LOS CERROS LIMITED

26 October 2020
ASX Announcement
ASX: LCL

September 2020 Quarterly Report

HIGHLIGHTS

- Expanded multi-rig and multi-target drill program commenced at Tesorito and Chuscal Gold Prospects in Colombia
- Spectacular first hole at southern Tesorito target intercepted diorite porphyry core, suggesting large scale potential, the possibility of copper at depth and revealed near surface high grade. Assays results included **230m @ 1.0g/t** gold from surface (uncut)[1] in TS-DH08[2] including[3] –
    - **18m @ 2.0g/t** Au from surface including 6m @ 4.1g/t Au from 6m; and
    - **116m @ 1.38g/t** Au from 114m including
        - **74m @ 1.6g/t** Au from 114m including **4m @ 3.18 g/t** Au from 148, and **2m @ 9.58g/t** Au from 176m within **6m @ 4.86g/t** Au from 174m
- First scout hole to test northern Tesorito anomaly (TS-DH09) revealed strong indications for a nearby porphyry at similar depth to the southern Tesorito diorite porphyry. Assay results included **360m grading 0.39g/t** gold from surface[4]
- Drilling commenced at Chuscal with second rig initially focussed on near surface mineralisation. First hole (CHDDH005) and second hole (CHDDH006) completed, assays pending
- Company's own rig arrived in country and will ultimately take the exploration program to three diamond rigs drilling concurrently
- Company completed major elements of corporate rejuvenation to emerge well-funded, with a clean corporate structure and strong balance sheet through:
    - $13.5M raised via two well supported placements and welcoming new key shareholders;
    - resolving $3.5M debt overhang through the forward payment of $2.21M and eliminating this debt entirely;
    - selling legacy assets in Chile and removing four legacy subsidiaries from the corporate structure; and
    - moving to 100% of Chuscal ownership through dissolving the Chuscal JV with AngloGold Ashanti (AGA) in exchange for AGA becoming a shareholder of LCL
- With three drill rigs, significant funding and a backdrop of strong gold price and investor momentum, Los Cerros is committed to a bold, substantial exploration program heading into 2021 across multiple, very promising targets within the Quinchia Gold Project – Colombia

[1] Includes values below 0.1 g/t Au intervals which occur in isolated intervals of up to 4m length. Maximum value was 9.58 g/t Au over 2m
[2] First released 10 September 2020. The Company confirms that it is not aware of any new information that affects the information contained in the announcement
[3] Using a 0.5 g/t Au lower cut-off off and maximum 6m internal dilution for gold. All widths quoted are intercept widths, not true widths, as there is insufficient information at this stage of exploration to know the geometries within the system
[4] First released 9 October 2020. The Company confirms that it is not aware of any new information that affects the information contained in the announcement

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The July – September quarter marked a major step change for **Los Cerros Limited (ASX: LCL) (Los Cerros** or the **Company).** Investors' strong endorsement of the Company's strategic exploration plans for the Quinchia Gold Project was demonstrated through a successful placement of $3.5M in July which was several times over-subscribed. This was further validated and consolidated with the results of the first drill hole of the expanded program delivering very encouraging results which was reflected in the strong performance of LCL shares on the ASX during the quarter.

On the back of drilling success and investor momentum, the Company raised a further $10M in September which was again many times over-subscribed. The Company enters Q4 with commitment to a three-rig drilling program over multiple sites and funding to sustain an aggressive exploration program well into 2021.

Tesorito Southern Target

Tesorito hole TS-DH08[2], the first hole of the Company's current drilling program, delivered a promising start to the campaign entering mineralisation immediately at surface with **18m @ 2.0g/t Au** including an interval of **6m @ 4.1g/t Au** from 6m correlating to a mapped epithermal vein. Diorite porphyry mineralisation with epithermal vein overprinting continued for 230m down hole to produce a very wide intercept of **230m @ 1.0g/t Au from surface (uncut)[1]**.

Of particular note, the drill hole is interpreted to have entered the cupola (porphyry cap) of the potassic core at 110m as evidenced by banded veining, UST[5] textures and the presence of primary bornite, a copper mineral classically associated with porphyry gold-copper deposits. Within this zone were higher grade intercepts of **4m @ 3.18g/t Au** from 148m and **6m @ 4.8g/t Au** from 174m including **2m @ 9.58g/t Au** from 176m, all within **116m @ 1.38g/t Au** from 114m. The presence of primary bornite, banded veining and anomalous copper noted in this zone are indications of increased potential for copper mineralisation to develop at depth.

Down hole thicknesses exceeding 230m of gold mineralisation of 1g/t or above, essentially from surface, have now been described in three drill holes over an area of 300m x 250m at the southern target. Whilst a general NNE trend to the mineralised porphyry is likely, the 3D geometry of the porphyry system is yet to be determined. The drilling program going forward will seek to define the limits of the southern Tesorito porphyry, starting with TS-DH10, which is testing the eastern limit (assays pending).

Tesorito Northern Target

Tesorito drillhole TS-DH09, the first hole drilled into the northern Tesorito anomaly (Figure 1), provided strong support for a northern porphyry system to be present at a similar depth to the southern porphyry core encountered in TS-DH08, 350m to the south. TS-DH09 was broadly designed to determine underlying lithologies and porphyry vectors and successfully intersected **360m @ 0.39g/t gold from surface[4].** Of most interest is a 157m wide zone from 141m depth showing moderate to strong sericite and potassic alteration, porphyry style mineralisation, high temperature hydrothermal features and elevated copper, molybdenum and sulphur assays.

