

December 2021 Quarterly Report

HIGHLIGHTS

- **Drilling at Tesorito Gold Porphyry continues to deliver high grade gold zones within wide gold mineralised intercepts.**

- **Ceibal confirmed as a new porphyry discovery ~1km from Tesorito.**

- **Deep penetrating IP and drone aero-magnetic surveys over priority areas have generated and refined compelling targets. Deep drilling of the central target potentially joining Tesorito to Miraflores has begun.**

- **The 2022 exploration program includes ongoing multi-rig drilling at Quinchia targets supplemented with further geophysics and target generation field work plus the intention of advancing exploration at the Andes project. A Tesorito maiden Resource and first round metallurgical test program are planned for the first half of 2022.**

Los Cerros Limited (ASX: LCL) (Los Cerros or the Company) continues to experience significant exploration success at its 100% owned Quinchia Gold Project in Risaralda - Colombia. During the quarter, drilling at Tesorito was focussed on step-out campaigns to the north and south with both campaigns delivering more encouraging drill results and expansion of the surface footprint of +0.5g/t modelled gold envelopes.

All six drill holes of the first drilling campaign at the Ceibal porphyry target delivered extensive porphyry gold mineralisation from surface.

The results of deep penetrating Induced Polarisation (IP) geophysics program over the Tesorito/Miraflores area, particularly the emergence of a substantial conductivity and chargeability high between Tesorito and Miraflores, added considerable evidence in support of the Company's regional model.

During 2022 drilling will focus at Quinchia with three building to five rigs in continuous operation in Q1 and substantial early-stage geological field and geophysical programs will continue.

At the end of the Quarter the Company had \$19.2 million in cash at bank.

Tesorito drilling extends gold envelopes north and south

The quarter's Tesorito drilling program focussed primarily on step-out drilling broadly testing northern and southern extensions to modelled gold envelopes. Assay results for a total of 17 holes for ~7,800m of diamond drilling was reported during the quarter, the results of which have roughly doubled the surface expression of modelled low-grade envelopes and extended the high grade (>1g/t Au) porphyry core southward.

The southern step out drilling campaign delivered high grade gold assays with multiple holes intercepting southern extensions of the early diorite that defines the porphyry core (Figure 1). Results include¹-

- 236m @ 1.0g/t Au from surface in TS-DH34 including
 - 26m @ 2.14g/t Au from 6m, and
 - 27.5m @ 2.73g/t Au from 121.5m
- 211m @ 0.8g/t Au from surface in TS-DH35 including

- 64.6m @ 1.25g/t Au from 128m
- 102.5m @ 0.92g/t Au from 8m in TS-DH45 including
 - 58m @ 1.24g/t Au from 48m
- 65.3m @ 1g/t Au from 2.3m in TS-DH46 including 20m @ 1.28g/t Au from 18m
- 187m @ 0.86g/t Au from 5m in TS-DH51 including
 - 12m @ 1.5g/t Au from 42m and
 - 46m @ 1.3g/t Au from 80m.

Assay results from the northern step out drilling campaign during the quarter include¹ -

- 114m @ 0.53g/t Au from 358m in TS-DH31
- 226m @ 0.5g/t Au from 120m in TS-DH32
- 550m @ 0.5g/t Au from 34m in TS-DH33
- 480m @ 0.42g/t Au from surface in TS-DH36 including 8m @ 1.36g/t Au from 472m (**beyond west fault**)
- 376.2m @ 0.5g/t Au from 16m in TS-DH39 including 8.0m @ 1.44g/t Au from 100m.

Of particular note was a deep intercept of 8m @ 1.36g/t Au from 472m in TS-DH36 being the highest gold grade interval reported west of the fault interpreted as the western structural control/limit of the Tesorito porphyry. This intercept is proximal to the significant IP target, between Tesorito and Miraflores, reported on 26 October 2021².

