

Cerro de Pasco Resources Advances Tailings Retreatment and Removal Project in Peru

MONTREAL, QUÉBEC, CANADA — (July 30, 2019) 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 has been presented on July, 26, 2019 to the Peruvian Ministry of Energy and Mines (the “MINEM”) for evaluation and approval.

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 115 hectares and is estimated to hold approximately 70 million tonnes of tailings which contain recoverable metals such as silver, zinc, lead, copper, gold and other strategic metals.

Cerro de Pasco mining operations started in 1630 and are still operational today. The tailings, comprised of processing residues, come from the Cerro de Pasco open pit and underground mine and have been deposited in Quiulacocha since the early 1900’s. Initially these tailings resulted from the mining of copper-silver-gold ores with reported historical head grades of up to 10% Cu, 4g/t Au and over 300g/t Ag and later from the mining of zinc-lead-silver orebodies with average historical grades of 7.41% Zn, 2.77% Pb and 90.33g/t Ag. The most recent historical Mineral Resource Estimate¹ by BO Consulting in 2012 reports 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 and represented only 4% of the expected tonnes of the deposit.

The Drilling Program will focus on the center and deeper section of the tailings deposit and will be executed through the use of sonic or other suitable drilling equipment to collect PQ size core. Drilling will be conducted on a 100 x 100 meter grid and will reach the bottom of deposit. The drilling will confirm the grades already established in the upper portion of the tailings while also intersecting the expected higher-grade tailings in the deeper sections of the deposit. The Sampling and Assaying Program from the drilling will be comprised of a Quality Assurance/Quality Control program which includes 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 detailed metallurgical studies.

¹ These estimates are 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* dated July 24, 2018. They are treated as historic information and have not been verified for economic evaluation by the Corporation. 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.

CDPR has proposed for MINEM to grant rights to the tailings areas which surround CDPR's El Metalurgista Concession. It is important for CDPR to have full access to the entire tailings area in order for CDPR to conduct a comprehensive analysis and develop an effective retreatment and remediation plan. In this regard CDPR has offered to provide MINEM with an irrevocable performance guarantee with respect to its activities on the surrounding Quiulacocha tailings. Senior management at CDPR stated: "We are confident that MINEM will see the merits of our Project. Once we are granted the rights to the surrounding tailing area, we will extend the boundaries set forth in the DIA and prepare an EIA for the retreatment of both the tailings located within our Concession and for the remaining tailings which surround us, in accordance with mining environmental regulations."

The safe removal of tailings is one of CDPR's main priorities. The tailings will be removed by water monitors and slurry pumps on barges that will pump the material to the adjacent processing plants for safe retreatment. Furthermore, CDPR plans to deposit the tailings in specifically designed and lined tailings storage facilities thereby removing the environmental risk to the Lago Junin biosphere. Subsequent to the tailing's removal, the Quiulacocha area will be rehabilitated and returned to the communities.

CDPR has the full technical capability to conduct the tailings retreatment and removal in a responsible manner. Additionally, CDPR's management has extensive experience in the retreatment of tailings in Africa and South America. Tailings retreatment operations have successfully been conducted throughout the globe including:

- New Century Resources zinc tailings retreatment operation in Australia
- Minsur B2 tin tailings retreatment operation in Peru
- DRD Gold tailings retreatment operation in South Africa
- Amerigo Resources copper tailings retreatment operation in Chile

CDPR's retreatment Project provides a sustainable solution for the local population as well as multiple economic benefits for Cerro de Pasco's government. Specifically, the Project will enhance Cerro de Pasco's economy by creating employment opportunities, offering special royalties to the communities and by generating tax income for the local and national government. The Project will also provide a permanent and effective remediation to safeguard Quiulacocha's tailings environment. CDPR understands this effort to be beneficial for both the local communities and Project Stakeholders involved.