All these factors bode well for locating a northern Tesorito causative porphyry(ies) in follow up holes at a depth similar to that of the southern Tesorito diorite porphyry core. In the first instance, a follow

[5] Unidirectional Solidification Texture (UST) is characteristic of the cupola and represents the level of emplacement in the porphyry dyke

up drill hole is likely to collar from the same pad as TS-DH09 and either drill to the SE (targeting the untested peak of the gold and molybdenum soil anomaly) or to the SSW (targeting the centre of the local magnetic anomaly).

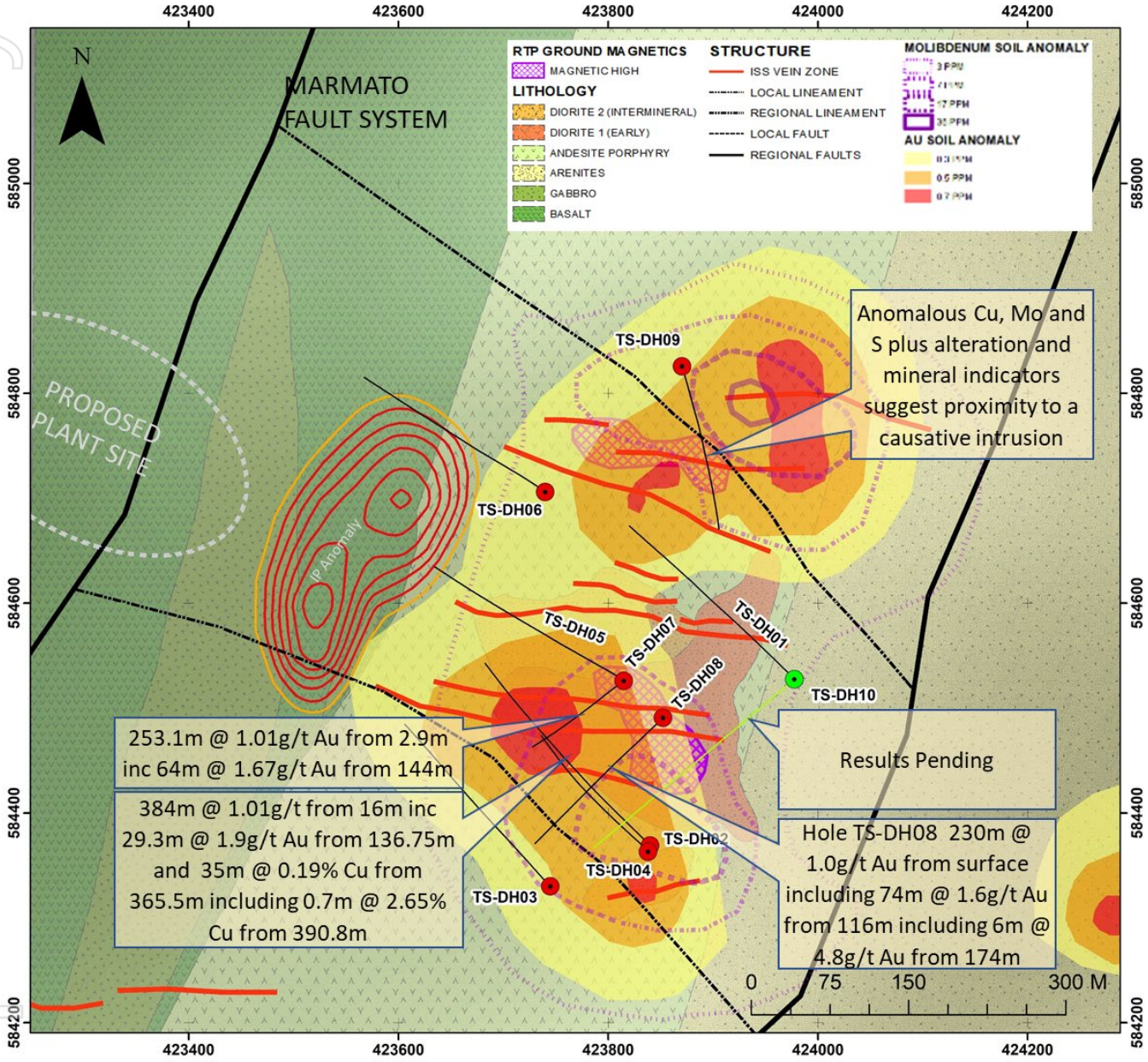


Figure 1: The Tesorito southern target has generated very wide intercepts grading 1g/t gold within diorite porphyry from or close to surface. The first hole drilled at the Tesorito northern target has provided evidence suggesting proximity to another causative intrusion (porphyry) in this region.

Chuscal Gold Prospect

Drilling commenced at Chuscal during the quarter and is intended to test two broad exploration strategies. Initially the program will focus on short-hole, step-out drilling pursuing near-surface gold and providing critical information to assist in targeting the mineralized porphyry(ies) that are interpreted to be the source of the extensive porphyry associated gold encountered over an expansive area of Chuscal. The program will then drill test the resulting porphyry targets.

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Los Cerros completed the Chuscal maiden drilling program in January 2020. The four hole ~1,900m program reported lower grade, porphyry associated gold in all holes over an extensive area including[6]:

- 350m @ 0.57g/t Au over this extensive interval in drill hole CHDDH001; and
- 320m @ 0.43g/t Au encountered between 32m to 352m in drill hole CHDDH002.

