

## March 2022 Quarterly Report

### HIGHLIGHTS

- **Major milestone completed at Tesorito with delivery of 1.3Moz maiden Inferred Resource, which included a potential 0.5Moz high-grade “starter pit”<sup>1</sup>**
- **Tesorito MRE drives growth in Quinchia Project Mineral Resources to 2.6Moz @ 1.02g/t Au**
- **Tesorito metallurgical testwork underway as pre-cursor to Quinchia-wide Preliminary Economic Assessment (PEA)**
- **Pipeline of ongoing newsflow with five rigs in operation across multiple sites, and target generation program continuing**
- **Well-funded to drive further exploration and development growth with \$17.5 million cash at quarter end**

Advanced gold explorer and developer **Los Cerros Limited (ASX: LCL) (Los Cerros or the Company)** is pleased to provide an overview on activities completed in the March quarter.

The Company achieved a major milestone through the release of a maiden 1.3Moz Inferred Resource at the Tesorito Gold Porphyry (**Tesorito**), taking the Quinchia Project, inclusive of Tesorito, to a total combined Resource of 2.6Moz<sup>2</sup>,

A backlog of assay results was addressed with the release in January of assays for eleven drill holes, representing all remaining completed holes from the 2021 drilling campaign. By mid-quarter the drilling program had ramped back up to five rigs operating across multiple targets and with that ramped up activity, the Company anticipates more frequent drilling updates will begin to flow in from early May

The release of the Tesorito Mineral Resource Estimate (MRE) marked the emergence of the Company’s development program with the first step, metallurgical studies on the Tesorito resources, commenced in the second quarter. The second quarter will also see a return to frequent news flow from several exploration programs, with drilling to be completed at various sites including Ceibal, the Central Target and the new Claras target, located north of Tesorito.

### **1.3Moz maiden MRE defined at Tesorito, including potential 0.5Moz high-grade ‘starter pit’**

Los Cerros announced an MRE (Inferred) of 1.3Moz @ 0.81g/t Au for Tesorito, with a central high-grade gold zone of 0.54Moz @ 1.23g/t Au<sup>3</sup> providing a compelling opportunity to consider higher margin ‘starter pit’ mining scenarios.

Whilst the Company has elected to focus on the 1.3Moz iteration of the MRE, this occurs within a larger optimised pit shell of 2.3Moz @ 0.53g/t Au<sup>4</sup> (Table 1 and Figure 1), which demonstrates potential for

<sup>1</sup> Refer announcement 22 March 2022. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

<sup>2</sup> Contains a mix of Inferred, Indicated and Measured Resources. Using Tesorito MRE of 1.3Moz @ 0.81 g/t Au. The Miraflores Reserve is included in the Miraflores Resource. Refer ASX announcement dated 14 March 2017 (Miraflores Resource) and 27 November 2017 (Miraflores Reserve) and 25 February 2020 (Dosquebradas Resource) and 22 March 2022 (Tesorito Resource). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply.

