

Prepared to Build

Cerro del Gallo – Stage 1

An EMERGING 94,600 oz p.a. GOLD eq.,
LOW CASH COST Heap Leach project in Mexico

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CERRO RESOURCES NL

FORWARD LOOKING STATEMENTS



All information contained in this presentation is of a general nature. Potential investors are cautioned against using the content of this presentation, in isolation, for making investment decisions. Research and advice of a qualified financial advisor or accountant are strongly recommended to anyone considering investing in listed company securities, including those of Cerro Resources NL.

Best efforts have been made to ensure the accuracy of information contained (at the time of preparation). Where forward targets and/or assumptions have been included – all such instances are indicative only and subject to alteration and/or cancellation as and when the management of Cerro Resources NL determines.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr John Skeet (as it relates to process related material), who is a Member of the Australasian Institute of Mining and Metallurgy and Mr Bill Fleshman (as it relates to the San Anton Project & Namiquipa), who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Skeet is the Chief Operating Officer of Cerro Resources NL. Mr Fleshman and Mr Trevor Leahey are consultants to Cerro Resources NL. They have sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and "qualified persons" as this term is defined in Canadian National Instrument 43-101. Mr Skeet and Mr Fleshman consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company has completed and filed on SEDAR the NI43-101 Technical Report for the Feasibility Study (**FS**) on the Heap Leach Stage of the Cerro del Gallo Gold/Silver Project. The Technical Report was prepared by Peter Hayward, Dip. of Metallurgy, Fellow AusIMM; Timothy Carew, B.Sc (Hons) Geology, M.Sc. Mineral Production Management, P.Geo; and Thomas Dyer, B.Sc Mine Engineering, P.E., independent consultants to Cerro and John Skeet, BAppSc, Fellow AusIMM, the Company's Chief Operating Officer. A copy of the technical report dated 29 June 2012 can be located on SEDAR or via the Company's website.

This presentation contains certain forward-looking information within the meaning of applicable Canadian securities legislation (collectively referred to as "forward looking statements"). Generally, forward-looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

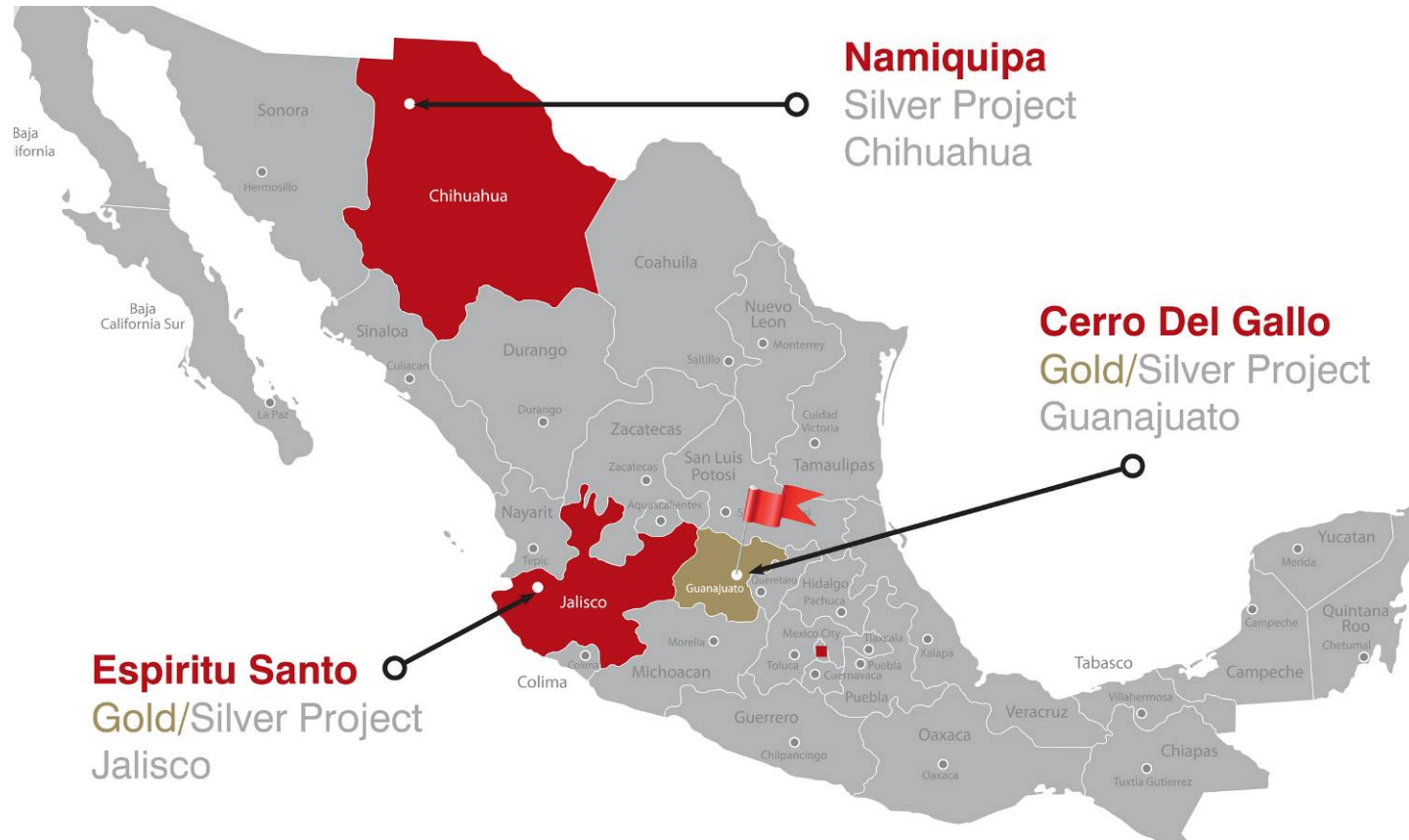
Forward-looking statements in this presentation include, but are not limited to, statements with respect to Cerro Resources' plan and strategy, its plan to complete technical studies and mine development, and its capacity to raise additional funds to pursue its objectives. By their very nature, forward-looking statements require Cerro Resources to make assumptions that may not materialize or that may not be accurate. Although Cerro Resources believes that the expectations reflected in the forward-looking statements in this presentation are reasonable, no assurance can be given that these expectations will prove to have been correct, as actual results and future events could differ materially from those anticipated in the forward looking statements. Accordingly, viewers are cautioned not to place undue reliance on forward-looking statements. Cerro Resources does not undertake to update publicly or to revise any of the included forward-looking statements, except as may be required under applicable securities laws.

