



QUARTERLY ACTIVITIES REPORT

For the period ended 30 September 2021

27 October 2021

ASX: CY5

CORPORATE DIRECTORY

Non-Executive Chairman

Michael Bohm

Executive Director

Simon Jackson

Non-Executive Directors

Raymond Shorrocks

Shaun Hardcastle

Joint Company Secretaries

Michael Naylor

Susan Field

Advancing 2,100km² in the highly sort after Yilgarn region of West Australia

Prospective for Nickel, Copper, Gold & PGE's

\$2.3m Cash (30/09/2021)

Major Shareholders:

Steve Parsons	6.9%
Southern Cross Capital	6.8%
Merk Investments	6.2%
Michael Bohm	5.3%
Michael Naylor	4.6%

Cygnus Gold Limited

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Exploration

Cygnus Gold maintains a significant (~2,100km²) landholding within the Yilgarn Craton, Western Australia with tenure highly prospective for base metals, gold and PGEs.

During the quarter exploration has commenced on the 100% owned Panhandle and Julimar East Projects with exploration programmes for the Bencubbin Project scheduled to commence in December/January.

A summary of the Company's landholdings and activity include:

Julimar East Project ~325km² (100% CY5)

- Highly prospective tenure in the Jimperding metamorphic belt which hosts the Julimar Ni-Cu-PGE discovery by Chalice Mining Limited (ASX:CHN)
- Reconnaissance exploration and field visits have been completed with early-stage exploration programmes to follow in the coming months. This will include a combination of first pass geophysics and surface sampling.

Bencubbin Project ~800km² (100% CY5)

- Geophysics has been scheduled for the summer exploration season, which will include both ground electromagnetic (EM) surveys and airborne magnetics. Ground EM is planned to be completed targeting Nickel-Copper-PGE sulphides over prospective and untested Komatiite horizons. Whilst airborne magnetics will cover prospective parts of the tenure to better identify major structures and potential host units.
- Follow up drilling is planned to follow the initial phase of geophysics once targets have been identified
- An auger soil programme is also planned in the Bencubbin South area aiming to infill and extend existing of anomalism ahead of drill testing

Panhandle Project ~100km² (100% CY5)

- Contiguous to the Perrinvale Project owned by Cobre Limited (ASX:CBE) (*refer Cobre ASX Announcement 31/01/20*)¹
- Initial soil sampling has been completed this quarter with assay results pending. More extensive geochemical sampling is planned which will include reconnaissance drilling to target areas of thin alluvial cover and extend zones of known enrichment from adjacent tenure.

Gold Projects ~756km² (100% CY5)

No work has been undertaken on the Company's gold projects during the quarter and an assessment of next steps is underway.

Project Generation and Review

During the quarter the company undertook extensive project generation activities and reviews. This included multiple project reviews, including detailed due diligence. The company is continuing this work as it seeks an advanced asset to complement its existing projects.

Gold Road Joint Ventures (Cygnus Diluting to 10%)

Following four years of greenfields exploration on the joint ventures, Gold Road has determined to divest its share of these Projects. Cygnus is currently assessing its alternatives in respect of its minority interests.

Exploration

Cygnus Gold's (**Cygnus** or the **Company**) exploration activities are currently focused in the Southwest Terrane (SWT), an underexplored region of highly prospective geology within the prolific Yilgarn Craton, Western Australia.

The Company has more than 2,100km² (100% Cygnus) granted tenements and applications covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralisation.

During the quarter the new Cygnus geological team commenced exploration on priority tenure outlined in July (*refer CY5 ASX release 29 July 2021*). Results from this work is pending with further exploration planned for December/January field season.