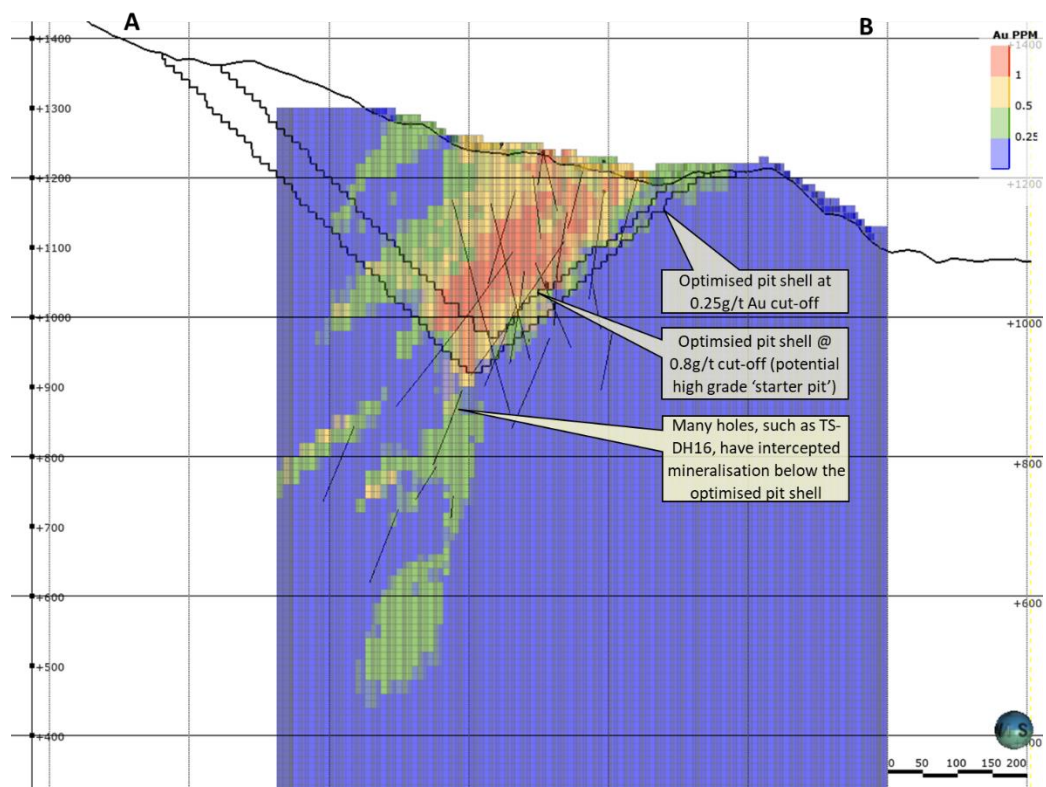
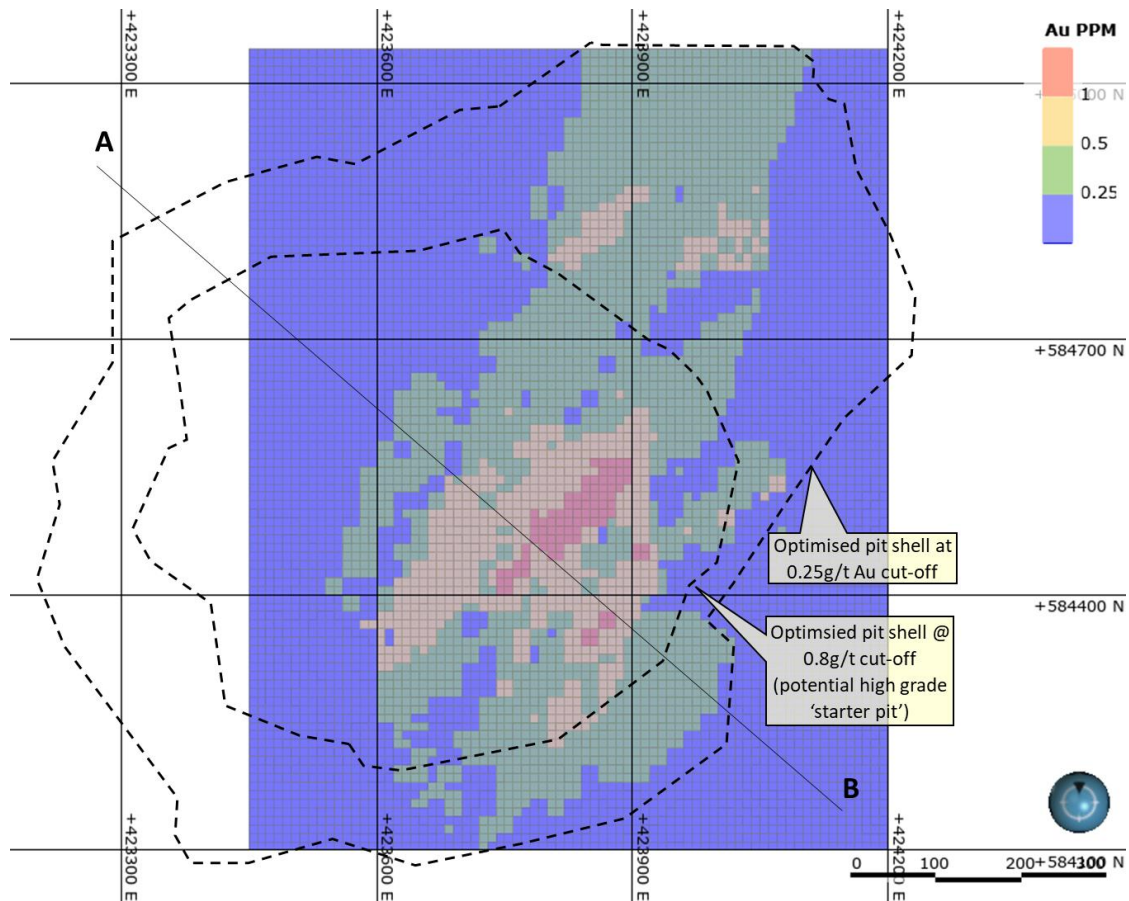
<sup>3</sup> At a 0.8g/t Au cut-off. Refer announcement 22 March 2022. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

<sup>4</sup> At a 0.25g/t Au cut-off and US\$1,800/oz gold price. Refer announcement 22 March 2022. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

sustaining a longer-term mining project, involving lower grade gold that mostly defines the margins of the optimised modelled pit shell. It is also worth noting that the unconstrained MRE, capturing additional material beyond the pit optimisation, generates an Inferred Resource of 1.7Moz @ 0.71g/t Au using a 0.45g/t cut-off grade (and doubling to 3.4Moz @ 0.45g/t Au if applying a 0.25g/t Au cut-off)<sup>1</sup>. This raises the possibility of resource growth through refinement of optimisation parameters, an improving gold price and consideration of possible underground mining methods for mineralisation below the optimised pit shell.

