



Cygnus poised for rapid growth after game-changing deal to acquire high-grade lithium spodumene project

Drilling has already outlined spodumene over 620m strike length with hits such as 2.6% Li₂O

ASX ANNOUNCEMENT:

29 July 2022

ASX: CY5

CORPORATE DIRECTORY

Non-Executive Chairman

Raymond Shorrocks

Executive Director

Michael Naylor

Non-Executive Directors

Michael Bohm

Shaun Hardcastle

Company Secretary

Susan Field

Major Shareholders

Steve Parsons 6.9%

Merk Investments 6.9%

Southern Cross 6.7%

Michael Naylor 5.2%

Michael Bohm 5.1%

Advancing the Pontax Lithium Project in the world class James Bay lithium district in Canada and the Bencubbin Lithium Project in Western Australia.

\$1.95m Cash (30/06/2022)

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Key Points

- Cygnus strikes binding agreement under which it can earn up to 70% of the Pontax Lithium Project in Quebec, Canada
- Cygnus will also take significant shareholding in current Pontax owner TSXV-listed Stria Lithium Inc
- Cygnus has received commitments for \$4.2m in a share placement to fast-track exploration. Board and management have committed to \$0.5 million which represents ~12% of placement
- Pontax is located within world class lithium province which hosts major lithium projects including James Bay (40Mt @ 1.4% Li₂Oⁱ), Whabouchi (56Mt @ 1.4% Li₂Oⁱⁱ) and Rose (34Mt @ 0.9% Li₂Oⁱⁱⁱ)
- All holes drilled to date have hit spodumene bearing lithium-caesium-tantalum (LCT) pegmatites with high-grade, shallow intersections including:
 - 9.0m @ 1.7% Li₂O from 46.9m
 - 15.6m @ 1.6% Li₂O from 83.9m
 - 4.8m @ 2.6% Li₂O from 19.4m
 - 13.0m @ 1.4% Li₂O from 36m
- No drilling outside the outcropping central zone (620m strike), which remains open along trend and at depth
- Multiple high priority walk-up drill targets for testing. Cygnus will undertake a ~10,000m drilling program commencing in Q4
- Initial metallurgical test work generated 6% spodumene concentrate using conventional processing techniques with potential tantalum biproduct with grades up to 549ppm Ta₂O₅
- Pontax has excellent infrastructure, with sealed road access within 22km of the project and access to Quebec's hydro power network
- Quebec is strategically well-positioned to capitalise on the energy transition and e-mobility markets in Europe and the US
- Highly experienced board and management team in place including Bellevue Gold founders (Steve Parsons, Michael Naylor and Ray Shorrocks) and experienced mining industry professional Michael Bohm (Non-Executive Director of Mincor Resources and previously Ramelius Resources)

Cygnus Executive Director Mr Michael Naylor said: *“This is an exceptional opportunity for Cygnus. Drilling has already established that Pontax is a high-grade lithium spodumene prospect with mineralisation outlined over a 620m strike length.*

“The growth potential is also immense, with the mineralisation open along strike in both directions and numerous walk-up drilling targets. And the metallurgical testwork has generated 6% spodumene concentrate, meaning it meets the key criteria set by global customers.

“The successful share placement ensures we have the funds to underpin an extensive drilling program to begin unlocking the full value of Pontax.

“The Cygnus team looks forward to working closely with our Canadian partners at Stria Lithium Corp to create value for all the Pontax stakeholders”.

Cygnus Gold (ASX: CY5) is pleased to announce that it has entered into a binding agreement which gives it an exclusive option to acquire up to 70 per cent of the Pontax Lithium Project in Quebec, Canada.

Pontax is an outstanding opportunity for Cygnus to create value for its shareholders because high-grade lithium spodumene has already been established through drilling and there is immense scope to continue growing the mineralisation through exploration.

Pontax has spodumene-hosted LCT pegmatites with limited diamond drilling returning numerous high-grade lithium intersections from outcropping mineralisation. Mineralisation at Pontax remains open along strike and at depth with multiple walk-up drill targets.

Through an earn-in agreement with Stria Lithium Inc. (“Stria”), the Company is planning a systematic exploration program on the property with diamond drilling to start in Q4. The Company plans to complete resource definition and step out drilling over the next six months.

This agreement represents a unique opportunity for Cygnus to unlock potential in a world-class lithium province, underpinning its transition to a diversified global battery metals explorer.

Pontax Lithium Project: Located in one of Canada’s most prolific lithium provinces

The Pontax Lithium Project has been acquired due to the potential to host a substantial lithium Resource. The Project covers 36km² located in the prolific Superior Province of Quebec, with the James Bay region one of the most endowed lithium terranes in the world, even though only minimal modern exploration has been seen over the past 20 years.