Cautionary Note to U.S. Investors

This presentation uses the term "measured", "indicated" and "inferred" resources. We advise U.S. investors that while these terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. In addition, "inferred" resources have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of inferred mineral resources will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of a feasibility or other economic study. U.S. investors are cautioned not to assume that any part or all of an inferred mineral resource exists or is economically or legally mineable.

CERRO RESOURCES NL

PROJECT LOCATIONS - MEXICO



CERRO RESOURCES NL

WHY WE CHOSE MEXICO & CERRO DEL GALLO?



- **Top 10 Gold producing country globally (2011)**
- **Strong mining state - established, clear mining legislation**
- **Booming economy, decreased unemployment and GDP growth of 4.5% in first half of 2012**
- **Major engineering facilities & workforce centres < 60min**
- **International airport < 1.5hrs from CdG**
- **Power, water, sealed roads**
- **Supportive community**



CERRO del GALLO, MEXICO

VALUE CREATION PATHWAY



1st Stage

4.5Mtpa Heap Leach Feasibility Study (FS) (NI43-101 July 9, 2012)

- 32.2Mt P&P Reserves in-Pit
@ 0.69g/t Au, 14.8g/t Ag & .08%Cu
- Process weathered/ partially-
oxidised material from surface
- 0.91 LOM Excellent Strip ratio¹
- 94,600 oz p.a. Gold Eq. avg.*
- 7.2 years LOM



2nd Stage

+ 3Mtpa CIL Prelim. Assessment (PA) (Apr 2011)

- 45.0Mt M&I in-Pit Resource
@ 0.66g/t Au & 13.8g/t Ag
- Process Fresh (sulphide)
material exposed by Stage 1
mining
- Heap Leaching of partially
oxidised material to continue
- Stage 2 overlap Stage 1 from yr 5
- FS in Year 3 of Stage 1 –
installation in time for year 5

*The gold equivalent ounces reflected herein were calculated using a 3 year historic gold, silver and copper price of US\$1,341/oz, US\$25.58/oz and US\$7,582/t respectively for gold:silver price ratio of 52.4 and a gold:copper price ratio of 0.177. That is, 52.4 oz of silver is equal in value to 1 ounce of gold and 0.177 tonnes of copper is equal in value to 1 ounce of gold.

¹ 9Mt of 'fresh' material will be mined during Stage 1 for processing in Stage 2. The material has been treated as 'waste' material for purposes of calculating the Stage 1 LOM strip ratio .

CERRO del GALLO, MEXICO

FS FINDINGS... AT A GLANCE



Gold/Silver/Copper Project (68% CJO – 32% Goldcorp)

Stage 1 Heap Leach (30 May 2012 FS ASX/TSX-V)

Operating Results

Maximum Gold equivalent production/yr	99.1 k oz (Yr. 3)
Average Gold equivalent production/yr	94.6 k oz (71% Au/ 22% Ag/ 7% Cu)
C1 Cash operating cost (co-product basis)	US\$516 per oz (Au eq*)
C3 Cash operating cost (incl dep'n + royalties)	US\$840 per oz (Au eq*)
Pre-production capital costs:	
Plant, Infrastructure and Owners Costs	US\$136M
Mining fleet cost	US\$18.8M
Life of Mine (LOM)	7.2 years

Financial Results

(Assumes owner operated mining fleet, includes sustaining capital and royalties)

@ US\$1,341/oz Au, US\$25.58/oz Ag & US\$7,582/t Cu

Undiscounted Net Cash Flow (post capex, pre-tax)	US\$280M
Net Present Value @ 6% (post capex, pre-tax)	US\$181M
Pre-tax IRR	30.5%
Pre-production Capital Payback Period	2.7 years



Cerro del Gallo

Cerro del Gallo hosts a 209Mt Gold domain M+I resource containing 3.22M oz Gold/ 4.56M oz Gold Eq.

The planned 2-stage Heap Leach +CIL mining project is benefitted by a particularly low strip ratio and is located in a benign, mining-supportive region in central Mexico.

*The gold equivalent ounces reflected herein were calculated using a 3 year historic gold, silver and copper prices US\$1,341/oz, US\$25.58/oz and US\$7,582/t respectively for gold:silver price ratio of 52.4 and a gold:copper price ratio of 0.177. That is, 52.4 oz of silver is equal in value to 1 ounce of gold and 0.177 tonnes of copper is equal in value to 1 ounce of gold.

CERRO del GALLO

Reserves and Resources



In-Pit P&P Reserves and M&I Resources	Tonnes M	Au g/t	Au Moz	Ag g/t	Ag Moz	Cu %	Kt Cu	Au Eq* g/t	Au Eq* Moz
Total DFS Proven and Probable Reserves*	32.2	0.69	0.71	14.82	15.35	0.08	25.6	1.11	1.15
Total M&I in-pit Resource*	45.0	0.66	0.95	13.8	20.0			0.92	1.33

*@ 0.21g/t for weathered and 0.29g/t for partially oxidised Au Eq cut-off, reflecting gold/silver price and recovery ratios

Total Gold Domain Resource (Copper excluded)	Tonnes M	Au g/t	Au Moz	Ag g/t	Ag Moz	Au Eq* g/t	Au Eq* Moz
Measured	129	0.54	2.24	12	49.8	0.77	3.19
Indicated	80	0.38	0.98	8	20.6	0.53	1.37
Total M&I Gold Domain	209	0.48	3.22	11	70.4	0.68	4.56
Inferred	20	0.3	0.19	7	4.50	0.43	0.28

*@ 0.2g/t cut-off

*The gold equivalent ounces reflected herein were calculated using a 3 year historic gold, silver and copper prices US\$1,341/oz, US\$25.58/oz and US\$7,582/t respectively for gold:silver price ratio of 52.4 and a gold:copper price ratio of 0.177. That is, 52.4 oz of silver is equal in value to 1 ounce of gold and 0.177 tonnes of copper is equal in value to 1 ounce of gold.