CUT-OFF	TONNES (Mt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
0.25g/t Au	134.3	0.53	0.62	<b>2,290</b>	2,673
<b>0.5g/t Au</b>	<b>50.0</b>	<b>0.81</b>	<b>0.75</b>	<b>1,298</b>	1,205
0.6g/t Au	33.4	0.94	0.82	<b>1,006</b>	880

**Table 1.** Tesorito optimised pit constrained Inferred MRE as at 22 March 2022 at three different gold cut-off grades.



**Figure 1a and b:** Tesorito plan view (a) and section view (b) of the optimised pit shell (0.25g/t Au cut-off) and high-grade optimised pit shell (0.8g/t Au cut-off) over gold block model and drill traces. Note deeper gold mineralisation below the optimised pit shells.

## Tesorito MRE drives growth in Quinchia Project Mineral Resources to 2.6Moz @ 1.02g/t Au

Quinchia is an established project which includes the advanced Miraflores deposit (Reserve status), Tesorito and Dosquebradas deposits (Resource status) and many additional earlier-stage targets (Figure 2). Importantly, Tesorito is situated less than 1km from the Miraflores gold ore body. The Company sees strong potential for all Quinchia gold resources to be developed as a “mining” hub with a central processing facility.

The inclusion of the Tesorito MRE using a 0.5g/t Au cut-off increases the total Quinchia Gold Project MRE to 2.6Moz gold (Table 2), with potential to add further ounces from established and early-stage exploration targets within a 3km radius of Tesorito and Miraflores.

Quinchia subzone	Resource Category	CUT-OFF	TONNES (Mt)	Au (g/t)	Au (koz)
Tesorito	Inferred	0.5g/t Au	50.0	0.81	1,298
Dosquebradas	Inferred	0.5g/t Au	20.2	0.71	459
Miraflores - U.Ground	Measured + Indicated	1.2g/t Au	9.3	2.82	840
Miraflores - U.Ground	Inferred	1.2g/t Au	0.5	2.36	37
<b>QUINCHIA RESOURCE</b>			<b>80.0</b>	<b>1.02</b>	<b>2,634</b>

**Table 2.** Quinchia Gold Project MRE, as at 22 March 2022. Note: The Miraflores Resource includes a Reserve Estimate.

The Company intends to commission a Preliminary Economic Assessment (PEA) of Quinchia incorporating Tesorito, Miraflores and Dosquebradas resources, once the first round of Tesorito metallurgical testwork is complete. A scenario of particular economic interest for investigation within the broader PEA is combining the 0.54Moz optimised (“starter pit”) pit shell with material from the Miraflores Reserve less than 1km away.

### Quarter exploration results and progress

A substantial tranche of assay results were released in January 2022 marking the completion of 2021 Tesorito resource drilling programs and final data inputs for the Tesorito MRE. The last tranche of results was mainly focused on defining southern and eastern limits of mineralisation. Tesorito remains open to the north. Two holes within the high grade ‘starter pit’ region delivered high grade gold results consistent with expectations and the geology model including<sup>5</sup> -

- **100m @ 1.01g/t Au from surface** in TS-DH52 including **31m @ 1.72g/t Au from surface**
- **88m @ 1.02g/t Au from surface** in TS-DH53 including **26m @ 1.93g/t Au from surface.**

First quarter 2022 exploration drilling (Table 3) has been focussed on the Ceibal target with 3 rigs testing for northern and southern extensions to porphyry mineralisation intercepted in 2021 drilling. There are currently 3 holes in progress at Ceibal with current down hole depths ranging from 278m to 960m.

A fourth rig has been testing the Claras magnetic geophysics anomaly, ~1km north of Tesorito and within the Marmato Fault Corridor, which also hosts Tesorito and Ceibal. Two holes have been completed, with assays pending, however we note the first hole was terminated earlier than its target depth due to poor ground stability issues and safety concerns.

<sup>5</sup> Refer announcement 31 January 2022. The Company confirms that it is not aware of any new information that affects the information contained in the announcement

A fifth rig is testing a chargeability geophysics anomaly between Tesorito and Miraflores. The first hole of 1,205m was completed during the quarter with results expected shortly. A second hole from the same location has commenced.

