

**BB1 ACQUISITION CORP. AND CERRADO GOLD INC. ANNOUNCE CLOSING OF THE  
SECOND AND FINAL TRANCHE OF SPECIAL WARRANT OFFERING FOR GROSS  
PROCEEDS OF US\$1,724,000**

- **Total financing proceeds from first and second tranche were US\$7,076,600**

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**FOR IMMEDIATE RELEASE**

**TORONTO, ONTARIO** – September 14, 2020 – BB1 Acquisition Corp. (TSXV: BBA.P) (the “**Company**” or “**BB1**”) and Cerrado Gold Inc. (“**Cerrado**”) are pleased to announce that Cerrado has completed the second and final tranche of a brokered private placement of special warrants (“**Special Warrants**”) for aggregate gross proceeds of approximately US\$1,724,000. Total funds raised under the first and second tranche of the Cerrado placement (the “**Offering**”) were US\$7,076,600. Haywood Securities Inc. (the “**Agent**”) acted as sole agent in the Offering.

The Offering has been completed in connection with the proposed business combination (the “**Transaction**”) between Cerrado and BB1 previously announced in a press release of BB1 dated August 4, 2020, which transaction is intended to constitute BB1’s “Qualifying Transaction” pursuant to Policy 2.4 of the TSX Venture Exchange (the “**TSXV**”).

Under the second tranche of the Offering, Cerrado issued an aggregate of 2,155,000 Special Warrants at a price of US\$0.80 per Special Warrant (the “**Offering Price**”) for gross proceeds of approximately US\$1,724,000.

The net proceeds from the Offering will be used to complete an updated NI 43-101 mineral resource report for Cerrado’s Minera Don Nicolas mine (“**MDN**”), to complete an Initial Preliminary Economic Assessment prepared in accordance with NI 43-101 based upon the current defined resources at Cerrado’s Monte de Carmo Gold Project (“**MDC**”), to undertake a new exploration drill program and associated metallurgical test work aimed at expanding the current resource, and for general working capital purposes.

Each Special Warrant will be exercisable by the holder thereof at any time after the date of closing of the Offering, without payment of any additional consideration therefor, for one common share in the capital of Cerrado (a “**Cerrado Share**”), subject to customary adjustments. Each unexercised Special Warrant shall be deemed to be exercised for one Cerrado Share in connection with the completion of the Transaction. Upon closing of the Transaction, each Cerrado Share shall be exchanged for a common share in the capital of the Company, as described in detail in the Company’s press release dated August 4, 2020.

In the event that the Transaction has not occurred prior to 4:00 p.m. (Toronto time) on the date which is 180 days following the date of closing of the Offering (the “**Qualification Deadline**”), each unexercised Special Warrant will be deemed exercised and will automatically be exchanged for 1.1 Cerrado Shares without further payment or action by the holder thereof.

On closing of the second tranche, Cerrado paid the Agent a cash commission together with a corporate finance fee totalling approximately US\$108,000. In addition, Cerrado issued to the Agent an aggregate of 134,600 compensation options and corporate finance fee options (collectively, the “**Agent’s Options**”), each entitling the Agent to purchase one Cerrado Share for a period of 24 months from the closing of the second tranche of the Offering at the Offering Price. Should the Transaction not close prior to the Qualification Deadline, the number of Cerrado Shares issuable pursuant to the Agent’s Options shall be multiplied by 1.1. In addition the Company paid a cash finder’s fee of US\$13,000 and issued 16,250 finder’s warrants to an eligible finder. The finder’s warrants were issued on the same commercial terms as the Agent’s Options. Upon closing of the Transaction, the Agent’s Options and finder’s warrants will be exchanged for warrants of BB1 in connection with the Transaction.

Unless permitted under securities legislation, all securities issued pursuant to the Offering are subject to a hold period ending on the date that is four months and a day after the later of (i) September 10, 2020, and (ii) the date that Cerrado became a reporting issuer in any province or territory.

