



## **SONORO ANNOUNCES POSITIVE PEA RESULTS AND UPDATED MINERAL RESOURCE ESTIMATE FOR THE CERRO CALICHE GOLD PROJECT WHICH DEMONSTRATES A PRE-TAX NPV OF US\$68.7 MILLION AND AN IRR OF 52.7%**

**VANCOUVER, Canada, September 15, 2021 – Sonoro Gold Corp.** (TSXV: SGO | OTCQB: SMOFF | FRA: 23SP) (“Sonoro” or the “Company”) is pleased to report the results of an independent Preliminary Economic Assessment (“PEA”) including an updated Mineral Resource Estimate completed on the Company’s Cerro Caliche gold project located in Sonora State, Mexico.

The PEA has been prepared in accordance with the requirements of National Instrument 43-101 by D.E.N.M. Engineering Ltd. of Burlington, Ontario (“D.E.N.M.”), with an updated resource estimation completed by Micon International Ltd. of Toronto, Ontario (“Micon”) and metallurgical testing completed by McClelland Laboratories Inc. of Sparks, Nevada (“McClelland”).

### **PEA Highlights:**

- Pre-Tax NPV (5% discount rate) of US\$68.7 million and an IRR of 52.7% with a price of US\$1,750 per ounce of gold and US\$22.00 per ounce of silver.
- After-Tax NPV (5% discount rate) of US\$41.5 million with an IRR of 32.4% with a price of US\$1,750 per ounce of gold and US\$22.00 per ounce of silver.
- 7 years Life of Mine (“LOM”) producing 323,500 ounces (“oz”) of gold equivalent (“AuEq”)
- Gold recovery of 74% and silver recovery of 27% produced from a 3-stage crushing circuit, crushing the ore to p80 of ½”.
- LOM annual average production of 45,700 oz AuEq.
- Years 1 to 3 annual production of 56,500 oz AuEq with average grade of 0.51 g/t AuEq.
- Initial CAPEX costs of US\$32.2 million, including US\$3.8 million in contingency.
- Sustaining capital costs of US\$4.8 million.
- OPEX costs of US\$1,227/oz AuEq.
- All-In Sustaining Cost (“AISC”) of US\$1,462/oz AuEq.
- Payback period of 2.2 years.

### **Updated Mineral Resource Estimate Highlights at 0.207 g/t Au Cut-off:**

- Measured and Indicated Mineral Resources of 349,000 ounces of gold at a 0.41 g/t Au grade.
- Updated Inferred Mineral Resources of 71,000 ounces of gold at 0.40 g/t Au grade.

Also noted in Micon’s report, a range of the potential mineralization that may conceptually exist outside of the resource pit shells has been included in the report. Utilizing the same 0.207 g/t Au cut-off grade as the current resource estimate, the range of the potential mineralization is believed to be from 19,250,000 to 34,370,000 tonnes containing:

- 204,000 to 365,000 ounces of gold.
- 1,683,000 to 3,005,000 ounces of silver.

The reader is cautioned that the potential mineralization ranges are conceptual in nature and that despite being based on a limited amount of exploration drilling and sampling outside the current resource pit shells, it is uncertain that further exploration will result in the mineralization targets being delineated as a mineral resource.

*“The PEA really highlights the intrinsic value and potential economic viability of the Cerro Caliche project,”* said Mel Herdrick, VP Exploration of Sonoro Gold. *“Considering only 30% of the mapped mineralized zones have been drilled and assayed to date, I believe the PEA also justifies resuming drilling this fall to continue expanding and categorizing the project’s oxide gold mineralization.”*

Kenneth MacLeod, President and CEO of Sonoro Gold, stated, *“We are extremely pleased to announce the completion of the PEA. The results support management’s continuing strategy to develop a Heap Leap Mining Operation (HLMO) with a targeted operating capacity of up to 15,000 tons per day (tpd). We are preparing to resume drilling this fall to investigate the prospect for expansion of the mineralized zones to extend the potential life of the proposed future mining operation.”*

John Darch, Chairman of Sonoro Gold, commented, *“The completion of the PEA is a decisive step in our efforts to unlock the potential value of Cerro Caliche and deliver value to our shareholders. The PEA demonstrates the potential for economic viability which we hope will support our strategy to establish an initial mining operation that will generate the funds to continue exploring and developing the project’s potential. As we continue working towards these goals, Management believes we will continue building additional value for our shareholders.”*

### **PEA Summary**

The PEA is preliminary in nature and includes inferred resources that are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty the estimates presented in the PEA will be realized. The full PEA will be filed on SEDAR at [www.sedar.com](http://www.sedar.com) and Sonoro’s website [www.sonorogold.com](http://www.sonorogold.com) within 45 days of the issuance of this news release.

