

CLOSING OF TRANSACTION WITH PRIMERO MINING CORP

May 23, 2013 - Primero Mining Corp. has announced completion of the previously announced schemes of arrangement between Cerro Resources NL ("Cerro") and its shareholders ("Share Arrangement") and Cerro and its optionholders under the Corporations Act 2001, whereby Primero has acquired all of the issued and outstanding ordinary shares of Cerro and the terms and conditions of the Cerro options have been amended.

Confirmations of holdings will be sent shortly to former Cerro shareholders and optionholders receiving consideration pursuant to the transaction.

Former Cerro shareholders as a group were also recently granted 80.01% of the ordinary shares of the newly incorporated Santana Minerals Limited ("Santana").

The transfer of the 'spin-out assets' to Santana (as described under the transaction) has also been completed.

Primero has received conditional approval to list the CHESS Depository Interests ("CDIs") issued to eligible Cerro shareholders under the Share Arrangement on the Australian Stock Exchange (the "ASX"). Primero expects that the Primero CDIs will commence trading on the ASX under the symbol "PPM" on May 24, 2013.

Final steps are underway for Santana's admission to the official list of the ASX. Santana expects that the Santana shares will commence trading on the ASX under the symbol "SMI" on or around May 31, 2013.