

16 July 2021

Dear Option Holder

EXPIRY OF LISTED OPTIONS (ASX CODE: LCLOB)

This letter is to notify you of the impending expiry of your LCLOB Options in **Los Cerros Limited (ASX: LCL)** (“Los Cerros” or the “Company”) at 5:00pm AWST on Monday, 16 August 2021 (Expiry Date).

The number of Options you hold is included in the enclosed option exercise notification.

In accordance with ASX Listing Rules, Los Cerros provides you with the following information:

- (a) Each Option entitles you to apply for one fully paid ordinary share in the capital of Los Cerros;
- (b) The exercise price payable to exercise your Options by the Expiry Date is \$0.16 per Option;
- (c) If you fail to exercise your Options prior to the Expiry Date, those Options will lapse, and you shall have no further right or entitlement to those Options;
- (d) Pursuant to ASX Listing Rule 6.24, quotation of the Options on the Australian Securities Exchange (ASX) will end at the close of trading Tuesday, 10 August 2021;
- (e) The last available closing price of the listed shares in Los Cerros prior to the date of this letter was \$0.18;
- (f) The last available closing price of the Options prior to the date of this letter was \$0.033;
- (g) The highest and lowest market sale price of Los Cerros shares on ASX during the 3 months immediately preceding the date of this letter and the respective dates of those sales were:
Highest: \$0.21 on 6 July 2021;
Lowest: \$0.16 on 21 June 2021;
- (h) The highest and lowest market sale price of Options on ASX during the 3 months immediately preceding the date of this letter and the respective dates of those sales were:
Highest: \$0.07 on 19 April 2021;
Lowest: \$0.03 on 30 June 2021;
- (i) The exercise price of the Options is not underwritten;
- (j) You can exercise all or part of your Options prior to the Expiry Date by providing the Company your completed written exercise notice specifying the number of Options being exercised (Exercise Notice) (as attached to this letter) and a payment of funds for the total exercise price for the number of Options being exercised by 5:00pm AWST on Monday, 16 August 2021. The Exercise Notice will

only be effective when the Company has received the full amount of the exercise price by close of business on 16 August 2021.

Instructions regarding the methods of payment are included in the enclosed option exercise notification.

If you choose to exercise your Options, within 10 business days of receipt of the Exercise Notice and full amount of the exercise price, Los Cerros will issue to you the number of Shares specified in the Exercise Notice.

If you have any questions in relation to any of the above, please contact the Joint Company Secretary, Blair Snowball, on +61 8 6245 2050 or via email blair@loscerros.com.au.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'J Stirbinskis', is written over a light blue circular stamp.

Jason Stirbinskis
MANAGING DIRECTOR

SRN/HIN:
Security Code: LCLOB
Number of Options Held:
Option Expiry Date: 16/08/2021
Exercise Price: \$0.16

NOTICE OF EXERCISE OF OPTIONS

I/we hereby exercise the following number of options and make payment in Australian currency for the amount payable. Please allot me/us Ordinary Shares calculated on the basis of one Ordinary Share for every one Option which I/we exercise. I/We agree to accept such Shares subject to the Constitution of Los Cerros Limited.

1. Number of Options to be Exercised

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Total payment required @ \$0.16 per Option exercised

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If the dollar amount paid results in a fraction of a share then the shares allotted will be rounded down.

2. Payment: You can pay either by EFT or cheque

Option A – EFT

Funds to be deposited directly to the following bank account:

Account name: Los Cerros Limited

Account BSB: 032-297

Account number: 228888

IMPORTANT: When making your EFT payment please ensure that you use your registered holding name as your “payment description”. Failure to do so may result in your funds not being allocated to your application and shares subsequently not issued.

Option B – Cheque

- Make your cheque payable to “Los Cerros Limited” and crossed “Not Negotiable”.

3. Contact details & signature

Telephone Number

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Contact Name (PLEASE PRINT)

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Email Address

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SUPPORT YOUR COMPANY: By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

Sign here:

Securityholder 1

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Sole Director/Company Secretary

Securityholder 2

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Director

Securityholder 3

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Director / Company Secretary

NOTE: When signed under Power of Attorney, the attorney states that they have not received a notice of revocation. A certified copy of the Power of Attorney must be lodged with this exercise form.

4. Submitting your “Notice of Exercise of Options” form

Please return the completed and signed form together with your cheque payment or copy of your funds transfer receipt:



BY MAIL

Level 3
35 Outram Street
West Perth WA 6005



BY EMAIL

info@loscerros.com.au