



## **CERRO DE PASCO RESOURCES PROVIDES Q1 2022 PRODUCTION RESULTS, 2022 PRODUCTION GUIDANCE, STARTS 30,000 METERS EXPLORATION DRILLING PROGRAM & ANNOUNCES CORPORATE UPDATE**

**MONTREAL, QUÉBEC, CANADA — (April, 26, 2022)** Cerro de Pasco Resources Inc. (CSE: CDPR) (Frankfurt: N8HP) (“CDPR,” or the “Company”) is pleased to provide an interim operational update for its Santander Mine, for the first quarter ending March 31, 2022.

### **Q1 Highlights**

- 7,771,756 lbs of payable ZnEq<sup>1</sup> metal produced
- 7,210,518 lbs of payable zinc, 294,790 lbs of payable lead, and 24,944 oz of payable silver produced
- Santander continues to operate, mine life extended beyond end of 2022 on immediately available Mineral Resources
- New mining contractor brought to site, ramping up operations
- 4,171.3m of exploration and infill drilling completed against a plan of 30,750m
- Engineering work underway to complete a new NI 43-101 technical report supporting a material increase in mine life

Jorge Lozano, COO of CDPR commented: *“Since acquiring the Santander Asset in December 2021 we are significantly investing into the business, thus giving the Santander Mine a new life by aiming to increase its reserves, and identifying additional resource potential, enabling CDPR to unlock additional mill feed sources and grow production for a new Life-of-Mine.*

*In addition, CDPR is working to bring Santander back to steady-state mine, with improved operating practices and safety being an integral part of all mining activities at the mine. As part of our safety production plans, and enhanced operating practices, we have brought in a new mining contractor capable of achieving our safe production standards and KPIs. The operations team at Cerro de Pasco Resources remains focused on providing consistent performance and execution to deliver on our 2022 guidance.”*

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<sup>1</sup> ZnEq. Or zinc equivalent production includes payable zinc, silver and lead production expressed in terms of zinc using the \$1.60/lb zinc, \$1.10/lb lead and \$23/oz

## Santander Q1 Results, Guidance and Operational Outlook

As part of CDPR's commitment towards a safe operation, the Company took the strategic decision to stop the mine for 19 days after the very unfortunate fatal incident on January 31st. For the balance of Q1, CDPR focused on intensifying retraining, improving equipment readiness, underground conditions, and ensuring safe transition of production over to the new contractor. CDPR's board and management take safety very seriously, and these intentional steps to improve the safety "wiring" of the whole team obviously took its toll on the production throughput which was secondary during the process. Despite this, the Company was able to produce 7,771,756 lbs of payable ZnEq metal during the first quarter of 2022, consisting of, 7,210,518 lbs payable zinc, 294,790 lbs payable lead and 24,944 oz payable silver. CDPR has committed to 30,750m of exploration and infill drilling at Santander Mine with the purpose of increasing Mineral Resources and Reserves. To date the Company has completed 4,247m of drilling (4147.3 m in Q1). The company will shortly provide further updates on these drilling in subsequent press releases.

### Q1 2022 Santander Production Results

- 94,918 tonnes processed
- Average Plant Head Grade
  - Zn 4.33 %
  - Pb 0.20 %
  - Ag 16.17 g/t
- Average plant recovery
  - Zn 95.34 %
  - Pb 74.66 %
  - Ag 49.61 %
- 7,771,756 lbs payable ZnEq produced, comprised of
  - 7,210,518 lbs Zinc payable,
  - 294,790 lbs Lead payable, and
  - 24,944 oz Silver payable

### 2022 Santander Production Guidance

	Units	Guidance 2022
Payable production of ZnEq	(000)s lbs	46,066 - 58,260
Payable production of Zinc	(000)s lbs	40,854 - 51,669
Payable production of Lead	(000)s lbs	2,701 - 3,415
Payable production of Silver	(000)s oz	233 - 295
C1 Cost	US\$/ lb	1.00 - 1.27
AISC Cost	US\$/ lb	1.20 - 1.52

The Company acquired Santander with the objective of extending the operating life of the Magistral orebody over the previous plan which was to wind down operations ending in Q1 2022 (see press release dated Nov 8, 2021). Per the Company's guidance, a short-term plan through 2022 and into Q1 2023 has been finalized on immediately available and near-term mineralization close to existing workings. Additionally, the new infill drilling program has highlighted several months of mineralized

material in lateral, footwall and hangingwall extensions of the Magistral ore body that will be included into the short-term plan with minimum development. The Company is currently focussed on recouping development meters and ramping up production to a steady state of 2,000 tpd through Q2 and Q3.

Upon completion of the 30,750-meter drilling campaign, the company plans to complete an industry compliant Technical Report with a new LOM Plan including the Santander Pipe and other relevant satellite but ore bodies to Magistral.

The Company is also focusing on optimization of the mine dewatering system, critical for operating continuity and overall efficiency of the mining operation; the enhancement of the power supply system and peak-power management efficiencies; bolstering the site leadership and supervisor teams at the site; and working on management systems to optimize overall runtime for mining operations and reduce associated costs.

### **Changes in the CDPR Board of Directors and Management**

The Company is delighted to announce the appointment of Eduardo Loret de Mola as Non-Executive Director. Mr. Loret de Mola is a Mining Engineer with a Master's Degree in Mining Economy. A Peruvian national, he brings a wealth of experience in operations, planning and commissioning of mining projects in Peru and abroad, in multinational and national mining companies.

Guy Goulet, CEO and Director: *"We are delighted to welcome Mr. Loret de Mola onto our board at this pivotal time for our Company. Eduardo brings invaluable experience across the whole spectrum of mining planning and operations and has a profound understanding of the Peruvian mining sector. His vast experience at every level of mining groups, including Trafigura, Rio Alto and Hochschild, is extremely relevant to us at this time."*

The appointment follows the recent retirement of Neil Ringdahl (as President and Director) and David Shaw from the Board of Directors. Steven Zadka, Executive Chairman and Director commented: *"On behalf of the Board, I would like to thank Neil for the invaluable strategic guidance and perspective he has provided first as an advisor over the years and then as President since 2020. His vision and leadership played key part in the acquisition of the Santander mine. I would also like to thank David Shaw for his numerous contributions and perspectives provided."*

Mr. Ringdahl and Mr. Shaw will remain as senior advisors of the Company.

Mr. Manuel Rodriguez Mariátegui, Executive Director, will assume the role of President and Director of the Company. This change follows the recent appointment of Jorge Lozano as COO at CDPR.

### **Technical and Production Information**

Jorge Lozano, MMSAQP and Chief Operating Officer for CDPR, has reviewed and approved the scientific and technical information contained in this news release. Mr. Lozano is a Qualified Person for the purposes of reporting in compliance with NI 43-101.

### **About Cerro de Pasco Resources**

Cerro de Pasco Resources Inc. is a resource management company, founded in 2012 with the original purpose of developing the El Metalurgista mining concession comprising mineral tailings and stockpiles extracted from the Cerro de Pasco open-pit mine in central Peru. Our strategic strength lies in our

extensive team experience and knowledge of the opportunities and challenges in and around Cerro de Pasco. The company is founded on clear objectives, to engender long-term economic sustainability and benefit for the local population, from an economic, social and health point of view. The company's approach at El Metalurgista entails the reprocessing and environmental remediation of mining waste and the creation of numerous opportunities in a circular economy.

### **Contact Information**

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