

BB1 ACQUISITION CORP. ANNOUNCES NAME CHANGE, SHARE CONSOLIDATION AND COMPLETION OF QUALIFYING TRANSACTION TO ACQUIRE CERRADO GOLD INC.

FOR IMMEDIATE RELEASE

TORONTO, ONTARIO – February 19, 2021 – BB1 Acquisition Corp. (TSXV: CERT) (the “**Resulting Issuer**”) is pleased to announce the completion of its qualifying transaction (the “**Transaction**”) pursuant to *Policy 2.4 – Capital Pool Companies* of the TSX Venture Exchange (the “**TSXV**”). In accordance with the previously announced definitive agreement dated November 29, 2020, 2787735 Ontario Inc., a wholly-owned subsidiary of the Resulting Issuer, merged with Cerrado Gold Inc. (“**Cerrado**”). The Transaction was structured as a three-cornered amalgamation, as a result of which Cerrado has become a wholly-owned subsidiary of the Resulting Issuer. As part of the Transaction the Resulting Issuer changed its name to “Cerrado Gold Corp.”, and intends to complete a vertical short-form amalgamation to amalgamate itself with Cerrado and carry on under the corporate name “Cerrado Gold Inc.” prior to the resumption of trading on the TSXV. The Resulting Issuer will issue a subsequent press release once the date the shares of the Resulting Issuer will begin trading on the TSXV is confirmed.

In connection with the Transaction, the Resulting Issuer filed Articles of Amendment effective February 18, 2021, changing its name to “Cerrado Gold Corp.” and consolidating the common shares of the Resulting Issuer (the “**Common Shares**”), on the basis of one (1) post-consolidation Common Share for every 8.31 pre-consolidation Common Shares (the “**Consolidation**”). No fractional shares shall be issued as a result of the Consolidation, and if any fractional share would otherwise result from the Consolidation, such fractional share shall be rounded down to the nearest whole share.

Related Financings

Prior to the completion of the Transaction, Cerrado completed a concurrent brokered private placement of subscription receipts (“**Subscription Receipts**”) led by Cormark Securities Inc. and Haywood Securities Inc. as the co-lead agents (the “**Co-Lead Agents**”), and including Stifel Nicolaus Canada Inc. and H.C. Wainwright & Co., LLC (together with the Co-Lead Agents, the “**Agents**”) for aggregate gross proceeds of \$15,000,120 (“**Subscription Receipt Financing**”).

Upon satisfaction of certain escrow release conditions and closing of the Transaction, each Subscription Receipt was automatically exchanged, without payment of any additional consideration, for one (1) common share of Cerrado (a “**Cerrado Share**”). On closing of the Transaction, each Cerrado Share was, without payment of any additional consideration or taking of any action, subsequently exchanged for one (1) common share of the Resulting Issuer (a “**Resulting Issuer Share**”).

In connection with the Transaction, Cerrado also completed a brokered private placement of special warrants (“**Special Warrants**”) for aggregate gross proceeds of approximately US\$7,076,600 (the “**Special Warrant Financing**”). Haywood Securities Inc. (the “**SW Agent**”) acted as sole agent in the Special Warrant Financing. Upon completion of the Transaction, each Special Warrant was deemed to be exercised for one Cerrado Share. On closing of the Transaction, each Cerrado Share was exchanged for one Resulting Issuer Share.

For more information about the Transaction, the Subscription Receipt Financing and the Special Warrant Financing, please refer to the press releases of the Resulting Issuer dated August 4, 2020, August 27, 2020, September 14, 2020, November 3, 2020 and February 16, 2021 and the filing statement dated November 30, 2020 and filed under the Resulting Issuer’s profile on SEDAR at www.sedar.com on December 2, 2020.

