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CERRADO GOLD COMMENCES 12,000 METRE DRILL PROGRAM AT THE MINERA DON NICOLÁS GOLD PROJECT IN SANTA CRUZ PROVINCE, ARGENTINA

- 12,000-metre drill program focused on brownfield targets to expand high grade resources at Minera Don Nicolás project

TORONTO, ONTARIO – CERRADO GOLD ("Cerrado" or the "Company") is pleased to announce the commencement of its 2021 exploration drill program at the Minera Don Nicolás Project ("Minera Don Nicolás" or the "MDN Project") located in Santa Cruz province, Argentina. The new drill program is expected to consist of approximately 12,000 metres of core drilling and supporting assay work to build upon the current resources outlined at the MDN Project. Cerrado expects the program to be completed by July 2021 with the publication of a new 43-101 Mineral Resource estimate thereafter.

Mark Brennan, Co-Chairman and CEO commented *"We are very excited to commence our first formal exploration drilling campaign at Minera Don Nicolás, located in the prolific Deseado Massif in Santa Cruz Province. Our program will focus on near mine, high grade brownfield prospects and will leverage off significant historical drilling from which we expect to be able to quickly add additional resource ounces near to our existing mining operations that we can ultimately bring into the mine plan."*

This new drill program is aimed at expanding the recent updated Mineral Resource estimate with an effective date of August 31, 2020, posted on SEDAR and the Company's website, that was prepared by SRK Consulting (Canada) Inc. ("SRK") in accordance with the Canadian Securities Administrators' National Instrument 43-101 and Form 43-101F1 (See PR October 20, 2020). The current NI 43-101 Mineral Resource estimate is outlined below:

Table 1: Mineral Resource Statement*, Don Nicolás Project, Santa Cruz, Argentina, SRK Consulting, August 31, 2020

Category	Quantity tonne	Grade		Metal	
		Au gpt	Ag gpt	Au Oz	Ag oz
Open Pit** Cut-off 0.3 g/t gold					
Measured	249,400	4.32	5.50	34,668	44,100
Indicated	820,600	5.77	9.61	152,237	183,126
Measured and Indicated	1,070,000	5.43	8.39	186,905	227,226
Inferred	4,108,400	1.59	3.75	210,476	195,252
Underground** Cut-off 3.0 g/t gold					
Measured	0	0.00	0.00	0	0
Indicated	56,200	6.59	8.12	11,903	14,677
Measured and Indicated	56,200	6.59	8.12	11,903	14,677
Inferred	555,300	7.74	8.41	138,217	124,867
Combined Mining					
Measured	249,400	4.32	5.50	34,668	44,100
Indicated	876,800	5.82	9.48	164,140	197,803
Measured and Indicated	1,126,200	5.49	8.37	198,808	241,903