CERRO del GALLO

FS FINDINGS – 1st stage Heap Leach



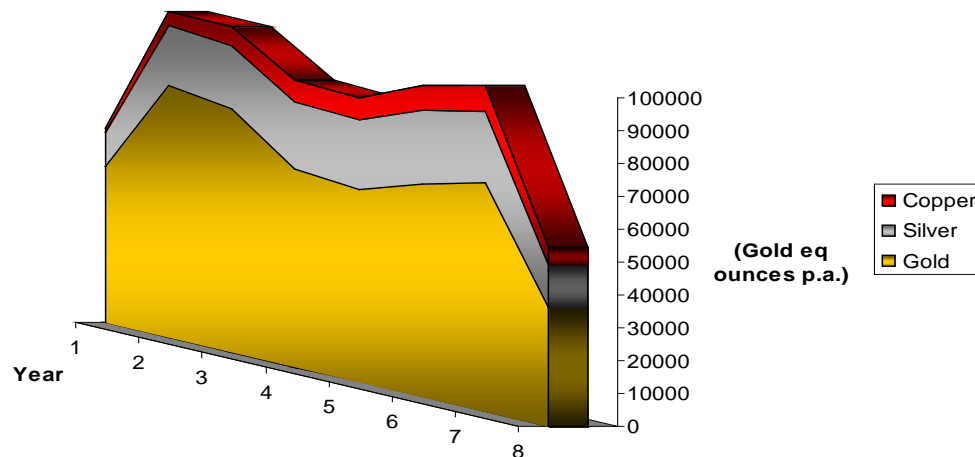
Operational Data

Milling	
Annual Throughput	4.5Mt
Overall Gold Recovery	68.5%
Overall Silver Recovery	50.1%
Overall Copper Recovery	31.8%
Maximum AuEq production, k oz per annum*	99.1 (Yr 3)
Average AuEq production, k oz per annum*	94.6
Average gold production, k oz per annum	67.9
Average silver production, k oz per annum	1,072
Average copper production, t per annum	1,113
Base Life of Mine Stage 1	7.2 years

Cash Operating Costs

Cash Operating Cost	US\$/t Average (ore tonne)	US\$/oz Au Eq Average*
Mining	3.2	152
Processing	6.63	314
Metal Transport & Refining	0.30	14
G & A	0.76	36
TOTAL	10.89	516

Cerro del Gallo - 1st Stage Heap Leach
Annual Metal Production (Gold eq basis)



Year	Gold (k oz)	Silver (k oz)	Copper (t)	Gold Eq* (k oz)
1	47.7	525	267	59.2
2	76.5	970	682	98.9
3	74.0	1,016	1,018	99.1
4	60.2	1,080	1,128	87.2
5	58.7	1,096	1,223	86.5
6	64.6	1,189	1,349	94.9
7	69.5	1,144	1,380	99.1
8	36.3	677	943	54.6
Total	487.5	7,697	7,990	679.5

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CERRO del GALLO

FS FINDINGS – 1st stage Heap Leach



Pre-production Capital Costs

Capital Cost		Cost (000's US\$)
Plant and Infrastructure Costs		
	Crushing	25,609
	Agglomeration	4,970
	Heap Leach Pad & Ponds	21,413
	SART Circuit	12,524
	Adsorption	2,620
	Elution & Gold Room	2,275
	Reagents	3,991
	Services & Infrastructure	27,035
	Subtotal	100,437
	Contingency	9,242
	Total Plant Costs (Inclusive of EPCM)	109,679
Owners Costs		
	High Voltage Power Supply	4,725
	Mobile Equipment	962
	Pre-Production Labour	2,187
	Regulatory, Land, Insurance etc	4,013
	Insurance & Operating Spares	1,742
	Working Capital (3 months)	11,447
	Subtotal	25,076
	Contingency	1,254
	Total Owners Costs	26,330
Project Cost First Stage 4.5Mtpa Heap Leach		136,009

Pre-production Mining Fleet Costs

	Cost US\$,000
Primary Mining Equipment	9,898
Support Equipment	4,729
Blasting	236
Mine Maintenance	542
Other Mine Capital	3,385
Total Year 1 Mining Capital	18,790

Sustaining Capital

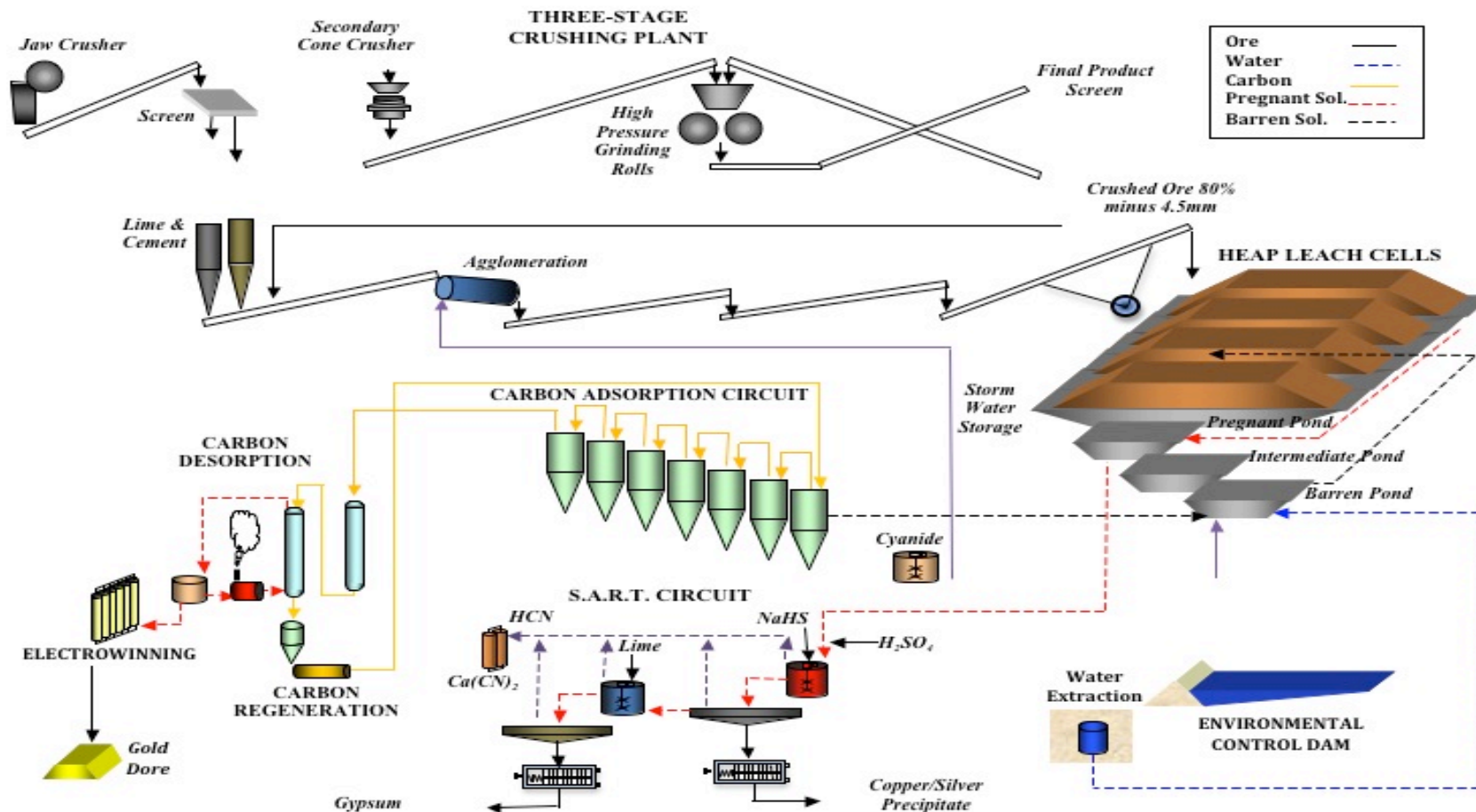
	Cost US\$,000
Mining Capital	12,533
Leach Pad Expansion	10,000
Stacking Equipment etc	4,900
Other	1,500
Total	28,933