Post-Closing Capitalization

Pursuant to the Transaction, all securities of Cerrado were exchanged for securities of the Resulting Issuer at an exchange ratio of one (1) security of the Resulting Issuer for each equivalent security of Cerrado so exchanged. Upon closing of the Transaction, among other things:

- The Resulting Issuer issued to (a) holders of Cerrado Shares issued pursuant to the Subscription Receipt Financing an aggregate of 11,111,200 Resulting Issuer Shares, (b) holders of Cerrado Shares issued pursuant to the Special Warrant Financing an aggregate of 8,845,750 Resulting Issuer Shares and (b) all other holders of common shares in the capital of Cerrado an aggregate of 48,650,688 Resulting Issuer Shares;
- The Resulting Issuer issued to holders of common share purchase warrants of Cerrado (“**Cerrado Warrants**”) an aggregate of 2,000,000 warrants (“**Warrants**”) to purchase 2,000,000 Resulting Issuer Shares, with each such Warrant having substantially the same terms, including exercise price, as the Cerrado Warrants;
- The Resulting Issuer issued to holders of outstanding options of Cerrado (“**Cerrado Options**”) an aggregate of 4,000,000 options (“**Options**”) to purchase 4,000,000 Resulting Issuer Shares, with each such Option having substantially the same terms and economic value as the Cerrado Options;
- The Resulting Issuer issued to holders of restricted share units of Cerrado (“**Cerrado RSUs**”) an aggregate of 6,780,003 restricted share units (“**RSUs**”) to vest into 6,780,003 Resulting Issuer Shares, with each such RSUs having substantially the same terms and economic value as the Cerrado RSUs; and
- The Resulting Issuer issued to the Agents and SW Agent (each as defined above) an aggregate of 1,295,412 broker warrants (“**Broker Warrants**”) to purchase Resulting Issuer Shares, having substantially the same terms and economic value as the broker warrants issued to the Agents upon closing of the Subscription Receipt Financing and SW Agent upon closing of the Special Warrant Financing, respectively.

Following completion of the Transaction, there are 70,545,054 Common Shares, 2,000,000 Warrants, 4,000,000 Options and 6,780,003 RSUs and 1,295,412 Broker Warrants issued and outstanding of the Resulting Issuer.

Shareholders of the Resulting Issuer approved all matters voted on at the special meeting of shareholders held on November 23, 2020. The Common Shares of the Resulting Issuer will trade under the symbol “CERT” when trading commences, following the issuance by the TSXV of the Final Exchange Bulletin regarding the Transaction.

Escrowed Securities

Upon completion of the Transaction, an aggregate of 22,609,165 Resulting Issuer Shares, 2,000,000 Warrants, 3,800,000 Options and 4,608,334 RSUs held by “principals” of the Resulting Issuer were held in escrow pursuant to a value securities escrow agreement (the “**Value Escrowed Securities**”), whereby 10% of the Value Escrowed Securities will become eligible for release from escrow on the issuance of the Final Exchange Bulletin (the “**Initial Release**”). The Resulting Issuer expects to be listed on the TSXV as a Tier 2 issuer upon receipt of the Final Exchange Bulletin and accordingly, an additional 15% of the

escrowed Resulting Issuer Shares will be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release.

In addition, pursuant to the requirements of the TSXV, certain “seed share resale restrictions” are applicable to Resulting Issuer Shares held by a non-“principals” of the Resulting Issuer (“**Seed Share Resale Restricted Shares**”). An aggregate of 2,000,000 of such Seed Share Resale Restricted Shares will be subject the same release schedule as the Value Escrowed Securities.

Lastly, pursuant to the requirements of the TSXV, 1,719,995 Resulting Issuer Shares will be subject to a value security escrow whereby 10% of the escrowed securities will become eligible for release from escrow on the issuance of the Initial Release, with the balance subject to the same release schedule as the Value Escrowed Securities.

About Cerrado Gold Inc.

Cerrado Gold is a gold production and exploration company with gold production derived from its 100% owned Minera Don Nicolas mine in Santa Cruz province, Argentina. Cerrado Gold 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.cerradogold.com.

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Disclaimer

This press release contains statements that constitute “forward-looking information” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements contained in this press release include, without limitation, statements regarding the business and operations of the Resulting Issuer. In making the forward- looking statements contained in this press release, the Resulting Issuer has made certain assumptions, including that: all applicable regulatory approvals for the Transaction will be received. Although the Resulting Issuer believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, the Resulting Issuer disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.