Advanced significant lithium projects of northern Quebec include (refer to Figure 1):

- Abitibi Lithium Hub (**119.1Mt @ 1.1% Li₂O^{iv}**) operated by Sayona Mining Limited/Piedmont Lithium Inc (Refer to Sayona Mining’s ASX Presentation dated 27 May 2022)
- James Bay (**40.3Mt @ 1.4% Li₂O^{iv}**) operated by Allkem Ltd (Refer to Allkem’s ASX Announcement dated 21 December 2021)
- Whabouchi (**55.7Mt @ 1.4% Li₂Oⁱⁱ**) operated by Nemaska Lithium Inc (Refer to Nemaska Lithium NI 43-101 dated 31 May 2019)
- Rose (**34.2Mt @ 0.9% Li₂O^{iv}**) operated by Critical Elements Lithium Corp (Refer to Critical Elements’ TSX-V Announcement dated 13 June 2022)
- Moblan (**16.1Mt @ 1.4% Li₂O^{iv}**) operated by Sayona Mining/SOQUEM Inc (Refer to Sayona Mining’s ASX Presentation dated 27 May 2022)

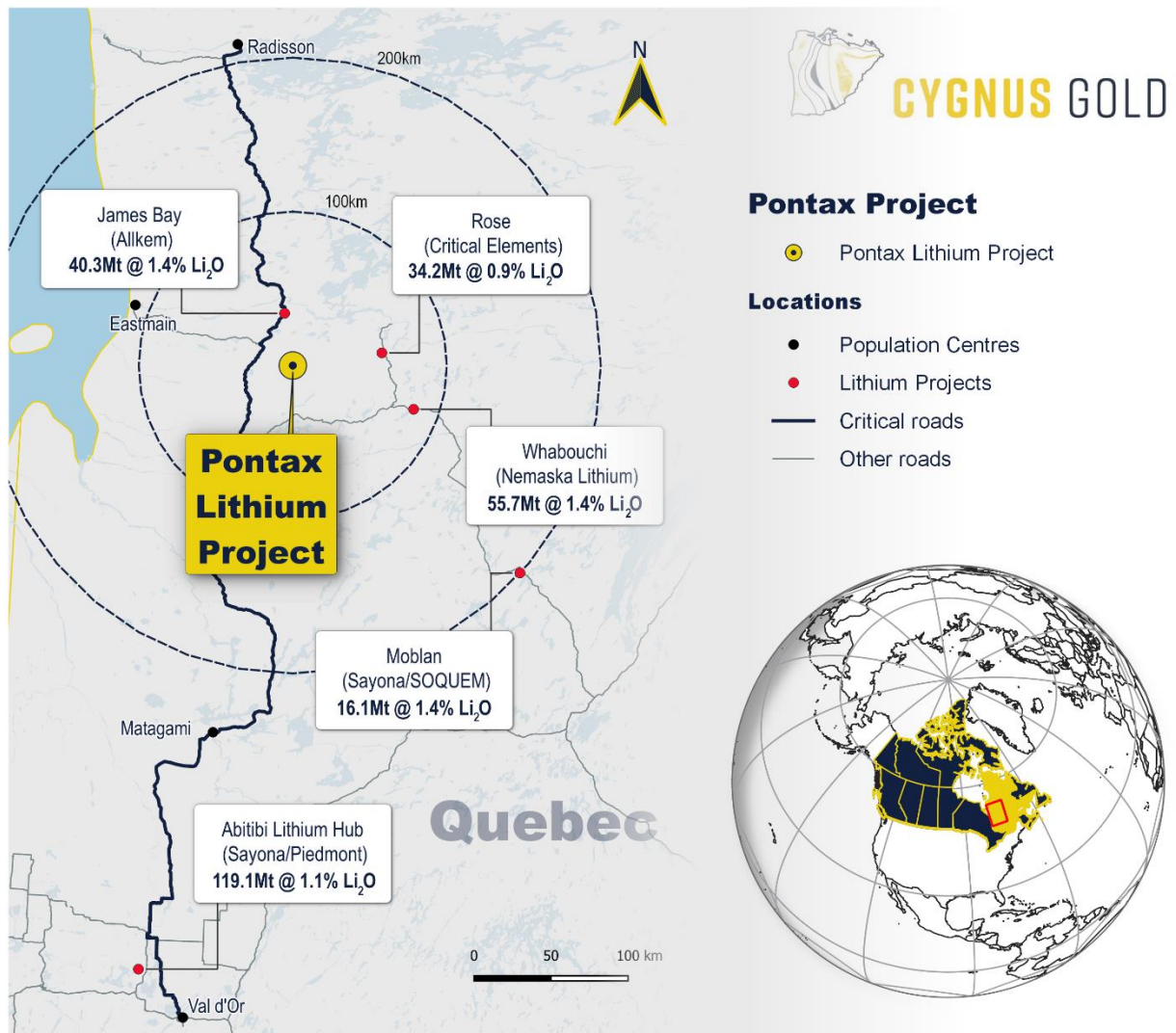


Figure 1: Location of the Pontax Lithium Project and significant lithium deposits in the James Bay Area as well as major access routes through the region

Pontax: – Unlocking the Potential

The Pontax Lithium Project is host to numerous pegmatite swarms with the only explored swarm being Central Pontax which outcrops over 620m of strike and remains open along strike and at depth. There are untested pegmatite outcrops north of the central outcrop that have never been drilled and multiple targets for follow up drilling.

