

## Cygnus identifies exciting new Kepler Zone gold target

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### CORPORATE DIRECTORY

#### Non-Executive Chairman

Michael Bohm

#### Managing Director

James Merrillees

#### Non-Executive Directors

Amanda Buckingham

Simon Jackson

Oliver Kreuzer

#### Company Secretary

Michael Naylor

### Cygnus Gold Limited

Level 3, 20 Parkland Rd,  
Osborne Park, WA 6017

T: +61 8 9489 2680

E: [info@cygnusgold.com](mailto:info@cygnusgold.com)

W: [www.cygnusgold.com](http://www.cygnusgold.com)

Cygnus Gold (ASX:CY5, 'Cygnus' or the 'Company') is pleased to announce it will commence drilling later this month to target the newly identified Kepler Zone at the Company's Stanley Project in WA's Wheatbelt.

The Kepler Zone was identified from a detailed review of Cygnus hole STRC0002, drilled in late 2018.

STRC0002 ended in mineralisation with resampling of the original mineralised intercepts (refer to CY5 ASX announcement 4 February 2019)<sup>1</sup> returning:

- 5m @ 1.8g/t Au from 137m to EOH (end of hole)
- **including 1m @ 6.29g/t Au from 139m**

The Kepler Zone is adjacent to Cygnus' shallow high-grade Bottleneck gold prospect and the drilling program will initially target a metadacitic rock unit only lightly tested by deeper drilling at Bottleneck including hole BNDD006 which intersected 6m @ 3.27g/t Au from 157.5m (refer to CY5 ASX announcement 7 March 2018)<sup>1</sup>.

This metadacite unit is now considered to be a key stratigraphic control on the distribution of gold mineralisation in this part of the 20km-long Stanley greenstone.

Upcoming drilling will also target extensions to the McDougall South prospect further along the Stanley greenstone belt where the drilling intersected further gold mineralisation associated with a 1,000m x 500m zone of anomalous gold within a NW-trending structural zone along the central Stanley fold structure.

Drilling is planned to commence later this month and be completed over two weeks, with results expected a further three to four weeks after samples are received at the lab.

Cygnus Gold's Managing Director James Merrillees said the Company was keen to test the Kepler Zone target and undertake further drilling at McDougall South over the coming weeks.

*"We're excited to be out drilling the Kepler Zone later this month. Our new understanding of the controls on gold mineralisation at Stanley has demonstrated a large, and previously unrecognised area of the prospective belt has never been drill tested," Mr Merrillees said.*

*"We're also looking forward to further testing the encouraging early results from McDougall South later in the month."*



## Stanley Drilling Program

Cygnus has now received analytical results from aircore (AC) and reverse circulation (RC) drilling programs designed to test targets on the more than 20km-long Stanley Greenstone belt.

Drilling by the Company in the vicinity of the Bottleneck prospect has identified a new target, the 'Kepler Zone', defined by a mineralised metamorphosed dacitic rock package (metadacite) intersected in Cygnus hole STRC0002, which ended in mineralisation (refer to CY5 ASX announcement 4 February 2019)<sup>1</sup>.

The Company has now resampled the original 1m samples from the mineralised intercept in STRC0002 returning:

- 5m @ 1.8g/t Au from 137m to EOH, which includes
  - **1m @ 6.29g/t Au from 139m**

Drilling at McDougall South has confirmed the Company's interpretation of a broad mineralised zone. Hole STRC0016 intersected multiple low-grade zones hosted by the same felsic granulite intersected in earlier holes STRC007 and 008.

Follow-up RC/diamond drilling of both targets is planned to commence this month and expected to take approximately two weeks to complete with analytical results expected a further three to four weeks after samples are received at the lab.

### *'Kepler Zone'*

RC drilling by Cygnus in early 2019 included hole STRC0002, targeting an extension to the Bottleneck system, with the hole ending in mineralisation with (refer to CY5 ASX announcement 4 February 2019)<sup>1</sup>:

- 4m @ 1.17g/t Au from 124m and
- 6m @ 0.74g/t Au from 136m to EOH.

Hole STRC0002 was drilled to follow up the high-grade mineralisation intersected in Cygnus hole BNDD006, the first diamond core hole to intersect gold in fresh rock at Stanley with 6m @ 3.27g/t Au from 157.5m (refer to CY5 ASX announcement 7 March 2018)<sup>1</sup>.