CDPR Commitments to Internationally-Accepted Industry Practices for Environmental, Community, Safety, Anti-Corruption, and Corporate Social Responsibility (CSR) Matters

CDPR's key focus is the environmental remediation through the extraction of remaining valuable minerals from the stockpiles and deposits generated by previous local mining activities. CDPR endorses and conducts responsible mining practices. CDPR will utilize up-to-date technology and industrial development solutions to secure long-term economic sustainability and a healthy and prosperous local population at Cerro de Pasco.

CDPR clearly recognizes that the communities and the environments in which it operates in are inter-dependent and that it may be held accountable for any effects and potential consequences. The proper management of these inter-connecting activities is essential to the economic well-being of CDPR. Therefore, CDPR is totally committed to having first-rate programs for: protection of the environment; providing safe workplaces for its employees and contractors; responsibly and ethically managing our relationships with its Project stakeholders and in the local communities where it operates; and, ensuring

that CDPR is one that readily accepts and promotes itself as following the principles of corporate social responsibility or CSR.

CDPR has a rigorous commitment to the principles of corporate social responsibility, anti-corruption ethics, sound environmental practices, safe working conditions for our employees, and positive community involvement in its Projects. To that end, CDPR has strong, formal policies on these matters, which conform to generally-accepted international standards, that have been formally adopted by the CDPR Board.

CDPR's development of the Cerro de Pasco Project will be guided by internationally-accepted core principles and strategic goals. As such, CDPR will be driven by the Principles of Performance (listed below) of the International Council on Mining and Metals (ICMM), a well-respected international organization dedicated to a safe, fair, and sustainable mining and metals industry. The ICMM is comprised of 26 of the world's leading mining and metals companies and 35 regional and commodities associations.

1. Apply ethical business practices and sound systems of corporate governance and transparency to support sustainable development
2. Integrate sustainable development in corporate strategy and decision-making processes
3. Respect human rights and the interests, cultures, customs and values of employees and communities affected by our activities
4. Implement effective risk-management strategies and systems based on sound science and which account for stakeholder perceptions of risks
5. Pursue continual improvement in health and safety performance with the ultimate goal of zero harm
6. Pursue continual improvement in environmental performance issues, such as water stewardship, energy use and climate change
7. Contribute to the conservation of biodiversity and integrated approaches to land-use planning
8. Facilitate and support the knowledge-base and systems for responsible design, use, re-use, recycling and disposal of products containing metals and minerals
9. Pursue continual improvement in social performance and contribute to the social, economic and institutional development of host countries and communities
10. Proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Effectively report and independently verify progress and performance

Update on Trading Halt

On April 10, 2019, a temporary trading halt was requested by CDPR in anticipation of potential material transactions. The Corporation expects to be able to announce such transactions in the near future. The Corporation will disclose any transactions as soon as they occur, at which point it is expected that trading of CDPR shares will resume.

Technical Information

Donald E. Hulse, P. E., SME-RM and principle mining engineer with Gustavson Associates in Denver, has reviewed and approved the scientific and technical information regarding the technical information contained in this news release. Mr. Hulse is a Qualified Person within the meaning of NI 43-101.

About Cerro de Pasco Resources Inc.

Cerro de Pasco Resources Inc. is a resource management company attuned to the most demanding environmental, social and legal compliance required by global institutions and investors. The key strategic strength of the Corporation is an unparalleled knowledge of the challenges and opportunities presented by the minerals endowment within the city of Cerro de Pasco combined with a highly experienced and practical team of both Peruvian and international management. The key focus of the Corporation will be on developing the El Metalurgista mining concession using advanced geo-resource and industrial development solutions in order to secure long-term economic operational sustainability in harmony with a healthy and prosperous local population.

Forward-Looking Statements and Disclaimer

Certain information contained herein may constitute “forward-looking information” under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, “will be”, “expected” or variations of such words and phrases or statements that certain actions, events or results “will” occur. Forward-looking statements are based on the Corporation’s estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Corporation will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.

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