To date 25 diamond drill holes for ~3,286m have been completed at the project with drilling entirely focussed upon the known extent of the outcrop. All holes drilled to date have hit spodumene bearing lithium-cesium-tantalum (LCT) pegmatites with significant drill intersections including:

- 9m @ 1.7% Li₂O from 46.9m
- 12.0m @ 1.1% Li₂O from 99.5m
- 15.6m @ 1.6% Li₂O from 83.9m
- 12.0m @ 1.4% Li₂O from 83.0m
- 4.8m @ 2.6% Li₂O from 19.4m
- 7.9m @ 1.4% Li₂O from 88.9m
- 13.0m @ 1.4% Li₂O from 36.0m
- 4.1m @ 2.5% Li₂O from 64.3m

The drilling from Central Pontax is completely open in all directions with some of the thickest intervals from the deepest drilling which is still shallow at less than 130m vertical depth.

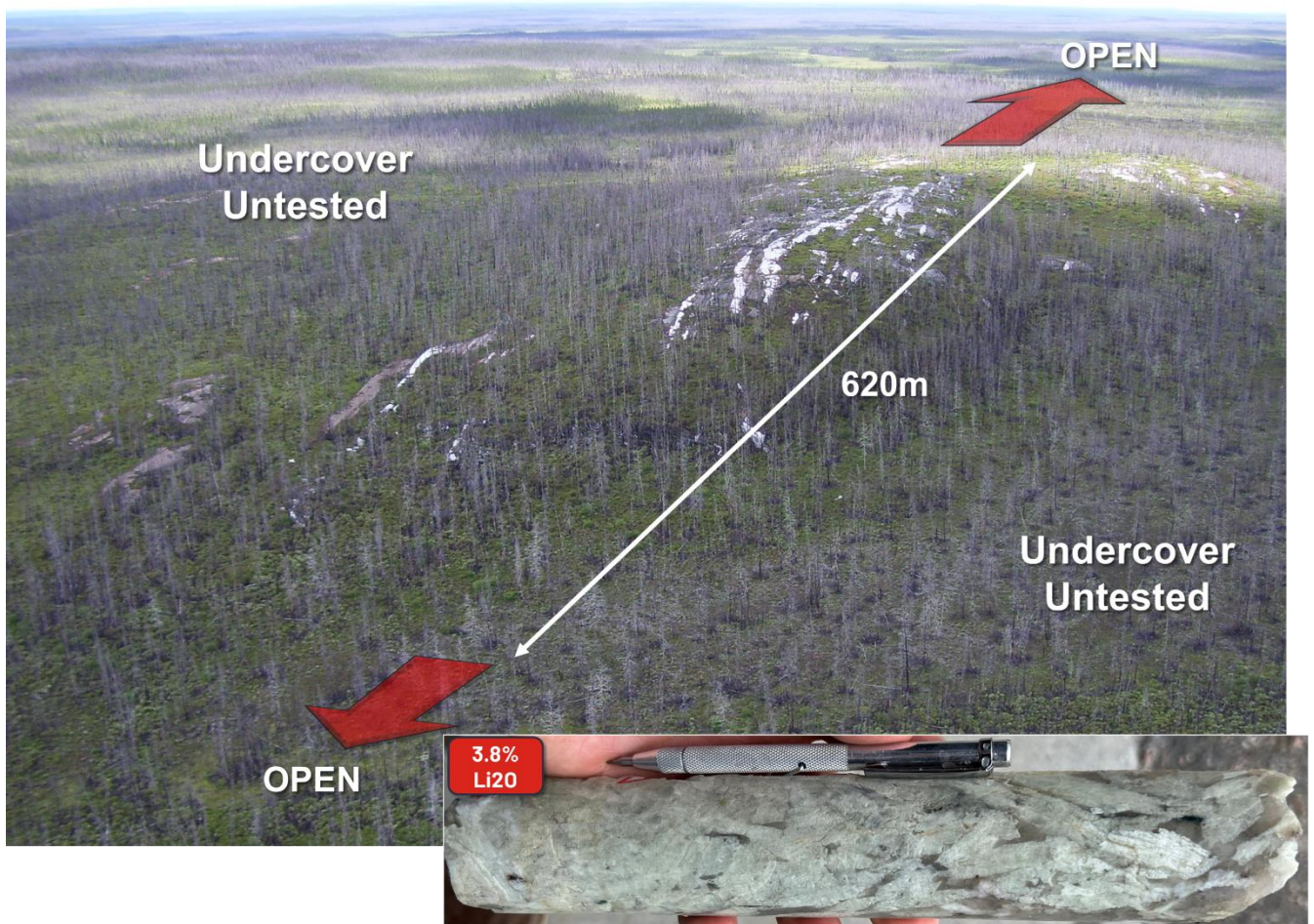


Figure 2: Aerial view of the Central Pontax lithium pegmatite swarm looking towards the south west. The mineralisation outcrops over 620m and has been the sole focus of historic drilling whilst mineralisation remains open in all directions. **Inset:** Example of high grade mineralisation in drill core with abundant spodume crystals from just 20m depth in hole 975-19-020. Interval grading 3.8% Li_2O within a broader intercept of 4.8m at 2.6% Li_2O from 19.4m.



Figure 3: Plan view of the main area within the Pontax Project that has been the focus of historic exploration. Illustrating the Pontax Central pegmatite swarm with the location of the 25 holes drilled to date and selected significant intercepts. This trend remains open and untested under shallow cover in both directions along strike as well as at depth. The map also illustrates the North Pontax pegmatite swarm which has not yet been drilled as well as other outcrops in the area that have not been assessed.

