

CERRO RESOURCES – NAMIQUIPA DRILLING CONTINUES TO DEFINE SIGNIFICANT SILVER/LEAD/ZINC MINERALIZATION WITHIN MULTIPLE VEIN SYSTEM - MEXICO

February 1, 2012. Cerro Resources NL (ASX/TSX-V: CJO) is pleased to announce assay results for an additional eighteen drill core holes from the Namiquipa Silver Project, in Chihuahua state, Mexico. 60 holes have been completed for a total of 22,633m of core, with further assays pending. Drilling has resumed after the holiday break.

Highlights of the Princesa /Megan Vein system include

- **NAM-047 6m @ 1,175g/t AgEq from 163m;**
- **including 1.4m @ 3,607g/t AgEq from 164.6m;**
- **NAM-036 12.5m @ 129g/t AgEq from 330.4m, with zinc values averaging 3%;**
- **NAM-039 2m @ 898g/t AgEq from 388m.**

Core drilling has now intersected mineralization to vertical distances of 350m below the surface and continues to be open at depth. High grade mineralization intersected in NAM-047 correlates with mineralization intersected in NAM-018 and remains open at depth. Further drilling will test down dip and strike extensions.

Vein Systems

Core rigs operating at Namiquipa have continued to test the main vein systems at depth and along strike. To date the drilling confirms the system consists of multiple veins and strongly anomalous assays across the six main veins identified to date: Princesa, America, Mexico, Megan, Esmeralda and Antenna.

Eleven of the core holes currently being reported were drilled to test mineralization along the Princesa/Megan Vein system (NAM-033, NAM-034, NAM-036, NAM-037, NAM-039, NAM-043, NAM-047, NAM-049, NAM-052, NAM-057 and NAM-058: Figure 1 and Table 1). Assay results were also received for three drill holes designed to test surface geological features and potential mineralization along the Antenna system (NAM-040, NAM-041 and NAM-042: Figure 1 and Table 2). And results were received for holes drilled to test targets in the Northern Extension Area (NAM-022, NAM-025 and NAM-045: Figure 1 and Table 3), as well as results for two holes drilled to test the Southern Area (NAM-031 and NAM-042: Figure 1 and Table 4). Further assays are pending and will be reported as they become available.

The Princesa and Megan Veins

The historic La Venturosa Mine produced an estimated 14.4 million ounces of silver, 32,550 tonnes of lead and 43,530 tonnes of zinc from two prominent quartz/breccias vein systems; the America and Princesa, in a wider six-vein system.

The Princesa/Megan vein continues to be the principle target of Cerro Resources' exploration program, as the Princesa vein was only reported to have been mined to 100m below the surface and the down dip projection of the mineralization remains open at depth as well as along strike to the north and south. A simplified Long Section shown in Figure 2 summarizes the results of some of the recent assay results and the previously announced drill data.

NAM-033 and NAM-034 (Figure 3) were drilled below the previously reported NAM-008 (Press Release Aug 2011) which intersected an open stope at the target depth. NAM-033 also intersected an open stope at the projected target but still cut 0.49m with 409g/t AgEq comprised of 96g/t Ag, 2.5%Pb and 8.92%Zn from 213.2m to 213.7m. NAM-034 drilled at a steeper angle on the same drill platform as NAM-033 and intersected 133g/t AgEq over 7m from 257m to 264m with highs of 4% Pb and almost 14% Zn. NAM-034 was also successful in intersecting multiple silver, lead and zinc mineralization within a much larger zinc zone that broadly defines the Princesa system (Figure 3 and Table 1).

NAM-036 was drilled as an infill hole between NAM-029 and the section containing drill holes NAM-008, NAM-033 and NAM-034 discussed above. The strong lead and zinc mineralization along with silver was also intersected in this drill hole, highlighted by 127g/t AgEq over 11.6m with 20g/t Ag, 1.13% Pb and 2.78% Zn from 243.3m to 255m (Table 2). Zinc values again clearly define this zone, containing highs to 18% Zn over 0.47m and 8.3% Zn over 1.15m. NAM-036 also intersected a deeper and broad zone consisting of 129g/t AgEq over 12.5m containing 10.9g/t Ag, 1.24% Pb and 3.06% Zn from 330.5m to 343m.

NAM-037 targeted down dip projections of the Princesa Vein intersecting 124g/t AgEq over 1.6m with 70g/t Ag and 0.63% Pb and 1.34% Zn from 339.3m to 341m.