CERRO del GALLO

1st stage HEAP LEACH FLOW SHEET



Cerro del Gallo Stage 1 Development – Heap Leach

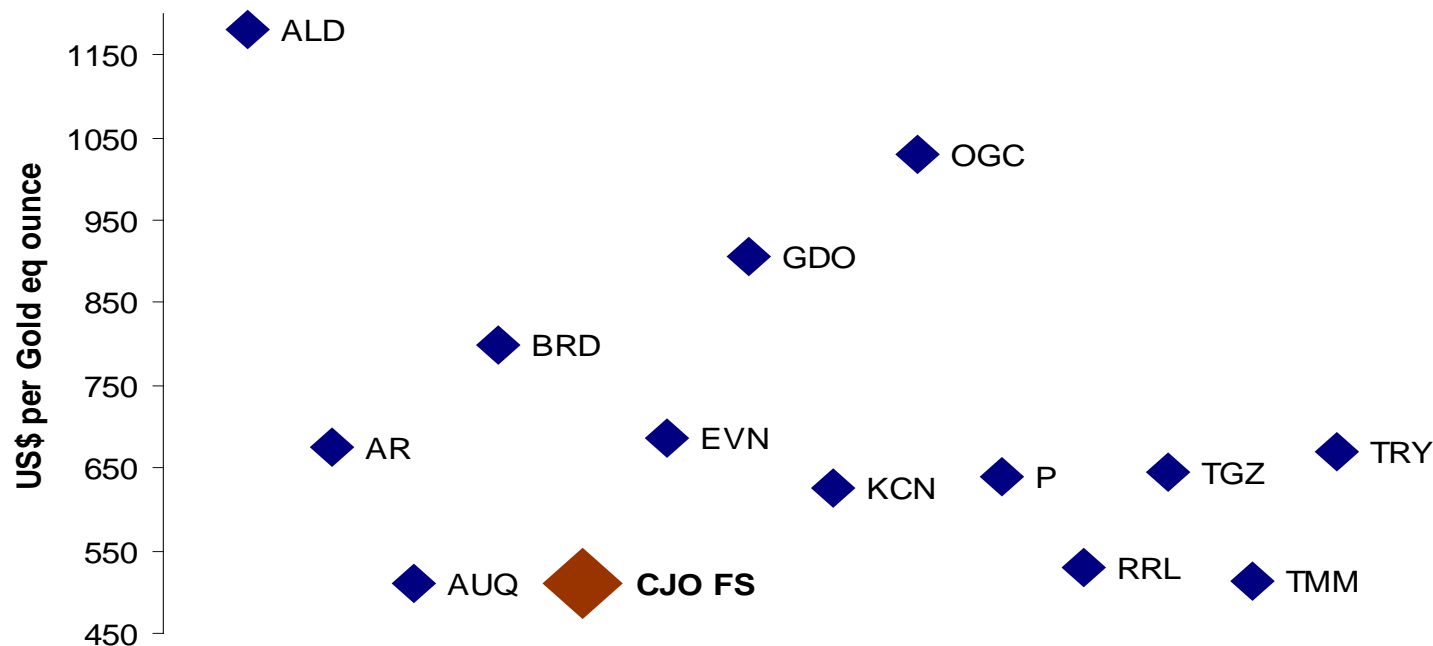


CERRO del GALLO, MEXICO

OPEX...HOW IT COMPARES?