The original intersection was reported from 4m 'splits' and Cygnus has now resampled the original mineralised intersections on one metre intervals and returned an improved intersection of:

- 5m @ 1.8g/t Au from 137m to EOH, which includes
  - **1m @ 6.29g/t Au from 139m**

As well as identifying a higher grade component to the mineralisation, the Company's review of new multi-element geochemistry in STRC0002 has demonstrated that mineralisation here, and elsewhere at Bottleneck is hosted in a geochemically distinct felsic granulite after a dacitic precursor (i.e. a metadacite).

The metadacite is logged adjacent to a garnet-biotite bearing metamorphosed andesite and is cut by a dolerite dyke which also marks a faulted offset between the units (Figure 2).

The meta-andesite unit provides a visually and geochemically distinctive stratigraphic "marker bed" within an otherwise less distinctive succession of granulite facies metamorphic rocks and, thus, was key to developing a better understanding of the local stratigraphy, and geological and structural context of the gold mineralisation intercepted to date and, ultimately, recognition of what the Company knows as the Kepler Zone.



Although drilling at the Bottleneck prospect itself tested a narrow sequence of the metadacite, the intersection in STRC0002 demonstrates that this sequence may extend further to the north-west along the regional fold structure, with the nearest drilling being shallow AC more than 300m along strike to the north-west.

In addition to this 'along-strike' potential, the multiple lodes intersected in STRC0002 indicate potential for stacking (or fold repetition) of the mineralised structures across strike, and on the north-eastern limb of the Bottleneck antiform, where there has been almost no drilling to date.

The Company considers the Kepler Zone a high priority target for gold mineralisation, and it has planned follow-up RC drilling to test the shallower up-dip potential (outlined in Figure 2) as well as the along and across strike positions of the Kepler Zone. A 1,000m drilling program is planned to commence later this month which is expected to take up to two weeks to complete.

## *McDougall South*

At McDougall South, Cygnus previously reported two RC holes drilled by intersected anomalous gold over wide intervals including (refer to CY5 ASX announcement 4 February 2019)<sup>1</sup>:

- STRC0007: 4m @ 0.25g/t Au from 32m, and
- STRC0008: 16m @ 0.19g/t Au from 32m.

Follow-up AC drilling by Cygnus at McDougall South demonstrated these mineralised zones are associated with a shallow, 1,000m x 500m zone of anomalous gold within a NW-trending structural zone along the central Stanley fold structure, including STAC028 with 12m @ 0.34g/t Au from 16m (refer to CY5 ASX announcement 4 February 2019)<sup>1</sup>.

This gold anomalous zone is defined by a +50ppb Au mineralised halo hosted in basement rock interpreted as a felsic granulite after a granitic precursor (Figure 3).

The Company has now completed a further two RC holes (STRC0015 and 0016) for 218m with STRC0015 abandoned short of the target depth due to high water flows (Figure 3).

STRC0016, drilled to a total depth of 136m, intersected multiple low-grade zones up to 10m wide hosted in the same felsic granulite rock unit intersected in holes STRC007 and 008 (Figure 4), including:

- 6m @ 0.22g/t Au from 31m,
- 5m @ 0.25g/t Au from 40m,
- 1m @ 0.35g/t Au from 46m,
- 10m @ 0.37g/t Au from 50m,
- 3m @ 0.12g/t Au from 61m,
- 1m @ 0.19g/t Au from 74m, and
- 1m @ 0.23g/t Au from 80m.

Cygnus also completed two lines of AC drilling at McDougall South and intersected further widespread gold mineralisation, confirming the Company's interpretation of the mineralised zone. Intersections >0.1g/t Au from this AC program include hole STAC0071 which finished in mineralisation:

- STAC0067 with 7m @ 0.12g/t Au from 24m
- STAC0071: 3m @ 0.14g/t Au from 28m and
  - **1m @ 0.96g/t Au from 37m (EOH)**
- STAC0075: 4m @ 0.13g/t Au from 4m



Several other holes intersected anomalous gold and pathfinder geochemistry, however the Company believes much of this drilling ended in transported regolith, masking the basement response.

RC drilling is considered to be the best method to explore through this regolith and Cygnus plans follow up drilling at McDougall South immediately after the Kepler program (as outlined above).

#### *Stanley Hill*

Cygnus' early 2019 RC program included a further three holes (372m) at the Stanley Hill prospect. These holes were drilled to test widespread, shallow high-grade gold intersected by previous explorers in AC and RAB drilling.