Area	Drill hole #	Down hole depth (m)	Comment
<b>Ceibal</b>	CEDDH007	278 - in progress	Testing northern Ceibal geophysics anomaly. Earlier mechanical failure caused delay
	CEDDH008	960 - in progress	Testing northern Ceibal geophysics anomaly
	CHDDH014	778 - in progress	Testing southern Ceibal geophysics anomaly
<b>Tesorito</b>	TS-DH57	1201 - complete, assays pending	Testing area between Tesorito and Miraflores
	TS-DH60	701 - complete, assays pending	Testing Tesorito western edge and depth extensions
	TS-DH61	600 - in progress	Testing area between Tesorito and Miraflores
	TS-DH62	800 - complete, assays pending	Testing northern extension of Tesorito
	TS-DH63	53 - in progress	Testing northern extension of Tesorito towards Claras
<b>Claras</b>	ACDH001	212 - complete, assays pending	Stopped early due to local ground instability
	ACDH002	663 - complete, assays pending	Testing new Claras target

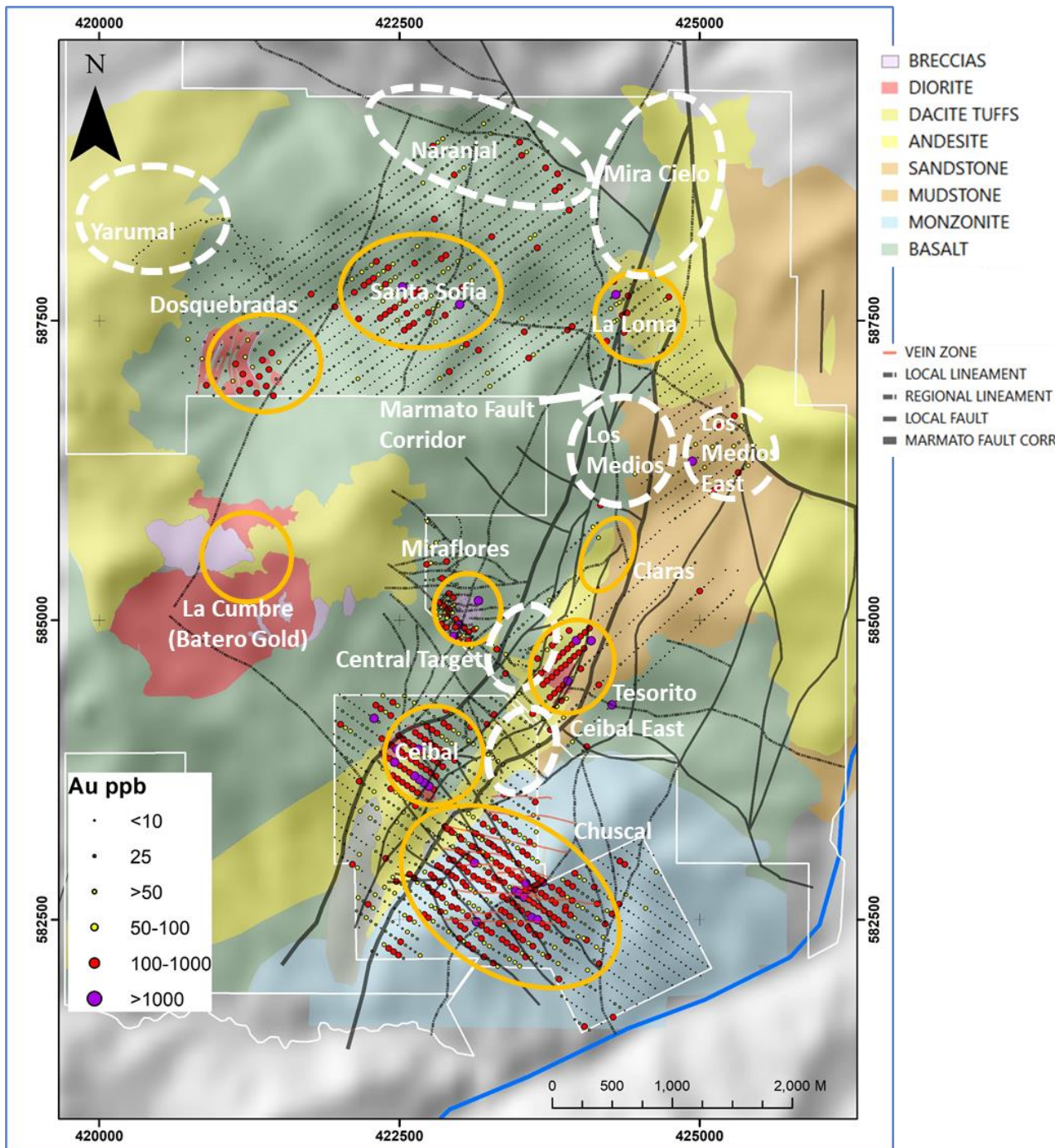
**Table 3:** The 2022 drill program has consisted of deep holes across several targets.

The fourth deep penetrating IP geophysics survey was completed during quarter and covers the Chuscal area. It is anticipated that outputs of the survey will guide the next campaign of drilling at Chuscal and surrounds.

Target generation activities continued at pace with several field mapping and sampling programs progressing during the quarter within the Quinchia region.

Results of these activities are pending as at the date of this report.





**Figure 2:** The Quinchia Gold Project contains multiple targets at various levels of investigation within a ~3km radius. This image reveals the major known target areas (orange circles) and earlier stage targets (white circles) over gold geochemistry in soils anomalism and major structures. La Cumbre is a gold project within the area owned by TSX listed Batero Gold ([www.baterogold.com](http://www.baterogold.com)).

