

News Release

CERRO GRANDE MINING CORPORATION

Registered Office:
ROYAL BANK PLAZA
SOUTH TOWER
200 BAY STREET, SUITE 3800
TORONTO, ONTARIO M5J 2Z4
CANADA

Santiago Office:
AVENIDA SANTA MARIA 2224
PROVIDENCIA, SANTIAGO, CHILE
Telephone: 56-2-2569 6200

Toronto Office:
1 KING STREET WEST, SUITE 4009
TORONTO, ONTARIO M5H 1A1
CANADA

For further information, contact:
Stephen W. Houghton, CEO
David R. S. Thomson, EVP
E-Mail: ceg@cegmining.com
Telephone: 56-2-2569 6200
Website: www.cegmining.com

FOR IMMEDIATE RELEASE – April 14, 2014

Cerro Grande Mining Corporation (the “Company” “CEG”) Announces a Valuation Report Prepared by Loewen, Ondaatje, McCutcheon Limited (“LOM”) which Values the Company at US\$14,880,000

Toronto, Ontario, Canada – Cerro Grande Mining Corporation and the Board of Directors (the “Company” “CEG”) (TSX-CEG; OTCQX-CEGMF) announce the completion of a valuation report which incorporates various technical and financial reports on the Company’s assets. The full report, dated March 19 2014, is for internal use only. The report was prepared by Michael G. Fowler, M.Sc, MBA, C.Eng, Senior Mining Analyst, who is a member of the firm LOM, an exempt market dealer firm based in Toronto, Canada. Mr. Fowler, an independent party to CEG, visited the Pimenton and Tordillo properties as well as the Company’s headquarters in February, 2014.

LOM made the following comments. The market value of a corporation is defined as the price that an informed and independent purchaser would pay to an informed, willing independent seller at a given time in an unrestricted market condition, with neither party being under any compulsion to transact. In the context of this report company value pertains to the price that a purchaser would pay to acquire CEG.

The approach to valuation was based on summing the company’s asset values and deducting any liabilities. The report reviewed two approaches to company valuation. The first approach, the one

used in this report, is based on a fundamental valuation of the company's assets using discounted cash flow and option pricing techniques. This method sums the values of company assets on an individual and isolated basis. The second approach compiles independent market values of comparable companies and then uses them to determine a value for CEG. This second approach was not followed because LOM could not find good market comparables.

The report does not analyse or address in-depth technical studies and related details, which have been adequately reported on by other consultants in various National Instrument 43-101 (Standards of Disclosure for Mineral Deposits) and feasibility reports on the company's assets.

LOM primarily used the option pricing methods to value the Company's major assets and has valued the Company at US \$14,880,000 or at Cdn \$0.15 cents per outstanding share.

Cerro Grande Mining Corporation is a minerals producing, exploration and development company with properties and activities currently focused in Chile.

Forward-Looking Information

This press release may contain forward-looking statements based on assumptions, uncertainties and management's best estimates of future events. All statements that address future activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information. Forward-looking information is based upon assumptions by management that are subject to known and unknown risks and uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by the forward looking information. Factors that may cause actual results to vary materially include, but are not limited to eligibility to list the securities of the Company on the TSX Venture Exchange and changes in general economic conditions or conditions in the financial markets. Such forward-looking information is based on a number of assumptions, including but not limited to, there being no significant decline in existing general business and economic conditions. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligations to update publicly or otherwise revise any forward-looking information, except as may be required by law. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to the Company's filings with the Canadian securities regulators available on www.sedar.com.

Renmark Financial Communications Inc.
Barry Mire : bmire@renmarkfinancial.com
Tel: (416) 644-2020 or (514) 939-3989
www.renmarkfinancial.com