

# News Release

## CERRO GRANDE MINING CORPORATION

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**FOR IMMEDIATE RELEASE** – June 15, 2011

#### **Cerro Grande Mining Corporation Reports Results of its Pimenton Mine for the Two Months and Eight Months Period of Fiscal 2011 Compared to Similar Periods in 2010**

Toronto, Ontario, Canada – Cerro Grande Mining Corporation (the “Company”) (TSX-CEG) reported the unaudited results of its 100% owned Pimenton mine for the first two months ended May 31, 2011 of its third fiscal quarter ended June 30, 2011 compared to the first two months ended May 31, 2010 of its third fiscal quarter ended June 30, 2010 and the results for eight months comparable periods ended May 31, 2011 and 2010.

Revenues from gold, copper and silver sales totalled US \$5,336,497 for the two months ended May 31, 2011 compared to US \$ 1,450,000 of gold, copper and silver sales for the similar two months period in 2010.

Total cash costs per ounce net of by-product credits was US \$722 per ounce for the two months ended May 31, 2011 compared to total cash cost per ounce of US \$1,074 for the similar two months period in 2010.

Revenues from gold, copper and silver sales totalled US \$16,356,393 for the first eight months period ended May 31, 2011 compared to US \$5,649,979 for the similar eight months period in 2010.

Total cash costs per ounce net of by-product credits was US \$637 per ounce for the eight

months period ended May 31, 2011 compared to a cash cost per ounce of US \$1,066 for the similar eight months period in 2010.

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

**FORWARD-LOOKING STATEMENTS:** This news release contains certain "forward-looking statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. Except for statements of historical fact relating to the company, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan," "expect," "project," "intend," "believe," "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other ecological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. The Company undertakes no obligation to update forward looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.