### Corporate and Appendix 5B disclosures

During the quarter, 1.95 million unlisted options exercisable variously at 2, 7 and 10 cents were exercised raising a total of \$71,500 and a further \$516,000 was received for options exercises allotted after quarter end. Subsequent to the end of the quarter and the expiry of the 10 cent options on 6

April 2022, a further 9.845 million unlisted 2, 7 and 10 cent options were allotted raising a total of \$985,000.

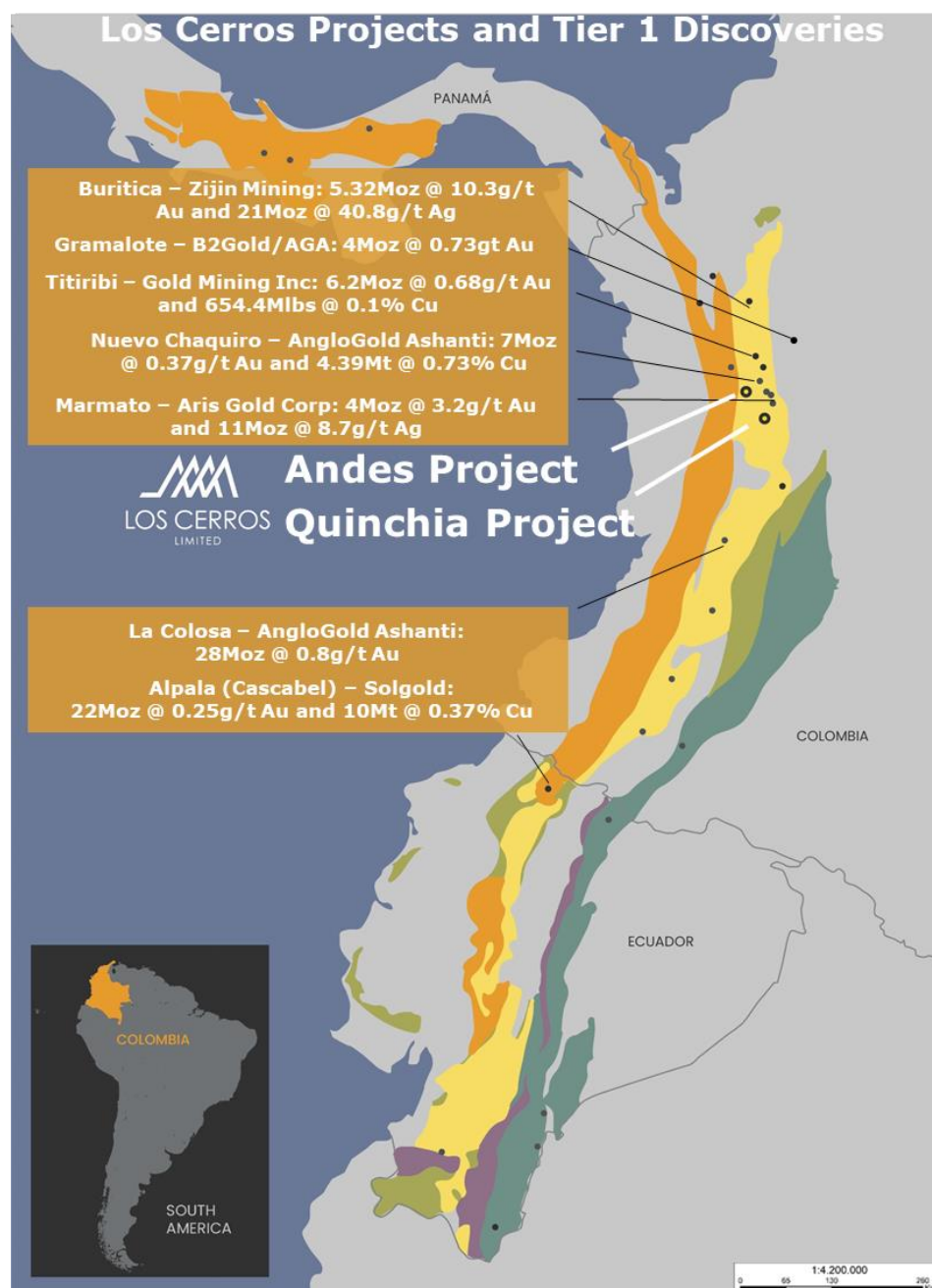
As outlined in the attached Appendix 5B, during the quarter the Company spent approximately:

- \$1,631k on exploration activities;
- \$190k in payments made to related parties and their associates for director salaries, consultancy fees, superannuation; and
- \$587k on administration and corporate costs.

The Company held cash and cash equivalents of \$17.5 million at the end of the quarter.

