



Cerro de Pasco Resources Completes Payment for Critical Easement, Mobilizes Drilling Program and Prepares Financing

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MONTREAL, June 27, 2024 (GLOBE NEWSWIRE) -- Cerro de Pasco Resources Inc. (CSE:CDPR) (OTCPK: GPPRF) (FRA: N8HP) ("CDPR" or the "Company") is pleased to inform that, following the publication of the Supreme Resolution on May 24, 2024, which granted CDPR the landmark Legal Easement, the Company has now completed the formalities related to the administrative procedure and is on track to start drilling in the coming weeks.

Formalities have included the payment of approximately US\$ 1 million into the Peruvian National Bank on May 29, 2024, and formal signing of the minutes of the Easement Agreement on June 24, 2024, between CDPR and Activos Mineros (AMSAC), with the participation of the General Directorate of Mining (Ministry of Energy and Mines).

The Legal Easement enables the Company to meet conditions required to proceed with engineering studies and a 40-hole drilling program at its Quiulacocha Tailings Project ("QT Project"), with the objective of producing a master plan for reprocessing the entire Quiulacocha tailings resource.

Guy Goulet, CEO: "We are excited to commence on-site studies. Our preferred contractors are signed up and prepared to begin. Our application has undergone rigorous scrutiny, and the merits of our project, including economic, environmental, and social benefits, now speak for themselves."

Next Steps

The drilling program will encompass geophysical studies, laboratory testing, mineralogy testing, resource estimation, and economic assessment. Its objective is to complete a Preliminary Economic Assessment (PEA) and submit a resource report compliant with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). The Company plans to subsequently undertake a feasibility study for the Quiulacocha Project.

Site induction is currently underway to prepare for geophysical studies, and the Company aims to commence drilling activities in late July. Additionally, the Company has engaged All North as the independent qualified professional consulting firm for engineering and preparation of the NI 43-101 compliant technical report.

Concurrently with the drilling and PEA activities, CDPR has initiated the process to obtain additional authorization from the Ministry of Energy and Mines, necessary to access the area outside the El Metalurgista concession. It will allow for the completion of a comprehensive feasibility study and the application for approval to develop the extraction project for the entire Quiulacocha Tailings Storage Facility Site.

The Supreme Resolution

The Supreme Resolution was signed by the President of Peru on May 23, 2024, following an exhaustive process and endorsement by the ministries of Energy & Mines, Agriculture, and Housing & Construction. The process also included two separate rulings in support of the Legal Easement by the autonomous Mining Council.

The Quiulacocha Tailings

CDPR is the titleholder of the concession located in Peru called “El Metalurgista”, which grants it the right to explore and exploit the Quiulacocha Tailings located within its assigned area. The enforceability of these rights has been formally confirmed by the General Mining Bureau of Peruvian Ministry of Energy and Mines.

The Quiulacocha Tailings Storage Facility covers approximately 115 hectares and is estimated to hold approximately 75 million tonnes of material processed from the 1920s to 1990s.

The Quiulacocha Tailings Storage Facility is comprised of processing residues that came from the Cerro de Pasco open pit and underground mine. Noteworthy reports indicate an estimated 458 million ounces of silver equivalent across silver, zinc, copper, lead and gold within the tailings, in addition there is evidence of additional valuable metals such as germanium, tellurium, indium, and gallium.

Initially these tailings resulted from the mining 16+ million tonnes of copper-silver-gold mineralization with reported historical grades of up to 10% Cu, 4 g/t Au and over 300 g/t Ag and later from the mining of 58+ million tonnes of zinc-lead-silver mineralized material with average historical grades of 7.41% Zn, 2.77% Pb and 90.33 g/t Ag.

With minimal mining costs due to surface-level material and current reprocessing capacity at adjacent plants, CDPR's Quiulacocha Project stands out as one of Peru's key mining initiatives. This endeavor not only promises economic benefits but also aims to restore the environment and create employment opportunities, aligning with the local community's needs.

Private Placement Offering of Common Share Units

The Company is pleased to announce its intention to complete a non-brokered private placement offering (the “Offering”) of up to 20,000,000 units of the Company (the “Units”) at a price of \$0.10 per Unit for aggregate gross proceeds of up to \$2,000,000. Each Unit will be comprised of one common share in the capital of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of \$0.15 per share for a period of 24 months from the closing date of the Offering (the “Closing Date”).

In the event that, during the period following 24 months from the Closing Date, the volume-weighted average trading price of the Common Shares exceeds \$0.60 per Common Share for any period of 20 consecutive trading days, the Company may, at its option, following such 20-day period, accelerate the expiry date of the Warrants by delivery of notice to the registered holders (an “Acceleration Notice”) thereof and issuing a press release (a “Warrant Acceleration Press Release”, and, in such case, the expiry date of the Warrants shall be deemed to be 5:00 p.m. (Montreal time) on the 30th day

following the later of (i) the date on which the Acceleration Notice is sent to Warrant holders, and (ii) the date of issuance of the Warrant Acceleration Press Release.

A finder's fee might be paid on the Offering, subject to the policies of the Canadian Securities Exchange ("CSE").

The net proceeds from the Offering will be used for working capital.

All securities issued in connection with the Offering will be subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws.

The securities to be issued under the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933 as amended (the "U.S. Securities Act"), or any state securities laws. Accordingly, these securities may not be offered or sold, pledged or otherwise transferred within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or the solicitation of an offer to buy securities in the U.S., nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Engagement of Peak Investor Marketing

The Company is pleased to announce that it has retained the services of Peak Investor Marketing Corp. (www.peakinvestormarketing.com) ("Peak") to provide marketing services to the Company for an initial 12-month term (the "Initial Term"). Peak is a Vancouver-based full-service marketing and consulting firm focused on the junior mining sector. Peak is an independent arm's-length entity and will assist Cerro De Pasco Resources with marketing strategy and planning, corporate communications and public relations, with the goal of increasing market awareness for the Company. Under the terms of the agreement, the Company will pay Peak a monthly fee of \$12,000 (plus taxes), payable on the last day of each month. After the Initial Term, Peak will continue providing these services in consideration for a monthly fee of \$ 12,000 (inclusive of taxes) payable on the first day of each month, subject to termination by either party on 30 days' prior written notice.

Technical Information

Mr. 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 is a mining company, with the goal to become the next mid-tier producer in Peru. CDPR is focused on the development of its principal 100% owned asset, the El Metalurgista mining concession, comprising mineral tailings and stockpiles extracted from the Cerro de Pasco open pit mine in Central Peru. 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. CDPR is also focused on mining, development, and exploration of its wholly

owned 6,000-hectare Santander Mine in the highly prospective Antamina-Yauricocha Skarn Corridor, located 215 km from Lima. CDPR 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.

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 using 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 realization, timing and scope of its drilling program, the completion of a resource report 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.sedarplus.ca. 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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