NAM-039 was drilled below previously reported NAM-016 (Press Release October 25, 2011) and intersected a 13.3m drilled length of mineralization from 376.7m to 390m averaging 169g/t AgEq and included a 2m interval averaging 898g/t AgEq with silver to 305g/t Ag over 0.9m and also containing 19% Pb and 24% Zn (Table 1).

NAM-043 was drilled south of NAM-008 and north of NAM-016. This drill hole also intersected multiple zones of mineralization, highlighted by 102g/t AgEq over 12m from 343m to 354m, comprised of 13 g/t Ag, 1.95%Pb and 4.61% Zn.

NAM-047 drilled south of NAM-018 (Press Release October 25, 2011) successfully intersected significant broad zones of silver mineralization along the Princesa Vein system including 6m of 1,175g/t AgEq with 1.41m containing 3,540g/t Ag, 1.02% Pb and 1.43% Zn. A broader zone was intersected lower in the drill hole consisting of a drilled interval of 18.6m from 202m to 220.6m containing 127g/t AgEq (Table 1).

NAM-049 drilled approximately 130m south of NAM-047 (discussed above) intersected the Princesa Vein at approximately 80m to 107m and included a 5m interval containing 56g/t AgEq.

NAM-052 drilled below NAM-049 and was terminated because of strongly broken ground after intersecting a possible historic working. However, despite being stopped early the drill managed to intersect 26.8m averaging 61g/t AgEq from 156m to 182.8m.

NAM-057 was drilled below NAM-029 (Press Release October 25, 2011) and intersected both the Princesa Vein at approximately 231m to 234m with 545g/t AgEq comprised of 193g/t Ag, 2.84% Pb and 9.99% Zn. The drill hole also intersected the Megan Vein lower in the hole, consisting of a 27m interval averaging 167g/t AgEq (20g/t Ag, 1.34% Pb and 4.03% Zn).

NAM-058 drilled below NAM-002 (Press Release August 11, 2011) has results showing a 13m interval from 283m to 296m averaging 71g/t AgEq and a lower zone with 6m from 320m to 326m averaging 79AgEq.