Gold grades within the wide intercepts were occasionally boosted through intercepting the epithermal veins overprinting the area including[6]:

- 2m @ 8.28g/t Au from 248m in CHDDH002;
- 0.5m @ 17.1g/t Au from 333m within 7m @ 2.07g/t Au from 331m in CHDDH002;
- 6m @ 2.97g/t Au from 250m including a 0.4m high grade vein from 253.3m grading 31.8g/t Au in CHDDH003;
- 6m @ 2.52g/t Au and 10.25g/t Ag from 0m to 6m, including 2m @ 5.56g/t Au and 29g/t Ag from surface in CHDDH001;
- 2m @ 6.44g/t Au and 87.40g/t Ag from 324m to 326m in CHDDH001; and
- 8m @ 2.82g/t Au and 29.96g/t Ag from 342m to 350m in CHDDH001.

At the end of September 2020 holes CHDDH005 and CHDDH006 of the current program (Figure 2) were completed (assays pending).

[6] See announcements 25 November 2019 (CHDDH001), 5 December 2019 (CHDDH002), 23 December 2019 (CHDDH003). The Company confirms that it is not aware of any new information that affects the information contained in these releases

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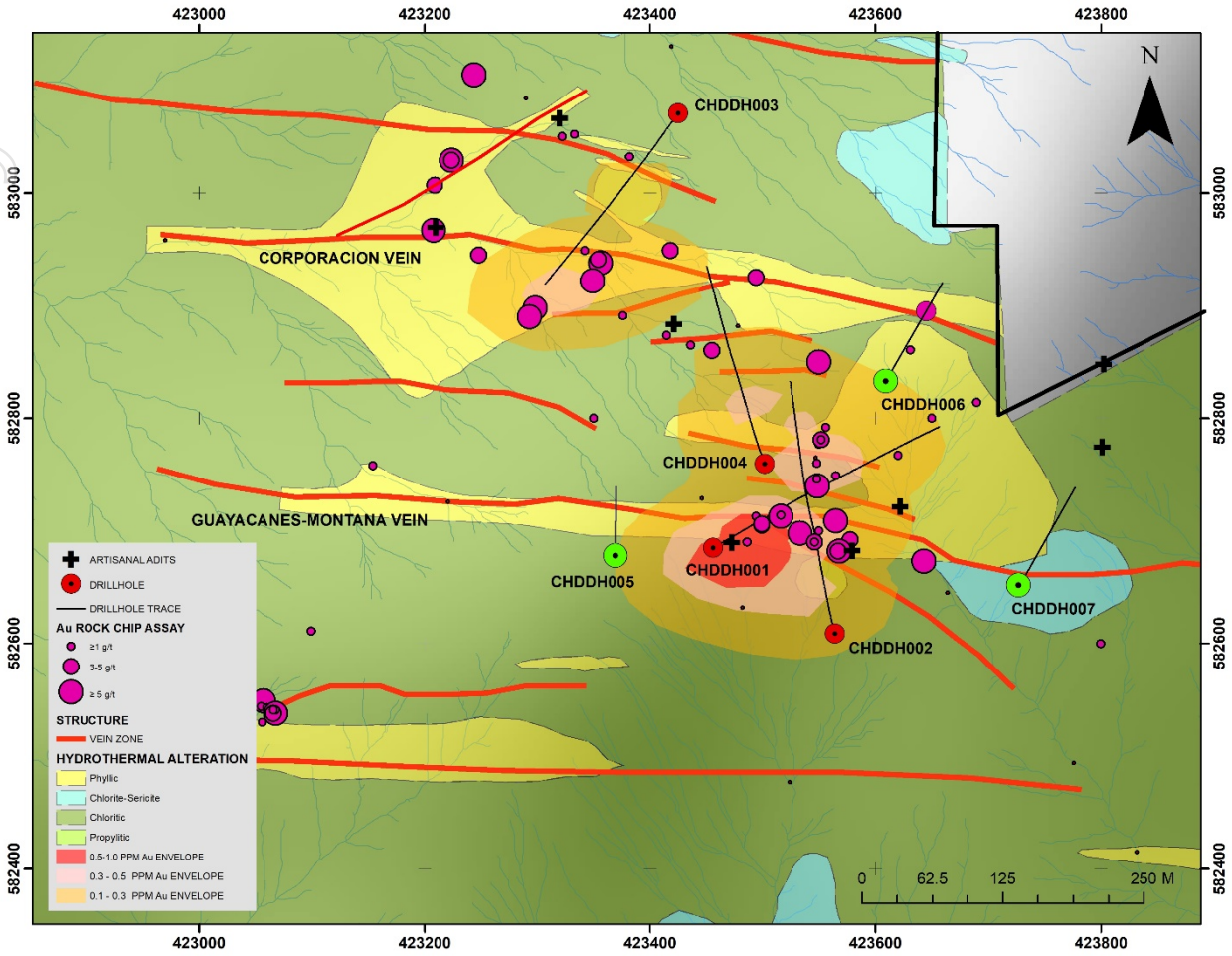


Figure 2: Initial drilling will test near surface mineralisation associated with the Guyacanes-Montana and Corporacion vein sets. Armed with information from the current near surface drilling program, the Company will then drill test priority porphyry targets which is the likely source of the surface gold anomaly covering an expansive area.