Also of note across the northern campaign is the persistence of low gold grade material 300+m north of the high grade Tesorito porphyry core. This demonstrates a clearly developed NNE to NE trend orientation to the gold mineralisation conforming to the Marmato Fault (Figure 1), an important structural control of mineralisation in the region.

The Company is targeting a Tesorito maiden JORC Resource estimate in the first half of 2022.

¹ See announcement 10 November 2021 for results of drillholes TS-DH31 to '36 and 13 December 2021 for TS-DH45, '46 and '51. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

² See announcements 26 October 2021. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

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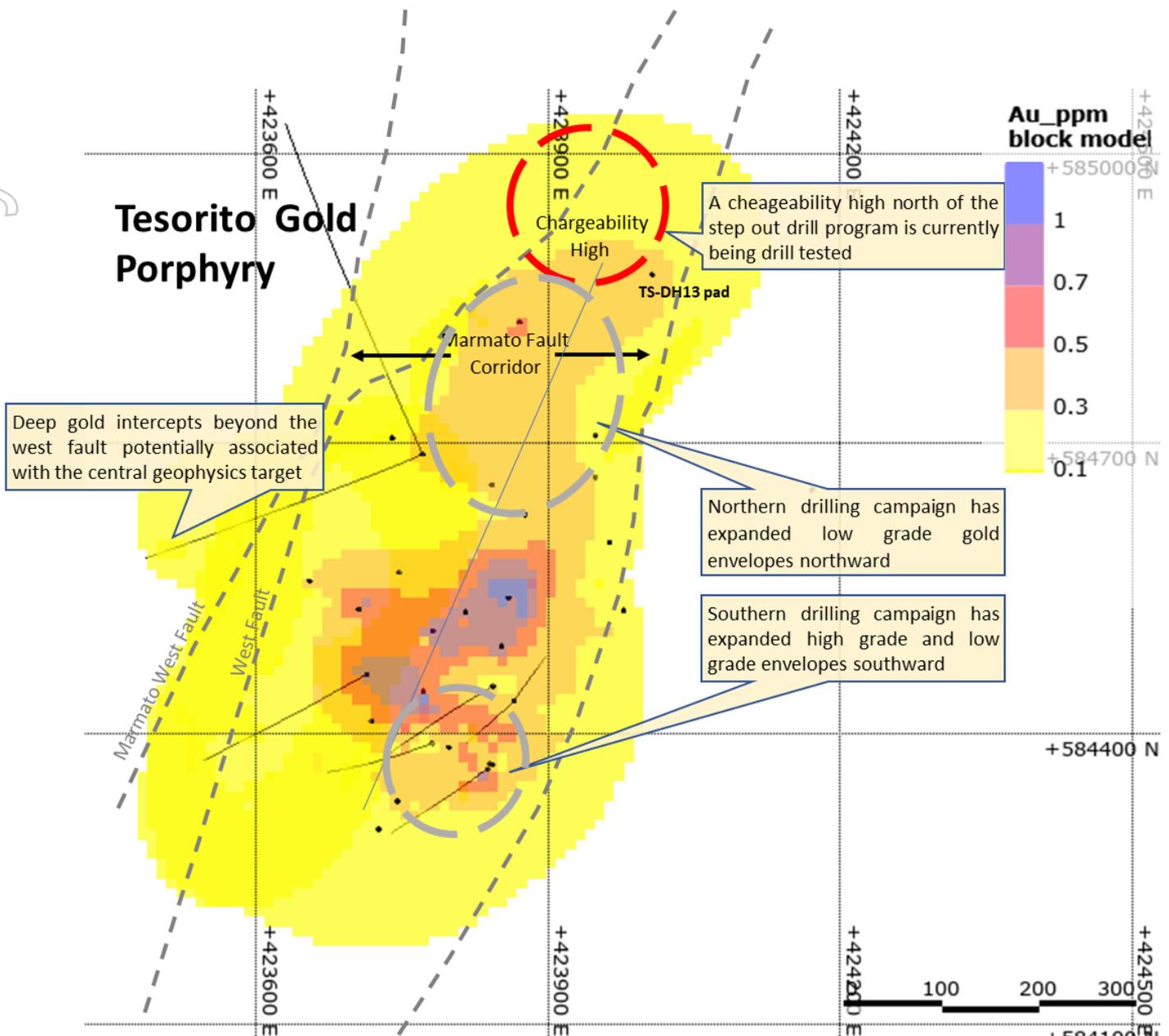