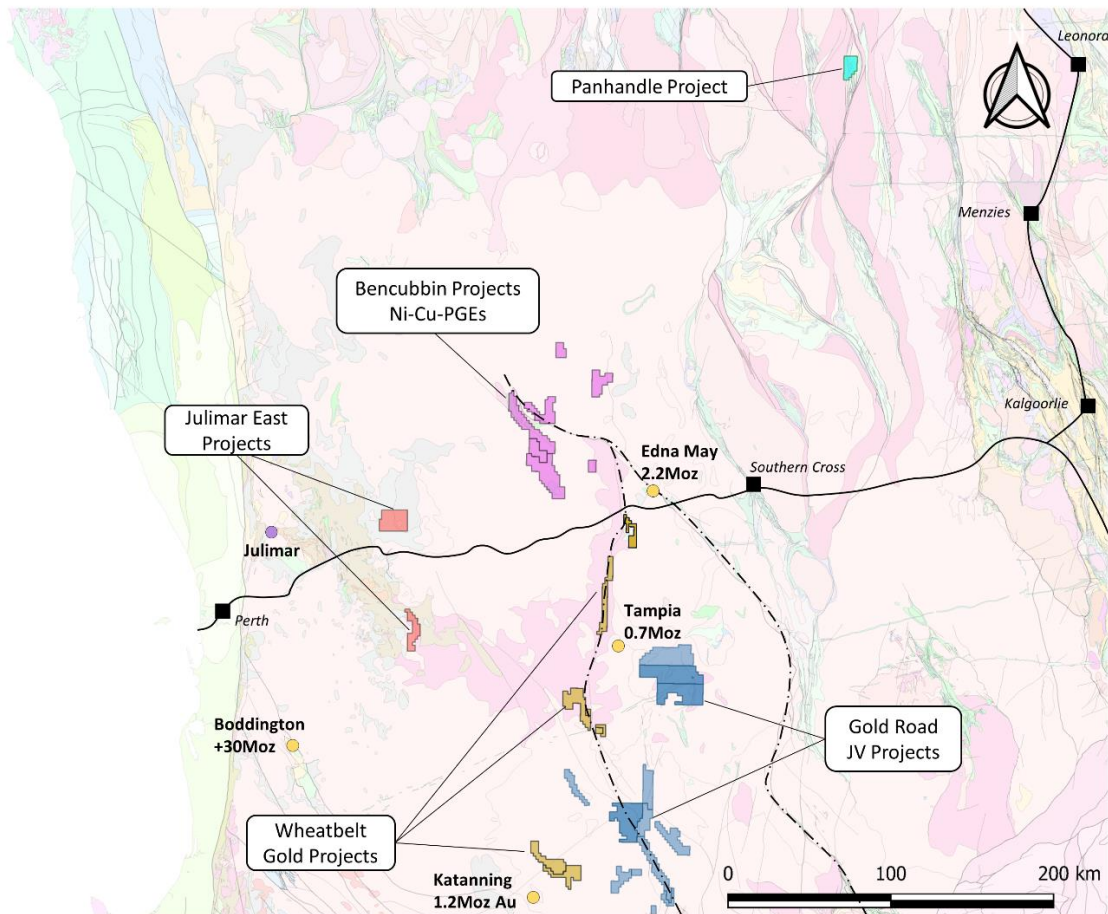


Figure 1: Cygnus current tenure relative to major gold deposits and the recent Julimar discovery with background geology from GSWA mapped regional geology (1:500,000)

PANHANDLE PROJECT (100% CY5)

Cygnus Gold's E29/1075 (Panhandle Project) approximately 300km north of Kalgoorlie in the Central Yilgarn Craton.

The ~100km² Panhandle tenement covers a 13km section of the Panhandle Greenstone Belt (Youanmi Terrane, Yilgarn Craton) where the Company's review of historical exploration has revealed no drilling and limited surface sampling and geophysical surveys.

The greenstone sequences at Panhandle are interpreted to be extensions of the rock units targeted by listed explorer Cobre Limited (ASX:CBE) on the adjacent Perrinvale project (Figure 2) and are considered highly prospective for:

- Volcanogenic massive sulphide (VMS) (lead-zinc-copper) mineralisation. Cobre have announced drill intersections on the Schwabe prospect along strike from Panhandle (refer Cobre ASX Announcement 31 January 2020).
- Orogenic gold mineralisation similar to the Rover Project where ASX-listed TSC Limited (ASX: TSC) have intersected high grade gold (refer TSC ASX Announcement 25 February 2020).ⁱ
- 'Kambalda-style', komatiite-hosted magmatic nickel-copper sulphides hosted in ultramafic sequences.