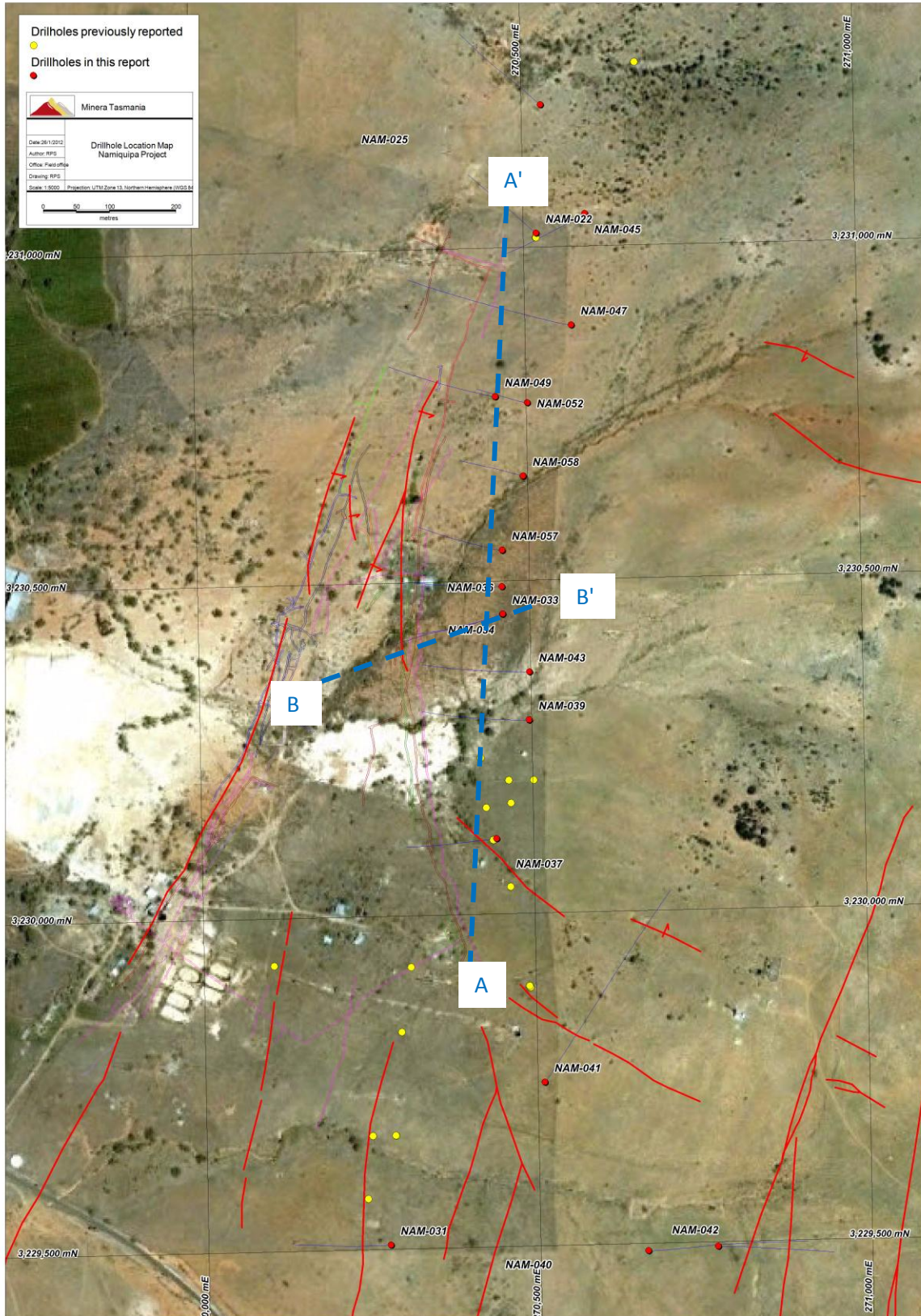


Figure 1: Drill hole location map at Namiquipa Silver Project over Google Image

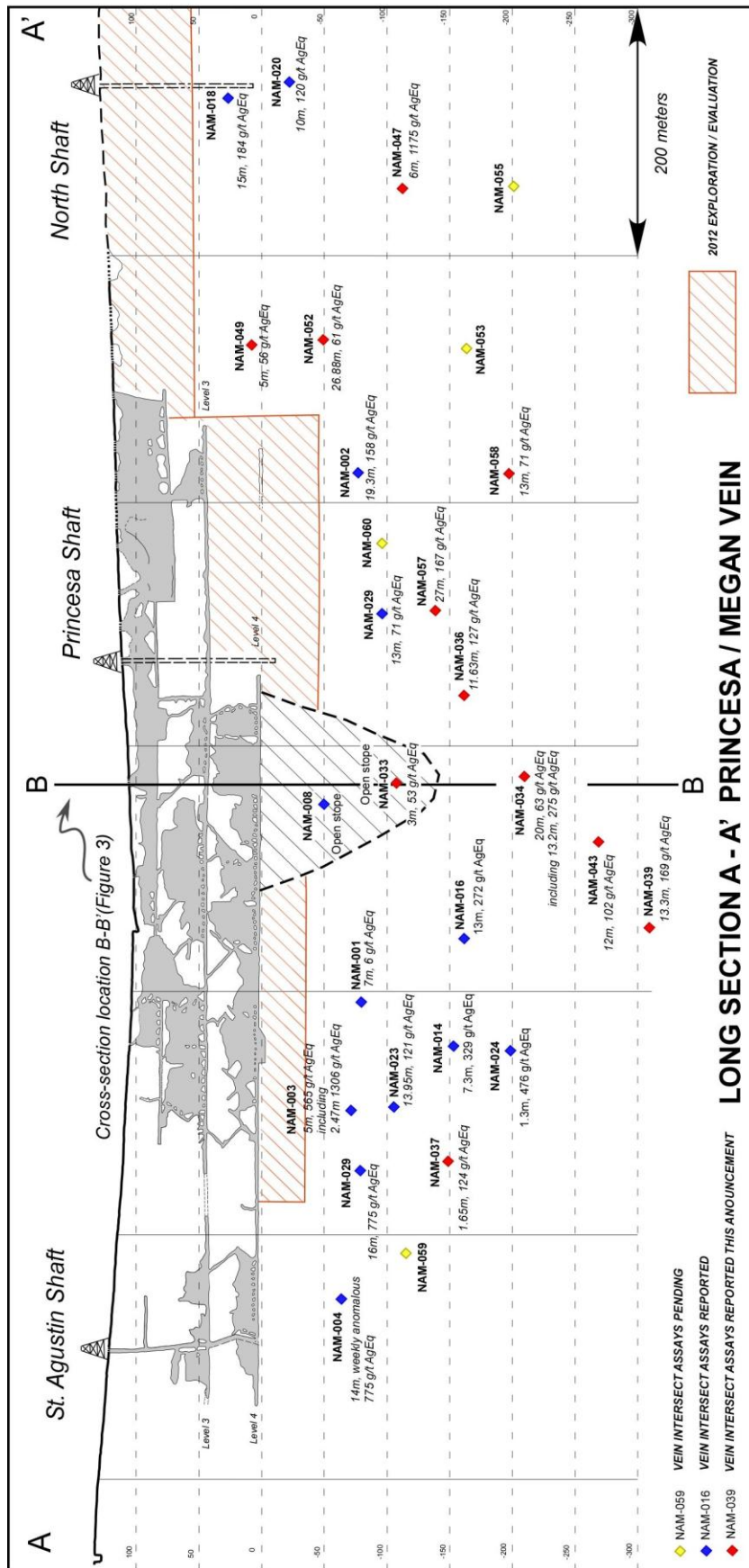


