

Cerrado Gold Inc. (TSXV:CERT) 2026, A Pivotal Year Full of Value Catalysts

Production Results
May 1, 2026

(Currency is C\$ unless noted otherwise)

Closing Price (C\$/sh)	\$1.79
Rating	BUY
Target (C\$/sh)	\$2.80
Return to Target	56%
52 Week Low / High (C\$/sh)	\$0.57 / \$2.41
CAPITALIZATION	Basic Diluted
Shares Outstanding (M)	135.8 151.8
Market Capitalization (C\$M)	\$243.1
Enterprise Value (C\$M)	\$269.8
Cash and Cash Equivalents (C\$M)	\$31.5
Total Debt (C\$M)	\$58.1

STOCK CHART



RELATIVE PERFORMANCE



NET ASSET VALUE	(\$M)	(C\$/sh)
Minera Don Nicolas	\$274.6	\$2.02
Lagoa Salgada	\$201.4	\$1.48
Mt Sorcier	\$145.8	\$1.07
Cash	\$31.8	\$0.23
Resources	\$48.3	\$0.35
Corporate	(\$200.8)	(\$1.48)
Total NAV	\$501.1	\$3.68

RELATIVE VALUATION	Ev/oz AuEq (US\$)	P/NAV
Cerrado Gold Inc.*	\$46.3	0.49x
Peers**	\$91.8	0.39x

* as per RCS estimates

**S&P Capital IQ & Company Reports

MAJOR SHAREHOLDERS

Management and Insiders (7.43%), Monte Sinai Mineracao (7.32%)

DISCLOSURE CODE:

(Please refer to the disclosures listed on the back page)

Source: RCS, Company Information, S&P Capital IQ

COMPANY DESCRIPTION

Cerrado Gold is a Toronto based growing precious metals mining and exploration company building a portfolio of assets in South America. The Company's 100%-owned Minera Don Nicolas project, located in Santa Cruz, Argentina, is a producing gold and silver mine with significant optimization, expansion, and exploration potential. The Company also has the development-stage Mont Sorcier iron-vanadium project in Quebec.

Impact: Positive

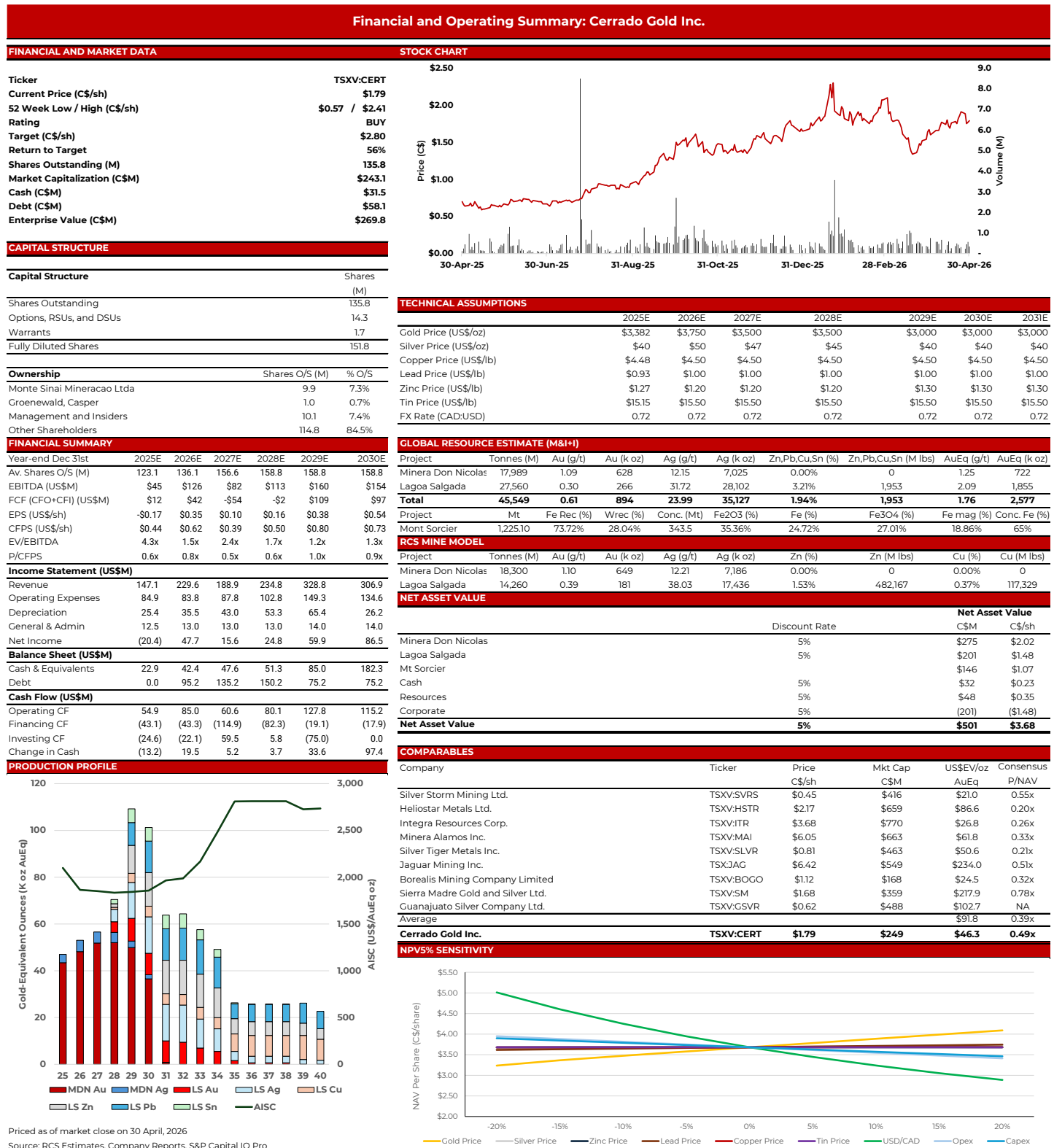
On April 20, 2026 - Cerrado reported Q1/26 GEO production of 12,842 oz versus our forecast of 11,917 oz from its Minera Don Nicolas (MDN) mine in Argentina. This, combined with the 30% QoQ increase in the realized gold price to US\$4,418/oz, translates into a 25% increase in forecast sales revenue in our model. The increase in the realized price reflects a combination of a higher average gold price and the elimination of the hedge book at the end of 2025. We expect Cerrado will produce 53.2K oz GEO at US\$2,038/oz in 2026, in line with its guidance of 50K oz to 60K oz GEO at AISC of US\$1,800 to US\$2,000/oz. **2026 is shaping up to be a pivotal year for the Company as it advances value-added initiatives across its three primary assets. We have adjusted our model to reflect the increased revenue through 2026 and are maintaining our Buy Recommendation. We are raising our target price on Cerrado to C\$2.80/sh from C\$2.50/sh, previously.**

