

CERRO MINING CORP.
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For Immediate Release

**CERRO MINING CORP. ANNOUNCES RECEIPT OF TSXV CONDITIONAL APPROVAL, AND FILING OF
MANAGEMENT INFORMATION CIRCULAR FOR THE MEETING TO APPROVE THE REVERSE TAKEOVER
TRANSACTION**

Vancouver, B.C., January 25, 2022 –Cerro Mining Corp. (NEX:CRX.H) ("**Cerro**" or the "**Company**") is pleased to announce that conditional approval for the previously announced proposed reverse takeover transaction (the "**Transaction**") of Cerro by Friday's Dog Inc. ("**FDI**") by way of the amalgamation of FDI and a wholly-owned subsidiary of Cerro, 1308821 B.C. Ltd. ("**Subco**"), has been granted by the TSX Venture Exchange ("**TSXV**"). Cerro also announces the filing on Cerro's SEDAR profile at www.sedar.com of the joint management information circular of FDI and Cerro (the "**Circular**") and related meeting materials in connection with the annual general and special meeting of shareholders of Cerro ("**Cerro Shareholders**") to be held on February 22, 2022 at 11:00 am at 700 – 595 Burrard Street, Vancouver, BC, V7X 1S8 (the "**Cerro Meeting**") and the special meeting of the shareholders of FDI to be held on February 22, 2022 at Suite 1500-1055 West Georgia St., Vancouver, B.C. V6E 4N7. Cerro's board of directors (the "**Cerro Board**") has set January 6, 2022 as the record date for determining the Cerro Shareholders entitled to receive notice and vote at the Cerro Meeting.

Amending Agreement

Cerro, Subco and FDI entered into an amended and restated amalgamation agreement dated as of September 17, 2021 (the "**Amended Amalgamation Agreement**"), which amends the prior amalgamation agreement between the parties dated as of July 2, 2021 pursuant to which the parties will complete a three-cornered amalgamation and FDI will amalgamate with Subco to form one corporation ("**Amalco**"). Each shareholder of FDI will receive one common share of Cerro for each common share of FDI ("**FDI Share**") held. On closing of the Transaction, Cerro as the resulting issuer (the "**Resulting Issuer**") will change its name to "Friday's Dog Holdings Inc." and Amalco will carry on the business of FDI under the name "Friday's Dog Inc." as a wholly-owned operating subsidiary of the Resulting Issuer.

On January 19, 2022, FDI, Subco and Cerro entered into an amending agreement to the Amended Amalgamation Agreement to, among other things, extend the timeline for holding of the Cerro Meeting and the FDI Meeting, change the year end of Amalco to December 31, and reflect certain consequential changes to the names of FDI's subsidiaries and board members of the Resulting Issuer.

In accordance with policies of the TSX Venture Exchange (the "**TSXV**"), common shares of the Resulting Issuer ("**Resulting Issuer Shares**") issued to certain Principals of the Resulting Issuer and their respective Associates (within the meaning of TSXV policies) will be escrowed and released in stages over a three-year period and some of the Resulting Issuer Shares issued to former non-Principal shareholders of FDI will be subject to the TSXV's seed share resale restrictions. In addition, all Resulting Issuer Shares issued to former shareholders and convertible debenture holders of FDI will be subject to one year or two year pooling requirements, as applicable. Pursuant to the terms of the Amended Amalgamation Agreement, the completion of the Transaction is subject to the satisfaction or waiver of various conditions, including but not limited to the following: (i) approval of the Transaction by the TSXV or such other recognized stock exchange in Canada as mutually agreed to between FDI and Cerro (the "**Exchange**"); (ii) approval of the Transaction by Cerro's disinterested shareholders in accordance with the *Business Corporations Act* (British Columbia) and applicable Exchange policies; (iii) approval of the Transaction by the disinterested shareholders of FDI; (iv) no dissent rights having been exercised by shareholders of FDI in excess of 10% of the issued FDI Shares; (v) the convertible debentures of FDI will have been converted into FDI Shares; (vi) at least 67% of Cerro's subscription receipts issued in the private placement that raised \$ 9,276,000 will have been exchanged for common shares and warrants of Cerro and the subscription funds for such subscription receipts

currently held in escrow will have been released to Cerro; and (vii) the Transaction will have completed not later than February 28, 2022.

Upon closing the Transaction will constitute a Reverse Takeover of Cerro pursuant to TSXV Policy 5.2 *Change of Business and Reverse Takeovers*. Subject to TSXV approval, the Transaction will also constitute a Reactivation (as defined in TSXV Policy 2.6 Reactivation of NEX Companies) of Cerro as a company currently listed on the NEX Board of the TSXV because the Business Combination will be a Reorganization (within the meaning of TSXV Policy 2.6) of Cerro's business affairs and the Resulting Issuer will have sufficient funds for its business plans. Subject to fulfillment or waiver of all conditions to closing of the Transaction, following closing, the Resulting Issuer Shares will be listed on the TSXV and the Resulting Issuer will be designated as a Tier 2 Industrial Issuer under the trading symbol "DOGS".

The Amended Amalgamation Agreement may be terminated in accordance with its provisions, if, among other things, any of the closing conditions is not satisfied or waived by the parties, or there is a material breach of the Amended Amalgamation Agreement by a party and the breach is not cured with 15 business days, or if either party accepts a "Superior Proposal" (as defined in the Amended Amalgamation Agreement) from a third party provided that the accepting party has complied with the requirements related to Superior Proposals in the Amended Amalgamation Agreement. Cerro and FDI have called a joint special meeting of their respective shareholders to seek approval of the Transaction by their respective disinterested shareholders. Cerro's meeting will also be an annual general meeting.