Geology and Mineralisation

The Pontax Project is hosted in the world class Archean Superior Province of the Canadian Shield, which hosts some of the largest and most significant hard rock lithium resources in the world. The Project is hosted in the Chambois Greenstone Belt which sits on the southern margin of the granitic basement block which also bounds the James Bay Deposit (ASX:Allkem) in the Eastmain Greenstone Belt to the north. Like the other major greenstone belt hosted deposits in the region, the Chambois Greenstone Belt has been metamorphosed to upper greenschist/amphibolite facies with pegmatites hosted in a combination of metamorphosed basalts and metasediments.

The Central Pontax Pegmatite Swarm is hosted in multiple parallel dykes which individually are up to 15m thick. These dykes are vertically and laterally continuous and open in all directions with the deepest drilling down to 130m vertical depth. The known strike extent of the Central Pontax pegmatite swarm is 620m with all drilling focussed on the main outcrop which becomes covered to the north and south by shallow sediments. These areas are a priority drill target as mineralisation is open in both directions along strike.

The pegmatites of the Central Pontax Swarm are LCT type pegmatites with high amounts of the lithium bearing mineral spodumene, which in places can reach up to 40% of the rock mass. The spodumene forms aggregated crystal masses with individual crystals up to 40cm in lengths, characterised by a light green colour. Spodumene is the only known lithium bearing mineral hosted in the pegmatites at Central Pontax.

Forward work program

Drilling is planned for the Quebec autumn with a drill rig secured to complete a ~10,000m programme over a six month period. The drilling will focus on the area of known mineralisation and extend this at depth where the pegmatite appears to thicken. Summer field season work will include an airborne magnetic survey to map out the structural framework of the project and other potential pegmatite bearing structures which may sit beneath shallow sediment cover. Whilst the initial drilling campaign is being completed ongoing

reconnaissance mapping and rockchipping will generate follow up targets for drilling in the upcoming winter drill programme (January).

Excellent Location and Infrastructure

The Project is well situated in the emerging James Bay territory in northern Québec, which is the focus of significant investment from Quebec government under Québec's "Plan Nord" economic development strategy that offers significant tax incentives for mining companies to invest and explore the province's vast northern mineral wealth.

The project itself is situated only 22km off the James Bay Road (State Route 109) which connects Matagami, 350km to the South, to the village of Radisson, 620 km to the North. Matagami has both an airport and major railway which connects directly to major infrastructure throughout North America. Major development projects surround the Pontax Project including James Bay, Rose and Whabouchi which only enhances the viability of commercial production from the area with continued investment from major lithium companies.

In addition, Quebec is strategically well-positioned regarding the critical transitioning energy and e-mobility markets in Europe and the United States and boasts excellent infrastructure including low cost and low carbon electricity through Hydro-Quebec.

Metallurgy

Two series of preliminary metallurgical test work, aimed at demonstrating the amenability of the Pontax pegmatites to standard beneficiation techniques, were carried out in 2015/2016 at SGS laboratories in Lakefield, Ontario. Samples for variability and bulk testing were largely obtained from channel sampling of near surface and outcrop pegmatites from within the identified spodumene bearing zones.

The first test series utilised the recognised heavy liquid separation or HLS technique to test the response to a more economic gravity process flowsheet. These tests indicated 6% Li₂O concentrates, at a mass yield of 10%, could be produced after crushing to either 9.5 mm or 6.3mm.

Mineralogical examination of the ore by x-ray diffraction (XRD) confirmed the main lithium bearing mineral was spodumene, physical testing confirmed the ore was of medium hardness and it was further demonstrated that overall lithium recovery may be increased by flotation of the fine material.

In the second test series, a bulk sample of 14 tonnes with a head grade of 1.48 % Li₂O, was processed through a pilot scale dense medium separation plant (DMS) and flotation facilities and not only confirmed the findings of the first test series but indicated an improved performance of 84% overall lithium recovery into 6% Li₂O concentrates.

The programme also included a sighter test on the amenability of the spodumene concentrates to downstream production of lithium carbonate or hydroxide with almost 100% conversion of the spodumene to the acid soluble version being achieved under standard conditions of heating to 1050°C for 30 minutes.

The results reported from these test series and the manner in which they were performed have provided Cygnus with insight into suitability of the Pontax pegmatites to economic recovery.

Transaction Summary

Cygnus has completed its due diligence and has entered into a binding term sheet to acquire up to 70% of the Pontax Lithium Project from Stria. However, investors are cautioned that the commencement of the proposed earn-in and acquisition remains conditional on Stria obtaining any shareholder and regulatory approvals required to give effect to the earn-in and acquisition (which conditions are outside of the Company's control).

