcement 25 November 2022. The Company confirms that it is not aware of new information that affects the information contained in the original announcement. Note: the 71m trench (KSTC45A) intercept is interpreted to have been taken along strike and thus is not representative of true thickness.

deliver multiple compelling targets in the coming programs. The Company has therefore commenced construction of a semi-permanent field base near the Kusi village”.

ESG Initiative

The Company intends to instil its Colombian-style ESG approach to its PNG presence with modifications sensitive to local dynamics and culture. Los Cerros won the Colombian mining industry’s top ESG award in November 2022² through its extensive social programs and focus on local community employment.

Mr Stirbinskis added “The very welcome reception we had at Kusi village, while spending several days walking the target area, is testament to the good work of the Footprint team who are now part of Los Cerros following our recent acquisition of the Footprint company”.

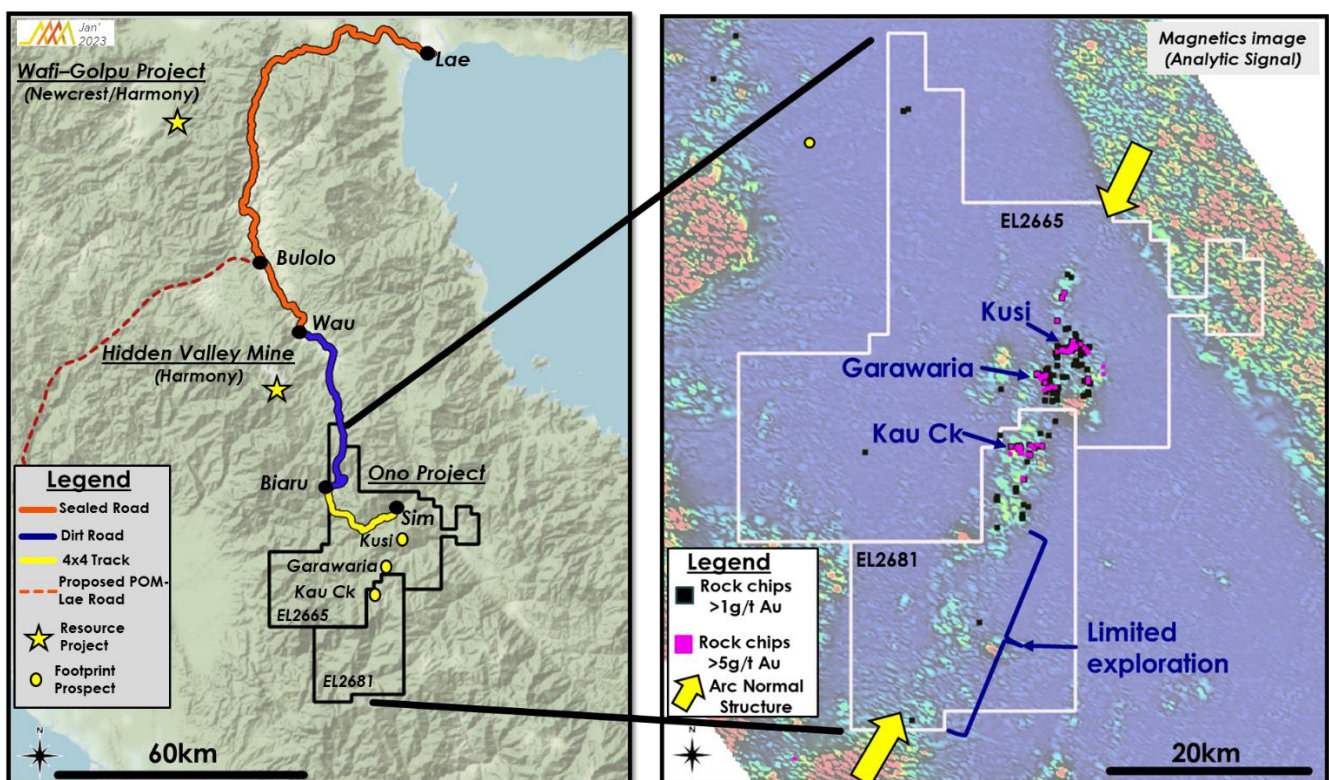


Figure 1: The Ono Project includes Kusi and sits within the same belt as the multi-million-ounce Wafi-Golpu and Hidden Valley projects. The established exploration targets at Ono conform to a regional arc normal NE trend as evidenced in regional magnetic geophysical data. There is considered to be significant potential for further success along this trend within the Ono exploration licences.