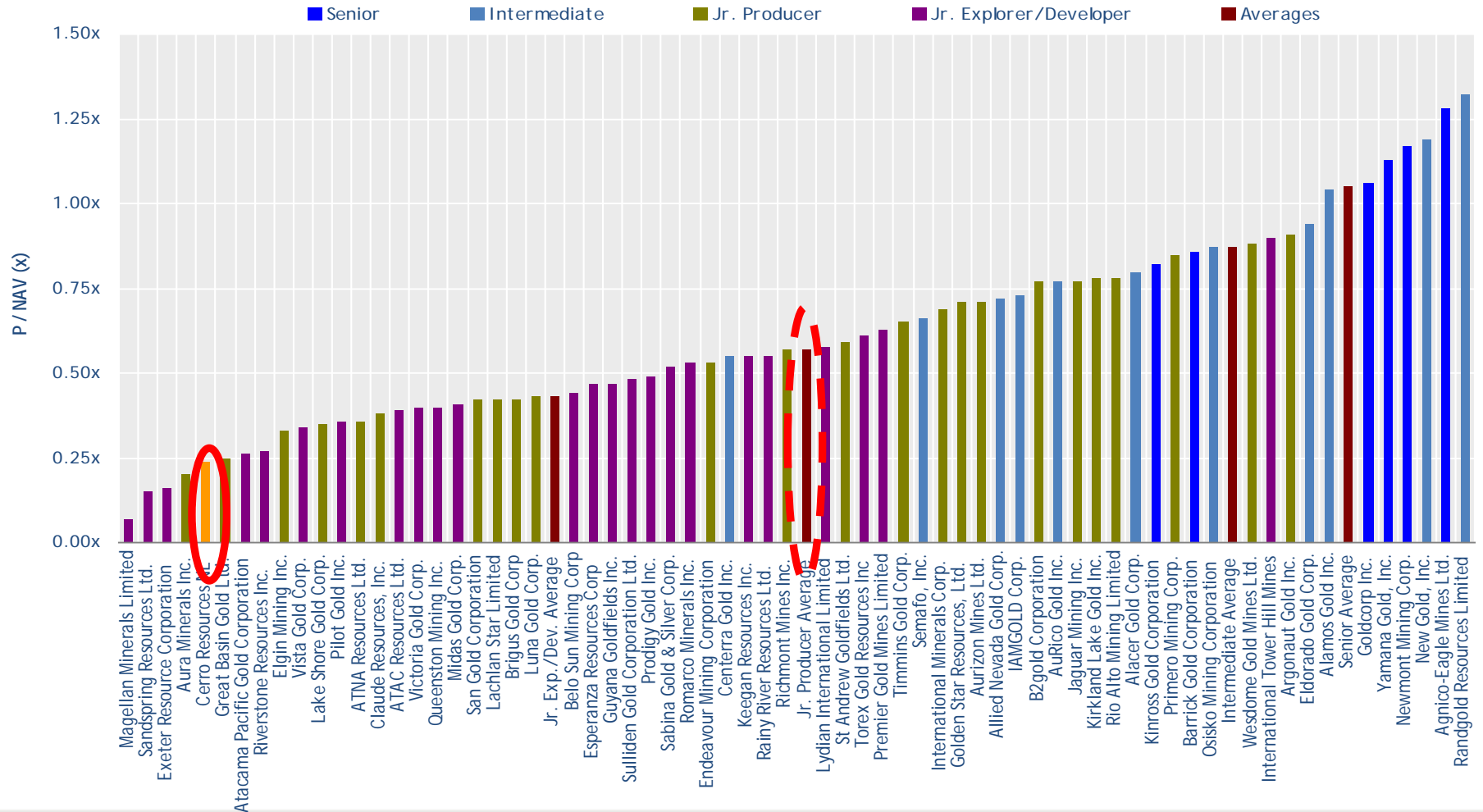
C1 Cash Cost Comparison per Gold eq oz
- mid-tier North American & Australian producers
(co-product basis)



Source: 2Q 2012 Public sources

CERRO del GALLO, MEXICO

PRODUCER RE-RATING POTENTIAL?