About the Quinchia Gold Project – Tesorito, Chuscal, Miraflores

Los Cerros Limited is a gold/copper explorer with a dominant position within the Andes and Quinchia regions of the Mid-Cauca Gold Belt of Colombia which hosts many major discoveries (Figure 3). The Quinchia Gold Project hosts the Miraflores Gold Deposit with a **Resource of 877,000 Au ounces at 2.80g/t Au** and **Reserve of 457,000 Au ounces at 3.29g/t Au**[7] (Table 1).Within 3km of Miraflores is the Tesorito near surface porphyry and the Chuscal porphyry target . There are several other targets within the region (Figure 4) including the Dosquebradas deposit which has an Inferred Resource of 459,000 ounces grading 0.71g/t Au[8].

[7] Refer ASX announcement dated 14 March 2017 (Resource) and 27 November 2017 (Reserve). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply

[8] Inferred Mineral Resources using 0.5g/t Au cut-off grade. See announcement 25 February 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcement and that all material assumptions and technical parameters underpinning the estimate continue to apply

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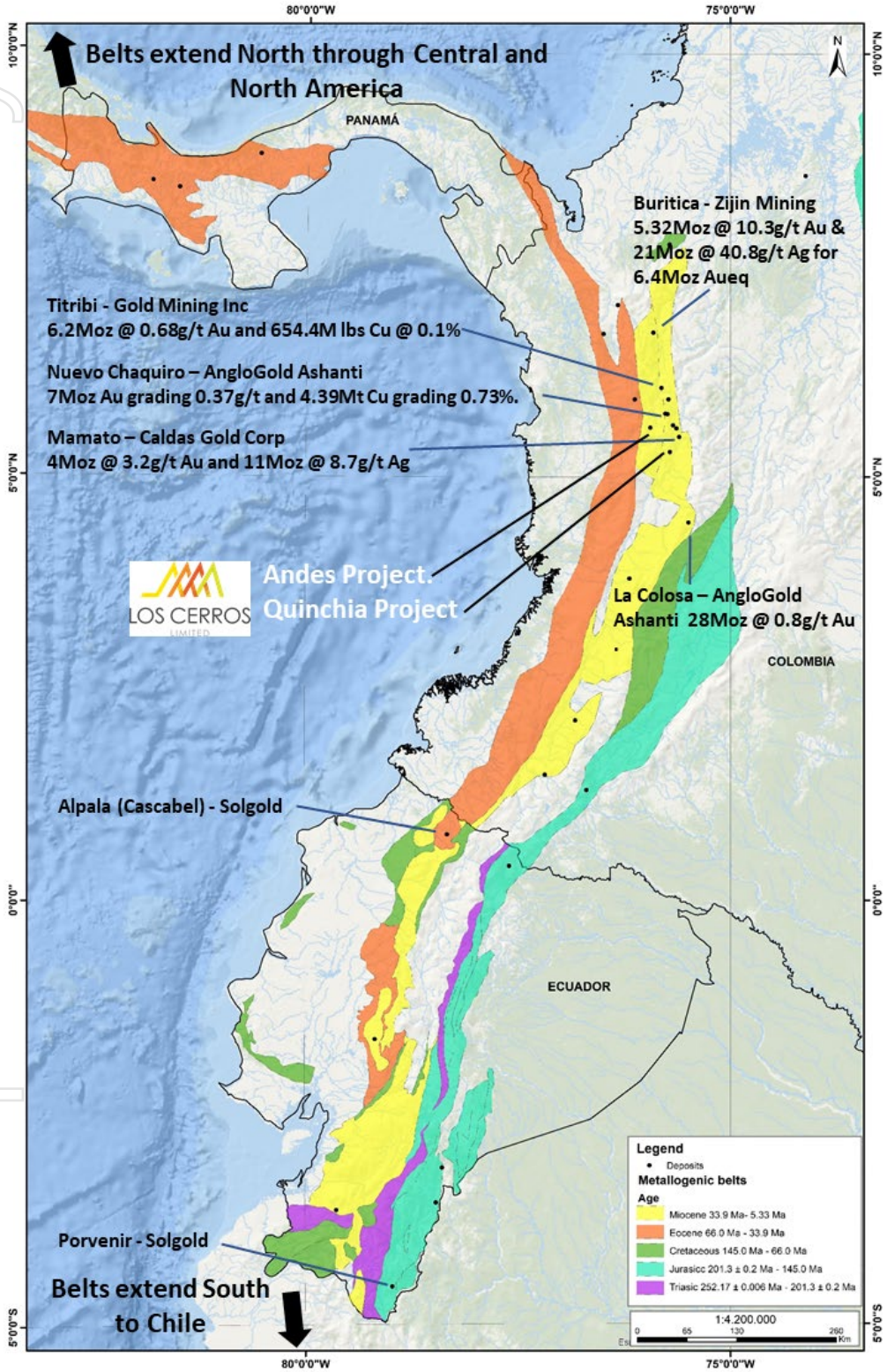


Figure 3: The Company's Andes and Quinchia Projects sit on the Miocene aged, Mid-Cauca Gold Belt in a sub-section of the belt that hosts many major copper-gold porphyry discoveries[9].

