

## Company secures 100% of Chuscal through deal with AngloGold

### HIGHLIGHTS

- **Formal contract executed with AngloGold Ashanti**
  - **AngloGold to become a shareholder of Los Cerros**
  - **Los Cerros secures 100% of Chuscal**

**Los Cerros Limited (ASX: LCL) (Los Cerros or the Company)** is pleased to advise that it has executed an agreement (**Agreement**) to exchange AngloGold Ashanti Colombia's (**AGA**) interests in the Chuscal JV for LCL shares and options.

AGA is an entity owned by AngloGold Ashanti Limited. The Agreement is the conclusion of negotiations with AGA, the material terms of which were first announced 20 April 2020. The Agreement will take Los Cerros' ownership of Chuscal to 100% and results in the Company holding 100% of the Quinchia Project of which Chuscal is a part, and also includes Tesorito, Miraflores, Dosquebradas and other less developed but interesting gold targets.

Los Cerros Managing Director, Jason Stirbinskis said:

*"We look forward to AGA becoming a shareholder. They have proved to be supportive JV partners at Chuscal and we look forward to their ongoing support as a shareholder of Los Cerros. In addition to their vast knowledge of Colombian geology and gold discoveries, they also have direct experience in the Quinchia region and some of our highest priority targets in the extensive Andes portfolio were also once AGA assets".*

Key terms of the Agreement include:

- issue of 10,476,597 fully paid ordinary Los Cerros shares (**LCL Shares**) to AGA<sup>1</sup>;
- issue of 15,430,648<sup>1</sup> options (**Options**) to AGA, with an exercise price of \$0.16 and an expiry date 12 months from the date of issue;
- termination of the Chuscal Joint Venture Agreement (**CJVA**) and associated obligations such as minimum spend requirements. Under the current CJVA, Los Cerros can earn a 51% interest through expenditure of US\$2.5m to 2022. Under the Agreement, Los Cerros now has a 100% interest in Chuscal, with no further earn-in obligations; and
- usual warranties and conditions typical of a transaction of this nature.

For the purpose of ASX Listing Rule 15.5, the Board has authorised this announcement to be released.

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<sup>1</sup> Pursuant to Shareholder Resolution #9 at the LCL AGM of 23 June 2020. See Notice of Annual General Meeting released 12 May 2020. The Company has been granted a waiver by the ASX from Listing Rule 14.7 to permit the Company to issue the Vendor Consideration later than three months following the date of the AGM to allow sufficient time for AGA to secure SARB approval, which has now been provided.

***For further enquiries contact:***

**Jason Stirbinskis**

Managing Director  
Los Cerros Limited  
12/11 Ventnor Avenue  
WEST PERTH WA 6005  
jason@loscerros.com.au

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