The key acquisition terms are as follows:

- A payment of C\$1,000,000 to be made to Stria within five days.
- Cygnus may earn an initial 51% interest in the Project ("Stage 1 Earn-In") by:
 - expending C\$4,000,000 on exploration over an 18-month period; and

- making a cash payment to Stria of C\$2,000,000 at the end of the Stage 1 Earn-in period.
- Cygnus may earn a further 19% interest in the Project ("Stage 2 Earn-In") by:
 - expending C\$6,000,000 on exploration in the 30-month period commencing on the date that Cygnus satisfies the Stage 1 Earn-in; and
 - making a cash payment to Stria of C\$3,000,000.
- A Joint Venture will be formed on the earlier of:
 - the end of the Stage 2 Earn-in period; and
 - the date that Cygnus withdraws from the Stage 2 Earn-in (if it elects to do so).
- Subject to Cygnus completing the Stage 2 Earn-in and formation of the Joint Venture, Cygnus will free carry Stria's remaining 30% interest through to completion of a Feasibility Study. Following the free carry period, Cygnus and Stria must each fund all expenditure under the Joint Venture on a pro-rata basis in proportion to their respective interest in the Joint Venture from time to time.
- Cygnus shall be reimbursed for Stria's 30% proportionate share of the cost of any Joint Venture activities undertaken or incurred during the free carry period (that has been funded by Cygnus) out of cash flows generated from production.
- Cygnus and Stria intend to enter into a formal earn-in and joint venture agreement within 60 days (however, the term sheet remains legally binding even if a formal agreement is not entered into).

The earn-in under the formal agreement is proposed to be via an unincorporated joint venture unless the parties agree otherwise based on a review of applicable tax, accounting, corporate and regulatory issues.

Cygnus Placement

Cygnus also advises that it has received commitments from sophisticated and professional investors to raise approximately \$3,650,000 (before costs) through the issue of up to 29,200,000 fully paid ordinary shares in the Company ("Placement Shares") at an issue price of \$0.125 per Share ("Issue Price") ("Placement"). The Issue Price represents a discount of approximately 19% to the 5-day VWAP.

29,200,000 Placement Shares are expected to be issued on or about 8 August 2022 using the Company's available placement capacity under Listing Rule 7.1 (17,500,000 shares) and 7.1A (11,700,000 shares) without the need for shareholder approval.

The Placement excludes participation by directors and management of the Company, who intend to subscribe for a total of 4,240,000 Placement Shares subject to the approval of shareholders at the Company's next general meeting expected to be held in September.

Funds raised from the Placement will be used for:

- exploration activities on the Pontax Lithium Project and in the southwest terrain of Western Australia;
- to subscribe for C\$350,000 worth of shares in Stria which will result in Cygnus owning approximately 7% of Stria;
- C\$1,000,000 for the option to earn in to the Pontax Lithium Project;
- tenement holding expenses;
- costs of the transaction and Placement; and
- general working capital.

Canaccord Genuity (Australia) Ltd (Canaccord) acted as lead manager for the placement. In addition, Canaccord has been appointed as the Company's corporate advisor to the joint venture transaction and for ongoing corporate advisory services.

Issue of Performance Rights

The Company, subject to shareholder approval, intends to issue 26,000,000 Performance Rights to directors, management and consultants of the Company. The performance hurdles are designed to reflect the focus of the Company to become a substantial lithium exploration company. The hurdles are planned to be as follows:

- Half will vest of the achievement of an Inferred Resource of 5,000,000 tonnes at a grade no less than 0.8% Li₂O within four years.
- Half will vest of the achievement of an Inferred Resource of 10,000,000 tonnes at a grade no less than 0.8% Li₂O within four years.

About Stria Lithium Limited

Stria is a publicly traded junior lithium mining development company listed on the TSX-Venture Exchange under the symbol "SRA". The company aims to generate near-term revenues from in-demand, high-margin lithium metal and lithium foil production.

Stria believes its technology-oriented business plan is unique in the lithium mining industry. And, more importantly, Stria aims to build early shareholder value from investments in the production and fabrication of niche lithium metal products sold into an underserved North American market.

While Stria continues its development of its Pontax lithium property in Northern Quebec, its immediate focus is on the application of technologies involved in processing lithium into high value lithium metal and foils, well in advance of mine completion.

About Cygnus Gold Limited

Cygnus Gold Limited (ASX: CY5) is an emerging exploration company focussed on advancing the Pontax Lithium Project in the world class James Bay lithium district in Canada, as well as the Bencubbin Lithium Project and Snake Rock Project in Western Australia. The Cygnus Board of Directors and Technical Management team has a proven track record of substantial exploration success and a creating wealth for shareholders and all stakeholders in recent years.

Cygnus Gold's tenements range from early-stage exploration areas through to advanced drill-ready targets.

For and on behalf of the Board

Michael Naylor
Executive Director
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i: Refer ASX announcement for Galaxy Resources Limited (ASX: GXY) located at <https://www.asx.com.au/asxpdf/20201117/pdf/44pz2xpqltcb4m.pdf> . Cygnus Gold is not aware of any new information or data that materially effects the information in the said announcements.

ii Refer to NI 43-101 report on the Estimate to Complete for the Whabouchi Lithium Mine and Shawinigan Electrochemical Plant Nemaska Project. Report available at : https://www.nemaskalithium.com/assets/documents/NMX_NI4301_20190809.pdf

iii Refer to TSX release for Critical Elements Lithium Corporation (TSX-V: CRE) <https://sedar.com/CheckCode.do>

iv Refer ASX/TSX 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.

Competent Persons Statements

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Duncan Grieve, a Competent Person who is a member of The Australasian Institute of Geoscientists. Mr Grieve is the Exploration Manager and a full-time employee of Cygnus Gold and holds shares in the Company.