Current Exploration and Next Steps

Following a detailed review of previous exploration at Panhandle, initial surface geochemical sampling was completed in October 2021 with assay results pending. This work consisted of ~333 soil samples and 1 rock chip sample over areas of in situ regolith close to known outcrop, looking to identify the prospective trends continuous from the Cobre Limited (ASX:CBE) Perrinvale Project. Two small AC programs are planned to test areas with interpreted thin alluvial cover along strike from known enrichment on adjacent tenements.

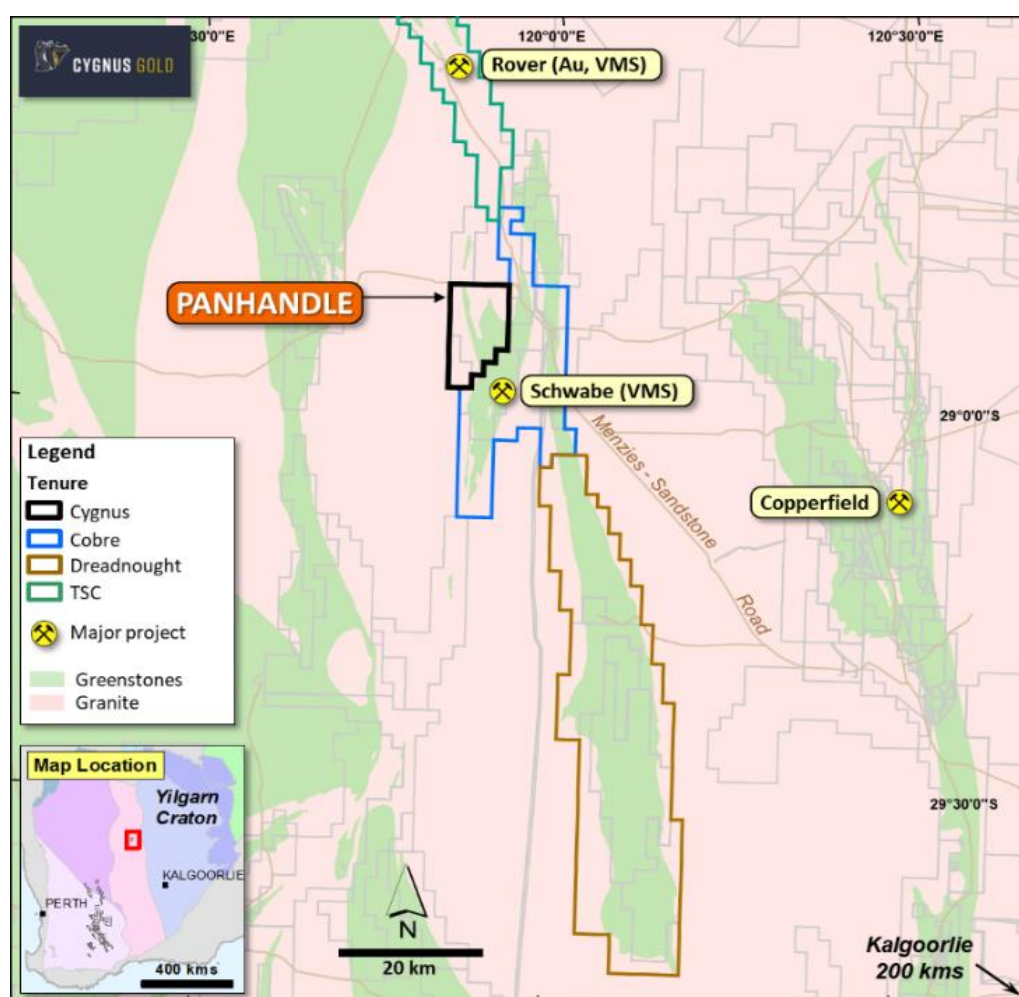


Figure 2: Cygnus' Panhandle tenement (E29/1075) relative to competitor tenements and prospects in the Central Yilgarn, Western Australia. Inset show's location of the Panhandle tenement and Cygnus projects in the Southwest Terrane