Figure 1: Plan view of Tesorito showing modelled gold envelopes and key structures. A recently defined IP chargeability anomaly to the north offers potential for further extensions.

Ceibal confirmed as another significant gold porphyry discovery

The initial six-hole scout diamond drilling program at Ceibal has provided an encouraging start to the investigation of this new porphyry discovery less than 1km from the Tesorito Gold Porphyry. Ceibal displays structural characteristics consistent with the Tesorito Gold Porphyry structural model - in particular, its location within the Marmato Fault Corridor and at the intersection of NW trending faults.

All six drill holes of the Ceibal campaign generated extensive intersections (between 88m and 586m) of porphyry gold mineralisation bearing strong resemblance to the extensive low-grade intercepts at the Tesorito Gold Porphyry. Intersections of the initial campaign include³:

³ See announcement 8 July 2021 for results from drillholes CEDDH01 and '02 and 22 November 2021 for CEDDH03 to '06. The Company confirms that it is not aware of any new information that affects the information contained in the announcement

- 500m @ 0.52g/t Au from surface in CEDDH01 (announced previous quarter)
- 586m @ 0.51g/t Au from surface in CEDDH02 (announced previous quarter)
- 243.1m @ 0.49g/t Au from 87.20m in CEDDH03
- 120.00m @ 0.71g/t Au from 4m in CEDDH04
- 88.00m @ 0.51g/t Au from 314m in CEDDH05
- 252.00m @ 0.41g/t Au from 530m in CEDDH06

The causative intrusive porphyry or related wide intervals of intrusive breccia have not yet been intersected at Ceibal. However extensive sheeted type veining and trends in element, mineral and vein density, suggest the causative porphyry intrusion (porphyry core) is north of the drilled area. Magnetic susceptibility results generated from a recent drone magnetic survey revealed two northern magnetic highs, potentially representing the location of the porphyry core (Figure 2).

The relative location of the two magnetic highs to the north of the drilling, and another magnetic high to the south of drilling, conform to the regional NW/NNW orientation associated with gold bearing systems throughout the Quinchia Project. At Ceibal this orientation extrapolates to the SE to intercept recently discovered creek side porphyry related breccia outcrops and the Company's Chuscal porphyry target.

Deep penetrating IP geophysics survey currently underway over the Ceibal and Chuscal areas will provide further guidance for target definition and prioritisation ahead of further drilling early in the new year.