Mr Grieve has sufficient experience relevant to the style of mineralisation under consideration and to the

activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Grieve consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this release that relates to metallurgy and metallurgical test work has been reviewed by Mr Noel O'Brien, FAusIMM, MBA, B. Met Eng. Mr. O'Brien is not an employee of the Company but is employed as a contract consultant. Mr O'Brien is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience with the style of processing response, the type of deposit under consideration and to the activities undertaken, to qualify as a competent person as defined in the 2012 edition of the “Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr O'Brien consents to the inclusion in this report of the contained technical information in the form and context in which it appears.

APPENDIX A – Historic Drill Holes

Coordinates given in UTM NAD83 (Zone 18)

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
09-555-01	362998	5754775	250	320	-50	140
09-555-02	362929	5754759	245	320	-50	131
09-555-03	362877	5754739	254	320	-50	128
09-555-04	362809	5754702	261	320	-50	143
09-555-05	362750	5754688	265	320	-50	114
09-555-06	362705	5754643	261	310	-50	122
09-555-07	362622	5754595	247	310	-50	86
975-17-008	362568	5754556	242	325	-48	126
975-17-009	362669	5754614	250	325	-50	129
975-17-010	362746	5754663	254	330	-49	171
975-17-011	362856	5754703	251	325	-50	107.4
975-17-012	362831	5754745	260	325	-50	111
975-17-013	363039	5754801	240	325	-50	126
975-17-014	362896	5754750	254	325	-47	141
975-19-015	363076	5754829	233	325	-50	174
975-19-016	363045	5754873	229	325	-50	120
975-19-017	362964	5754759	247	325	-50	153.9
975-19-018	362936	5754790	253	325	-50	144
975-19-019	363007	5754833	240	325	-50	125.6
975-19-020	362869	5754781	262	325	-50	132
975-19-021	362781	5754716	270	325	-50	162
975-19-022	362692	5754670	262	325	-50	123
975-19-023	362645	5754653	257	325	-50	114
975-19-024	362611	5754621	254	325	-50	111
975-19-025	362525	5754530	242	325	-50	151

APPENDIX B – Significant Intersections

All significant intersections from all drilling on the Pontax Project between 2009 and 2019. Significant intersection include intercepts greater than 1m in width and greater than 0.8% Li₂O. Intercept lengths may not add up due to rounding to the appropriate reporting precision.

Hole ID	From	To	Interval	Li ₂ O (%)	Ta ₂ O ₅
09-555-01	46.9	55.9	9.0	1.7	51
	102.0	104.2	2.2	1.5	32
09-555-02	39.0	40.0	1.0	1.6	78

Hole ID	From	To	Interval	Li2O (%)	Ta2O5
	99.5	111.5	12.0	1.1	53
09-555-03	15.4	17.4	2.0	1.3	50
	31.0	36.0	5.0	1.1	126
	83.0	95.0	12.0	1.4	55
09-555-04	22.5	23.5	1.0	0.8	72
	31.5	33.5	2.0	1.3	73
	59.5	60.5	1.0	1.3	30
	87.0	90.0	3.0	1.0	40
09-555-05	36.0	49.0	13.0	1.4	82
	56.0	57.0	1.0	1.1	87
	66.0	68.0	2.0	1.3	47
	86.0	89.0	3.0	0.9	46
09-555-06	5.0	9.5	4.5	0.9	105
	47.7	49.7	2.0	1.0	62
	66.5	69.0	2.5	1.1	45
	89.8	92.9	3.1	1.1	35
09-555-07	54.0	55.8	1.8	0.9	27
	74.3	77.5	3.3	1.1	53
975-17-008	83.4	85.1	1.7	2.6	78
	86.6	89.1	2.5	1.4	49
	94.8	96.5	1.8	1.0	68
	99.5	102.5	3.0	1.1	49
	119.0	120.6	1.6	0.8	97
975-17-009	42.5	43.6	1.1	1.7	98
	72.8	76.3	3.5	0.8	65
	87.3	88.8	1.5	1.1	110
	94.8	96.3	1.5	0.8	61
	101.7	104.9	3.3	1.3	37
975-17-010	56.9	59.9	3.0	1.2	85
975-17-011	49.2	50.2	1.0	1.8	110
	55.8	58.4	2.6	1.3	88
	64.3	68.4	4.2	2.5	102
	88.9	96.8	8.0	1.4	58
975-17-012	22.1	24.3	2.2	0.8	173
	27.6	30.4	2.8	1.6	68
	32.3	34.0	1.7	1.0	137
	37.9	40.1	2.3	1.3	126
	43.1	46.1	3.1	1.4	134
	49.6	53.8	4.2	1.4	159
including	49.6	50.4	0.8	2.3	549
975-17-013	84.2	85.5	1.4	1.3	61
	111.6	115.9	4.3	1.3	100
975-17-014	29.2	33.1	3.9	1.5	106
	68.9	70.6	1.7	3.2	121
	77.2	78.7	1.5	1.9	49
	80.4	81.8	1.4	1.6	110