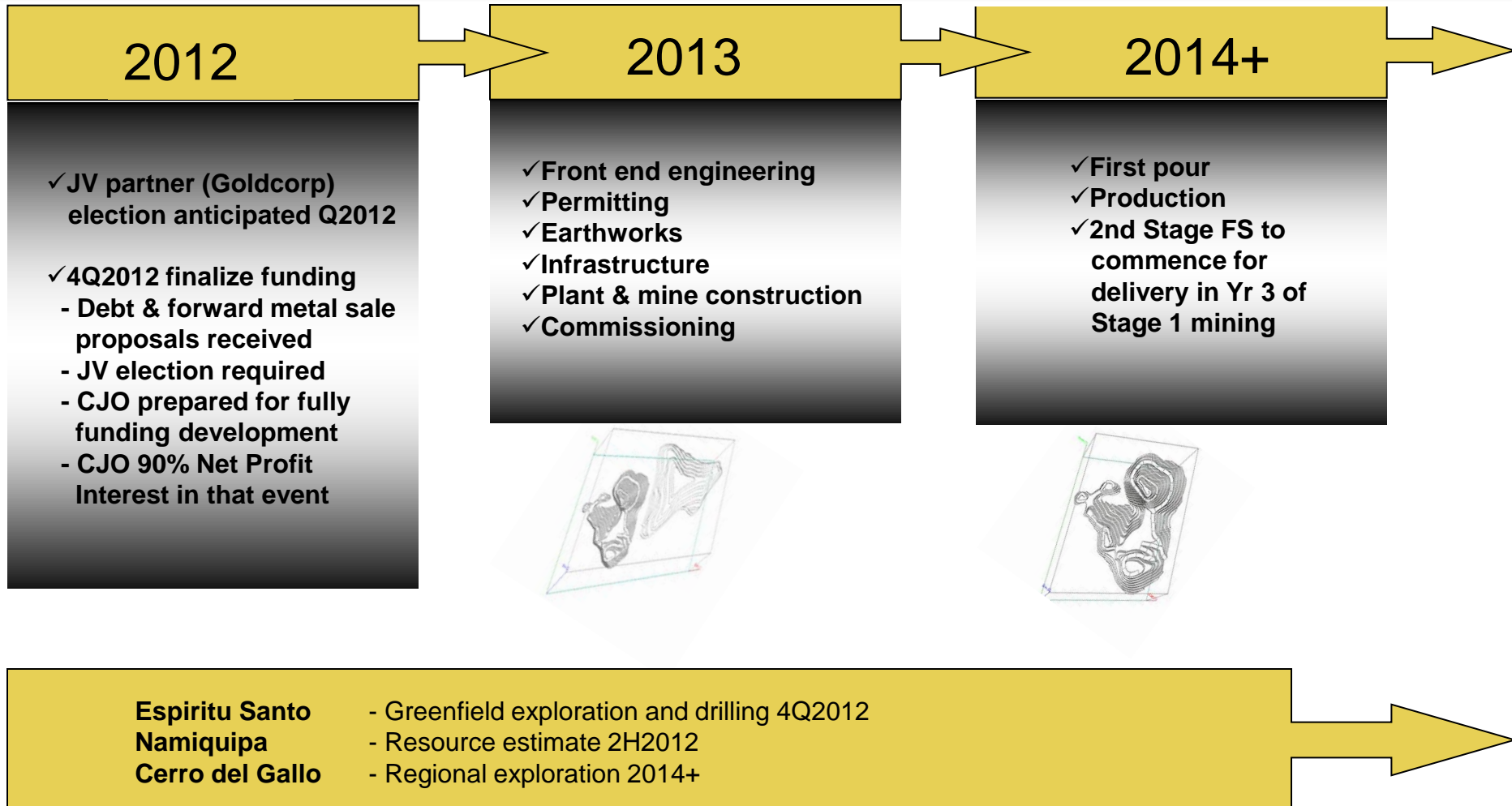


As at August 23rd, 2012. CADUSD exchange rate of 0.9917

Source: NBF, Corporate disclosure, Street Research, and Capital IQ

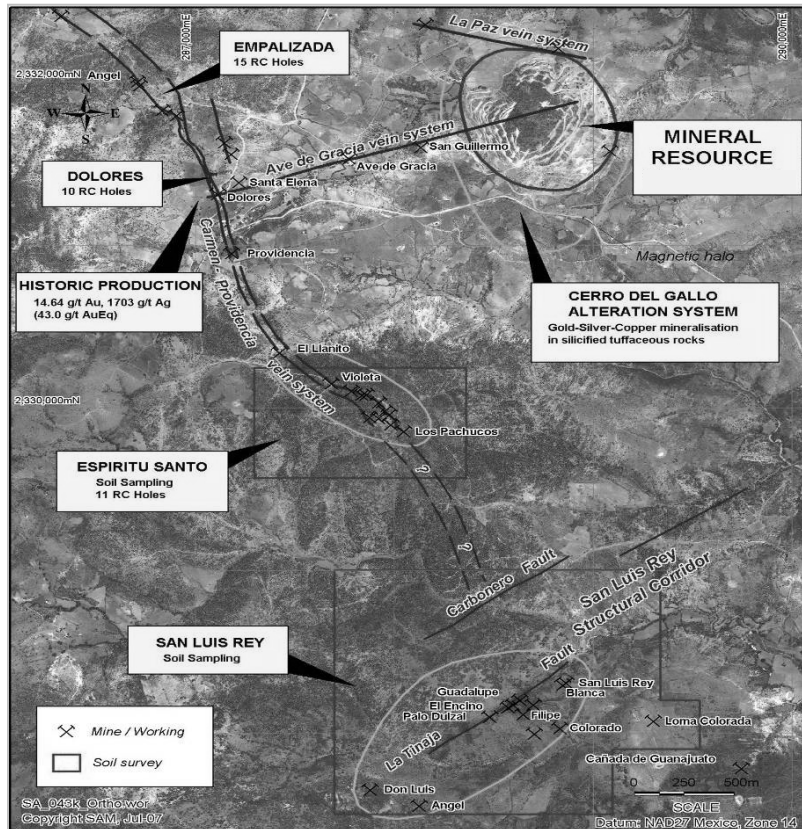
CERRO del GALLO, MEXICO

DEVELOPMENT PLAN



CERRO DEL GALLO, MEXICO

EXPLORATION UPSIDE POTENTIAL



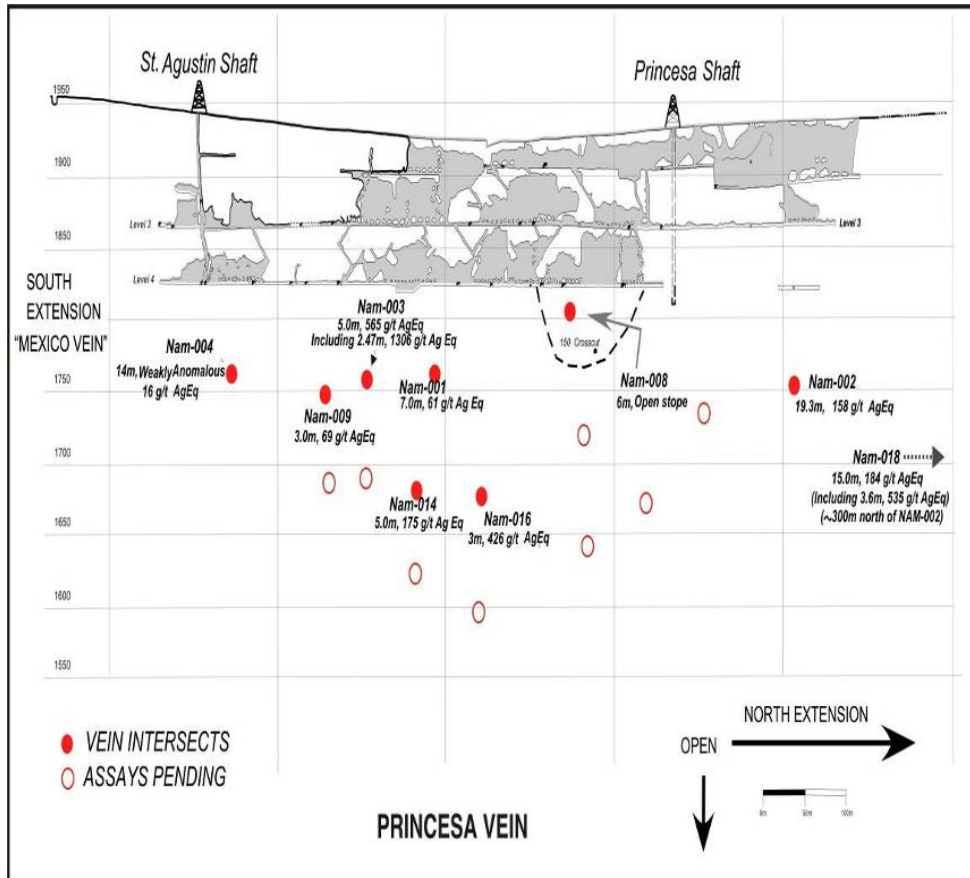
Post mine development exploration targets.