² See ASX announcement 11 November 2022. The Company confirms that it is not aware of new information that affects the information contained in the original announcement.

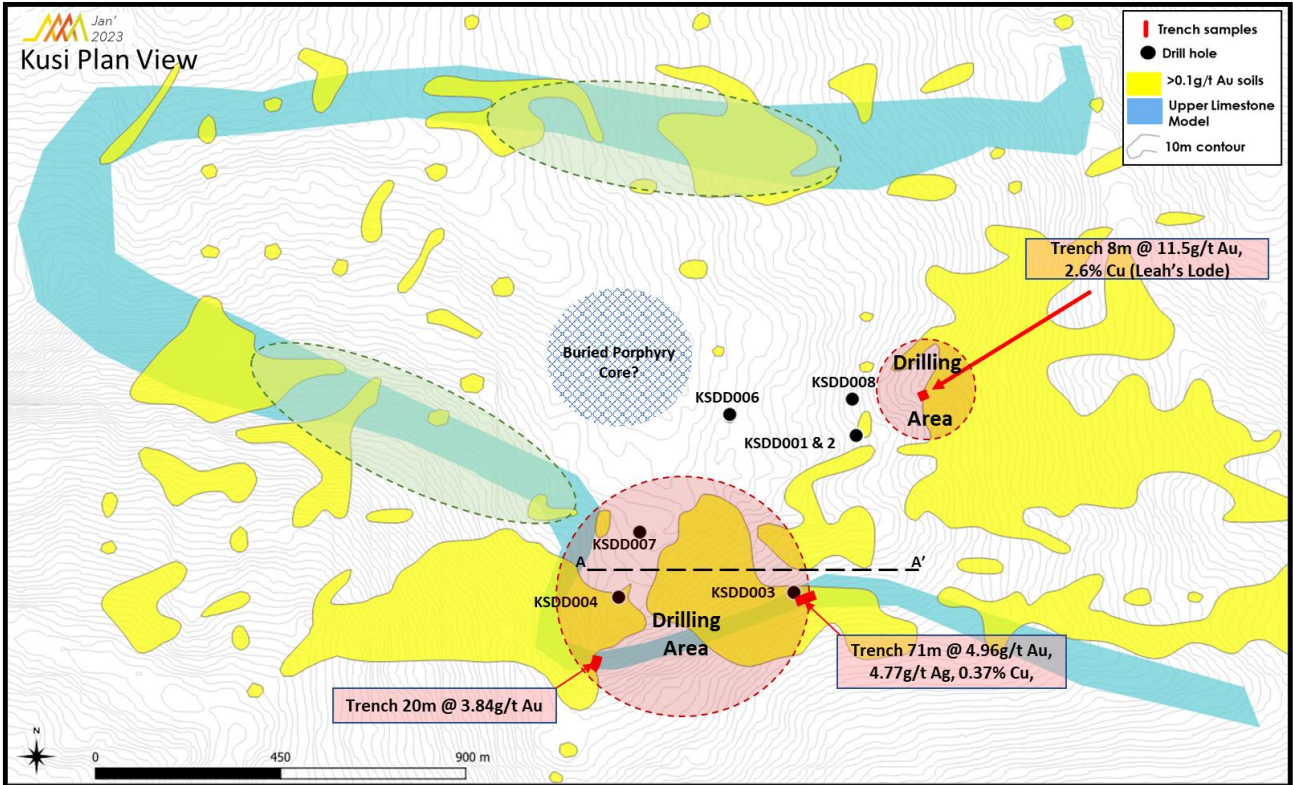


Figure 2: Plan view of Kusi showing gold in soils geochemical anomaly, trenching and historical drill collars over modelled upper limestone skarn outcrop and interpreted intrusive (porphyry) centre. Note drillholes KSDD1, '2, '6 and '8 have not tested the upper limestone/skarn horizon. The proposed drilling program will initially focus on an area of previous drilling and Leah's Lode (red circles). Early-stage target delineation work (trenching and mapping in the green ovals) will focus on possible extensions to upper skarn mineralisation and is expected to generate additional 2023 drill targets. See Figure 3 for cross section A-A'.