Hole ID	From	To	Interval	Li2O (%)	Ta2O5
	83.9	99.5	15.6	1.6	50
975-19-015	75.6	77.7	2.1	1.5	105
	107.4	109.5	2.1	1.3	37
	110.9	112.5	1.6	1.1	75
	115.9	117.0	1.1	1.6	61
	130.0	131.0	1.1	2.3	61
975-19-016	58.1	60.4	2.3	1.4	24
	69.3	72.3	3.0	1.1	37
	103.8	104.8	1.0	2.1	37
975-19-017	36.4	38.8	2.5	1.1	77
	74.6	76.4	1.8	1.5	71
	107.7	109.5	1.8	1.7	35
	121.1	125.8	4.7	1.2	60
	143.0	146.5	3.5	1.1	145
975-19-018	31.4	35.9	4.6	0.9	102
	59.8	64.2	4.5	2.1	110
	80.4	81.9	1.5	1.5	59
	84.8	88.9	4.1	1.7	54
	93.8	96.5	2.7	2.0	87
	109.3	110.5	1.2	1.5	415
	121.3	122.9	1.6	1.6	188
975-19-019	19.5	26.0	6.5	0.9	35
	54.3	55.7	1.5	1.0	61
	77.0	78.7	1.7	1.1	216
	90.2	93.2	3.0	1.8	49
	96.3	97.4	1.2	1.8	63
	98.9	100.3	1.4	0.8	147
975-19-020	10.9	12.8	1.9	1.4	90
	19.4	24.2	4.8	2.6	97
	29.6	31.0	1.5	1.1	98
	123.9	125.0	1.1	1.0	37
975-19-021	1.5	4.5	3.0	1.4	61
	17.5	21.3	3.8	2.0	135
	27.7	30.4	2.7	0.8	79
	42.3	43.9	1.6	1.1	79
	55.1	57.5	2.4	1.3	55
	59.7	62.3	2.6	1.9	55
	80.3	82.7	2.5	1.1	59
975-19-022	24.2	25.3	1.1	1.5	85
	30.2	32.2	2.1	1.3	81
	41.4	42.4	1.0	1.3	330
	48.7	54.2	5.6	1.3	71
975-19-023	32.0	33.0	1.0	1.4	73
975-19-024	5.9	8.1	2.3	1.0	62
	31.5	35.2	3.7	0.9	71
	36.8	43.3	6.5	1.3	45

APPENDIX C

Pontax Project Drilling - 2012 JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<ul style="list-style-type: none"> The holes were sampled from half cut NQ core from diamond drilling
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<ul style="list-style-type: none"> QAQC samples were inserted in the sample runs, comprising of Certified Reference Materials and commercially sourced blank material (barren quartz or calcite)
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	<ul style="list-style-type: none"> Core samples were nominally taken at 1m intervals although sampling can range between 0.3m and 2m depending on the geology Sampling practice is appropriate to the geology and mineralisation of the deposit and complies with industry best practice
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	<ul style="list-style-type: none"> Diamond core was drilled using surface diamond rigs with industry recognised contractors Drilling was conducted using NQ core size The core was orientated using a Reflex orientation tool every 50m
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	<ul style="list-style-type: none"> Diamond core recovery was measured for each run and calculated as a percentage of the drilled interval. Overall, the core recoveries are excellent with fresh rock from near surface

Criteria	JORC Code explanation	Commentary
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	<ul style="list-style-type: none"> All core was geologically logged. Lithology, veining, alteration and mineralisation are recorded in the geology table of the drillhole database.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	<ul style="list-style-type: none"> Geological logging of core is qualitative and descriptive in nature.
	<i>The total length and percentage of the relevant intersections logged.</i>	<ul style="list-style-type: none"> 3,286m metres (100%) has been logged
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<ul style="list-style-type: none"> Core was cut in half by diamond saw, one half retained as a reference and the other sent for assay.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<ul style="list-style-type: none"> Prior to being submitted for assay the samples were prepared by IOS Services Geoscientiques Inc, a professional exploration services company based out of Sageunay, Quebec. This process involved samples being crushed with 70% to 85% passing 2 mm using a Terminator type jaw crusher from TM Engineering. The samples are then split before being pulverised to an optimum particle size of 85% passing 75µm. IOS Geoscientiques Inc also carried out their own internal QAQC during the sample preparation process by flushing the crushing and pulverising system with blank material
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<ul style="list-style-type: none"> The samples were sent for analysis at the Actlabs laboratory in Ancaster, Ontario for 20-element assay by ICP-OES following sodium peroxide fusion. Tantalum was also analysed additionally using ICP-MS following fusion with sodium peroxide. Actlabs is accredited to international quality standards ISO/IEC 17025:2017 and ISO 9001:2015

