



CSE:CDPR

Cerro de Pasco Resources Closes Second Tranche Non-Brokered Private Placement

MONTREAL, QUÉBEC, CANADA — (July 2, 2020) Cerro de Pasco Resources Inc. (CSE : CDPR) (OTCMKTS : GPPRF) (Frankfurt : N8HP) (“CDPR” or the “Company”) closed the second tranche of a non-brokered private placement offering (the “Offering”) for a gross proceeds of \$513,611 and issued 1,712,034 common share units of the Company (“Unit Share”) at a price of at a price of \$0.30 per Unit.

Under the first and second tranches of the Offering, the Company raised aggregate gross proceeds of **\$1,661,561**.

Each Unit will consist of one common share of the Company and one common share purchase warrant (“Warrant”). Each Warrant will entitle the holder to purchase one additional Share at a price of \$0.50 per share for a period of 24 months from the date of issuance provided however that the Company shall be entitled to accelerate the expiry of the Warrants to the date that is 30 days following the date a notice is provided to the holder in the event that the volume weighted average price of the Shares on the Canadian Securities Exchange exceeds \$1.00 per share for any twenty (20) consecutive trading days at any time prior to the expiry of the Warrants.

The Company will use the net proceeds of the Offering for working capital purposes.

In connection with the second tranche, the Company paid an amount of \$5,994 as finder’s fees to arm’s length third parties.

One officer of the Company purchased a total of 150,000 Units. Their participation in the Offering constitutes a “related party transaction” as defined under National Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“NI 61-101”). However, such participation is exempt from the valuation and minority shareholder approval requirements of NI 61-101 based on the fact that neither the fair market value of the Offering, nor the consideration paid by such persons, exceeds 25% of the Company’s market capitalization. The Company did not file a material change report at least 21 days prior to the closing of the Offering as participation of the insiders had not been established at that time.

Any securities issued pursuant to the Offering will be subject to a hold period under applicable securities laws which will expire four months and one day from the date of their issuance.

About Cerro de Pasco Resources

Cerro de Pasco Resources Inc. is a resource management company, with a focus on applying the latest technology in the production of commodity metals through the treatment and reprocessing of all material

resources, dumps, tailings, mining waste etc. at Cerro de Pasco in order to secure long-term economic prosperity. CDPR strives to meet to the highest level of environmental, social and legal compliance. CDPR provides extensive knowledge of Cerro de Pasco's challenges and potential, based on first-hand experience and a team of top experts.

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 "plans", "seeks", "expects", "estimates", "intends", "anticipates", "believes", "could", "might", "likely" or variations of such words, or statements that certain actions, events or results "may", "will", "could", "would", "might", "will be taken", "occur", "be achieved" or other similar expressions. Forward-looking statements, including the expectations of CDPR's management regarding the completion of the Transaction as well as the business and the expansion and growth of CDPR's operations, are based on CDPR'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 CDPR to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Forward-looking statements are subject to business and economic factors and uncertainties, and other factors that could cause actual results to differ materially from these forward-looking statements, including the relevant assumptions and risks factors set out in CDPR's public documents, available on SEDAR at www.sedar.com. 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. Although CDPR believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements and forward-looking information. Except where required by applicable law, CDPR disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Further Information

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