BENCUBBIN PROJECT (100% CY5)

The ~800km² Bencubbin Project is located ~220km northeast of Perth and covers the Bencubbin Greenstone Belt, an underexplored greenstone sequence extending for over 70km of strike, and up to 5km in width. The property is considered highly prospective for:

- 'Kambalda-style', komatiite-hosted magmatic nickel-copper sulphides, associated with the Bencubbin North Komatiite and Bencubbin South Ultramafic. Bencubbin North in particular defined by a regionally extensive nickel-in-soil geochemical anomaly developed over 18km with >1000ppm Ni and >100ppm Cu (refer to CY5 ASX Announcement 30 November 2018)ⁱ

- Volcanogenic massive sulphide (VMS) base metals (lead-zinc-copper) associated with the Mandiga-Grylls trend, defined by a 3.3km long zone of copper (Cu), lead (Pb) and zinc (Zn) mineralisation with max drillhole anomalism up to 2m @ 1.7% Zn in historic drillhole DMA5 (refer to CY5 ASX Announcement 30 November 2018) ⁱ

Current Exploration and Next Steps

The Bencubbin Project is a large continuous ground holding covering ~800km² of prospective greenstone belt terrane. Previous exploration has identified a number of prospective target areas for gold, base metals and PGEs. With the size of the holding and the number of prospective targets early-stage geophysics has been scheduled for December 2021/January 2022 to better delineate targets for follow up work. This geophysics will include a combination of both airborne magnetics and ground electromagnetics (EM). The airborne magnetics will enable broad comprehensive coverage of a large portion of the tenure with the aim of better identifying prospective host lithologies and structures. Ground EM surveys will target areas previously delineated by shallow drilling and geochemical sampling in the north and south of the tenement. The ground EM aims to define sulphide rich zones within the extensive komatiite horizons that are prospective for nickel/copper/PGE mineralisation. This data will provide a vector for follow up drilling.

Land access agreements are currently being finalised with the required parties for all ground activities planned and ground disturbing work can commence once harvest is completed.

Alongside the planned geophysics, a programme of auger geochemistry is planned in the southern part of the tenure aiming to infill and extend an area of strong anomalism ahead of drill testing.

