



CERRO DE PASCO RESOURCES INTERCEPTS NEW HIGH-GRADE MINERALIZATION AT SANTANDER, ANNOUNCES EXPANSION OF ITS EXPLORATION PROGRAM AND PROGRESS OF ITS PEA STUDY ON SANTANDER PIPE (HISTORIC SANTANDER MINE)

MONTREAL, QUÉBEC, CANADA — (July, 11, 2022) Cerro de Pasco Resources Inc. (CSE : **CDPR**) (OTCMKTS: GPPRF) (Frankfurt : N8HP) (“CDPR” or the “Corporation”) is pleased to report results of a high grade intercept at its wholly-owned Santander Mine in Peru. The Corporation also provides a report and update on the exploration and infill drilling campaigns together with an announcement to expand its exploration program.

High-grade intercept in new location between Magistral Mine and Santander Pipe

Borehole SAN-0282-22, which is located approximately halfway between the Magistral Mine and the Santander Pipe, has cut a 300 m package of skarn with various mineralized horizons which have been analyzed in the mine’s onsite laboratory run by SGS. The mineralization and alteration encountered in SAN-0282-22 is similar to that of the Santander Pipe body which was historically mined for very high base metal grades.

The Corporation feels that the mineralisation and skarn intercepts encountered in SAN-0282-22 demonstrate significant exploration potential. Therefore, the Corporation has increased the 2022 drilling budget to cover an additional 5,000m of drilling. CDPR has followed up on the initial drilling results with two additional boreholes, both of which have hit similar skarn and mineralized horizons. These boreholes are currently being sampled. [Figure 1](#) shows a preliminary section interpretation of SAN-0282-22 and SAN-0283-22 (location of section line in [Figure 2](#)), and Table 1 shows the assay results returned to date (SGS mine laboratory) for intercepts in SAN-0282-22. Drilling on this target is continuing to the North of SAN-0282-22.

Table 1: Best intercepts from SAN-0282-22.

HOLEID	FROM (m)	TO (m)	Length (m)	Zn_pct	Pb_pct	Cu_pct	Ag_ppm
SAN-0282-22	572.85	580.70	7.85	9.61	0.17	0.14	61.37
SAN-0282-22	625.10	627.75	2.65	4.61	0.01	0.04	4.04
SAN-0282-22	639.40	644.00	4.60	3.41	0.01	0.03	2.34
SAN-0282-22	652.80	661.00	8.20	2.12	0.01	0.01	2.00
SAN-0282-22	700.15	704.95	4.80	7.42	0.01	0.30	14.04

The sample pulps for the intercepts in Table 1 will be further analyzed in ALS to confirm the mine laboratory assays and to quantify other elements not assayed by the mine laboratory.

Guy Goulet, CEO of CDPR commented: “This update highlights the exciting path forward for continued value to be generated. Cerro de Pasco Resources believe Santander has significant brownfield exploration potential that points to mine life extensions and validates our confidence in potential long-term value from the acquisition of Santander.”

Also, CDPR feels it is strategically important that this first intercept and potential new ore zone is located halfway between the Santander Pipe and the Magistral Deposits, and at a depth similar to current mining levels in the Magistral bodies.

Jorge Lozano, COO of CDPR further commented: “The strategic location in between a proposed connecting infrastructure from Magistral to Santander Pipe deposit. Further definition of this deposit will allow us to unlock new value to the project with a more flexible path for developing the Pipe deposits and further optimization of economics with mining higher grade areas.”

Exploration Program Update

The overall drilling program has been increased to 35,880 m from 30,750 m (stated in Q1 press release), of which 25,150 m have been allocated for exploration (surface and underground) and 10,730 m for infill drilling. To date, a total of 17,820.35m of drilling has been executed, which includes 13,980.45 m of exploration (mainly surface) and 3,839.9 m of infill drilling. [Figure 2](#) shows the location and advance of surface exploration drilling, [Figure 3](#) shows the same information in cross section including the underground exploration drilling, and [Figure 4](#) shows the executed and proposed infill drilling programs.