[9] Metal volume estimates are taken from various company websites and may or may not include Inferred Resources and have not been independently verified

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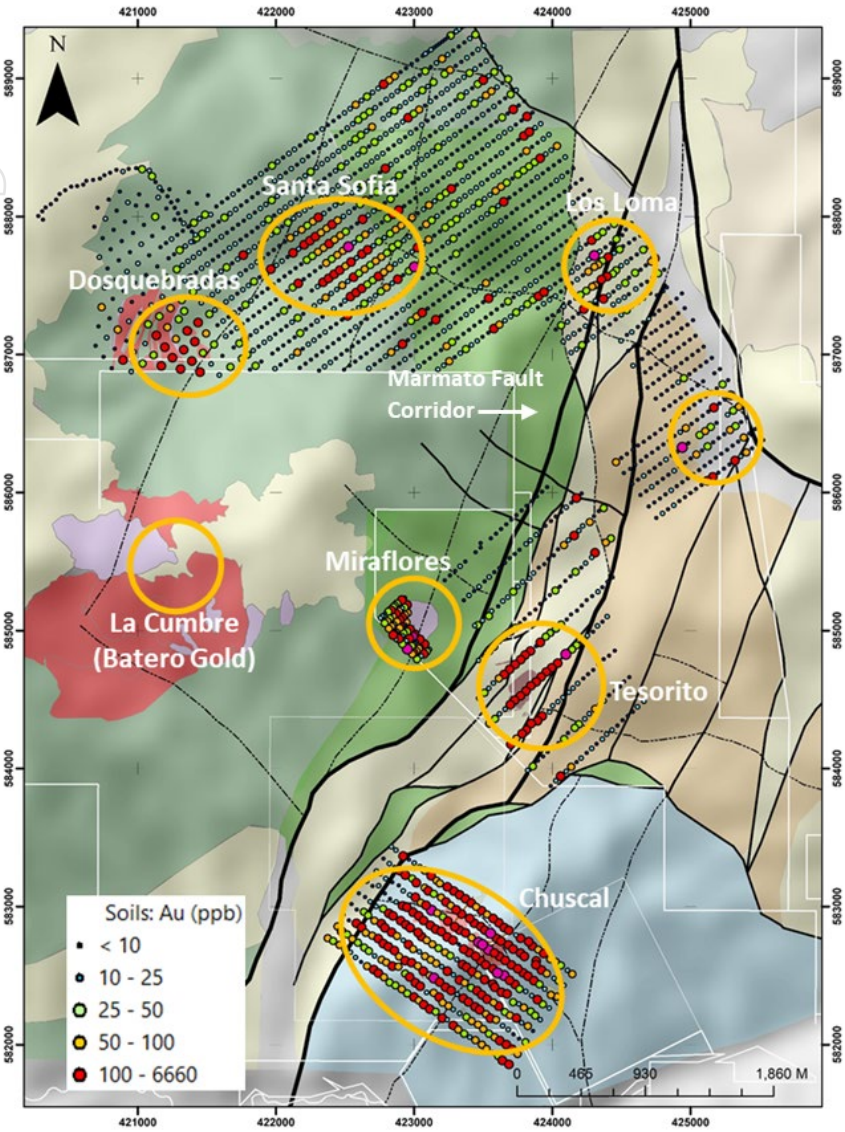


Figure 4: The Quinchia Gold Project contains multiple targets at various levels of investigation within a ~3km radius. This image reveals the major known target areas and gold in soils anomalism.

Sensitivity to Gold Price				
Key Financial Indicators*	**Unit**	**US$1,200 Au/oz**	**US$1,300 Au/oz**	**US$1,400 Au/oz**
C1 Cash Cost**	US$ per Au/oz	595	**599**	603
AISC-cost	US$ per Au/oz	639	**643**	647
EBITDA (LoM average)	US$m/annum	27.3	**29.4**	35.8
NPV @ 5%	US$m	75	**96.1**	117
NPV @ 8%	US$m	55	**72.3**	89.8
IRR	$%	21	**25**	28
Payback	Years	4.1	**3.6**	3.3

* A variance of +15 -10% can be applied i.e. within the contingency. Contingency of 7.67%.
** C1 Cash Costs includes Government Royalty.

Table 1: The Miraflores Feasibility Study[7] generated the following parameters based on US$72m CapEx for a retreat long hole stope with backfill mining operation feeding a 1,300tpd conventional cyanide leaching facility producing an average 4koz gold/month (48koz/yr) over a 10 year operating life. It is worth noting that current gold price far exceeds the upper limit of US$1,400/oz used in the 2017 sensitivity analysis provided in the table above.

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Corporate Developments

In July 2020, Los Cerros made a placement ('Placement') to professional and sophisticated investors to issue up to 87.5 million fully paid ordinary shares at an issue price of $0.04 per share, to raise approximately $3.5M (before costs). The Placement was settled in two tranches. Under Tranche 1, the Company issued 49.5 million shares to raise $1.98M (before costs) which settled on 21 July 2020. Tranche 2 of the Placement was completed during September, issuing a further 38 million shares to raise $1.55M (before costs). The Placement shares were ratified and approved at the General Meeting held on 27 August 2020.

The Company raised a further $10M (before costs) in September via a subsequent placement (Placement 2) to sophisticated and professional investors of 86,932,750 fully paid ordinary shares at $0.115 per Share. A total of 50,439,655 shares were issued under Listing Rule 7.1 and a total of 36,493,095 shares were issued under Listing Rule 7.1A capacity.

On the back of the success of Placement 2 the Company extinguished a $3.5M debt to Rand Merchant Bank through the immediate payment of $2.21M, thus removing a significant company liability.

On 3 June 2020, the Company placed a purchase order with HongKong Ausino Investments Ltd for the purchase of an Atlas Copco C5C diamond drill rig and peripherals including drill rods totalling $654,871. On 30 July, 11,140,778 fully paid ordinary shares were issued to HongKong Ausino Investments Limited at a price of $0.0525 per share as consideration for the equipment. The first shipment comprising the rig and the bulk of the peripherals arrived in Colombia in late September 2020, and commissioning of the rig is expected in late October 2020.