Figure 2: Long Section A-A' (refer Figure 1) Princesa/Megan Vein

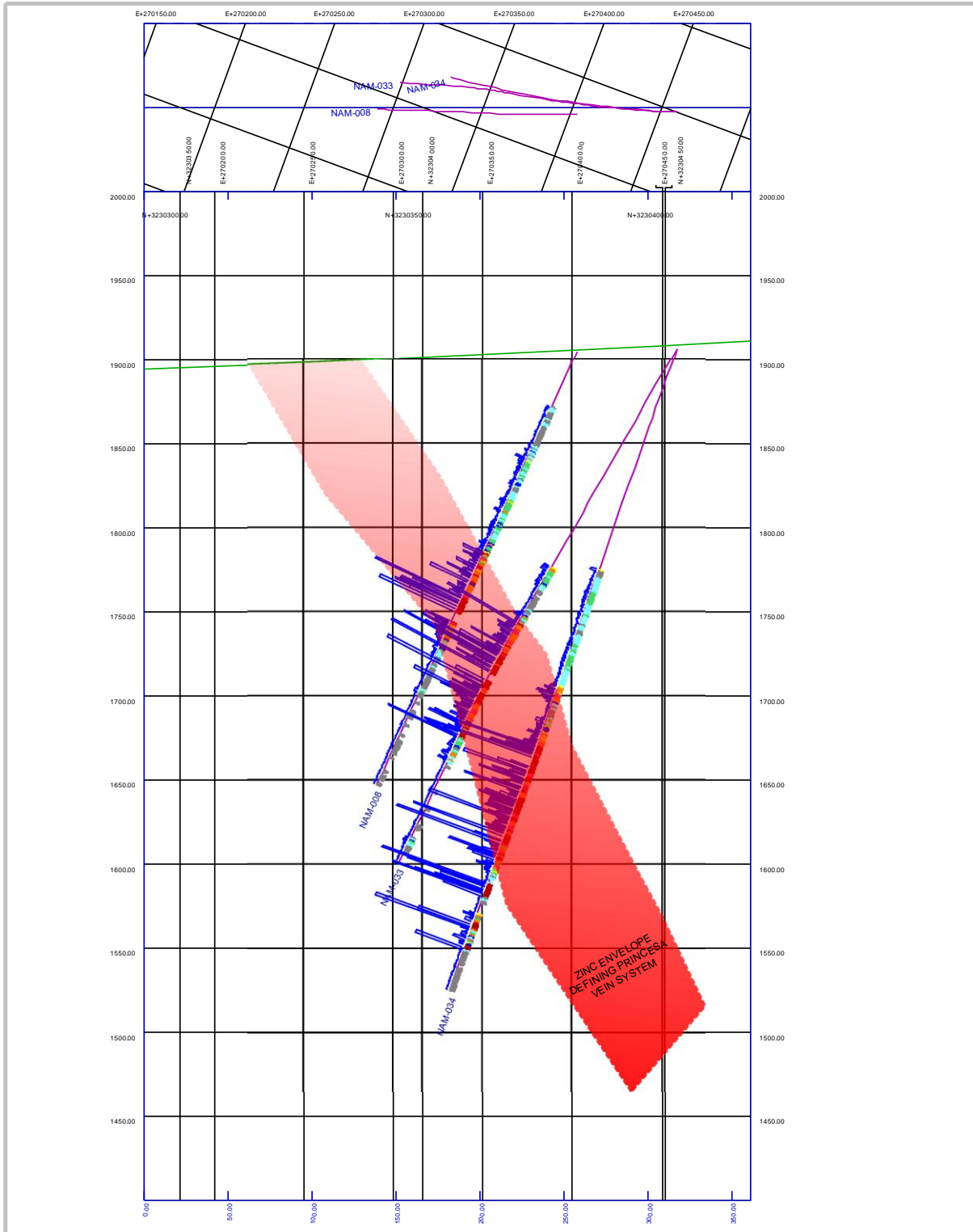


Figure 3: Cross Section B-B' (refer Figure 1) through Princesa/Megan System showing NAM-008, NAM-033 and NAM-034