**Table 1: Key Economic Parameters of PEA**

<b>ASSUMPTION / RESULTS</b>	<b>VALUE</b>
Total Tonnes Processed	31.5 M
Total Tonnes Waste	65.5 M
Strip Ratio	2.1
Gold Grade (g/t)	0.41
Silver Grade (g/t)	4.05
Gold Recovery	74%
Silver Recovery	27%
Gold Price (US\$/oz)	\$1,750
Silver Price (US\$/oz)	\$22
Annual Gold Equivalent Production (Ounces)	45,700
Total Gold Equivalent Production (Ounces)	323,500
Net Revenue (Gold and Silver) (US\$ millions)	\$566.2M
Initial Capital Costs (US\$ millions)	\$32.2
Sustaining Capital Costs (US\$ millions)	\$4.8
LOM Operating Costs (US\$ millions)	\$396.9
Operating Cash Cost per AuEq ounce	\$1,227
All in Sustaining Cost per AuEq ounce	\$1,462
Mine Life	7 years
Average Process Rate (tonnes per day)	15,000
Pre-Tax NPV (5% discount) (US\$ millions)	\$68.7
After-Tax NPV (5% discount) (US\$ millions)	\$41.5
Pre-Tax IRR	52.7%
After-Tax IRR	32.4%
Payback Period	2.2 years

**Table 2: Gold & Silver Price Sensitivity Analysis**

SENSITIVITY	US\$1,700 Au US\$20 Ag	US\$1,750 Au US\$22 Ag	US\$1,800 Au US\$24 Ag	US\$1,900 Au US\$26 Ag	US\$2,000 Au US\$28 Ag
After-Tax NPV (5%)	\$32.6	\$41.5	\$50.4	\$67.1	\$83.9
Pre-Tax NPV (5%)	\$55.0	\$68.7	\$82.5	\$108.3	\$134.1
After-Tax IRR	26.8%	32.4%	37.9%	48.1%	58.0%
Pre-Tax IRR	43.9%	52.7%	61.3%	77.1%	92.4%
After-Tax Payback	2.6	2.2	1.9	1.5	1.2

**Table 3: Operating & Capital Sensitivity Analysis**

SENSITIVITY	-20%	-10%	Base Case	10%	20%
Operating Costs – Pre-tax NPV (US\$ million)	\$129.8	\$99.3	\$68.7	\$38.1	\$7.6
Operating Costs – IRR	93.1%	73.2%	52.7%	31.7%	10.2%
Capital Costs – Pre-tax NPV (US\$ million)	\$75.7	\$72.2	\$68.7	\$65.2	\$61.7
Capital Costs – IRR	67.8%	59.6%	52.7%	47.0%	42.1%

**Capital Costs**

The estimated capital costs for the Cerro Caliche Gold Project are based on an open pit mining and heap leach operation processing five million tonnes per year and utilizing contract mining. An initial capital expenditure is estimated at US\$32.2 million for the construction period, including 15% contingency. An additional US\$4.8 million is estimated for sustaining capital and US\$2.9 million is estimated for reclamation.

Capital cost estimates are based on industry standards and were developed using quotes provided by mining contractors and specialists experienced in mining development in Mexico.