## About Los Cerros

**Los Cerros Limited** is a gold/copper explorer with a dominant position within the Andes and Quinchia regions of the mid-Cauca Gold Belt of Colombia which hosts many major discoveries (Figure 3). The Quinchia Gold Project hosts a Resource of 2.6Moz including the Miraflores Reserve of 457,000 Au ounces at 3.29g/t Au<sup>6</sup>. Within 3km of Miraflores is the Tesorito Gold Porphyry Resource plus the Chuscal and Ceibal porphyry prospects. Other targets within the Quinchia Gold Project include the Dosquebradas deposit with its Inferred Resource.



**Figure 3:** The Company's Andes and Quinchia Gold Projects sit on the Miocene aged, mid-Cauca Gold Belt in a sub-section of the belt that hosts many major copper-gold porphyry discoveries.

*Metal volume estimates are taken from various company websites and may or may not include Inferred Resources and have not been independently verified.*

The Andes Gold Project (Los Cerros 90%, BHC 10% free carry to FS) is a larger area of early-stage exploration in the state of Antioquia ~70km north of Quinchia. The Company has previously

<sup>6</sup> Refer ASX announcement dated 14 March 2017 (Resource) and 27 November 2017 (Reserve). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply



completed extensive preliminary surface work at many sites within the expansive footprint, including ~14,000 surface samples, to identify multiple early-stage epithermal gold and porphyry gold/copper targets. No field work was conducted on the Andes Gold Project during the quarter.

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

**For further enquiries contact:**

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Los Cerros Limited

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**FORWARD LOOKING STATEMENTS** This document contains forward looking statements concerning Los Cerros. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Los Cerros' beliefs, opinions and estimates of Los Cerros as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur.

**JORC STATEMENTS - COMPETENT PERSONS STATEMENTS**

The information in this Report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Cesar Garcia, who is a Member of The Australasian Institute of Mining and Metallurgy and who is a geologist who is employed by Los Cerros. Mr. Garcia 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. Garcia consents to the inclusion in the release of the matters based on his information in the form and context in which it appears. The information in this announcement that relates to Los Cerros' Exploration Results have been extracted from various Los Cerros ASX announcements and are available to view on the Company's website at [www.loscerros.com.au/site/content/](http://www.loscerros.com.au/site/content/) or through the ASX website at [www.asx.com.au](http://www.asx.com.au) (using ticker code "LCL"). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

## Mineral Resources and Reserves Statement

### QUINCHIA GOLD PROJECT - MINERAL RESOURCE ESTIMATE (MRE)

Quinchia subzone	Resource Category	CUT-OFF	TONNES (Mt)	Au (g/t)	Au (koz)
Tesorito	Inferred	0.5g/t Au	50.0	0.81	1,298
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Miraflores - U.Ground	Inferred	1.2g/t Au	0.5	2.36	37
<b>QUINCHIA RESOURCE</b>			<b>80.0</b>	<b>1.02</b>	<b>2,634</b>

Note: Miraflores Resource includes Miraflores Reserve

### MIRAFLORES RESERVE

CATEGORY	TONNES (Mt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Proved	1.7	2.75	2.2	150	120
Probable	2.6	3.64	3.13	307	264
<b>Total</b>	<b>4.3</b>	<b>3.29</b>	<b>2.77</b>	<b>457</b>	<b>385</b>

The information in this section is drawn from the following ASX releases:

Deposit	Release Date
Miraflores Mineral Resource Estimate and explanatory notes	14 March 2017
Miraflores Ore Reserve Estimate and explanatory notes	17 November 2017
Dosquebradas Mineral Resource Estimate and explanatory notes	25 February 2020
Tesorito Resource Mineral Resource Estimate and explanatory notes	22 March 2022

## Mineral Tenements held as at 31 March 2022

<b>Quinchia Gold Project, Colombia</b>			
TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)(5)	STAGE
010-87M (4)	MCM	Contribution contract	Exploration
DLK-142	MCM	Concession	Exploration
DLK-14544X	MCM	Concession	Exploration
FCG-08353X	MCM	Concession	Exploration
FCG-08355X	MCM	Concession	Exploration
FCG-08356X	MCM	Concession	Exploration
FCG-08357X	MCM	Concession	Exploration
FCG-08358X	MCM	Concession	Exploration
FKH-145510X	MCM	Concession	Exploration
GC4-15002X (6)	MCM	Concession	Exploration
GC4-15005X (6)	MCM	Concession	Exploration
GC4-150010X (6)	MCM	Concession	Exploration
TDR-11411	MCM	Application	Exploration
GC4-159 (6)	AGA	Application	Exploration
GC4-15001X (6)	AGA	Application	Exploration
GC4-15004X (6)	AGA	Application	Exploration
GC4-15006X (6)	AGA	Application	Exploration
GC4-15007X (6)	AGA	Application	Exploration
GC4-15008X (6)	AGA	Application	Exploration
GC4-15009X (6)	AGA	Application	Exploration
KHL-15421 (6)	AGA	Application	Exploration
OG2-08112	MCM	Application	Exploration
OG2-10591	MCM	Application	Exploration
OG2-8073	MCM	Application	Exploration
502321	MCM	Application	Exploration
502322	MCM	Application	Exploration

(1) All titles are part of the Quinchia Gold Project, Quinchia, Department of Risaralda, Colombia.