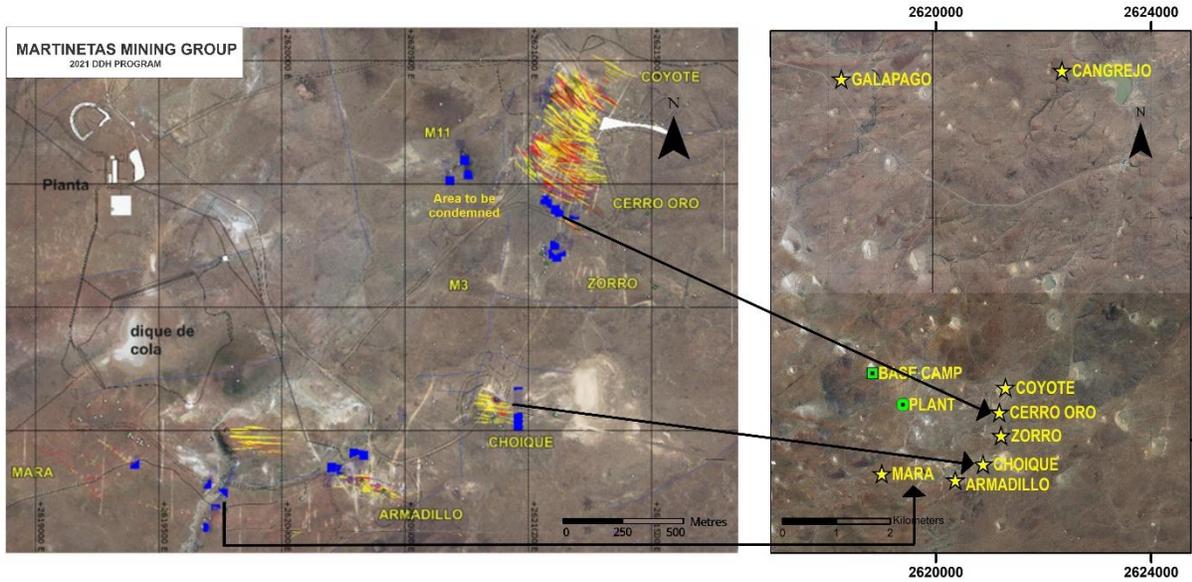
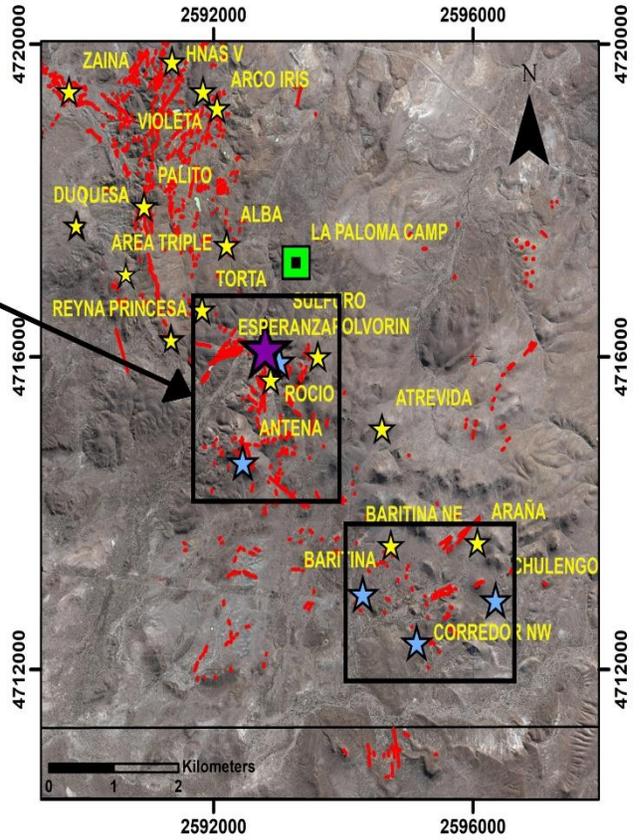
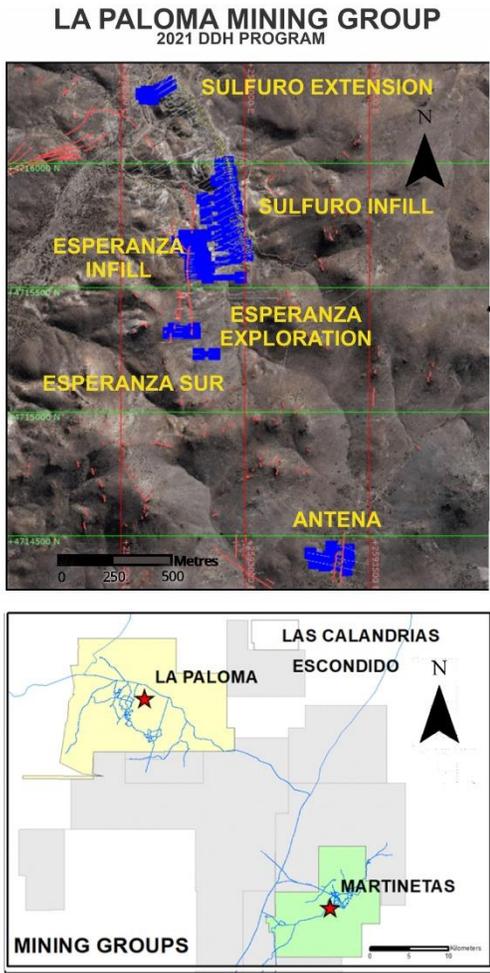
Inferred	4,663,700	2.33	4.78	348,693	320,118
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Notes:

*- Mineral resources are reported in relation to a conceptual pit shell. Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate.