Table 1: Princesa and Megan Vein Drill Intercepts

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	PB (%)	ZN (%)	AgEq (g/t)
NAM-033	213.27	213.76	0.49	96.3	2.5	8.92	409
NAM-033	222.8	228.0	5.2	OPEN STOPE			
NAM-033	230.25	233.32	3.07	5.6	0.64	1.11	53
NAM-034	140.0	141.0	1.0	135	.02	.05	136
NAM-034	252.48	252.98	0.5	8.2	1.32	2.31	107
NAM-034	257.0	268.4	11.4	19.1	0.73	2.17	98
NAM-034	290.0	310.9	20.9	35.7	0.22	0.79	63
including	309.58	310.9	1.32	49.3	0.41	7.85	275
NAM-034	344.0	346.5	2.5	5.6	0.65	0.83	46
NAM-034	362.58	366.86	4.28	55.6	0.39	1.05	95
including	365.56	366.86	1.30	169	0.17	0.84	195
NAM-034	377.15	378.5	1.35	15.1	3.66	2.75	190
NAM-036	236.9	237.15	.25	49.8	14.65	6.19	621
NAM-036	243.37	255.0	11.63	20.5	1.13	2.78	127
NAM-036	270.45	273.95	3.5	12.5	2.40	2.54	148
including	244.3	245.45	1.15	109	4.12	8.37	451
NAM-036	330.46	343.0	12.54	10.9	1.24	3.06	129
NAM-036	365.0	36600	1.0	50.1	1.16	0.68	100
NAM-037	320.0	321.0	1.0	9.0	0.85	2.44	99
NAM-037	339.35	341.0	1.65	32.2	0.63	1.34	124
NAM-039	376.73	390.05	13.32	27.2	2.18	3.00	169
including	376.73	377.14	0.41	50.6	13.55	1.6	465
including	388.00	388.58	0.58	53.02	6.53	18.65	743
including	389.12	390.05	0.93	305.0	19.0	23.60	1473
NAM-043	343.0	354.0	12.0	7.16	1.00	2.48	102
including	349.50	350.50	1.0	25.6	4.41	10.20	426
NAM-047	163.00	169.00	6.0	1,133	0.51	1.02	1,175
including	163.00	164.0	1.0	652	.05	0.15	657
including	164.00	164.59	0.59	294	0.04	0.19	300
including	164.59	166.00	1.41	3,540	1.02	1.43	3,607
including	166.00	166.50	0.5	371	0.17	1.54	417
including	166.50	167.00	0.5	843	1.08	3.17	959
including	167.00	167.64	0.64	420	0.91	1.65	489
NAM-047	177.00	191.00	14.00	22.2	0.37	0.75	52
NAM-047	202.00	220.6	18.60	44.98	1.14	1.86	127
including	212.70	213.47	0.77	183.0	0.20	0.39	199

<i>including</i>	214.00	215.00	1.0	227.0	0.33	0.61	252.83
<i>including</i>	216.10	217.10	1.0	197.00	9.54	7.28	658.22
<i>including</i>	219.90	220.60	0.70	62.4	1.90	10.80	410
NAM-049	102.00	107.00	5.0	44.03	0.29	0.13	56
NAM-052*	156.00	182.88	26.88	54.14	0.07	.019	61
NAM-057	231.00	234.00	3.00	193.45	2.84	9.99	545
<i>Including</i>	233.00	234.00	1.00	401.0	0.07	0.11	405
NAM-057	281.00	284.00	3.00	6.03	0.96	0.78	54
NAM-057	332.00	359.00	27.00	20.57	1.34	4.03	167
<i>Including</i>	339.00	340.00	1.00	142.00	2.56	9.71	478
<i>Including</i>	344.00	344.42	0.42	139.00	5.10	12.30	616
NAM-058	283.00	296.00	13.00	6.63	0.81	1.56	71
NAM-058	320.00	326.00	6.00	7.8	1.00	1.31	79
NAM-058	344.90	347.00	2.10	5.62	0.52	1.73	67

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.