(2) MCM (Miraflores Compañía Minera SAS) a 100%-owned subsidiary of North Hill Holdings Group Inc., owned as to 100% by Los Cerros.

(3) Concessions at Exploration Stage have 3 year life extendable for 2 years to a maximum 11 years.

(4) 15 year life extendable for 15 years.

(5) Applications have neither legal liabilities nor certainty that they will be granted in whole or in part. If there was open ground at the time of lodging, a contract for exploration and potential exploration will be offered to the applicant. MCM has a beneficial interest of 100% of the tenement when the application is granted.

(6) AGA (AngloGold Ashanti Colombia SAS). Los Cerros has a 100% beneficial interest in these tenements which are in the process of transfer to MCM.

**Andes Gold Project, Colombia**

TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)	STAGE
T5630005 El Columpio	Andes Resources (2.3)	Exploitation License (4)	Exploitation
P8717011 San Pablo	Mineria Integral de Colombia - MININCOL (2.1)	Special Permission (5)	Exploitation
HINC-03-5843	Grupo de Bullet (2.2)	Concession (3)	Exploration
KI7-14021	Frontera (2.2)	Concession (3)	Exploration
18821	Puerto de Oro & Claudia Naranjo Ruiz (2.2)	Application (6)	Exploration
19697	Puerto de Oro (2.2)	Application (6)	Exploration
20982	Colombian Development Corporation (2.2)	Application (6)	Exploration
HD6-08152X	Negocios Mineros (2.2)	Application (6)	Exploration
HD6-086	Negocios Mineros (2.2)	Application (6)	Exploration
PKA-08231	Nacional de Minerales y Metales (2.2)	Application (6)	Exploration
HKU-08011	Leo (2.2)	Application (6)	Exploration
JC4-08003X	Acuario (2.2)	Application (6)	Exploration
JC4-08007X	Acuario (2.2)	Application (6)	Exploration
JC4-08008X	Acuario (2.2)	Application (6)	Exploration
JC4-08004X	Acuario (2.2)	Application (6)	Exploration
JC4-08005X	Acuario (2.2)	Application (6)	Exploration
JC4-08009X	Acuario (2.2)	Application (6)	Exploration
JC4-08006X	Acuario (2.2)	Application (6)	Exploration
JCC-16191X	Achagua (2.2)	Application (6)	Exploration
JGS-16391	Cholo (2.2)	Application (6)	Exploration
JGS-16394X	Cholo (2.2)	Application (6)	Exploration
JGS-16393X	Cholo (2.2)	Application (6)	Exploration
JII-08221	El Crucero (2.2)	Application (6)	Exploration
JJR-08052X	El Percal (2.2)	Application (6)	Exploration
KCJ-08041	Eros (2.2)	Application (6)	Exploration
KGD-08051	Esquimal (2.2)	Application (6)	Exploration
KGD-08052X	Esquimal (2.2)	Application (6)	Exploration
KI7-14022X	Sociedad Frontera (2.2)	Application (6)	Exploration
KI7-14023X	Sociedad Frontera (2.2)	Application (6)	Exploration
KI7-14024X	Sociedad Frontera (2.2)	Application (6)	Exploration
LJQ-08007	Grupo de Bullet (2.2)	Application (6)	Exploration
OG2-08124	Negocios Mineros (2.2)	Application (6)	Exploration
OG2-08159	Negocios Mineros (2.2)	Application (6)	Exploration



OG2-09375	Minerales OTU (2.2)	Application (6)	Exploration
PDN-09001	Nacional de Minerales y Metales (2.2)	Application (6)	Exploration
RHA-08102X	Andes Resources (2.3)	Application (6)	Exploration
TG9-08001	Andes Resources (2.3)	Application (6)	Exploration
TGC-08001	Andes Resources (2.3)	Application (6)	Exploration
TGD-08001	Andes Resources (2.3)	Application (6)	Exploration
TGG-08001	Andes Resources (2.3)	Application (6)	Exploration
TGH-08001	Andes Resources (2.3)	Application (6)	Exploration
TGH-08002X	Andes Resources (2.3)	Application (6)	Exploration
TGI-08001	Andes Resources (2.3)	Application (6)	Exploration
THF-08011	Andes Resources (2.3)	Application (6)	Exploration
TII-08021	Andes Resources (2.3)	Application (6)	Exploration
TJO-08031	Andes Resources (2.3)	Application (6)	Exploration
TLB-08151	Andes Resources (2.3)	Application (6)	Exploration
UA2-10471	Andes Resources (2.3)	Application (6)	Exploration
UAF-08011	Andes Resources (2.3)	Application (6)	Exploration
501061	Andes Resources (2.3)	Application (6)	Exploration
TGG-08002X	Andes Resources (2.3)	Application (6)	Exploration
TGG-08003X	Andes Resources (2.3)	Application (6)	Exploration
TGG-08004X	Andes Resources (2.3)	Application (6)	Exploration
501773	Andes Resources (2.3)	Application (6)	Exploration
501814	Andes Resources (2.3)	Application (6)	Exploration
501815	Andes Resources (2.3)	Application (6)	Exploration
501528	Andes Resources (2.3)	Application (6)	Exploration
501529	Andes Resources (2.3)	Application (6)	Exploration
501530	Andes Resources (2.3)	Application (6)	Exploration
501533	Andes Resources (2.3)	Application (6)	Exploration
502051	Andes Resources (2.3)	Application (6)	Exploration
502585	Andes Resources (2.3)	Application (6)	Exploration
502587	Andes Resources (2.3)	Application (6)	Exploration
502590	Andes Resources (2.3)	Application (6)	Exploration
502729	Andes Resources (2.3)	Application (6)	Exploration
502752	Andes Resources (2.3)	Application (6)	Exploration
503564	Andes Resources (2.3)	Application (6)	Exploration
503894	Andes Resources (2.3)	Application (6)	Exploration
503895	Andes Resources (2.3)	Application (6)	Exploration
504100	Andes Resources (2.3)	Application (6)	Exploration
504101	Andes Resources (2.3)	Application (6)	Exploration
504102	Andes Resources (2.3)	Application (6)	Exploration