**- Open pit mineral resources are reported at a cut-off grade of 0.3 g/t gold for the open pit portion and 3.0 g/t gold for the underground deposits. Cut-off grades are based on a price of US\$1,550 per ounce of gold and gold recoveries of 95 percent at Martinetas and 88 percent at La Paloma, without considering revenues from other metals.

The 2021 exploration program is comprised of 12,000 metres of diamond drilling. This program will consist mainly of step-out and downdip drilling to target extensions of gold mineralization and a modest amount of infill drilling to upgrade resources. The primary areas of focus for the program will be to build on the numerous exploration targets that have been defined by limited historical drilling, such as the Esperanza and Paula Andrea (Baritina, Chulengo, Ariana, Carcol targets) areas, and upgrade these to NI 43-101 compliant status. The current program is in addition to current RC drilling by the mine for infill and grade control used to extend the current mining areas of La Paloma and Martinetas both along strike and at depth.



Review of Technical Information

The scientific and technical information in this press release has been reviewed and approved by Robert Campbell, P.Geo., Vice President, Exploration and Director for Cerrado Gold Inc., who is a Qualified Persons as defined in National Instrument 43-101.

Minera Don Nicolás Overview

Minera Don Nicolás is located 1,625km south west of Buenos Aires, Argentina in the Deseado Massif region in the mining friendly province of Santa Cruz. The project is comprised of several exploration concessions totaling 333,400 Ha's. The largest regional centre is Comodoro Rivadavia, which provides logistical and other support for the operations.

MDN Project is situated within the world renowned Deseado Massif where the underlying geology of the region is dominated by rhyolitic and andesitic volcanic and tuffaceous volcanoclastic lithologies of Middle to Upper Jurassic age (130 to 170 ma). It is criss-crossed by numerous extensive fault and fracture zones, which served as conduits for hydrothermal activity during periods of Jurassic volcanism. The result of this activity is a widespread network of shallow level mineralized "epithermal" fissure veins, breccias, and stock-work systems, many of which carry potentially economic Au and Ag mineralization. The Deseado Massif region is host to several epithermal gold-silver deposits and several multi-million ounce gold deposits, including Cerro Vanguardia (Anglo Gold), Cerro Negro (Newmont GoldCorp), Cerro Morro (Yamana).

In February 2012, Minera IRL published a Full Feasibility Technical Report in accordance with National Instrument 43-101 ("NI 43-101"). Construction of the facilities was completed in 2017 and production has been ramping up to full capacity between 2018 and 2019.

Current mining operations are conducted in two areas, the high grade La Paloma deposit and the Martinetas deposits, approximately 30km apart. Ore is processed through a 1,000 tpd CIL plant located near the Martinetas pit. The project currently supports 325 employees and contractors on a fly-in fly-out basis. Mineral Don Nicolás has strong regional and local community backing having signed agreements with the two neighboring communities.

Cerrado acquired the MDN Project property in March 2020 and undertook a fundamental review of the resource database and based upon a significant geological re-interpretation, engaged SRK to conduct an independent NI43-101 updated resource technical report. This was completed on August 31, 2020 and is highlighted in Table 1 above. Also, highlighted in maps above, are the numerous other target areas that can be expected to be quickly added to the mineral inventory with exploration work and is the focus of this new drilling program.

For further information please contact

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About Cerrado Gold

Cerrado Gold is a private gold producer and exploration company with gold production derived from its 100% owned Minera Don Nicolas mine in Santa Cruz province, Argentina. It also owns 100% of the assets of Minera Mariana in Santa Cruz province, Argentina. The company is also undertaking exploration at its 100% owned Monte Do Carmo project located in Tocantins, Brazil. For more information about Cerrado Gold please visit our website at www.ceradogold.com.