### **About Cerrado**

Cerrado is a gold mining and exploration company with assets in Argentina and Brazil. Cerrado was continued under the laws of the Province of Ontario on October 3, 2017. In Argentina, the Company owns Minera Don Nicolas, a well-established in-production gold mine. The mine commenced operations in 2017 and is targeting to produce in excess of 50,000 oz per year via a 1,000 tpd CIL plant and related facilities. In Brazil the company is exploring at its Monte do Carmo gold project in Tocantins state. The project currently has a mineral resource prepared in accordance with NI 43-101 containing 813,000 oz with significant upside expected via further exploration. The Board and management of Cerrado have a long history of success having developed numerous projects from early stage exploration through development and production.

Cerrado acquired MDN in March of 2020 for a purchase price of US\$45MM, payable in staged payments. Cerrado paid an upfront payment of US\$15MM on closing (March 16, 2020) with the remaining US\$30MM payable over a 5-year period as follows: US\$10 million payable 24 months following closing (March 16, 2022); US\$10 million payable 48 months following closing (March 16, 2024); and US\$10 million payable 60 months following closing (March 16, 2025). The operation is located in the mineral rich and prolific Deseado Massif in the province of Santa Cruz, Argentina. MDN consists of an open pit gold mine with an associated 1,000 tpd carbon in leach (CIL) gold recovery plant, targeting to produce 50-60koz/yr gold doré per annum. Current operations are focused on two mining areas, La Paloma and Martinetas, with material processed at a central plant facility. The project has significant exploration potential with a land package in excess of 273,000 ha's.

Construction of mine and related facilities was completed in 2017 and the operations have been ramping up to full capacity during 2018 and 2019. The project currently supports 325 employees and contractors on a fly-in fly-out basis. Don Nicolas has strong local and regional backing having signed agreements with the two neighboring communities and has received strong support from the government of Santa Cruz.

The gold deposits at MDN are classified as an epithermal gold vein style of deposit typical of the region which is host to numerous large-scale gold operations. Cerrado has commenced a new exploration program to confirm the current resource base and to focus on expanding the mine life through further exploration on surface and at depth.

The MDC project is located in the state of Tocantins, Brazil, immediately east of the town of Monte do Carmo. Currently work has focused on the Serra Alta deposit, however, numerous analogs remain to be

fully defined. The Monte do Carmo property consists of 11 exploration permits totaling 52,213 ha's. The property has access to excellent local infrastructural with limited garimpeiro activity on site and strong local support from the community.

Regional investment in mineral exploration in the area, by others, is reported to have amounted to US\$4.7 million from 1985 through 1995, and over US\$20.0 million from 1996 to 2018 by various operators.

Cerrado acquired the MDC project from Monte Sinai Mineracao Ltda (“**Monte Sinai**”) in 2017 and since then has undertaken various drilling and other exploration activities on site over the past couple of years. To date a mineral resource report prepared in accordance with NI 43-101 dated December 5, 2018 has outlined an initial mineral resource of 13.7 million tonnes grading 1.85 g/t, for contained gold of 813,000 oz. Continued exploration is planned at Serra Alta and the surrounding area with the objective to rapidly expand this mineral resource base to support a significant open pit mining operation.

The technical information contained in this news release was reviewed and approved by Robert Campbell (M.Sc., P.Geo) who is a Qualified Person (“**QP**”) under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”).

### **About BBI**

BBI is a capital pool company within the meanings of the policies of the TSXV and does not have any operations and has no assets other than cash. BBI’s business is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction under the policies of the TSXV.

### **Forward Looking Information, Disclaimer and Reader Advisory**

All information provided in this press release relating to Cerrado has been provided by management of Cerrado and has not been independently verified by management of the Company. As the date of this press release, the Company has not entered into a Definitive Agreement with Cerrado, and readers are cautioned that there can be no assurances that a Definitive Agreement will be executed.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

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

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 exchange of the Special Warrants into Cerrado Shares, the terms, conditions, and completion of the Transaction; use of funds; and the business and operations of the Company upon completion of the Transaction. In making the forward- looking statements contained in this press release, the Company has made certain assumptions, including that: due diligence will be satisfactory; all applicable shareholder, and regulatory approvals for the Transaction will be received. Although the Company 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: results of due diligence; availability of financing; delay or failure to receive board, shareholder or regulatory approvals; and 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 Company 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.

For more information please contact BB1’s Chief Executive Officer, Stephen Shefsky at +1-416-366-4200 or Cerrado’s Co-Chairman and CEO, Mark Brennan at +1-647-796-0023.