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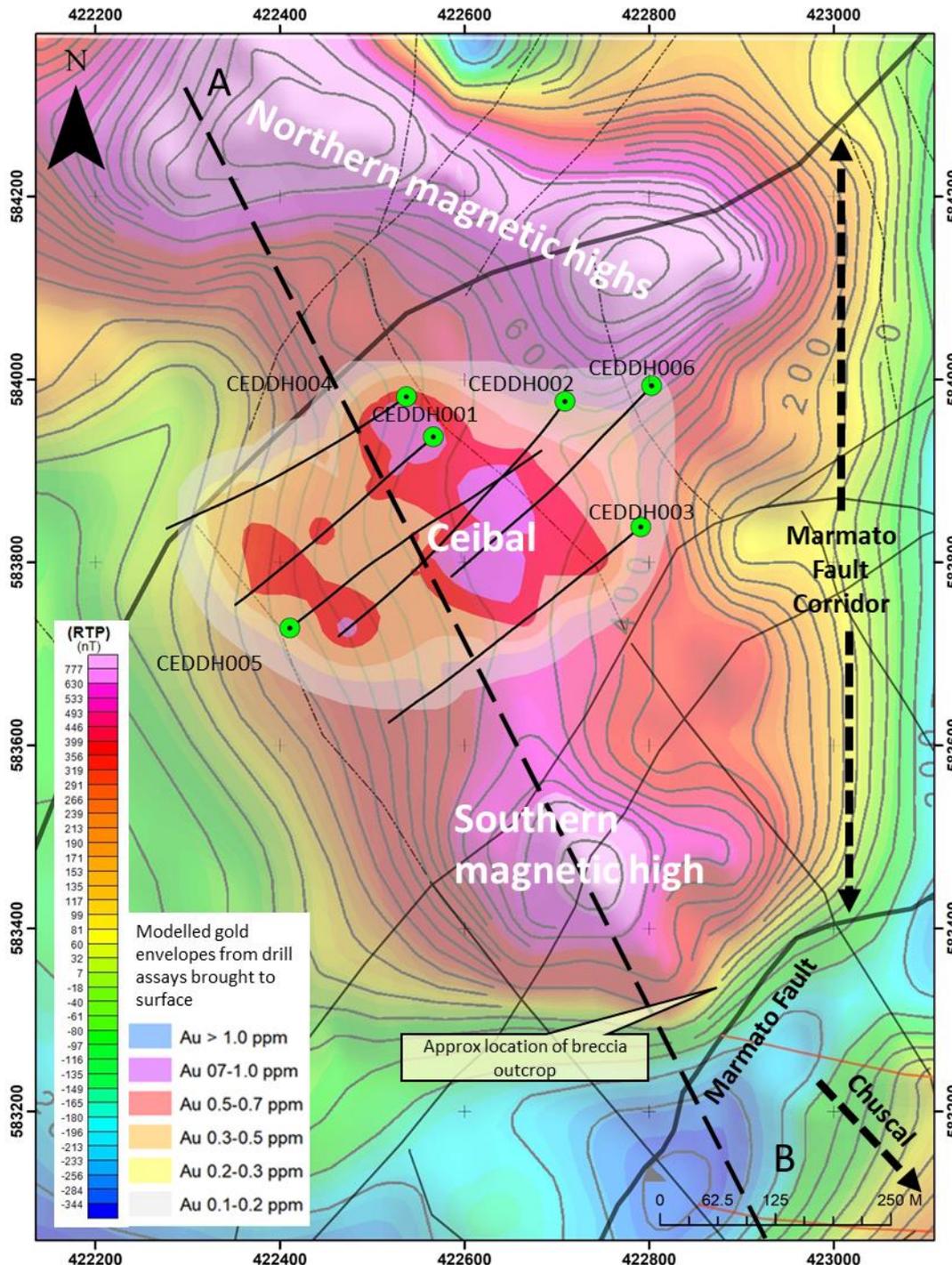


Figure 2: Drill traces and modelled gold envelopes from drill assays projected to surface at Ceibal, over regional magnetic susceptibility. The three magnetic highs are targets for follow up drilling. Note the NW/NNW orientation of higher grade gold envelopes and higher magnetic susceptibility, a characteristic of mineralised systems throughout Quinchia and the broader Mid Cauca porphyry belt.

Target generation and geophysics provides an exciting exploration pipeline for Quinchia 2022 drilling

Interpretation and assimilation of recent drone aero-magnetic and deep penetrating IP geophysical survey data has identified significant drill targets spatially associated with established Quinchia gold discoveries.

Of particular interest, and currently being drilled, is a coincident magnetic and chargeability/conductivity high, together with alteration signatures between Miraflores and Tesorito. Incorporation of the geophysical data into the regional structural model together with extensive drill log and surface databases of this region suggests the possibility of a single large scale central intrusion (possible porphyry) as the causative source of Miraflores and Tesorito gold mineralisation (Figure 3), both located on the flanks of this large chargeability anomaly. In addition, Tesorito south mineralisation is associated with a small chargeability anomaly which extends from the much larger anomaly interpreted as an intrusive centre.