NAM-052 Intersected workings at 167m core was reduced to NQ however the hole had to be terminated because of strongly broken rock which also resulted in low core recovery between 162 to 182.88m. NAM-057 was drilled below NAM-052 and was successful in intersecting target zone.

Antenna Veins

Outside of the main zones of mineralization holes NAM-040, NAM-041 and NAM-042 were drilled to test geologic targets along the Antenna veins and the possible blind mineralization projected as splays off of the Princesa. NAM-040 failed to intersect anomalous silver, lead or zinc mineralization. NAM-041 however intersected a very broad zone of low grade zinc mineralization from a drilled depth of 400m to 586m with highs of 6.21% Zn from 585m to 586m. Despite the low grade silver values the mineralization in association with favourable geologic characteristics will require this area to be further evaluated.

Table 2: Antenna Vein Intercepts

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	PB (%)	ZN (%)	AgEq (g/t)
NAM-040	No significant mineralization						
NAM-041	429.0	430.0	1.0	8.8	0.47	2.09	78
NAM-041	585.0	586.0	1.0	8.6	0.07	6.21	180
NAM-042	No significant mineralization						

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.

Northern and Southern Extension Areas

Results have been partially received for several drills holes that targeted extensions of the northern and southern extensions to zones to the main mineralized zones of the Princesa Vein, America and Mexico Vein systems. Thus far only NAM-045 has returned multiple zones of silver, lead and zinc mineralization. Other assay results for drill holes completed in the area are pending.

Table 3: North Extension Area

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	PB (%)	ZN (%)	AgEq (g/t)
NAM-022	200.0	201.0	1.0	173	0.10	0.07	177
NAM-025	No significant mineralization						
NAM-045	204.00	206.0	2.00	63.5	0.07	0.13	69
NAM-045	219.00	222.00	3.00	38.23	0.19	0.20	48
NAM-045	250.00	251.30	0.60	56.3	5.46	0.56	221
NAM-045	259.00	267.00	8.0	84.73	0.02	0.29	93
NAM-045	295.00	298.00	3.00	15.56	1.61	3.77	163
including	259.00	260.00	1.00	180	0.03	0.04	181
including	264.00	264.75	0.75	466	.011	2.86	547
NAM-045	295.00	298.00	3.00	15.56	1.61	3.77	163

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.

Table 4: South Extension Area

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	PB (%)	ZN (%)	AgEq (g/t)
NAM-031	252.3	253.4	1.1	51.3	2.02	6.09	273
NAM-042	No significant mineralization						

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.

2012 Program

Drilling recommenced on 20 January 2012 utilising 1 core rig on double shift. The assay results referred to above are being inputted to the continued remodelling of the project data to review and set drill location targets. The focus in early 2012 will be in and around the area marked on the long section (figure 2) and will follow strongly the significant silver discovered in hole NAM-047 as discussed above.

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Competent Person/Qualified Person

The technical information in this news release is based on information compiled Mr Bill Fleshman, who is a Chartered Professional and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Fleshman is a consultant to Cerro Resources NL and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results and "qualified person" as this term is defined in Canadian National Instrument 43-101 ("NI 43-101"). Mr Fleshman consents to the inclusion in this news release of the information in the form and context in which it appears.

About Cerro Resources

Cerro Resources is a precious and base metals exploration and development company. The Company is currently focused on Mexico where it is developing the Cerro del Gallo gold/silver project in the central state of Guanajuato, Mexico, actively exploring the Namiquipa silver project in northern Mexico, and commencing exploration on the Espiritu Santo gold/silver project in Jalisco. It also maintains an active working focus on the Mt Isa, Queensland, region where it is exploring the Mt Philp haematite project and it holds an interest in the Kalman molybdenum, rhenium, and copper project.

Additional information about the Company is available on the Company's website at www.cerroresources.com and on SEDAR.

Forward-Looking Information

This news release contains certain "forward-looking information" under Canadian securities laws. All statements that address future plans, activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information. Forward looking information in this news release includes statements regarding the structure of the mineralisation of the project, the results of the exploration program, the interpretation of such results, and the potential of the Namiquipa project. Forward looking information is based upon assumptions by management that are subject to known and unknown risks and uncertainties beyond the Company's control, including risks related to mining exploration and the availability of financing for companies such as the Company. There can be no assurance that outcomes anticipated in the forward looking information will occur, and actual results may differ materially for a variety of reasons. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, except as may be required by law.

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