



CSE:CDPR

Cerro de Pasco Resources Obtains Environmental Permit for Exploration of Quiulacocha Tailings Deposit in Peru

MONTREAL, QUÉBEC, CANADA — (August 4, 2021) Cerro de Pasco Resources Inc. (CSE:CDPR) (Frankfurt: N8HP) (“CDPR”, or the “Corporation”) reports that an environmental impact declaration (*Declaración Impacto Ambiental*) (the “DIA”) for the Quiulacocha tailings deposit located in the Simon Bolivar District of Pasco, Peru was approved through resolution RD N° 157 - 2021/MINEM-DGAAM by the Peruvian Ministry of Energy and Mines (the “MINEM”) on August 3, 2021. In addition to the environmental permit, CDPR also recently obtained the technical approval of the National Water Authority (Autoridad Nacional de Agua - ANA) through technical report N° 0008-2021-ANA-DCERH/RVS, dated July 15, 2021.

The DIA provides the details and coordinates for the 40-hole drilling program that CDPR intends to carry out on its El Metalurgista Concession located within the Quiulacocha tailings deposit. The Quiulacocha tailings deposit covers approximately 115 hectares with tailings deposited in the Quiulacocha Tailings Storage Facility (TSF) from the early 1920’s to 1992. The tailings stored in the TSF, comprised of processing residues, come from the Cerro de Pasco open pit and underground mine. The main period of tailings deposition at Quiulacocha came after 1943 when the Paragsha plant was put into commission, first treating Cu ore and later processing Zn-Pb-Ag ore. According to historical records, the Cerro de Pasco mine processed approximately 58.3 Mt of Zn-Pb-Ag ore between 1952 to 1992 from the open pit and underground workings with average historical grades of 8.6% Zn, 3.3% Pb and 98 g/t Ag.

The most recent Historical Mineral Resource Estimate for the Quiulacocha tailings by BO Consulting in 2012 reported 2.9 Mt at 1.43% Zn, 0.79 % Pb, 43.1 g/t Ag, and 0.04% Cu. This estimate was based on a shallow surface auger sampling program which was estimated to represent only 4% of the expected tonnes of the deposit.

This Historical Resource Estimate is detailed and discussed in the technical report titled The Excelsior Mineral Pile (EMP) and Quiulacocha Tailings (QT) associated with the Cerro de Pasco Mine, Cerro de Pasco District, Altiplano Region, North-Central Peru filed on Sedar.com on July 26, 2018. They are treated as historic information and have not been verified for economic evaluation by the Company. These are considered Historical Mineral Resources and do not refer to any category of sections 1.2 and 1.3 of the Canadian Securities Administrator’s National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) such as Mineral Resources or Mineral Reserves as stated in the 2010 CIM Definition Standards on Mineral Resources and Mineral Reserves. A Qualified Person (within the meaning of NI 43-101) has not done sufficient work to classify the historical estimate as current Mineral Resources or Mineral Reserves. The explanation lies in the inability by the Qualified Person to fully verify the data acquired by the various historical drilling campaigns and other sampling works. Further drilling would be required to upgrade or verify the historical resources. However, the Qualified Person has read the documents pertaining to historical evaluation of the Mineral Resources and is of the opinion that they need to be updated to fully conform to the NI 43-101 or CIM norms.

Drilling program

The drilling program presented in the DIA is planned with sonic drilling equipment and will focus on the central, deeper section of the tailings deposit. Drilling is planned on a 100 x 100-meter grid with drill depth

to be limited by the base of the deposit (lake sediments and organic material). The sampling and assaying program from the drilling will include a Quality Assurance/Quality Control (QA/QC) program which incorporates the insertion of blanks, standards, twin samples, duplicate pulps and coarse rejects and a selection of sample pulps to be sent to a secondary laboratory. After completing the sampling and assaying program and mineralogical studies, composites will be generated to undertake metallurgical studies.

Technical Information

Mr. Shane Whitty has reviewed and approved the scientific and technical information regarding the technical information contained in this news release. Mr. Whitty is a qualified Person within the meaning of the NI 43-101 and is also the Vice President, Exploration for CDPR.

A graduate of Camborne School of Mines, University of Exeter, B. Eng. (Hons) Industrial Geology, CGeol, MIMMM, Mr. Whitty is an experienced geologist with 18 years of work experience in base and precious metal projects and operating mines in Peru, Colombia and Ireland.

Prior to joining CDPR, Mr. Whitty held senior positions in Minesa S.A.S. (Geology and PFS study manager), Minsur S.A. (Senior project geologist), Ancash Mines Limited (technical services manager) and Volcan Compania Minera (senior project geologist). Mr. Whitty has in depth knowledge of the Cerro de Pasco project from his time working with Volcan and now once again with CDPR.

About Cerro de Pasco Resources Inc.

Cerro de Pasco Resources Inc. is a resource management company, founded in 2012 and publicly listed in 2018, with the purpose of treating and reprocessing all dumps, tailings, mining waste and material resources in the Cerro de Pasco Region in Peru. Our ambition is to restore long-term sustainability to the mining activity in the Cerro de Pasco Region, in harmony with a healthy and motivated local population. Our team brings first-hand experience and ideas based on innovative solutions and a holistic approach, aiming to create numerous opportunities in a circular economy.

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