On 21 August 2020 Los Cerros issued 3,000,000 unquoted options with an exercise price of $0.07 per option and expiring on 1 July 2025, to Mr Simon Brown under the terms and conditions of the Deed of Settlement. Shareholders ratified the issue of the unquoted options to Mr Brown at the General Meeting held on 23 October 2020.

During the quarter, the Company raised a total of $180,500 upon the exercise of the following options:

- 6,750,000 unquoted options, exercisable at $0.02 and expiring 18 May 2022;
- 375,000 unquoted options, exercisable at $0.10 and expiring 6 April 2022; and
- 50,000 quoted options, exercisable at $0.10 and expiring 16 August 2021.

Post the end of the quarter, 250,000 unquoted options exercisable at $0.10 and expiring 6 April 2022 and 12,550 quoted options exercisable at $0.16 and expiring 16 August 2021 were exercised, raising a total of $27,008.

The Company advanced and ultimately concluded negotiations with AngloGold Ashanti (AGA) on 3 October 2020 to secure 100% of the Chuscal Project. The material terms of the agreement were first announced 20 April 2020 and will take Los Cerros' ownership of Chuscal to 100% and results in the Company holding 100% of the Quinchia Gold Project of which Chuscal is a part. Key terms of the agreement include the issue to AGA 10,476,597 fully paid ordinary Los Cerros shares and 15,430,6481 Los Cerros options, with an exercise price of $0.16 and an expiry date 12 months from the date of issue; and termination of the Chuscal Joint Venture Agreement and associated obligations.

During the quarter, the Company concluded the sale of North Hill Ovalle Inc (NHO, a 100% BVI subsidiary of LCL); Minera Hampton Chile Limitada (a 100% subsidiary of NHO); and the Loica and Vallecillo Projects held within the aforementioned vehicle for USD$100,000 before costs. The sale of the Company's residual interests in Chile follows on from the sale of the Mollacas Project in January 2020 for ~USD$1M[10]. The Company also liquidated subsidiaries, Cerro Norte Mining Inc and North Hill Peru Inc as part of a broader clean-up of the Company structure.

Post quarter, a General Meeting of shareholders was held on 23 October 2020. All resolutions were approved by Poll and included the approval of the Performance Rights and Options Plan and issue of Performance Rights to directors. Shareholders also approved the issue of shares to Directors, Ross Ashton and Kevin Wilson, in payments in lieu of outstanding director fees and expenses.

Appendix 5B disclosures:

As outlined in the attached Appendix 5B, during the quarter the Company spent approximately:

- $451k on exploration activities;
- $78k in payments were made to related parties and their associates for director salaries, consultancy fees, superannuation, and other related costs; and
- $305k on administration and corporate costs.

The Quarter Ahead – Fully funded and drilling!

At the time of releasing this Quarterly report, there were two diamond rigs drilling and a third, Company-owned rig is expected to commission on-site at the end of October. With three rigs in operation and a pipeline of drill targets, the Company intends to manage a substantial drilling program into 2021. Supported by other exploration programs including mapping, soil geochemistry and geophysics, this is designed to rapidly advance the extensive Los Cerros exploration portfolio.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

For further enquiries contact:

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FORWARD LOOKING STATEMENTS This document contains forward looking statements concerning Los Cerros. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Los Cerros' beliefs, opinions and estimates of Los Cerros as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among

[10] See announcement 10 February 2020

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others, the actual market price of gold, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur.

JORC STATEMENTS - COMPETENT PERSONS STATEMENTS

The technical information related to Los Cerros assets contained in this report that relates to Exploration Results (excluding those pertaining to Mineral Resources and Reserves) is based on information compiled by Mr Cesar Garcia, who is a Member of the Australasian Institute of Mining and Metallurgy and who is a Geologist employed by Los Cerros on a full-time basis. Mr Garcia has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Garcia consents to the inclusion in the release of the matters based on the information he has compiled in the form and context in which it appears.

The information presented here that relates to Mineral Resources of the Dosquebradas Project, Quinchia District, Republic of Colombia is based on and fairly represents information and supporting documentation compiled by Mr. Scott E. Wilson of Resource Development Associates Inc, of Highlands Ranch Colorado, USA. Mr Wilson takes overall responsibility for the Resource Estimate. Mr. Wilson is Member of the American Institute of Professionals Geologists, a "Recognised Professional Organisation" as defined by the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Wilson is not an employee or related party of the Company. Mr. Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr. Wilson consents to the inclusion in the news release of the information in the form and context in which it appears

The Company is not aware of any new information or data that materially affects the information included in this release.

TABLE 2 - MIRAFLORES PROJECT RESOURCES AND RESERVES

The Miraflores Project Mineral Resource estimate has been estimated by Metal Mining Consultants in accordance with the JORC Code (2012 Edition) and first publicly reported on 14 March 2017. No material changes have occurred after the reporting of these resource estimates since their first reporting.

Miraflores Mineral Resource Estimate, as at 14 March 2017 (100% basis)

Resource Classification	Tonnes (000t)	Au (g/t)	Ag (g/t)	Contained Metal (Koz Au)	Contained Metal (Koz Ag)
Measured	2,958	2.98	2.49	283	237
Indicated	6,311	2.74	2.90	557	588
Measured & Indicated	**9,269**	**2.82**	**2.77**	**840**	**826**
Inferred	487	2.36	3.64	37	57

Notes:

i) Reported at a 1.2 g/t gold cut-off.
ii) Mineral Resource estimated by Metal Mining Consultants Inc.
iii) First publicly released on 14 March 2017. No material change has occurred after that date that may affect the JORC Code (2012 Edition) Mineral Resource estimation.
iv) These Mineral Resources are inclusive of the Mineral Reserves listed below.
v) Rounding may result in minor discrepancies.