The only deeper drilling at Stanley Hill was a 2018 Cygnus hole (SHRC032) which reported an intersection of 8m @ 0.31g/t Au from 28m (refer to CY5 ASX announcement 8 June 2018)<sup>1</sup>.

Results from the current program were:

- STRC011 intersected multiple zones of >0.1 g/t Au as summarised in Table 2
- STRC009 intersected a narrow, mineralised interval in the weathered zone higher in the hole (4m @ 0.11 g/t Au from 16m), and
- STRC0010 was abandoned short of the target depth due to high water flows.

The Company is reviewing these results to determine the next steps at Stanley Hill.

## **OTHER PROJECTS**

### ***Bencubbin Au***

Drilling by the Company at the Jefferies gold prospect intersected narrow zones of >0.1 g/t Au. The Company's interpretation is that the shallow, laterally extensive gold mineralisation identified by previous explorers represents the remnant of a gold system that has been largely 'stoped out' by a late granite intrusion.

The final results from this program, including from a detailed structural review of the core, are underway.

### ***Bencubbin Nickel***

The Company is advancing exploration on the newly granted Bencubbin Nickel project, which was pegged to cover a strike extent of more than 70km of prospective greenstone lithologies with extensive coincident nickel and copper anomalism in historical soil surveys (refer to CY5 ASX announcement 30 November 2018)<sup>1</sup>.

Cygnus has now collected a further 231 soil samples at Bencubbin Nickel, in addition to the 138 samples already at the laboratory. Results from this soils program are anticipated over the following weeks.

For further information please visit [www.cygnusgold.com](http://www.cygnusgold.com) or contact:

#### **Cygnus Gold**

James Merrillees - Managing Director

T: +61 8 9489 2680

E: [info@cygnusgold.com](mailto:info@cygnusgold.com)