- **Significant Growth Potential at MDN.** With the heap leach stabilized due to the new crushing circuit and ample water now available, GEO production is expected to climb in H2 due to the contribution of high-grade feed the Paloma underground. Meanwhile, CERT is in the midst of a 3-rig, 50,000m surface drill program aimed at increasing both the high and lower grade near mine open pit resources and extending the mine life. The Company expects to initiate a 20,000m underground drill campaign once the infrastructure is in place.
- **Optimizing Lagoa Salgada.** Parallel workstreams are underway to enhance the recoveries, increase the resource base, optimize the capital efficiency and simplify the development design. The Company advised us that ongoing discussions regarding the EIA approval are going well and remain confident that the project will advance to construction in the H1/27.
- **Mont Sorcier Feasibility Pending.** The Company is targeting the Q2/26 release of a feasibility study that features the staged development of a high-grade, high-purity Direct Reduction Iron (DRI) concentrate operation with a 21-year mine life. DRI trades at a 25 to 30% premium to the price of conventional iron ore in a market is growing at a 10% CAGR. CERT expects to confirm the 2022 PEA, pre-tax \$US1.5B NPV_{8%}.
- **Our Production Forecast.** Our model assumes MDN has a 5-year mine life while Lagoa Salgada is expected to operate from mid-28 to 2040. Total production is estimated at 780K oz at AISC of US\$2,150/GEO (see Figure 2). We expect CERT will exit 2026 with over \$40M in its treasury, excluding any share repurchases under its approved NCIB.

Maintain our BUY rating and increasing our target price to C\$2.80/sh.