In connection with the entry into the Amended Amalgamation Agreement, FDI disclosed to Cerro that certain reimbursements made to a former officer of FDI for payments made to a number of vendors in connection with purported equipment and product acquisitions could not be substantiated. The total amount of the unsubstantiated payments is US\$1,940,053. FDI is currently reviewing its legal options and intends to seek reimbursement of this amount from the estate of the former officer. There is no assurance that any such amounts will be recovered.

Related Party Transaction

Andrew Bowering, director and Chief Executive Officer of the Company, is also a shareholder and former director of FDI. Mr. Bowering currently owns 1,450,000 FDI Shares. Anthony Paterson, director of the Company, is also a shareholder of FDI and currently owns, directly or indirectly, 575,000 FDI Shares and convertible debentures convertible into an aggregate 2,476,663 FDI Shares. The Transaction is therefore considered a 'related party transaction' for the purposes of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Company is relying on the exemptions from the formal valuation and minority shareholder approval requirements provided under MI 61-101 in sections 5.5(a) and 5.7(1)(a) of MI 61-101, which are available because the fair market value of the Resulting Issuer Shares to be issued to the directors and officers pursuant to the Transaction does not exceed 25% of the Company's market capitalization, as determined in accordance with MI 61-101.

Further updates of the Transaction will be provided as the Transaction progresses and upon Cerro and FDI receiving shareholder approval. Investors are cautioned that, except as disclosed in the Circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Cerro should be considered highly speculative. There can be no assurance that the Transaction will be completed as proposed or at all.

About Friday's Dog

FDI is a consumer brand company that is commercializing a science-driven formulation portfolio of pet care products which use natural, non-toxic ingredients and cruelty-free testing. The first products to be rolled out as part of FDI's high margin, diversified product portfolio will be its pet care merchandise targeting a diversity of dog breeds. The entire pet care product portfolio consists of 9 SKUs in total which are focused on several product categories: wash and care products, high-quality medicated aids, premium calming treats and grooming tools. The majority of the products are for pet wash and care/grooming.

In 2022, FDI intends to introduce and launch six SKUs in the wash and care product category, 3 SKUs in the treats category, and one SKU in grooming tools. All products, both the pet grooming and pet treats, will be free of additives and toxins, with cruelty-free testing. Following a careful review and assessment of all competitors' pet care products that are currently available in the same categories, product briefs were prepared, and FDI engaged Synergy Labs, Inc. of Fort Lauderdale, Florida ("**Synergy**") to develop the formulas with ingredients that would produce the desired attributes. While there are no regulations that hold manufacturers to standards for ingredient purity, all of FDI's dog grooming products have non-toxic ingredients.

The pet care products will be packaged in plastic bottles, or food safe, resealable, flexible packaging. Generic containers which come in a variety of shapes, and volumes and functional tops (pour, spray, pump, dropper) provide the base to which distinctive details are then added to customize the packaging. FDI's containers are topped with distinctive, iconic bottlecaps. Individual colors identify various products. The Friday's Dog logo is playful and communicates a wholesome "family" appeal.

FDI is focusing its marketing strategy and sales efforts on direct-to-consumer channels, representing high-margin revenue. Primary sales are expected to be driven through the corporate website-fridaysdog.com, and televised home shopping channels (i.e., QVC). The in-house sales force will leverage long standing relationships for targeted social media and influencer marketing. FDI management will leverage prior business relationships with contract manufacturers who will develop product formulations and manufacture the pet wash and care products for the initial 6 SKUs, and the 3 SKU for treats in the portfolio.

FDI has entered into a Private Label and Manufacturing Supply Agreement with Synergy. Synergy is in the business of manufacturing specialty consumer products and associated packaging materials and will be the contract manufacturer for the pet wash and care products formulation and packaging. Synergy follows a rigorous series of rules and procedures to meet its standards for quality control. The company's laboratory, manufacturing practices and systems in place are compliant with good manufacturing practices (GMP), EPA and FDA, HAZMAT, NASC, as well as OSHA regulations. Synergy has an expansive, state of the art facility. Should sales volume require an increase in production, it is expected it could be accommodated.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture Exchange acceptance and if applicable pursuant to TSX Venture Exchange requirements, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Cerro should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news release.

On Behalf of the Board of Cerro Mining Corp.

"Michael Kobler"

Michael Kobler, Director

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the

policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The securities of Cerro have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: *This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Readers are cautioned not to place undue reliance on forward-looking statements. Statements about, among other things, the expected timing and terms of the Transaction, the approval of the Transaction by the shareholders of Cerro and FDI, the number of securities of Cerro that may be issued in connection with the Transaction, the ownership ratio of the Resulting Issuer post-closing, the required shareholder approvals or the ability to obtain such approvals, the Company's strategic plans and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to the Transaction, approval of the amendments to the Transaction and the listing of the Resulting Issuer common shares on the TSXV or such other recognized stock exchange in Canada, risk related to the failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; risk related to the protection of intellectual property; general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; political and regulatory risks associated with the cosmetics and pet care industry; and risks related to the maintenance of stock exchange listings. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances, except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.*