Miraflores Mineral Reserve Estimate, as at 27 November 2017 (100% basis)

The Miraflores Project Ore Reserve estimate has been estimated by Ausenco in accordance with the JORC Code (2012 Edition) and first publicly reported on 18 October 2017 and updated on 27 November 2017. No material changes have occurred after the reporting of these reserve estimates since their reporting in November 2017.

Reserve Classification	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Contained Metal (Koz Au)	Contained Metal (Koz Ag)
Proved	1.70	2.75	2.20	150	120
Probable	2.62	3.64	3.13	307	264
Total	**4.32**	**3.29**	**2.77**	**457**	**385**

Notes:

i) Rounding of numbers may result in minor computational errors, which are not deemed to be significant.
ii) These Ore Reserves are included in the Mineral Resources listed in the Table above.
iii) First publicly released on 27 November 2017. No material change has occurred after that date that may affect the JORC Code (2012 Edition) Ore Reserve estimation.

Source: Ausenco, 2017

Mineral Tenements held as at 30 September 2020

Quinchia Gold Project, Colombia

TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)(5)	STAGE
010-87M (4)	MCM	Contribution contract	Exploration
DLK-142 (6)	Monica María Uribe Perez	Concession	Exploration
DLK-14544X	MCM	Concession	Exploration
FCG-08353X	MCM	Concession	Exploration
FCG-08355X	MCM	Concession	Exploration
FCG-08356X	MCM	Concession	Exploration
FCG-08357X	MCM	Concession	Exploration
FCG-08358X	MCM	Concession	Exploration
FKH-145510X	MCM	Concession	Exploration
GC4-15002X (6)	AGA	Concession	Exploration
GC4-15005X (6)	AGA	Concession	Exploration
GC4-150010X (6)	AGA	Concession	Exploration
TDR-11411	AGA	Application	Exploration
GC4-15001X (6)	AGA	Application	Exploration
GC4-15004X (6)	AGA	Application	Exploration
GC4-15006X (6)	AGA	Application	Exploration
GC4-15007X (6)	AGA	Application	Exploration
GC4-15008X (6)	AGA	Application	Exploration
GC4-15009X (6)	AGA	Application	Exploration
KHL-15421 (6)	AGA	Application	Exploration
OG2-08112	MCM	Application	Exploration
OG2-10591	MCM	Application	Exploration
OG2-8073	MCM	Application	Exploration

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(1) All titles are part of the Quinchia Gold Project, Quinchia, Department of Risaralda, Colombia.
(2) MCM (Miraflores Compañia Minera SAS) a 100%-owned subsidiary of North Hill Holdings Group Inc., owned as to 100% by Los Cerros.
(3) Concessions at Exploration Stage have 3 year life extendable for 2 years to a maximum 11 years.
(4) 15 year life extendable for 15 years.
(5) Applications have neither legal liabilities nor certainty that they will be granted in whole or in part. If there was open ground at the time of lodging, a contract for exploration and potential exploration will be offered to the applicant. MCM has a beneficial interest of 100% of the tenement when the application is granted.
(6) AGA (AngloGold Ashanti Colombia SAS). Los Cerros has a 100% beneficial interest in these tenements which are in the process of transfer to MCM.

Andes Gold Project, Colombia

TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)	STAGE
T5630005 El Columpio	Andes Elias Ruiz (2.1)	Exploration License (4)	Exploration
P8717011 San Pablo	Nicanor Maria Restrepo Restrepo - Mineria Integral de Colombia - MININCOL (2.1)	Special Permission (5)	Exploration
HINC-03-5843	Grupo de Bullet (2.2)	Concession	Exploration
KI7-14021	Frontera (2.2)	Concession	Exploration
18821	Puerto de Oro & Claudia Naranjo Ruiz (2.2)	Application (6)	Exploration
18821X	Puerto de Oro & Claudia Naranjo Ruiz (2.2)	Application (6)	Exploration
19697	Puerto de Oro (2.2)	Application (6)	Exploration
20982	Colombian Development Corporation (2.2)	Application (6)	Exploration
HD6-08152X	Negocios Mineros (2.2)	Application (6)	Exploration
HD6-086	Negocios Mineros (2.2)	Application (6)	Exploration
PKA-08231	Nacional de Minerales y Metals (2.2)	Application (6)	Exploration
HKU-08011	Leo (2.2)	Application (6)	Exploration
JC4-08003X	Acuario (2.2)	Application (6)	Exploration
JC4-08007X	Acuario (2.2)	Application (6)	Exploration
JC4-08008X	Acuario (2.2)	Application (6)	Exploration
JC4-08004X	Acuario (2.2)	Application (6)	Exploration
JC4-08005X	Acuario (2.2)	Application (6)	Exploration
JC4-08009X	Acuario (2.2)	Application (6)	Exploration
JC4-08006X	Acuario (2.2)	Application (6)	Exploration
JCC-16191X	Achagua (2.2)	Application (6)	Exploration
JGS-16391	Cholo (2.2)	Application (6)	Exploration
JGS-16394X	Cholo (2.2)	Application (6)	Exploration
JGS-16393X	Cholo (2.2)	Application (6)	Exploration