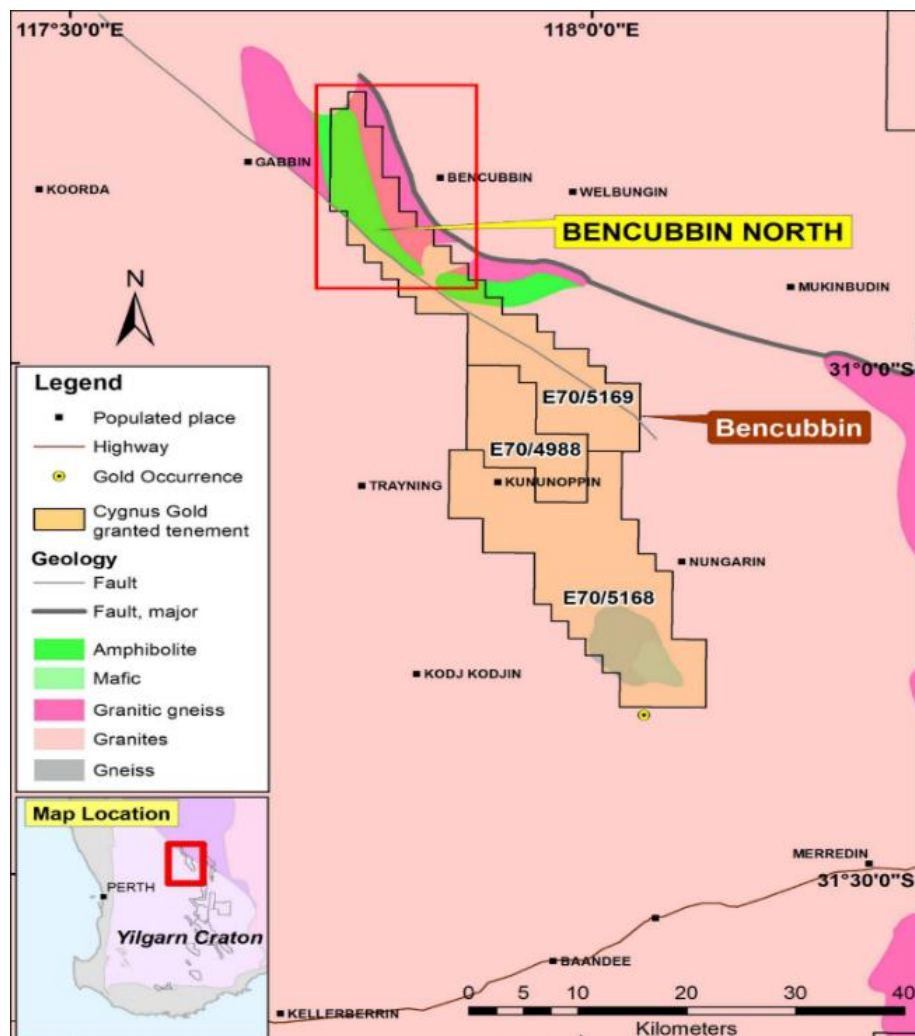


Figure 3: Cygnus' Bencubbin project on mapped regional geology (1:500,000 GSWA mapping)

JULIMAR EAST PROJECT (100% CY5)

The Julimar East Project is made up of two tenements, Culbarting (E70/5492) and Mackie (E70/5397) for a combined 325km² located in the highly prospective Julimar district. The tenements, like Julimar, sit on the margin of the Jimperding metamorphic belt and are adjacent to Anglo-American's significant ground holding of >10,000km² picked up in 2020 following the Julimar discovery.

On both tenements magnetic and gravity anomalies considered prospective for Ni sulphide mineralisation have been identified, analogous to Chalice Mining's Julimar Ni-Cu-PGE discovery within the Southwest Terrane.

E70/5492 (Culbarting) contains a strong magnetic anomaly, possibly representing a folded package of BIF and "Julimar" style mafic- ultramafic rocks. There is around 7km of strike, with no historical exploration identified to date.

E70/5397 (Mackie) is a continuous holding over 26km of NE striking interpreted remnant greenstone belt, immediately along strike from historical drilling that intersected mafic-ultramafic rocks.

As a result, both EL's are considered prospective for mafic-ultramafic lithologies with potential Ni-Cu-PGE mineralisation.

Current Exploration and Next Steps

Following a detailed review of historic exploration, reconnaissance fieldwork and surface sampling is ongoing over the prospective tenure. This work includes rock chipping and mapping as well as landholder engagement to streamline future exploration programmes, which will likely include a combination of geophysics and early stage surface geochemistry over identified prospective areas.

WHEATBELT GOLD PROJECTS (100% CY5)

A geological review is ongoing over our holdings in the South West Terrane, Yilgarn Craton. The tenure is considered highly prospective for gold mineralisation with significant deposits in the region including at Boddington, Edna May, Tampia and Katanning. The prospectivity of the tenure has been demonstrated by the Company's previous exploration programs which returned significant intercepts of:

- **10.95m @ 15.1g/t gold** (incl. 4.8m @ 34g/t Au) in BNDD003ⁱⁱ
- **9.50m @ 29.2g/t gold** (incl. 2.4m @ 114.62g/t Au) in BNDD001ⁱⁱ

GOLD ROAD JOINT VENTURES (CYGNUS DILUTING TO 10%)

Cygnus holds interests in the Lake Grace JV (10.1%) and Yandina JV (10.1%) with Gold Road Resources Limited. Gold Road is the operator of these joint ventures.

Following four years of greenfields exploration on the joint ventures, Gold Road has determined to divest its share of these Projects. Cygnus is currently assessing its alternatives in respect of its minority interests.

CORPORATE

Cash Position and Movements

As of 30 September 2021, Cygnus Gold held \$2.3 million in cash (June 2021: \$2.8 million). For further movements in cash during the quarter, refer to Appendix 5B.

Appendix 1 contains the financial analysis of selected items within the Appendix 5B.

Authorised on behalf of the Board.