The first drill hole into this target was commenced during the quarter and expected to complete in February with assay results expected around late March 2022.

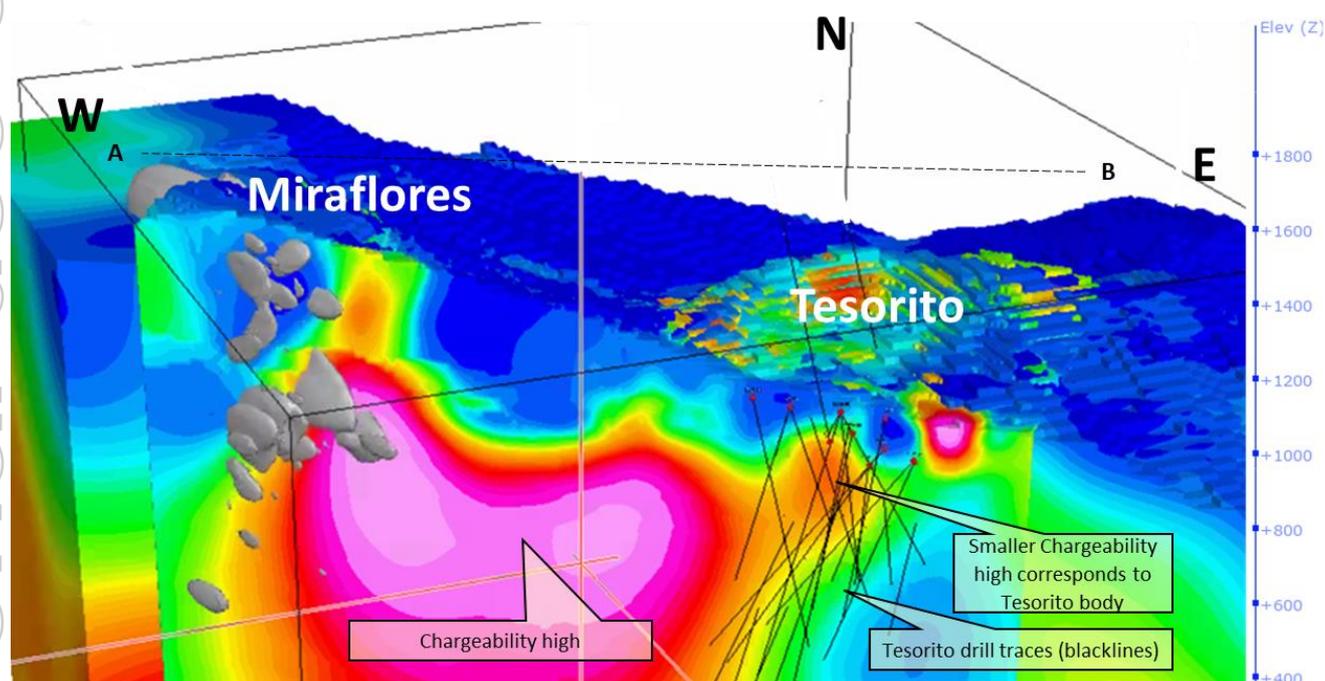


Figure 3: 3-D section looking NNW. A large IP chargeability high has been described between the Miraflores deposit (grey masses describing zones of >1.0g/t Au within the larger Miraflores Mineral Resource) and Tesorito prospect. NOTE: strong drill core gold assay results from across much of Tesorito south drilling correlate to a local chargeability high extending from the major chargeability high.