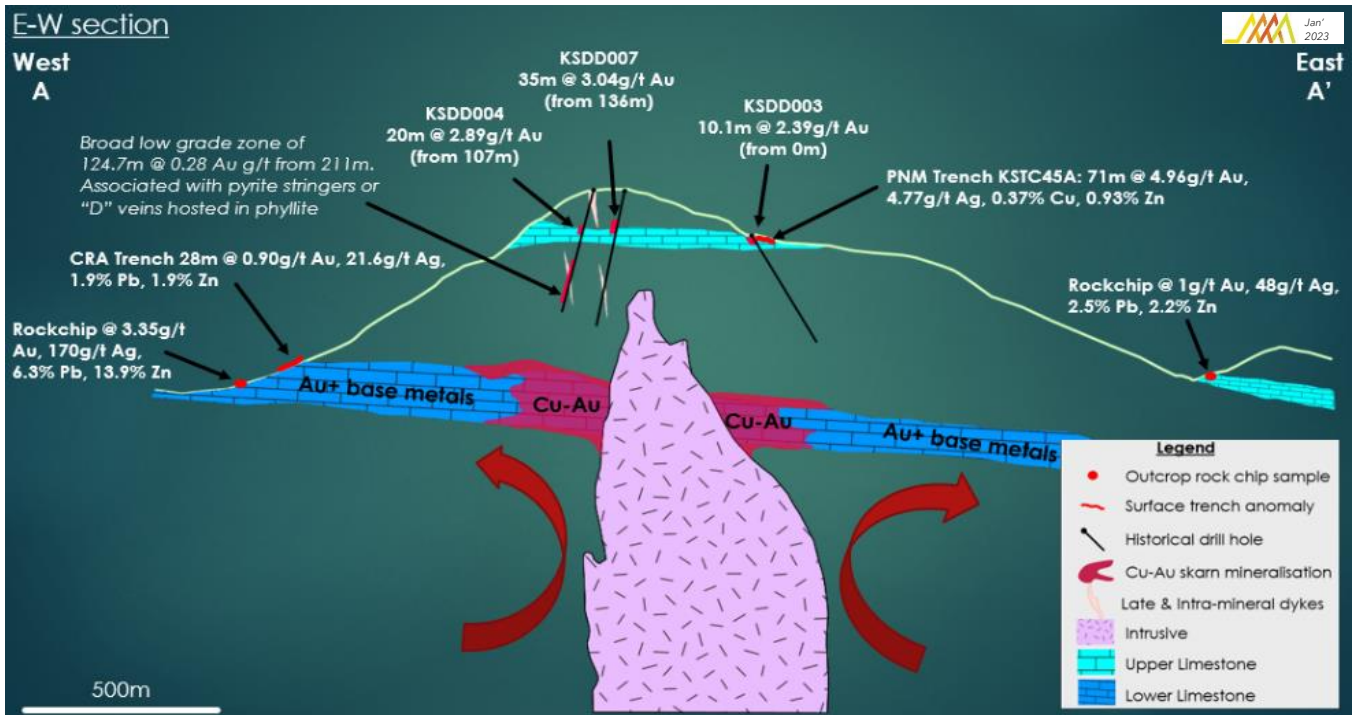


Figure 3: Kusi stylised cross section showing assay results over modelled relationship between mapped skarns (limestone) and potential central porphyry.

