

## FORM 51-102F3 - MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Cerro Grande Mining Corporation (the "Company")  
1 King Street West  
Suite 4009  
Toronto, Ontario M5H 1A1

2. **Date of Material Change**

February 21, 2023

3. **News Release**

The news release attached hereto as Schedule "A" announcing the material change described herein were released through GlobeNewswire at Toronto, Ontario on February 21, 2023.

4. **Summary of Material Change**

The material change is described in the Company's news release attached hereto as Schedule "A, which news release is incorporated herein.

5. **Full Description of Material Change**

5.1 Full Description of Material Change

No information other than that provided in Item 4 above is presently available.

5.2 Disclosure for Restructuring

Transactions Not Applicable.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Peter Hogg  
CFO and interim Chief  
Executive Officer  
+56 9 9837 4476

9. **Date of Report**  
February 21, 2023.

## News Release



### CERRO GRANDE MINING CORPORATION

FOR IMMEDIATE RELEASE – February 21, 2023

#### **Tamidak Receives Necessary Permits for Tailings Pond Reprocessing to Start at Pimentón Project**

Toronto, Ontario, Canada – Cerro Grande Mining Corporation (the “**Company**” or “**CEG**”) (CSE:CEG) (OTCQB:CEGMF) is pleased to announce that Minera Tamidak Limitada (“**Tamidak**”) has received all of the applicable environmental and mining permits to initiate the tailings pond reprocessing operation at the Company’s past producing Pimentón copper and gold project located approximately 120km northeast of Santiago in the Andes mountains in Chile (the “**Pimentón Project**”). Site preparation has been on going since October 2022, and it is anticipated that the first concentrates from the tailings pond should be produced in late March.

As previously announced by the Company on March 6, 2022, the Company’s wholly-owned Chilean subsidiary, Minera Til Til SpA (“**Til Til**”) is leasing to Tamidak certain concessions from the Pimentón Project pursuant to a “Contrato de Arrendamiento de Concesiones Mineras de Explotacion” (Lease Agreement for Mining Exploitation Concessions) (the “**Agreement**”) enabling Tamidak to carry out certain exploration and extraction activities for mineral substances limited to the existing tailings pond at the Pimentón Project.

Pursuant to the Agreement, all activities to be conducted by Tamidak, including obtaining the required permits and authorizations applicable to Tamidak’s activities, are its sole responsibility and costs. As compensation for the lease, Til Til is entitled to receive, on an annual basis, 50% of the net profits that Tamidak may receive from the recovery and sale of minerals recovered from the tailings pond.

The National Geology and Mining Service of Chile (SERNAGEOMIN) visited the site on November 29, 2022 and approved the lifting of the temporary mine closure. The reprocessing equipment has previously been tested and is now substantially installed on site and a workforce has been retained for the operation of the reprocessing plant. It is anticipated that the reprocessing operation will begin on or about March 20, 2023.

As set out in section 13.3 of the Company’s NI 43-101 Technical Report dated April 19, 2022 entitled “An Updated Technical Report on the Pimenton Mine and its Tailings Pond Gold Potential Region 5, Chile for Minera Til Til SpA, a Wholly Owned Subsidiary of Cerro Grande Mining Corporation” (the “**Technical Report**”), it is estimated that approximately 350,000 cubic meters of material accumulated throughout active mining operations from 1995 until 2017. The historical data for density defined for

Compania Minera Pimenton, the Company's former wholly owned subsidiary is equal to 1.6 t/m<sup>3</sup> indicating that the reservoir has approximately 560,000 tonnes of material which falls into an indicated mineral resource of 20,165 oz of gold(Au), assuming a head grade of 1.12 g/t Au. The current permits allow for a maximum processing of 5000 tonnes per month at the tailings pond. Further information is available in the Technical Report, a copy of which is available on SEDAR under the Company's profile.

The scientific and technical content of this news release has been reviewed and approved by Román E. Flores Villalobos, who is independent of the Company, and a qualified person as defined by National Instrument 43-101. Mr. Flores prepared the Technical Report on behalf of the Company.

### **Cautionary Statement on Forward-looking Information**

This news release contains "forward-looking information", which includes, but is not limited to, statements with respect to the tailings pond reprocessing operation and, in particular, its anticipated start date for operations. 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, including unanticipated delays to the start date of operations at the tailings pond, gold recovery rate in the tailings pond not being as expected, future exploration and metallurgical testing results, availability and access to infrastructure, further disruptions due to a resurgence in Covid 19 or as a result of other pandemics or epidemics, availability of funds and usual risks inherent in exploration, development and mining operations, as well as other risk factors disclosed in the Company's public filings on [www.sedar.com](http://www.sedar.com). Forward-looking statements contained herein are made as of the date of this news 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.

For further information, contact:  
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