The geophysics program also identified a compelling gold porphyry target immediately north of Tesorito drilling, conforming to the NNE orientation of gold envelopes adjacent to the Marmato Fault (Figure 1). This target has been flagged as a priority for drill testing as it might represent another part of the Tesorito causative porphyry or a new porphyry pulse on the Marmato Fault Corridor.

The Quarter Ahead and Beyond

The Company intends to sustain exploration focus at Quinchia. At Tesorito a maiden JORC Resource estimate is targeted for release in Q2 2022.

It is anticipated that in the first half of the year community consultation and updated engineering required for the EIA (Environmental Impact Assessment) submissions for production approvals for the Miraflores 2017 DFS study will be finalised. Delays have been mainly due to COVID interruptions and design changes as a result of open dialogue with communities, authorities and other stakeholders.

In conjunction with 2017 Miraflores DFS EIA, and the commissioning of a maiden Resource at Tesorito, discussions have commenced around metallurgical and mining scoping studies which will consider development synergies between Tesorito and Miraflores such as shared mineral processing and infrastructure.

The regional drone magnetic survey and IP programs have been a great success in revealing and refining targets and remain ongoing. In addition, target generation field programs (mapping and surface sampling) and improving geological modelling, fed by drilling data and geophysics, has generated and advanced many interesting early stage targets at the Quinchia Project with many included in the 2022 workplan.

Currently there are three diamond drill rigs on site in 24-hour operation including a rig drilling a deep geophysical central target between Tesorito and Miraflores⁴. A fourth rig (with deep drilling capacity) will return to site in February initially to continue testing the Ceibal porphyry discovery. A fifth rig is also expected to commence in February 2022.

Corporate and Appendix 5B disclosures:

Mr Michael Allen was appointed to the position of Chief Financial Officer (CFO) and Company Secretary effective 9 November 2021, replacing Jess Lyons and Blair Snowball in their Joint Company Secretary function and Mr Snowball as CFO. Michael is a Fellow of the Institute of Chartered Accountants with over 30 years' experience primarily in the resources sector. Michael has held senior management positions with Resolute Mining, AngloGold Ashanti and Anglo American across exploration, development and producing gold projects and a held number of CFO roles in ASX and TSX listed companies including Maiden Gold, Dragon Mining and PMI Gold.

During the quarter, 1.05 million unlisted options exercisable at 2, 7 and 10 cents were exercised raising \$60,000.

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

- \$3,149k on exploration activities;
- \$76k in payments made to related parties and their associates for director salaries, consultancy fees, superannuation; and
- \$1,092k on administration and corporate costs.

The Company held cash and cash equivalents of \$19.2 million at the end of the quarter.

⁴ See ASX announcement 26 October 2021 for more detail. The Company confirms that it is not aware of any new information that affects the information contained in the announcement.

About Los Cerros

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 4). 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**⁵. Within 3km of Miraflores is the Tesorito Gold Porphyry plus the Chuscal and Ceibal porphyry prospects. Other targets within the Quinchia Gold Project (Figure 3) include the Dosquebradas deposit which has an Inferred Resource of **459,000 ounces at 0.71g/t Au**⁶.