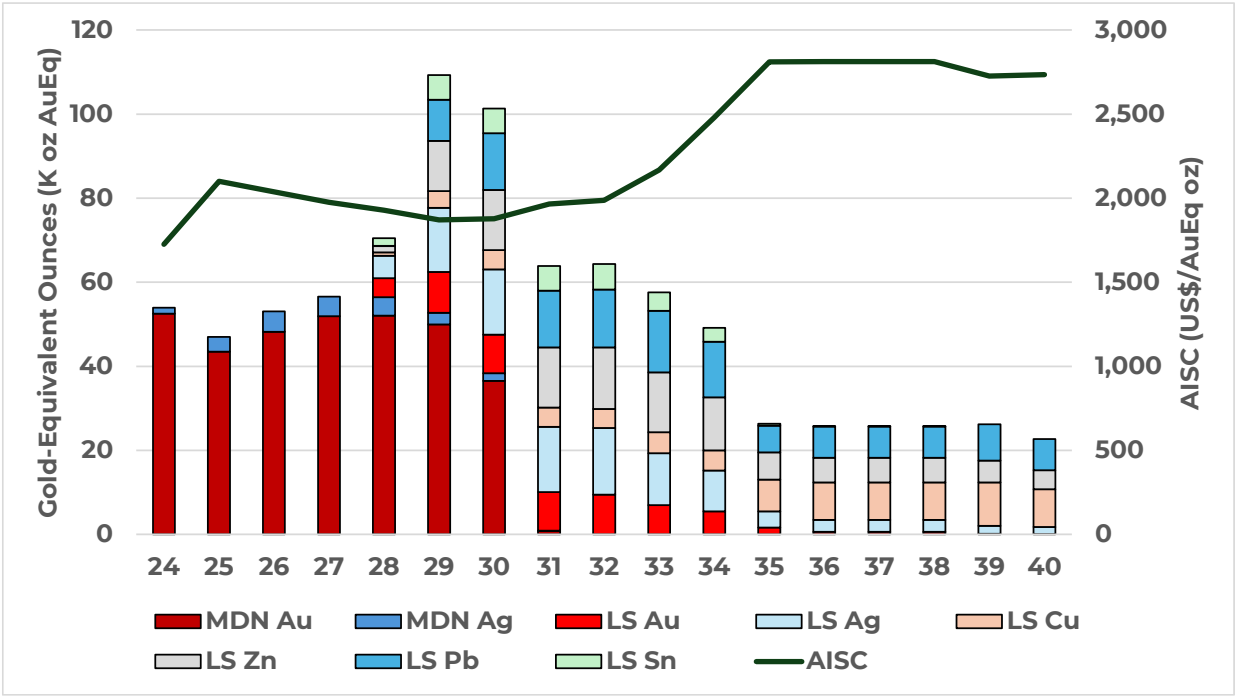
Our target is derived using a DCF_{5%} analysis of MDN and Lagoa Salgada, and in-situ value for Mont Sorcier. We calculate a NAVPS of C\$3.68 (was C\$3.28), to which we apply a 0.75x multiple to reflect the development-stage projects in our model. If we assume spot metal prices, our NAVPS increases by ~60% to C\$5.85/share. **Upcoming catalysts:** 1) Paloma ramp up (Q2/26), 2) Updates on Lagoa Salgada EIA, and 4) Mont Sorcier FS (Q2/26).

Figure 1: Financial and Operating Summary



Source: RCS Estimates

Figure 2: Red Cloud Production Model



Source: RCS Estimates

Figure 3: Cerrado NAV Summary

	Units	Discount Rate			
		0%	5%	10%	15%
Minera Don Nicolas	C\$M	300	275	138	236
Lagoa Salgada	C\$M	326	201	121	76
Mt Sorcier	C\$M	146	146	146	146
Cash	C\$M	32	32	32	32
Resources	C\$M	48	48	48	48
Corporate	C\$M	(293)	(201)	(139)	(105)
Total NAV	C\$M	559	501	346	433
Total NAVPS	C\$/share	4.11	3.68	2.54	3.18
Multiple			0.75x		
Price Target	C\$/share		2.80		

Source: RCS Estimates



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Disclosure Statement
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Recommendation / Target Change			Red Cloud Securities has this percentage of its universe assigned as the following:	
Date	Rating	Target	Status	%
2021-05-11	BUY	3.30	BUY	42%
2024-03-06	BUY	1.10	BUY (S)	28%
2024-05-02	BUY	0.90	HOLD	0%
2024-05-07	BUY	0.90	TENDER/ SELL	1%
2024-06-14	BUY	0.90	NA	28%
2024-06-28	BUY	0.75	UNDER REVIEW	1%
2024-07-19	BUY	0.75		
2024-08-07	BUY	0.75		
2024-08-30	BUY	0.75		
2024-09-04	BUY	1.45		
2024-10-21	BUY	1.45		
2024-10-31	BUY	1.45		
2024-11-29	BUY	1.50		
2025-01-06	BUY	2.50		
2025-01-07	BUY	1.70		
2025-02-04	BUY	1.70		
2025-02-27	Under Review	Under Review		
2025-03-03	Under Review	Under Review		
2025-05-30	Under Review	Under Review		
2025-07-18	Under Review	Under Review		
2025-08-25	Under Review	Under Review		
2025-10-20	Under Review	Under Review		
2025-10-21	Under Review	Under Review		
2025-11-07	BUY	2.30		
2025-12-01	BUY	2.30		
2025-12-05	BUY	2.30		
2026-01-22	BUY	2.50		
2026-03-02	BUY	2.50		
2026-04-06	BUY	2.50		
2026-05-01	BUY	2.50		

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Company Name	Ticker Symbol	Disclosures
Cerrado Gold Inc.	TSXV:CNC	7

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