Other Exploration and Infill Drilling Result Highlights

See previous press release dated April 27, 2022 for Q1 Exploration results. The following provides an update for Q2.

Extension Magistral North – CDPR has finished its current drilling program in Magistral North. The results shown below are in addition to the Q1 results and show good intercepts in two of the boreholes.

- SAN-0273-22 intersected:
 - 2.30 m at 3.11% Zn, 0.09 % Pb, 0.02% Cu, 10.72 g/t Ag.
- SAN-0275B-22 intersected:
 - 7.20 m at 3.09 % Zn, 0.92% Pb, 0.03 % Cu, 57.93 g/t Ag.
 - 8.35 m at 1.87 % Zn, 0.42% Pb, 0.02 % Cu, 68.48 g/t Ag.

The site geologists consider the style of mineralisation intersected to be similar to that of the Rosa and Fatima bodies which are vein fault structures that crosscut the Magistral orebody. CDPR is building an interpretation for this new zone.

Extension at Magistral South – Q1 surface drilling identified a possible extension to the Magistral South orebody. CDPR drilled the potential extension with infill boreholes from underground mine accesses in relatively close proximity to the newly identified zone. The results shown below are in addition to the Q1 results and show good intercepts in two of the boreholes. Some of the top intersects are:

- MSD-0664-22 Intersected:
 - (MS) 3.2 m at 3.01% Zn, 0.27% Pb, 4.46 g/t Ag.
- MSD-0666-22 Intersected:
 - (MS) 3.3 m at 3.51% Zn, 0.17% Pb, 2.48 g/t Ag.
- MSD-0672-22 Intersected:
 - (MS) 6.4 m at 10.78% Zn, 0.03% Pb, 10.71% g/t Ag.

*Note: * MS – Magistral Sur, shows mineralization at the southern end of the already mined zones.*

CDPR has finalized an interpretation for this new zone and plan to incorporate it into 2022 mining schedule due to close proximity of mineralisation to existing accesses. CDPR will use any new accesses mined to undertake further step out infill drilling in areas that cannot currently be reached with the existing mine infrastructure.

Blanquita Target – The Blanquita target is located 0.7 km SE of Magistral South and 0.5 km NW of Santander Pipe. The mineralisation intersected to date lies directly under a spur coming out of the large project wide Magnetotelluric (MT) geophysical anomaly and below an area of pervasive jasperoid silica alteration (470 m x 20 m) and As, Mn, Sb, Mo, Cs and Sr geochemical anomalies. The Q1 assay results were reported through the onsite SGS managed laboratory and are restated below considering ALS check analysis, which also includes assays for Au.

- SAN-0270-22 intersected:
 - 2.75 m at 0.16 % Zn, 0.09% Pb, 0.00% Cu, 37.49 g/t Ag, 0.05 g/t Au.
 - 0.80 m at 0.66% Zn, 0.58% Pb, 0.01% Cu, 30.28 g/t Ag, 0.03 g/t Au.
 - 2.70 m at 0.23% Zn, 0.17% Pb, 0.00% Cu, 45.44 g/t Ag, 0.04 g/t Au.
 - 2.10 m at 0.75% Zn, 0.34% Pb, 0.03% Cu, 74.09 g/t Ag, 0.03 g/t Au.
- SAN-0274-22 Intersected
 - 1.35 m at 3.41 % Zn, 0.69% Pb, 0.09% Cu, 112.17 g/t Ag, 0.27 g/t Au.
 - 6.30 m at 0.14% Zn, 0.05% Pb, 0.01% Cu, 109.53 g/t Ag, 0.84 g/t Au.
 - 3.65 m at 0.74% Zn, 0.28% Pb, 0.01% Cu, 229.90 g/t Ag, 0.95g/t Au.