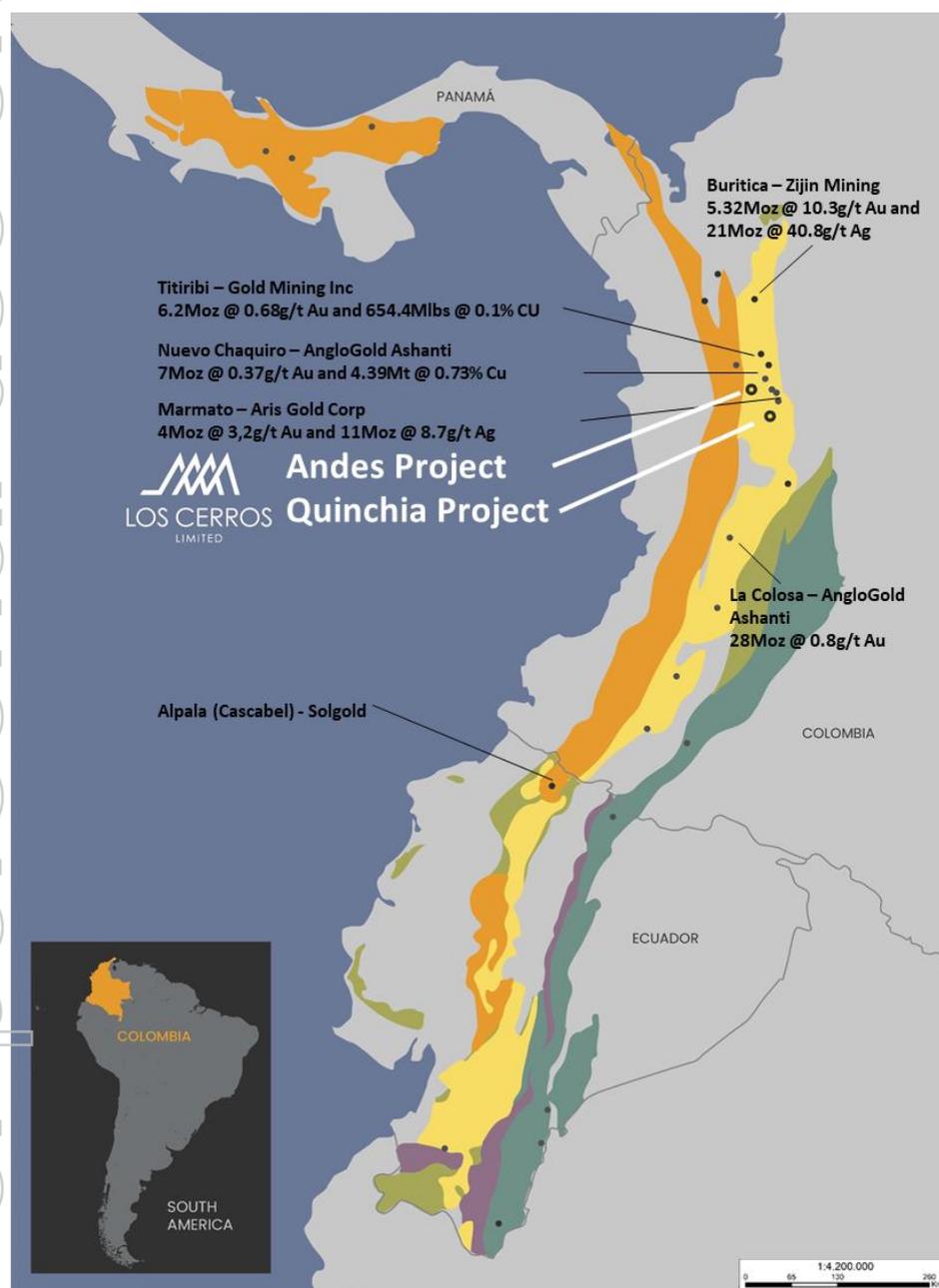


Figure 4: The Company's Andes and Quinchia Gold Projects sit on the Miocene aged, mid-Cauca Gold Belt in a sub-section of the belt that hosts many major copper-gold porphyry discoveries.

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

⁵ 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

⁶ 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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The Andes Gold Project (Los Cerros 90%, BHC 10% free carry to FS) is a larger area of early stage exploration in the state of Antioquia ~70km north of Quinchia. The Company has previously completed extensive preliminary surface work at many sites within the expansive footprint, including ~14,000 surface samples, to identify multiple early stage epithermal gold and porphyry gold/copper targets. No field work was conducted on the Andes Gold Project during the quarter.

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 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

Dosquebradas Inferred Mineral Resource Estimate, as at 25 February 2020 (100% basis)

The Dosquebradas Mineral Resource Estimate has been estimated in accordance with the JORC Code (2012 Edition) and first publicly reported on 25 February 2020. No material changes have occurred after the reporting of these resource estimates since their first reporting.