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End Notes

- i Refer ASX announcement on the said date for full details of these results. Cygnus Gold is not aware of any new information or data that materially effects the information in the said announcements.
- ii Refer ASX announcement on 22 February 2018 for full details of these results. Cygnus Gold is not aware of any new information or data that materially effects the information in the said announcements.

APPENDIX 1

Financial Analysis of selected items within the Appendix 5B

Appendix 5B reference	ASX description reference	Summary
1.2(d)	Staff costs	Relates to Perth office staff and director costs.
1.2(e)	Administration and corporate costs	This item relates to costs for and associated with operating the Company's Perth office and includes listing and compliance costs (ASIC, ASX and share registry), audit fees, insurance, and office occupancy.
2.1(c)	Property plant and equipment	This represents minor assets acquired during the quarter such as laptops and other computer equipment.
2.1(d)	Payments for exploration and evaluation (capitalised)	During the quarter, Cygnus continued exploration and evaluation activities for its 100% owned tenements as well as contributing to the JV Manager on behalf of the Yandina and Lake Grace Joint Ventures to maintain its 10.1% interest.
6.1	Aggregate amount of payments to related parties and their associates	Payments relate to an apportionment of the executive directors salaries and superannuation for corporate activities, and non-executive director fees and company secretarial services.
8.0	Future operating activities	For the upcoming quarter, the Company has forecasted expenditure relating to exploration activities on its wholly owned Cygnus tenements and to maintain its 10.1% interest in Joint operations now being managed by Gold Road Resources Limited and corporate costs.

APPENDIX 2 - CYGNUS GOLD LIMITED TENEMENTS (AS OF 30 SEPTEMBER 2021)

Tenement	Location	Registered Owner	Structure and Ownership
E29/1075	Western Australia	Deneb Resources Pty Ltd	100%
E70/4787	Western Australia	Cygnus Gold (Projects) Pty Ltd	100%
E70/4911	Western Australia	Cygnus Gold (Projects) Pty Ltd	100%
E70/4939	Western Australia	Cygnus Gold (Projects) Pty Ltd	100%
E70/4988	Western Australia	Deneb Resources Pty Ltd	100%
E70/4989	Western Australia	Cygnus Gold (Projects) Pty Ltd	100%
E70/4990	Western Australia	Cygnus Gold (Projects) Pty Ltd	100%
E70/5050	Western Australia	Deneb Resources Pty Ltd	100%
E70/5131	Western Australia	Cygnus Gold (Projects) Pty Ltd	100%
E70/5168	Western Australia	Deneb Resources Pty Ltd	100%
E70/5169	Western Australia	Deneb Resources Pty Ltd	100%
E70/5196	Western Australia	Deneb Resources Pty Ltd	100%
E70/5397	Western Australia	Deneb Resources Pty Ltd	100%
E70/5492	Western Australia	Deneb Resources Pty Ltd	100%
E70/5617	Western Australia	Deneb Resources Pty Ltd	100%
E77/2405	Western Australia	Deneb Resources Pty Ltd	100%
Lake Grace Joint Venture Project			
E70/4853	Western Australia	Cygnus (JV Projects) Pty Ltd	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/4855	Western Australia	Cygnus (JV Projects) Pty Ltd	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/4991	Western Australia	Cygnus (JV Projects) Pty Ltd	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5017	Western Australia	Cygnus (JV Projects) Pty Ltd	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5188	Western Australia	Cygnus (JV Projects) Pty Ltd	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5251	Western Australia	Cygnus Gold Limited	Pending, Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5320	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
Yandina Joint Venture Project			
E70/5098	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5099	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5100	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5101	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5230	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5231	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)
E70/5232	Western Australia	Gold Road Projects Pty Ltd (75%), Cygnus (JV Projects) Pty Ltd (25%)	Cygnus (diluting to 10%), Gold Road Projects Pty Ltd (earning 90%)

Mining Tenements disposed: Nil

Mining Tenements acquired: Nil

Beneficial percentage interests held in farm in or farm-out agreements: Refer above.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed: Nil

FORWARD LOOKING STATEMENT

This announcement may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Cygnus Gold Limited. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

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