



Cerrado Gold Provides Update on Its Mont Sorcier High Grade Direct Reduction Iron (DRI) Project in Quebec

- Feasibility Study completion targeted for Q2 2026
- Targeting Increased Production rate of 8 MM tpa of 67% iron concentrate in a 2-stage phased development approach

TORONTO, Nov. 10, 2025 -- **CERRADO GOLD** ("Cerrado" or the "Company") is pleased to provide an update on the progress and anticipated changes to the development proposal for its Mont Sorcier high purity magnetite iron project located on the traditional Cree territory of Eeyou Istchee James Bay in the municipality of Chibougamau, Quebec. Mont Sorcier is currently in the later stages of a Feasibility Study targeted for completion in Q2 2026.

As previously announced and based on updated metallurgical testwork, the Mont Sorcier project can produce a premium 67% iron concentrate over a long mine life. The high grade and high purity nature of the iron concentrate product deems it as a Critical Mineral Project as outlined by the Canadian and Quebec governments. The magnetite iron mineralization allows for it to be concentrated into high-grade low impurity material, making the product suitable for direct reduction iron ("DRI") or pellet feed, contributing to the decarbonization of the steel industry and the achievement of sustainable development goals. Currently, the growth in demand for high grade DRI material is approximately 10% pa; well above the growth for the broader iron ore market, resulting in significant price premiums relative to more standard and lower grade iron ore concentrates.

Due to its location, low strip ratio, and innate infrastructure advantages, namely availability of existing rail and Port of Saguenay, the feasibility study is expected to demonstrate a long life mine with high margins, low operating costs, and low capital intensity.

Mark Brennan, CEO & Co-Chairman commented: *"As we progress through the different elements of the Feasibility Study, we continue to be impressed by the significant potential of this asset to be developed into a long life, robust operation. With the revised scope now being incorporated into the Feasibility Study, we expect the forthcoming Feasibility Study to clearly demonstrate the project's strong value proposition. As the results become evident to the market, we believe the inherent value will be recognized — reflecting the project's exceptional quality, expansion capacity, established infrastructure, competitive cost position, and strategic role in the future of iron ore and green steel production."*

He continued, *"There is a strong initiative for the Quebec and Federal governments to develop critical mineral mines in general and the Northern Corridor of Quebec in particular. Mont Sorcier has a ready laid railway and port waiting for customers to increase their utilization. The Mont Sorcier project appears destined to be one of the first projects ready to be developed in this corridor."*

The Mont Sorcier magnetite iron project is now well advanced, with all technical streams required to complete the feasibility study. As a result, several optimizations have led to changes to the project scope from the original 43-101 Preliminary Economic Assessment dated September 8, 2022 ("PEA"). The key scope changes that are currently anticipated to be included in the feasibility study, which is targeted for completion in Q2 2026, are as follows.

Product Grade: Previously announced test work in early 2025 confirmed the ability to produce a 67% grade iron concentrate with combined silica and alumina below 2.3%, making the product highly desirable as low impurity and high-grade Direct Reduction Iron (DRI) or pellet feed product in today's marketplace. The flowsheet currently contemplates standard magnetic separation followed by a flotation circuit to reduce the silica content to desired levels while increasing iron grade in concentrate.

Expanded Production Rate: Based on strong market demand for high grade iron concentrates, while aiming to keep initial capital costs low, the project is now being designed as an expanded 8 MM tpa project as compared to a 5MM tpa project in the PEA. The revised development plan will propose the project be developed in two phases, each delivering 4 MM tpa of concentrate production. Phase one is currently being designed to deliver an initial 4 MM tpa of concentrate production with a further 4 MM tpa of concentrate coming online in approximately the third year of operation to bring the total annual production rate to 8 MM tpa of high grade, 67% iron concentrates. The phased approach to development has been contemplated in the context of rising capital costs in the market and strong product demand from the steel industry. The final schedule will be determined in the Feasibility Study to optimize overall project value.

Optimized Capital Costs: Phase 1 capital costs are expected to increase by approximately 30-40% relative to the PEA. Higher costs relative to the PEA can be attributed to revised flow sheet design, the staged development plan, as certain

infrastructure will be built to accommodate the 8 MM tpa expanded production rate in the initial phase, and overall industry wide inflation. Phase 2 would then be expected to be significantly lower as key infrastructure such as the tailing facilities, railway, offices and other core facilities would already be in place.

