

News Release

CERRO GRANDE MINING CORPORATION

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Cerro Grande Mining Corporation Announces Approval by Sernageomin, the Chilean Government Geology and Mining Agency, of its Pillar Recovery and Replacement Plan for the Pimenton Mine.

Toronto, Ontario, Canada – Cerro Grande Mining Corporation (the “Company” or “CEG”) (CSE:CEG) (OTCQB:CEGMF) announced approval by Sernageomin of the Company’s Pillar Recovery and Replacement Plan for the Pimenton Mine. The Pimenton Mine remnant pillars contain 28,000 tons of high grade mineralized material with a grade of 15.8 grams per ton gold and 1.4% copper as reported in the latest Technical Report on the Pimenton Mine (July 21, 2016)

This new release has been reviewed and approved by David R. S. Thomson, EVP of Exploration of Cerro Grande Mining Corporation and a Qualified Person in accordance with NI 43-101.

Cerro Grande Mining Corporation is a minerals producing, exploration and development company with properties and activities currently focused in Chile.

Cautionary Statement on Forward-looking Information

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to the future financial or operating performance of CEG. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CEG to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release based on current expectations and beliefs and CEG disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.