504105	Andes Resources (2.3)	Application (6)	Exploration
504106	Andes Resources (2.3)	Application (6)	Exploration
504107	Andes Resources (2.3)	Application (6)	Exploration
504108	Andes Resources (2.3)	Application (6)	Exploration
504115	Andes Resources (2.3)	Application (6)	Exploration
504117	Andes Resources (2.3)	Application (6)	Exploration
504124	Andes Resources (2.3)	Application (6)	Exploration
504126	Andes Resources (2.3)	Application (6)	Exploration
504862	Andes Resources (2.3)	Application (6)	Exploration
504877	Andes Resources (2.3)	Application (6)	Exploration

(1) All titles are part of the Andes Gold Project, located in Antioquia, Risaralda and Choco, Departments of Colombia. Pursuant to the Interest Transfer Agreement with Bullet Holding Corporation (Bullet), Andes Resources Pty Ltd has a 90% beneficial interest, and Bullet has a 10% interest. All tenements have been crossed checked against the National Mining Authority Registry (ANNA) and reflect the status reported in ANNA. The Colombian Mining Authority's migration to a new tenement management and cadastre system (ANNA) has generated inconsistencies and issues concerning certain mineral tenement boundaries. In addition, there is uncertainty regarding the application and constitutionality of Presidential Decree 1955/19, the purpose of which was to re-instate certain land rights over free land to qualifying informal miners. The issues are not unique to Los Cerros and have the potential to reduce the footprint of a subset of exploration licence applications within the Company's Andes Gold Project. The Company is monitoring the situation and will keep the market informed of developments.

(2) The Titleholders of the tenements are:

(2.1) Tenements in process of acquisition by Andes Resources EP S.A.S (Andes Resources) where Andes Resources owns 77% of the underlying company, Ni Maria J SAS and is earning 100% which will then still be subject to the 10% Bullet holding discussed in (1) above.

(2.2) The titleholders of the applications are various companies associated with Bullet and covered under the Interest Transfer Agreement – see note (1).

(2.3) Andes Resources is a subsidiary company of Los Cerros.

(3) Concessions at Exploration Stage have 3 year life extendable for 2 years to a maximum of 11 years.

(4) 10 year life extendable for 10 years and the tenement is in process of transformation to Concession contract.

(5) 5 year life extendable for 5 years and the tenement is in process of transformation to Concession contract.

(6) Applications have neither legal liabilities nor certainty that they will be granted in whole or in part. If the ground was open ground at the time of lodging, a contract for exploration and potential exploitation will be offered to the applicant. Andes Resources has a beneficial interest in the tenement when the application is granted.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

#### Name of entity

LOS CERROS LTD (ASX: LCL)

#### ABN

43 119 759 349

#### Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs and board remuneration	(242)	(242)
(e) administration and corporate costs	(525)	(525)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(761)</b>	<b>(761)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(5)	(5)
(d) exploration & evaluation	(1,631)	(1,631)
(e) investments	-	-
(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,636)</b>	<b>(1,636)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	587	587
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>587</b>	<b>587</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	19,252	19,252
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(761)	(761)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,636)	(1,636)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	587	587



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(19)	(19)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>17,461</b>	<b>17,461</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9,460	11,251
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits)	8,001	8,001
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>17,461</b>	<b>19,252</b>

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	190
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

The payments to directors or their associates in 6.1 include directors' salaries and superannuation.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>-</b>	<b>-</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>-</b>
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(761)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,631)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,392)
8.4 Cash and cash equivalents at quarter end (item 4.6)	17,461
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	17,461
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	7.30
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2022

Authorised by: The Board

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.