The Blanquita target has been interpreted to be a series of veins and faults with mineralisation style and texture that suggest CDPR intersected the upper part of an epithermal vein system. All drilling on the Blanquita target has finished for 2022 and CDPR is now concentrating on the geological interpretation.

To view **FIGURES 1 to 4**, please [click here](#)

Santander Pipe Preliminary Economic Assessment (PEA)

The Santander Pipe (historic Santander Mine) PEA officially started on April 27, 2022, in a joint meeting between CDPR and DRA Global, who were selected as partners to develop the study.

The Mineral Resource Update and the Geotechnical Assessment for Underground Mine Design were completed in the first and second week of June, respectively, to move forward with the mine design and production plan at PEA-level. In parallel, Subterra, an international tunnelling engineering company, is

progressing with the PEA level designs for the Santander Shaft rehabilitation program—schedule and budget—and the mine access trade-off study.

CDPR selected SGS to carry out the Metallurgical Testwork Program, which started in the second week of June. SGS have completed some of the comminution and head characterization testwork: Abrasion Index, Bond Work Index, Sieve Analysis of the Feed, and Grinding Kinetics.

CDPR is progressing with the relogging and resampling of historic drillholes of the Santander Pipe, which were drilled by Compañía Minerales Santander (CMS) between 1973 and 1993. The assay results from the SGS managed on-site lab have delivered slightly higher grades than the historic results. CDPR will verify the mine laboratory results with 10% of samples to be sent to ALS Lima for check sampling.

CDPR encountered abundant historic information, from the 1960s to the 1990s, that describes the operational parameters and positive performance of CMS when mining the Santander Pipe through the open pit and later through underground mining methods. Amongst the relevant information, there are mine reports, processing plant reports, mining and geology layouts, historic reserves, geology, and exploration reports.

CDPR expects to complete the Santander Pipe PEA in November 2022, consolidating the technical, permitting, and economic aspects that support the alternative to be studied at a more advanced stage as a step towards the rehabilitation and reopening of the Santander Mine.

Quality Control

All sample preparation and analytical programs (internal laboratory managed by SGS or external laboratory – ALS Lima) are supported by QA/QC program which is monitored on a sample lot basis. CDPR QA/QC program consists of insertion of twin samples, coarse duplicate samples, pulp duplicates, standards (CRM's), coarse blank material, pulp blanks and sending check samples to a second laboratory.

Technical Information

Shane Whitty, CGeol and V.P. of Exploration and Technical Services for CDPR, has reviewed and approved the scientific and technical information contained in this news release. Mr. Whitty 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 mining and resource management company applying the most demanding environmental, social and governance standards 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 mineral endowment in and around the city of Cerro de Pasco combined with a highly experienced and practical team of both Peruvian and international management. The key focus of growth for the Corporation will be on developing the El Metalurgista mining concession using world class geo-resource and industrial development solutions to secure long-term economic operational sustainability in harmony with a healthy and prosperous local population. The Corporation, currently operating the Santander Mine, is also keen on acquiring and operating mines suited for the Corporation's strategic growth plan.

Forward-Looking Statements and Disclaimer

Certain information contained herein may constitute “forward-looking information” or “forward-looking statements” under Canadian securities legislation. Generally, forward-looking information can be identified by words such as “pro forma”, “plans”, “expects”, “may”, “should”, “could”, “will”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, or variations including negative variations thereof of such words and phrases that refer to certain actions, events or results that may, occur or be taken or achieved. Such forward-looking statements, including but not limited to statements, with respect to future events or future performance, the realization of the anticipated benefits deriving from CDPR’s investments, the general performance of the assets of the Corporation, and the results of exploration, development and production activities as well as expansions projects relating to the properties of the Corporation, involve risks, uncertainties and other factors which may cause the actual results to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Such factors include, among others, risks related to the exploration, development and mining operations; impacts of macroeconomic developments as well as the impact of the COVID-19 pandemic; and any material adverse effect on the business, properties and assets of the Corporation. 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 included herein, except as required by applicable securities laws.

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