Cut-Off (g/t Au)	Tonnes ('000t)	Au (g/t)	Au (koz)	Ag (g/t)	Ag (koz)	Cu (%)	Cu (pounds)
0.3	57,794	0.50	920.8	0.6	1,036	0.04	56,767
0.4	34,593	0.60	664.1	0.6	683.8	0.05	38,428
0.5	20,206	0.71	459.1	0.7	431.7	0.06	24,867

Notes:

- i) No more than 6m internal waste is included in the weighted intervals
- ii) Inferred Mineral Resources shown using various cut offs.
- iii) Based on gold selling price of US\$1,470/oz.
- iv) Mineral Resource estimated by Resource Development Associates Inc.

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Mineral Tenements held as at 31 December 2021

Quinchia Gold Project, Colombia			
TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)(5)	STAGE
010-87M (4)	MCM	Contribution contract	Exploration
DLK-142	MCM	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	MCM	Application	Exploration
GC4-159 (6)	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
502321	MCM	Application	Exploration
502322	MCM	Application	Exploration

(1) All titles are part of the Quinchia Gold Project, Quinchia, Department of Risaralda, Colombia.

(2) MCM (Miraflores Compañía 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.

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Andes Gold Project, Colombia

TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)	STAGE
T5630005 El Columpio	Andes (2.3)	Exploitation License (4)	Exploitation
P8717011 San Pablo	Nicanor Maria Restrepo Restrepo - Minería Integral de Colombia - MININCOL (2.1)	Special Permission (5)	Exploitation
HINC-03-5843	Grupo de Bullet (2.2)	Concession (3)	Exploration
KI7-14021	Frontera (2.2)	Concession (3)	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 Metales (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
JII-08221	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	Grupo de Bullet (2.2)	Application (6)	Exploration

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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
RHA-08102X	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
501061	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
501773	Andes (2.3)	Application (6)	Exploration
501814	Andes (2.3)	Application (6)	Exploration
501815	Andes (2.3)	Application (6)	Exploration
501528	Andes (2.3)	Application (6)	Exploration
501529	Andes (2.3)	Application (6)	Exploration
501530	Andes (2.3)	Application (6)	Exploration
501533	Andes (2.3)	Application (6)	Exploration
501773	Andes (2.3)	Application (6)	Exploration
502587	Andes (2.3)	Application (6)	Exploration
502590	Andes (2.3)	Application (6)	Exploration
502729	Andes (2.3)	Application (6)	Exploration
502752	Andes (2.3)	Application (6)	Exploration
503564	Andes (2.3)	Application (6)	Exploration
503894	Andes (2.3)	Application (6)	Exploration
503895	Andes (2.3)	Application (6)	Exploration

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(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 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.

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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

43 119 759 349

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(544)
(b) development	-	-
(c) production	-	-
(d) staff costs and board remuneration	(343)	(860)
(e) administration and corporate costs	(750)	(2,632)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	(10)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,092)	(4,045)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(14)	(258)
(d) exploration & evaluation	(3,149)	(7,416)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	14
	(d) investments	-	-
	(e) other non-current assets	-	-
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	(3,163)	(7,660)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	20,220
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	60	4,218
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,261)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(50)
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	60	23,127
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	23,404	7,815
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,092)	(4,045)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,163)	(7,660)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	60	23,127

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	43	15
4.6	Cash and cash equivalents at end of period	19,252	19,252

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	11,251	23,404
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits)	8,001	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	19,252	23,404

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	76
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 directors' salaries and superannuation.

7. Financing facilities <i>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.</i>		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)	(1,092)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,149)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,241)
8.4	Cash and cash equivalents at quarter end (item 4.6)	19,252
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	19,252
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.54
	<i>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.</i>	
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	
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	
	<i>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.</i>	

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: 31 January 2022

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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