Early stage regional prospecting previously returned:

- 1.5m @ 590g/t Ag and 3.40g/t Au
- 4.6m @ 428g/t Ag and 3.52g/t Au
- 3.6m @ 359g/t Ag and 1.57g/t Au
- 4.6m @ 239g/t Ag and 1.91g/t Au
- 6.0m @ 243g/t Ag and 1.70g/t Au
- 3.1m @ 200g/t Ag and 1.05g/t Au
- 7.6m @ 168g/t Ag and 1.51g/t Au

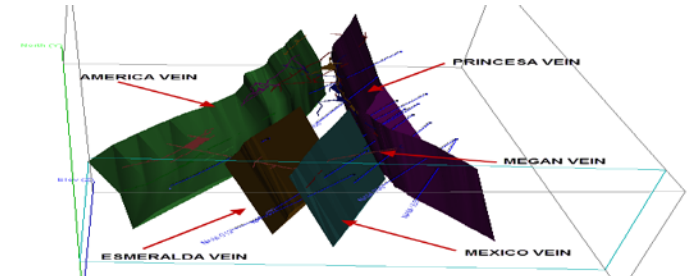
CERRO RESOURCES NL - Other Project

NAMIQUIPA SILVER, Chihuahua, Mexico



Project data

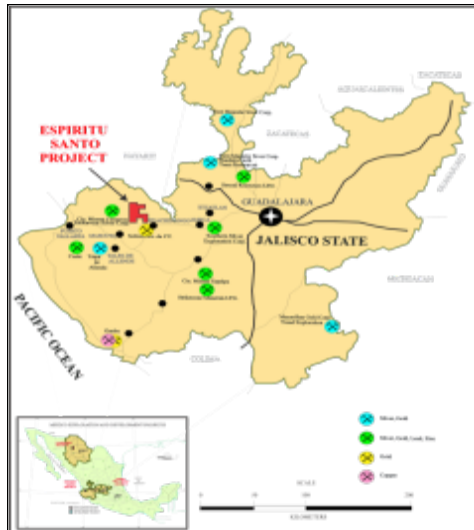
- 1 km+ strike length of multiple, largely contiguous vein systems extending from 150-500m below surface
- 86 core holes drilled for 32,000m to date, including
 - **921g/t AgEq** over **16m** (NAM-009)
 - **1,175g/t AgEq** over **6m** (NAM-047)
 - **601g/t AgEq** over **7.5m** (NAM-014) and
 - **272g/t AgEq** over **13m** (NAM-016)
- Resource estimation underway – Expected 2H2012
- Surface exploration (soil geochem and planned IP geophysics) underway in **northern extension** which will be subject to drill testing post initial resource estimate.



*The Silver equivalent grades ("AgEq") have been calculated using metal prices of US\$25oz Silver; US\$1.00/lb Zinc; and US\$1.00/lb Lead. Metal recoveries are not considered in this calculation. Further drilling is required to provide a more accurate assessment of vein thickness and true width may vary.

CERRO RESOURCES NL - Other Project

ESPIRITU SANTO GOLD/SILVER, Jalisco, Mexico

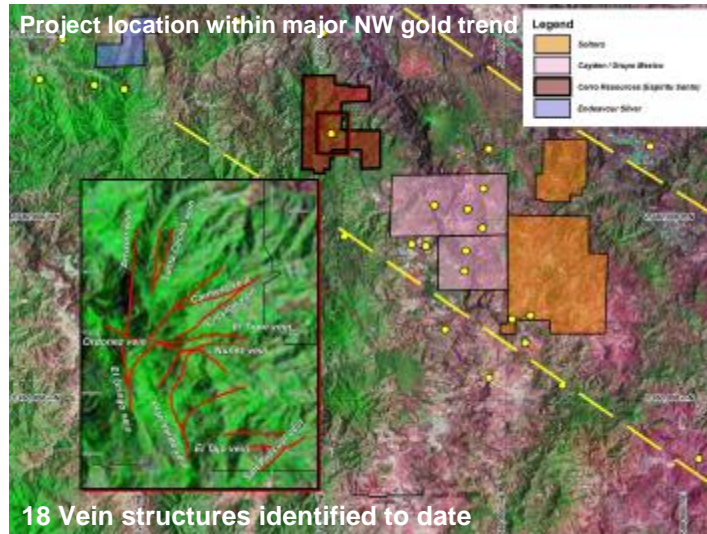


Project Data

- 5,800 ha land package
- Located within the Mascota-Navidad Mining district in Western Jalisco, Mexico
- Other projects within this prolific zone include Endeavour Silver's San Sebastien dev project and Soltoro's El Rayo project
- 130 km W. of Guadalajara and 50 km East of Puerto Vallarta
- 3 x 2 km of known mineralised strike length
- Within the heart of gold/silver district crossing the Sierra Madre Occidental & the Neovolcanic Axis of Mexican Republic
- Good road access (20km paved and 20km gravel to property campsite)
- Area worked by small mining companies and prospectors but little-no modern exploration techniques/efforts undertaken
- Environmental baseline data completed (June 2012)
- The small, high grade San Ouiteria Mine in San Sebastien del Oeste continues today. Navidad area discovered in early 1900's and developed at low scale until 1946