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JII-08221	El Crucero (2.2)	Application (6)	Exploration
JII-08221Sec2 (7)	El Crucero (2.2)	Application (6)	Exploration
JJR-08052X	El Percal (2.2)	Application (6)	Exploration
KCJ-08041	Eros (2.2)	Application (6)	Exploration
KGD-08051	Esquimal (2.2)	Application (6)	Exploration
KGD-08052X	Esquimal (2.2)	Application (6)	Exploration
KI7-14022X	Sociedad Frontera (2.2)	Application (6)	Exploration
KI7-14023X	Sociedad Frontera (2.2)	Application (6)	Exploration
KI7-14024X	Sociedad Frontera (2.2)	Application (6)	Exploration
LJQ-08007 and sectors 2-9	Grupo de Bullet (2.2)	Application (6)	Exploration
OG2-08124	Negocios Mineros (2.2)	Application (6)	Exploration
OG2-08159	Negocios Mineros (2.2)	Application (6)	Exploration
OG2-09375	Minerales OTU (2.2)	Application (6)	Exploration
PDN-09001	Nacional de Minerales y Metales (2.2)	Application (6)	Exploration
PCK-08191	Andes (2.3)	Application (6)	Exploration
PCK-08192	Andes (2.3)	Application (6)	Exploration
QL2-12161	Andes (2.3)	Application (6)	Exploration
RHA-08101	Andes (2.3)	Application (6)	Exploration
RI2-08011	Andes (2.3)	Application (6)	Exploration
TG9-08001	Andes (2.3)	Application (6)	Exploration
TGC-08001	Andes (2.3)	Application (6)	Exploration
TGD-08001	Andes (2.3)	Application (6)	Exploration
TGG-08001	Andes (2.3)	Application (6)	Exploration
TGH-08001	Andes (2.3)	Application (6)	Exploration
TGH-08002X	Andes (2.3)	Application (6)	Exploration
TGI-08001	Andes (2.3)	Application (6)	Exploration
THF-08011	Andes (2.3)	Application (6)	Exploration
TII-08021	Andes (2.3)	Application (6)	Exploration
TJO-08031	Andes (2.3)	Application (6)	Exploration
TLB-08151	Andes (2.3)	Application (6)	Exploration
UA2-10471	Andes (2.3)	Application (6)	Exploration
UAF-08011	Andes (2.3)	Application (6)	Exploration
TGG-08002X	Andes (2.3)	Application (6)	Exploration
TGG-08003X	Andes (2.3)	Application (6)	Exploration
TGG-08004X	Andes (2.3)	Application (6)	Exploration

(1) All titles are part of the Andes Gold Project, located in Antioquia, Risaralda and Choco, Departments of Colombia. Pursuant to the Interest Transfer Agreement with Bullet Holding Corporation (Bullet), Andes has a 90% beneficial interest, and Bullet has a 10% interest. All tenements have been crossed checked against the National Mining Authority Registry (ANNA) and reflect the status reported in ANNA. The Colombian Mining Authority's

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migration to a new tenement management and cadastre system (ANNA) has generated inconsistencies and issues concerning certain mineral tenement boundaries. In addition, there is uncertainty regarding the application and constitutionality of Presidential Decree 1955/19, the purpose of which was to re-instate certain land rights over free land to qualifying informal miners. The issues are not unique to Los Cerros and have the potential to reduce the footprint of a subset of exploration licence applications within the Company's Andes Gold Project. The Company is monitoring the situation and will keep the market informed of developments.
(2) The Titleholders of the tenements are:
(2.1) Tenements in process of acquisition by Andes Resources EP S.A.S (Andes).
(2.2) The titleholders of the applications are various companies associated with Bullet and covered under the Interest Transfer Agreement – see note (1).
(2.3) Andes is a subsidiary company of Los Cerros.
(3) Concessions at Exploration Stage have 3 year life extendable for 2 years to a maximum of 11 years.
(4) 10 year life extendable for 10 years and the tenement is in process of transformation to Concession contract.
(5) 5 year life extendable for 5 years and the tenement is in process of transformation to Concession contract.
(6) Applications have neither legal liabilities nor certainty that they will be granted in whole or in part. If the ground was open ground at the time of lodging, a contract for exploration and potential exploitation will be offered to the applicant. Andes has a beneficial interest in the tenement when the application is granted.
(7) Currently under 'technical study' by the mining authority pending granting of an application.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

LOS CERROS LTD (ASX: LCL)

ABN	Quarter ended ("current quarter")
43 119 759 349	30 September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(451)	(1,898)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs and board remuneration	(39)	(290)
	(e) administration and corporate costs	(305)	(1,548)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(3)	(13)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	51	51
1.8	Other (Ex-Director settlement)	(203)	(203)
1.9	**Net cash from / (used in) operating activities**	**(950)**	**(3,901)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(406)	(406)
	(d) exploration & evaluation	(299)	(392)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	154	1,556
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(551)**	**758**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	14,125	16,620
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	187	533
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(869)	(1,192)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(2,340)	(2,536)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**11,103**	**13,425**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	946	34
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(950)	(3,901)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(551)	758
4.4	Net cash from / (used in) financing activities (item 3.10 above)	11,103	13,425

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(89)	143
4.6	**Cash and cash equivalents at end of period**	**10,459**	**10,459**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	10,459	946
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**10,459**	**946**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	78
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

The payments to directors or their associates in 6.1 include a director's salary and superannuation.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(950)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(299)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,249)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,459
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	10,459
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	8.37

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

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8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 26 October 2020

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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