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> ICP-OES and ICP-MS analyses utilises 4-acid (hydrochloric, nitric, perchloric and hydrofluoric) digestion are “near total” digestions. Fusion is performed by a robot at Actlabs, which provides a fast fusion of the highest quality in the industry. The resulting molten bead is rapidly digested in a weak nitric acid solution. The fusion ensures that the entire sample is dissolved. It is only with this attack that major oxides including SiO₂, refractory minerals (i.e. zircon, sphene, monazite, chromite, gahnite, etc.), REE and other high field strength elements are put into solution. High sulphide-bearing rocks may require different treatment but can still be adequately analyzed. Analysis is by ICP-OES and ICP-MS. Quality of data is exceptional and can be used for the most exacting applications Sodium peroxide fusion will result in a total metal recovery. It is effective for the decomposition of sulphides and refractory minerals such as tantalum.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	<ul style="list-style-type: none"> None used
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<ul style="list-style-type: none"> In addition to the QAQC samples (described earlier) included within the sample preparation stage. Actlabs included its own CRM's, blanks and duplicates. The QAQC was checked and passed by Actlabs to their internal standards
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	<ul style="list-style-type: none"> Intersection assays were documented by Cygnus Golds Exploration Manager.
	<i>The use of twinned holes.</i>	<ul style="list-style-type: none"> No drillholes were twinned
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<ul style="list-style-type: none"> All assay data was reviewed, documented, and stored by IOS Services Geoscientiques Inc, a professional exploration services company based out of Sageunay, Quebec
	<i>Discuss any adjustment to assay data.</i>	<ul style="list-style-type: none"> There were no adjustments to the assay data.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	<ul style="list-style-type: none"> The location of the drillholes and the aiming points for the orientation of the boreholes were indicated on the ground using identified stakes. The stakes marking the location of the boreholes were set up and located with a Garmin GPS model “GPSmap 62s” (4m accuracy)
	<i>Specification of the grid system used.</i>	<ul style="list-style-type: none"> The grid system used is UTM NAD83 (Zone 18)
	<i>Quality and adequacy of topographic control.</i>	<ul style="list-style-type: none"> Located with a Garmin GPS model “GPSmap 62s”

Criteria	JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i>	<ul style="list-style-type: none"> • Drillholes are located approximately on 50m spacing in both section and plan
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	<ul style="list-style-type: none"> • NA as no resource estimation is made.
	<i>Whether sample compositing has been applied.</i>	<ul style="list-style-type: none"> • No sample compositing was applied.
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	<ul style="list-style-type: none"> • Drill lines are orientated approximately at right angles to the currently interpreted strike of the known outcropping mineralisation.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	<ul style="list-style-type: none"> • No bias is considered to have been introduced by the existing sampling orientation.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> • Due to the historic nature of above reported drillhole information. Detailed information about sample security of previous drilling is not available
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> • Sampling and assaying techniques are considered to be industry standard. At this stage of exploration, no external audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <hr/> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<ul style="list-style-type: none"> The drillhole data reported within this announcement is from the Pontax Property with Cygnus Gold entering into a binding term sheet to acquire up to 70% of the Pontax Lithium Project from Stria Lithium Inc. Cygnus is currently earning into 51% of the property. The Pontax Property consists of 68 mining titles or cells designated on maps (CDC) for a total area of 3612.65 ha (36.13 km²). Cells or mining titles are duly registered in the name of Stria Lithium inc. (96388) to 100%. Their next renewal is due from June 27, 2022. There are no known issues affecting the security of title or impediments to operating in the area
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> Limited exploration outside of the drilling described in this announcement has been conducted. What exploration that has been conducted includes mapping dating back to the 1970's
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> The Pontax Project is hosted within the La Grande Subprovince of the world class Archean Superior Province of the Canadian Shield. The Project is located in the Chambois Greenstone which sits on the southern margin of a large granitic basement block with the Eastmain Greenstone Belt to the north. Like the other major greenstone belt hosted deposits in the region, the Chambois Greenstone Belt has been metamorphosed to upper greenschist to amphibolite facies with pegmatite hosted in a combination of metamorphosed basalts and metasediments bound to the north and south by the granitic basement Lithium within the area is hosted in spodumene bearing LCT pegmatite dykes hosted in amphibolite often forming multiple parallel dykes which individually are up to 15m thick. These dykes are vertically and laterally extensive
<i>Drill hole Information</i>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <i>o easting and northing of the drill hole collar</i> <i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>o dip and azimuth of the hole</i> <i>o down hole length and interception depth</i> <i>o hole length.</i> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<ul style="list-style-type: none"> All requisite drillhole information is tabulated elsewhere in this release. Refer Appendix A of the body text

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	<ul style="list-style-type: none"> Drillhole intersections are reported above a lower cut-off grade of 0.8% Li₂O and no upper cut-off grade has been applied.
	<i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	<ul style="list-style-type: none"> A minimum intercept length of 1m applies to the sampling in the tabulated results presented in the main body of this release. Up to 2m of internal dilution have been included.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	<ul style="list-style-type: none"> No metal equivalent reporting has been applied.
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	<ul style="list-style-type: none"> The geometry of the pegmatite dykes appears to be vertical with intersections around 70% of true width when drilled from surface
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	<ul style="list-style-type: none"> Included elsewhere in this release. Refer figures 2 and 3 of the body text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	<ul style="list-style-type: none"> All results above 1m at 0.8% Li₂O lower cut have been reported
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<ul style="list-style-type: none"> Two series of preliminary metallurgical test work are documented within this announcement. These tests aimed at demonstrating the amenability of the Pontax pegmatite ore to standard beneficiation techniques, was carried out in 2015/2016 at SGS laboratories in Lakefield, Ontario. Samples for variability and bulk testing were largely obtained from channel sampling of near surface and outcrop pegmatites from within the identified spodumene bearing zones.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<ul style="list-style-type: none"> Cygnus gold intends to drill test the depth and lateral extensions of the Pontax pegmatite swarm. Diagrams in the main body of this document show the areas of possible extensions of the pegmatites

Criteria	JORC Code explanation	Commentary
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	<ul style="list-style-type: none"> All requisite diagrams are contained elsewhere in this release.

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