CERRO RESOURCES NL - Other Project

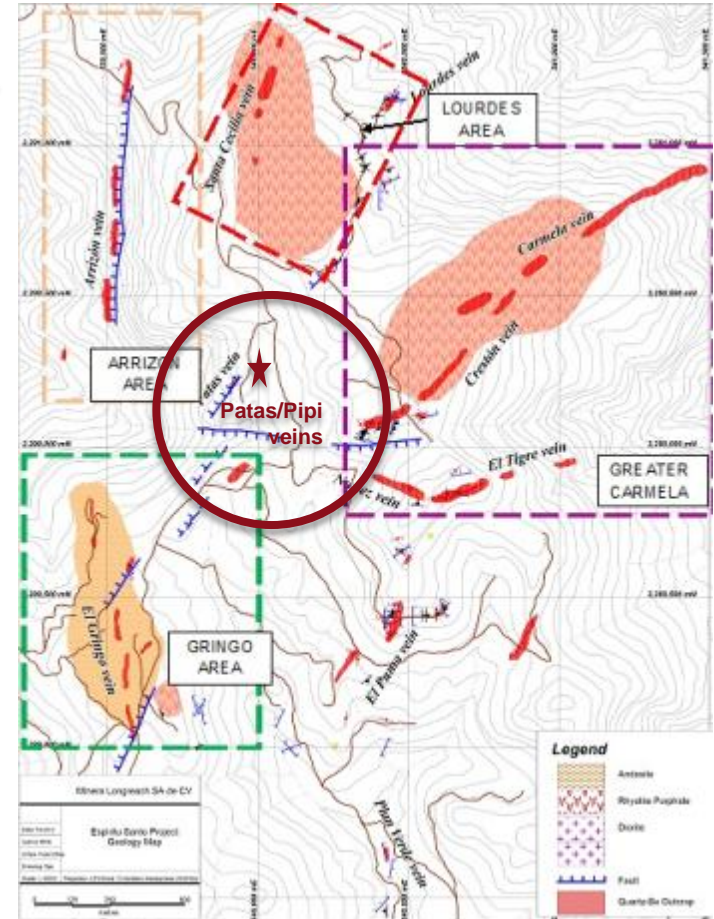
ESPIRITU SANTO GOLD/SILVER, Jalisco, Mexico



Exploration Focus

Primary: Patas & Pipi★
Jenny Veins

- Arrizon Area
- Greater Carmela
 - Carmela, El Tigre, Creston, Nunez,
- El Gringo **
- Lourdes



- Initial programs identified **19 vein structures to date**
- Quartz breccia **veins up to 1km+ with widths of 3 - 12+ meters typical**
- Patas & Pipi system developing into major exploration target – Jenny Vein located
 - Lead robust target area where drilling likely to commence
 - Rock chip highlights: **27.8 g/t Au** (ES1314★) and **372 g/t Ag** (ES0003**)
- Greater Carmella apparent dilation zone of approx 1.5 km X 1.5 km
- Additional surface work continues to locate & extend known veins
- Once completed and weather permitting, drilling anticipated for 2H2012

CERRO RESOURCES NL

CORPORATE DATA



Stock Code	CJO
Share Price	C\$0.08
Market Cap.	C\$62.5M
Cash	C\$4.5M
Shares on issue	782M
Options	50M
Debt	Nil
Enterprise Value	C\$58M

Precious metals asset backing*	
Ev/oz Gold Eq. (M+I only)	\$18.71 per oz.
Ev/oz Gold only (M+I only)	\$26.36 per oz.

*Excludes Cerro del Gallo copper values and Mt Philp Indicated and Inferred Iron JORC resource
Reflects 68% ownership of Cerro del Gallo.

As at close of August 28, 2012

*The gold equivalent ounces reflected herein were calculated using a 3 year historic gold and silver of US\$1,341/oz and US\$25.58/oz respectively for gold:silver price ratio of 52.4. That is, 52.4 oz of silver is equal in value to 1 ounce of gold.

CERRO RESOURCES NL

DIRECTORS & MANAGEMENT



Norm Seckold, Non-Executive Chairman B.Ec (University of Sydney)

- 30+ years in the full time management of natural resource companies.
- Chairman and Director of previously listed companies, including Bolnisi Gold NL and Palmarejo Silver & Gold.
- Currently Chairman and Director of Augur Resources Ltd and Planet Gas Ltd.

Jim Crombie, Executive Vice Chairman B.Sc(Hons) Mining Engineering, (Royal School of Mines, London)

- 20+ years as a mining analyst and investment banker.
- President and CEO of previous listed companies including Ariane Gold Corp and Palmarejo Silver & Gold Corporation.
- Currently President, CEO and a director of Reunion Gold Corporation, Avala Resources, Sutter Gold Mining Inc. and Dunav Resources Limited; CEO and director of Odyssey Resources Limited; and director of Arian Silver Corporation and Torex Gold Resources.

Tony McDonald, CEO and Managing Director LLB (QUT)

- 10 years actively involved in management in the resources sector.
- Executive director of Kings Minerals NL (now Cerro Resources NL) from 1996 to March 2007. Re-joined Oct 2010 in current role.
- Currently a non-executive director of Industree Limited and Planet Gas Limited.

Craig McPherson, Alternate Director, Corporate Secretary and CFO B.Comm (UQ)

- Member of the Institute of Chartered Accountants in Australia.
- 10 years in senior management positions as a chartered accountant.
- Previously a director of San Anton Resource Corporation Inc which completed a Business Combination with Kings Minerals NL (now Cerro Resources NL)

John Skeet, Chief Operating Officer B.A Sc.(Metallurgy) (University Ballarat)

- 20 years experience in the mining and resources sector.
- Formerly Project Manager for Bolnisi Gold NL at Palmarejo Silver and Gold Project and development of Bolnisi's gold heap leach operation in the Republic of Georgia.
- General Manager for Valdora Minerals NL's Ballarat, Victoria project.

Bill Fleshman, Head Geologist, Mexico B.Sc (Geol) (Western Washington SU)

- 35+ years in the mining industry, managing exploration and development projects in the USA, Australia, Myanmar, Mexico and Norway.
- Fellow of the Australasian Institute of Mining and Metallurgy and 'chartered professional' (FAusIMMCP).

Trevor Leahey, Head Geologist, Australia B.Sc (Hons) (Applied Geology and Exploration Geophysics) (University of Sydney)

- 33+ years in exploration, project development and mining as a geologist and a mining consultant specializing in data analysis and resource estimation.
- Member of the Australasian Institute of Mining and Metallurgy

Non-executive directors

Robert M Bell:	Geologist 45+ yrs
John F Cook:	Mining Engineer 45+ yrs
Richard E Keevers:	Geologist 20+ yrs
Nicholas Tintor:	Geologist 25+ yrs

Cerro Del Gallo 1st Stage Heap Leach (+2nd stage)

- US\$516/oz C1 low cash cost project
- 99,100 oz Gold Eq output in Yr 3
- Goldcorp anticipated to elect soon
- Debt & forward metal sales funding approach emphasised

Production re-rating potential

- \$ 18.71 Ev/Oz Gold eq.

Exploration portfolio catalysts

- Espiritu Santo initial drilling Q42012
- Namiquipa maiden resource 2H2012

CERRO RESOURCES NL

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