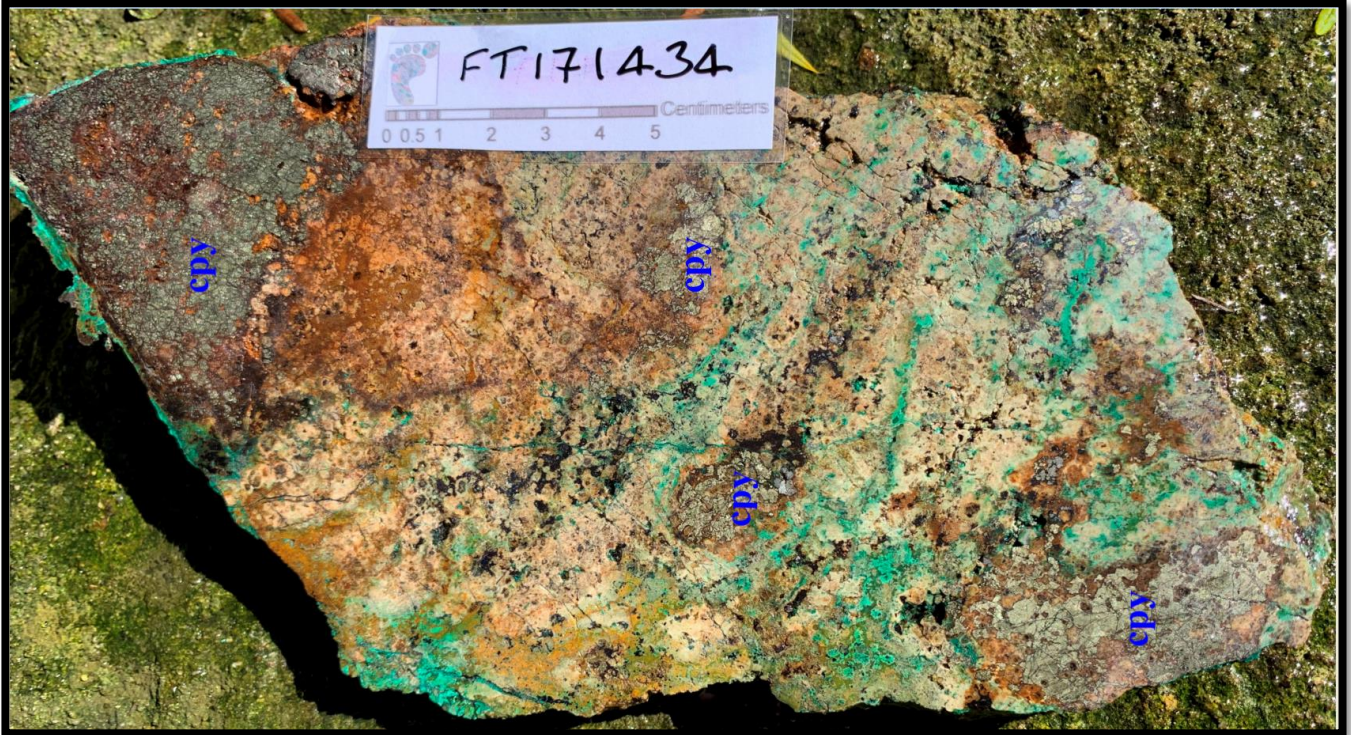


Photo 1: Outcrop sample of upper skarn grading 40.4g/t Au, 11.65% Cu and 116g/t Ag¹. CPY = primary chalcopyrite, green mineral throughout is malachite, both are copper bearing minerals.

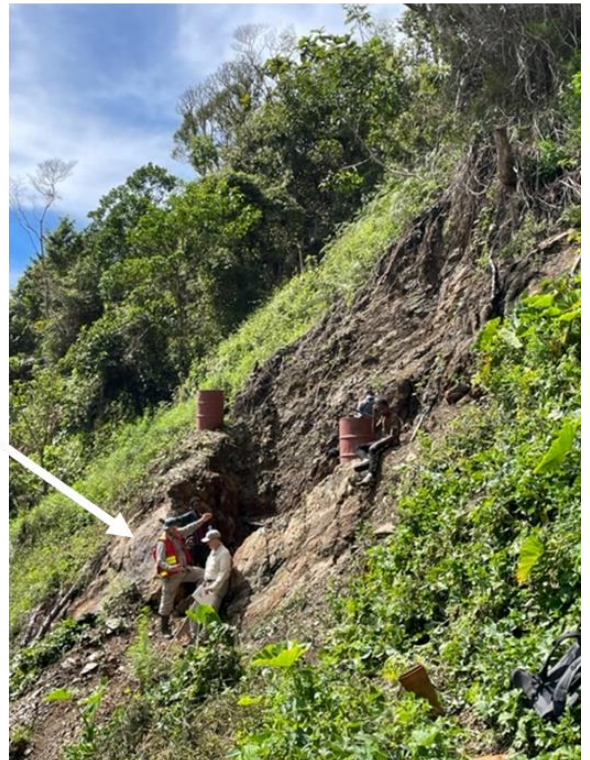


Photo 2: Left - Polished sample from Leah's Lode grading 61.3g/t Au and 18.0% Cu¹ taken ~2m from Leah's Lode Trench FPR TR4 (photo right) which included 8m @ 11.5g/t Au, 2.6% Cu and 24g/t Ag.

For the purpose of ASX Listing Rule 15.5, the Board has authorised 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 is based on information compiled by Mr John Dobe, 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 Dobe 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 Dobe 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.