**Table 4: Capital Costs**

<b>INITIAL CAPITAL COSTS</b>	<b>Costs (US\$M)</b>
Direct Facility Costs	\$19.1
Indirect Facility Costs	\$1.4
Engineering and Procurement	\$3.4
Pre-Stripping and Mine Development	\$0.2
Infrastructure	\$4.2
Subtotal	\$28.4
Contingency	\$3.8
Total Initial Capital Costs	\$32.2
<b>SUSTAINING CAPITAL COSTS</b>	<b>Costs (US\$M)</b>
Leach Pad Expansion	\$3.3
Equipment and Other	\$1.5
Total Sustaining Capital Costs	\$4.8
<b>TOTAL CAPITAL COSTS</b>	<b>\$37.0</b>
<b>RECLAMATION CAPITAL COSTS</b>	<b>Costs (US\$M)</b>
Environmental	\$2.3
Engineering and Procurement	\$0.3
Subtotal	\$2.6
Contingency	\$0.3
<b>TOTAL RECLAMATION COSTS</b>	<b>\$2.9</b>

**Operating Costs**

Cash costs for Cerro Caliche for the life of mine are estimated at US\$396.9 million or US\$1,227 per gold equivalent ounce and include mining, crushing and processing as well as maintenance and administration costs. All-in Sustaining Costs for the project for the life of mine are estimated at US\$489.3 million or

US\$1,462 per gold equivalent ounce and include operating costs, sustaining capital, reclamation, taxes, royalties and refining charges.

Royalties include a 2% NSR to certain landholders and taxes include payments to the Mexican government for mining royalty and specific mining related taxes. Refining costs include shipping loaded carbon to a 3<sup>rd</sup> party processing facility as well as costs for processing the carbon and production of doré bars.

Open pit mining will be undertaken by a contractor and carried out by drill and blast conventional loading and truck haulage to the crushing facility. An estimated mining cost of US\$1.90 per tonne includes drilling, blasting, hauling waste and mineralized ore to the heap leach area.

The Processing facilities at Cerro Caliche will be comprised of a crushing circuit where mineralized material is processed through a three-stage crushing plant to produce material that is has p80 of ½" (80% passing) method. The material is then conveyed and stacked in a conventional heap leach pad and irrigated with a low concentrate cyanide solution. Solution collected from the leach pad is then directed through a system of ditches to the processing ponds where it passes through a series of carbon columns. Gold and silver impregnated carbon is collected periodically from the columns and then dried and shipped to a 3<sup>rd</sup> party processing facility for stripping and doré bar production. An estimated processing cost of US\$5.70 per tonne operating costs includes crushing, leaching, assaying, carbon handling and labour.

Operating cost estimates are based on industry standards and were developed using quotes provided by mining contractors and specialists experienced in mining development in Mexico.

**Table 5: Operating Costs**

OPERATING COSTS	LOM (US\$M)	US\$/oz AuEq
Mining	\$174.7	\$540
Processing	\$204.9	\$633
Administration	\$17.3	\$53
<b>TOTAL CASH COSTS</b>	<b>\$396.9</b>	<b>\$1,227</b>
<b>ALL-IN SUSTAINING COSTS (AISC)</b>	<b>\$489.3</b>	<b>\$1,462</b>

### Mineral Resource Estimate

As part of the PEA, an updated Mineral Resource Estimate was completed to incorporate geological data from the Company's 2020 and 2021 drilling campaign. The resource estimate is based on Sonoro's geological interpretation of the deposit that established six geological domains. The geological domains account for the two primary trends of Vein-Breccia structures which are surrounded by stockwork mineralization. These domains were analyzed for grade capping, variography and interpolated using ordinary kriging method. Once the block model was completed it was classified into the Measured, Indicated and Inferred categories followed by a Lerchs-Grossman open pit optimization which resulted in the Mineral Resource Statement presented in Table 6.

**Table 6: Mineral Resource Estimate<sup>1-5</sup>**

Mining Method	Category	Tonnes	Average Grades			Metal Content		
			Au-Eq	Au	Ag	Au-Eq	Au	Ag
			g/t	g/t	g/t	(000s Oz)	(000s Oz)	(000s Oz)
Open Pit	Measured	12,844	0.39	0.37	3.79	163	155	1,566
	Indicated	13,851	0.45	0.44	3.1	201	194	1,378
	<b>M+I</b>	<b>26,695</b>	<b>0.42</b>	<b>0.41</b>	<b>3.43</b>	<b>364</b>	<b>349</b>	<b>2,944</b>
	Inferred	5,463	0.44	0.40	7.34	77	71	1,289

1. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.
2. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
3. The Mineral Resources in this news release were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Definition Standards for Mineral Resources and Reserves, prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council on May 14, 2014.
4. The pit constrained AuEq cut-off grade of 0.207 g/t Au was derived from US\$ 1,800/oz Au price, US\$ 25.00/oz Ag price, 74.0% Au and 27.2% Ag process recoveries, US\$1.90 mining, US\$6.47/tonne process and US\$0.49 G&A costs and 50-degree pit slopes.
5. The effective date of the mineral resource estimate is August 24, 2021 and the estimate is only for the oxide portion of the mineralization on the Cerro Caliche Project.