Resource Definition: Over the past several months, the Company has completed 17,890 metres of resource definition with core logging completed and some assays still pending. The results are expected to support an updated Mineral Resource Estimate, which will then be used to support the definition of Mineral Reserves to be incorporated into the mine plan as part of the overall feasibility study. Despite the increase in production rates, the Company still anticipates the mine life of the expanded operation to be approximately 20 years, although no assurance can be provided before the updated mineral resource estimate is completed. The Mont Sorcier ore body remains large and homogenous, and significant additional resources remain available for future upgrading to extend the mine life or for future expansion potential if desired.

Optimized Low Impact Site Layout – In response to the planned scope changes and feedback from Indigenous land users and local stakeholders, the location of key infrastructure is being optimized to minimize the impact on wetlands, fish habitats and reduce overall visual impacts from the surrounding areas.

Environmental Permitting Progress – Progress on collecting all required information to complete the Environmental and Social Impact Assessment remains ongoing, with the governmental environmental review process now underway. Considering the revised footprint, the completion and submission of the ESIA is now expected in Q4 2026. The Company is encouraged by the efforts being undertaken by the governments of Quebec and Canada to streamline the review and approval of this type of submission, while ensuring that environmental standards are fully respected. The Company remains confident that the overall timeline to potential construction commencing in mid-2028 remains on track, subject to receipt of necessary permitting and availability of project financing.

Review of Technical Information

The scientific and technical information in this press release has been reviewed and approved by Andrew Croal, P.Eng., Chief Technical Officer for Cerrado Gold, who is a Qualified Person as defined in National Instrument 43-101.

About Cerrado

Cerrado Gold is a Toronto-based gold production, development, and exploration company. The Company is the 100% owner of the producing Minera Don Nicolás and Las Calandrias mine in Santa Cruz province, Argentina. In Portugal, the Company holds an 80% interest in the highly prospective Lagoa Salgada VMS project through its position in Redcorp - Empreendimentos Mineiros, Lda. In Canada, Cerrado Gold is developing its 100% owned Mont Sorcier Iron project located in the city of Chibougamau, Quebec.

In Argentina, Cerrado is maximizing asset value at its Minera Don Nicolas ("MDN") operation through continued operational optimization and is growing production through its operations at the Las Calandrias heap leach project. An extensive campaign of exploration is ongoing to further unlock potential resources in our highly prospective land package in the heart of the Deseado Masiff.

In Portugal, Cerrado is focused on the development and exploration of the highly prospective Lagoa Salgada VMS project located on the prolific Iberian Pyrite Belt in Portugal. The Lagoa Salgada project is a high-grade polymetallic project, demonstrating a typical mineralization endowment of zinc, copper, lead, tin, silver, and gold. Extensive exploration upside potential lies both near deposit and at prospective step-out targets across the large 7,209-hectare property concession. Located just 80km from Lisbon and surrounded by exceptional infrastructure, Lagoa Salgada offers a low-cost entry to a significant development and exploration opportunity, already showing its mineable scale and cashflow generation potential.

In Canada, Cerrado is developing its 100% owned Mont Sorcier high-purity, high-grade, Direct Reduced Iron project, located on the traditional Cree territory of Eeyou Istchee James Bay in the municipality of Chibougamau. The Mont Sorcier high purity high grade DRI Iron project, which has the potential to produce a premium iron concentrate over a long mine life at low operating costs and low capital intensity. Furthermore, its high grade and high purity product facilitates the migration of steel producers from blast furnaces to electric arc furnaces, contributing to the decarbonization of the industry and the achievement of sustainable development goals.

For more information about Cerrado please visit our website at: www.cerradogold.com.

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Forward-looking statements contained in this press release include, without limitation, statements regarding the business and operations of Cerrado and the Company’s assessment and expectations regarding the Mont Sorcier Project (the “Project”), including but not limited to the anticipated grade of iron concentrate and low impurity of material derived from the Project, the expectation of a long mine life of the Project of approximately 20 years with high margins, low operating cost and low capital intensity resulting in an attractive overall value proposition, initiatives being undertaken by the provincial government of Quebec and the federal government of Canada to develop critical mineral mines, the anticipated initial and expanded throughput rates, the anticipated capital cost of the Project, the expectation of an updated mineral reserve and life of mine, the expectation of an optimized low impact site layout to minimize impact on wetlands fish habitats and overall visual impact, the anticipated date of completion of a the feasibility study and commencement of construction. In making the forward-looking statements contained in this press release, Cerrado has made certain assumptions. Although Cerrado believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to general business, economic, competitive, political and social uncertainties. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, Cerrado disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

A photo accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/eb843015-e8a6-41a3-bbc9-77a991c7b51e>

Mont Sorcier Project, Quebec, Canada



Image of Mont Sorcier in Quebec, Canada