### **Qualified Person Statement**

David Salari, P.Eng., of D.E.N.M. Engineering Ltd. and William Lewis, P.Geo., of Micon International Limited, both of whom are independent of the Company, have reviewed and approved the scientific and technical information herein regarding the Company's Cerro Caliche Project. William Lewis, P.Geo., was responsible for the updated Cerro Caliche Mineral Resource Estimate and, along with David Salari, P.Eng., has approved the information pertaining to the Cerro Caliche Project in this news release. Each of David Salari, P.Eng. and William Lewis, P.Geo., is a Qualified Person as defined in NI 43-101.

Stephen Kenwood, P.Geo., a Director of Sonoro Gold, is a Qualified Person within the context of National Instrument 43-101 (NI 43-101) and has read and approved this news release.

### **About D.E.N.M. Engineering Limited**

D.E.N.M. Engineering Ltd. is a niche engineering company servicing the mining / mineral processing sector that specializes in Engineering & Design, Equipment Supply, Project & Construction Management, Commissioning and Operations Support. D.E.N.M. Engineering Ltd. has proven success while championing projects for over fifteen years in Canada, USA, Mexico and Central America.

In addition, D.E.N.M. Engineering, with its principal and independent specialists, performs NI 43-101 compliant assessments and studies in the sections of mineral processing metallurgical design, process design, capital and operating costing and cash flow analysis.

### **About Micon International Limited**

Micon International Limited (Micon) has provided consulting services to the worldwide mining industry since 1988 from its offices in Canada and the UK. Micon comprises a multi-disciplinary group of highly qualified and experienced professionals who are guided by the Company principles of Integrity, Competence and Independence.

Micon's experience in Mexico ranges from exploration programs and resource estimation to technical studies on operating mines as well as due diligence for precious metals and base metals projects. Micon has worked in most of the major mining districts throughout Mexico, as well as some lesser-known historical districts. In northern Mexico, assignments have been undertaken in the gold and silver districts of Sonora, Durango, Zacatecas, Chihuahua and Baja California.

### **About McClelland Laboratories**

McClelland Laboratories ("MLI") has been providing quality laboratory and consulting services to the minerals industry for over 33 years. Their services include metallurgical, environmental, analytical testing and consulting to meet their clients' needs during all phases of project development, operation and closure. MLI started as a lab dedicated to the gold, silver and copper industries and has expanded to provide services in a wide range of mineral markets.

**About Sonoro Gold Corp.**

Sonoro Gold Corp. is a publicly listed exploration and development company holding the near development stage Cerro Caliche project and the exploration stage San Marcial properties in Sonora State, Mexico. The Company has highly experienced operational and management teams with proven track records for the discovery and development of natural resource deposits.

On behalf of the Board of Sonoro Gold Corp.

Per: "Kenneth MacLeod"

Kenneth MacLeod

President & CEO

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**Forward-Looking Statement Cautions:**

*This press release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Cerro Caliche project, and future plans and objectives of the Company, including the NPV, IRR, initial and sustaining capital costs, operating costs, and LOM production of Cerro Caliche, constitute forward looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of the Company and its subsidiaries as a going concern, general economic and market conditions, mineral prices, the accuracy of Mineral Resource Estimates. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information. Important factors that could cause actual results to differ materially from the Company's expectations include exploration and development risks associated with the Company's projects, the failure to establish estimated Mineral Resources or Mineral Reserves, volatility of commodity prices, variations of recovery rates, and global economic conditions. The forward-looking information contained in this release is made as of the date of this release. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or the policies of the TSX Venture Exchange. Readers are encouraged to review the Company's complete public disclosure record on SEDAR at [www.sedar.com](http://www.sedar.com).*

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