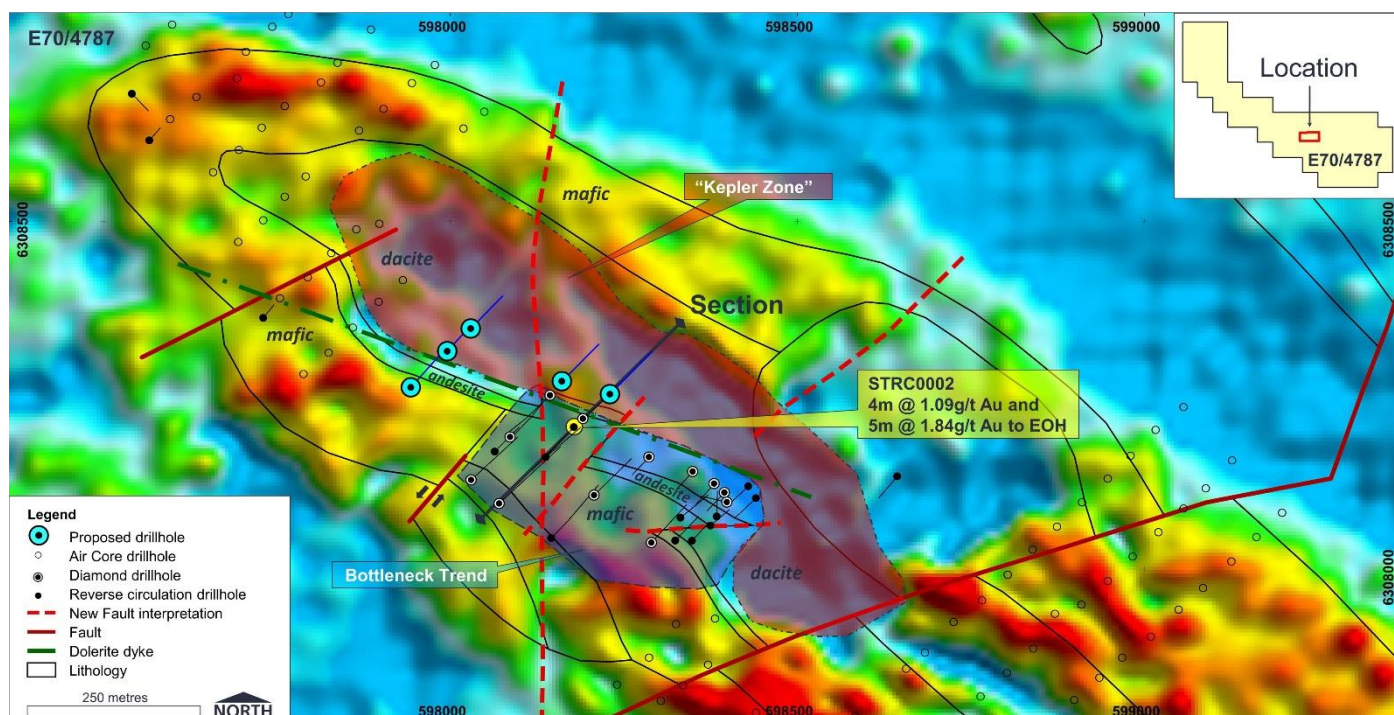
#### **Investors/Media**

Karen Oswald - NWR Communications

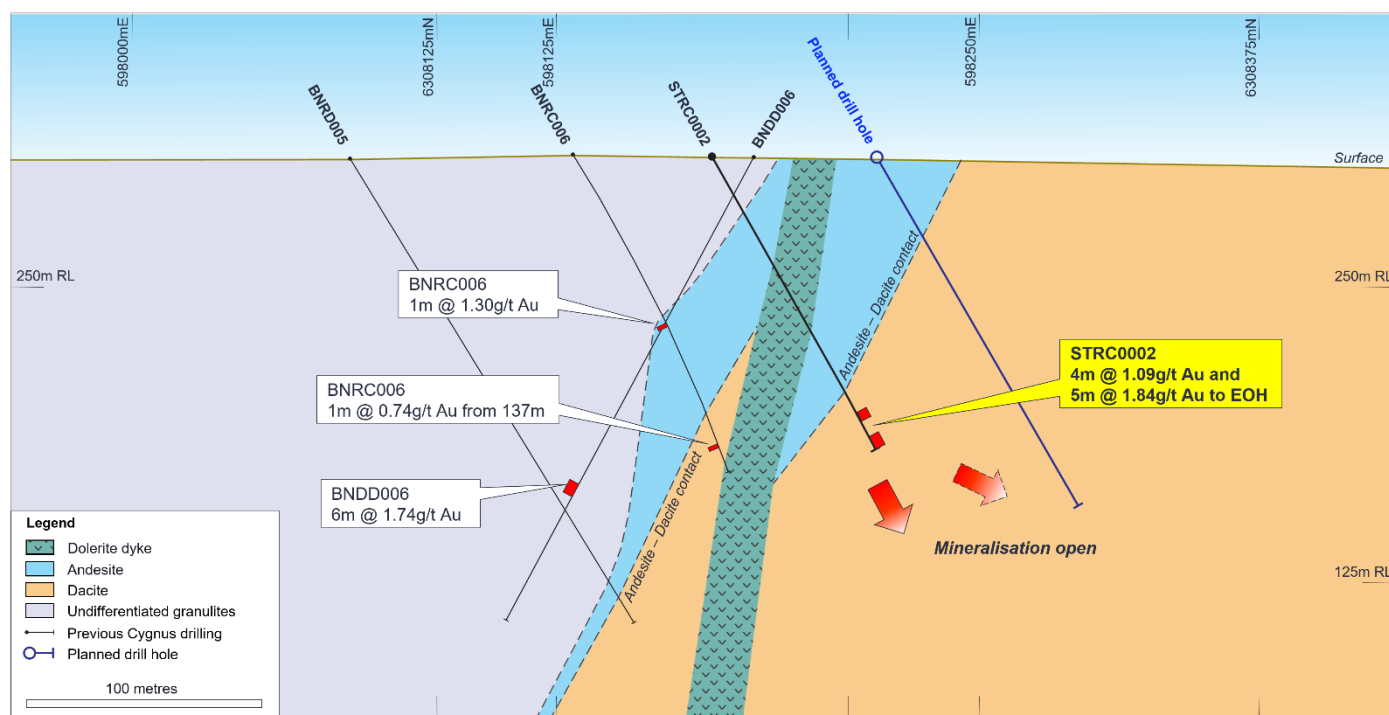
T: +423 602 353

E: [karen@nwrcommunications.com.au](mailto:karen@nwrcommunications.com.au)





**Figure 1:** Cygnus Gold's newly identified Kepler Zone to the immediate north of the Bottleneck Trend. Also shown here are the previous and proposed drilling (background image is 1VD of the Bouguer gravity where Red (and Blue) indicates more (and less) dense rock units respectively).



**Figure 2:** Cross section through hole STRC0002 showing mineralised intersection to EOH and drillhole planned to test up-dip extensions in to the Kepler Zone.

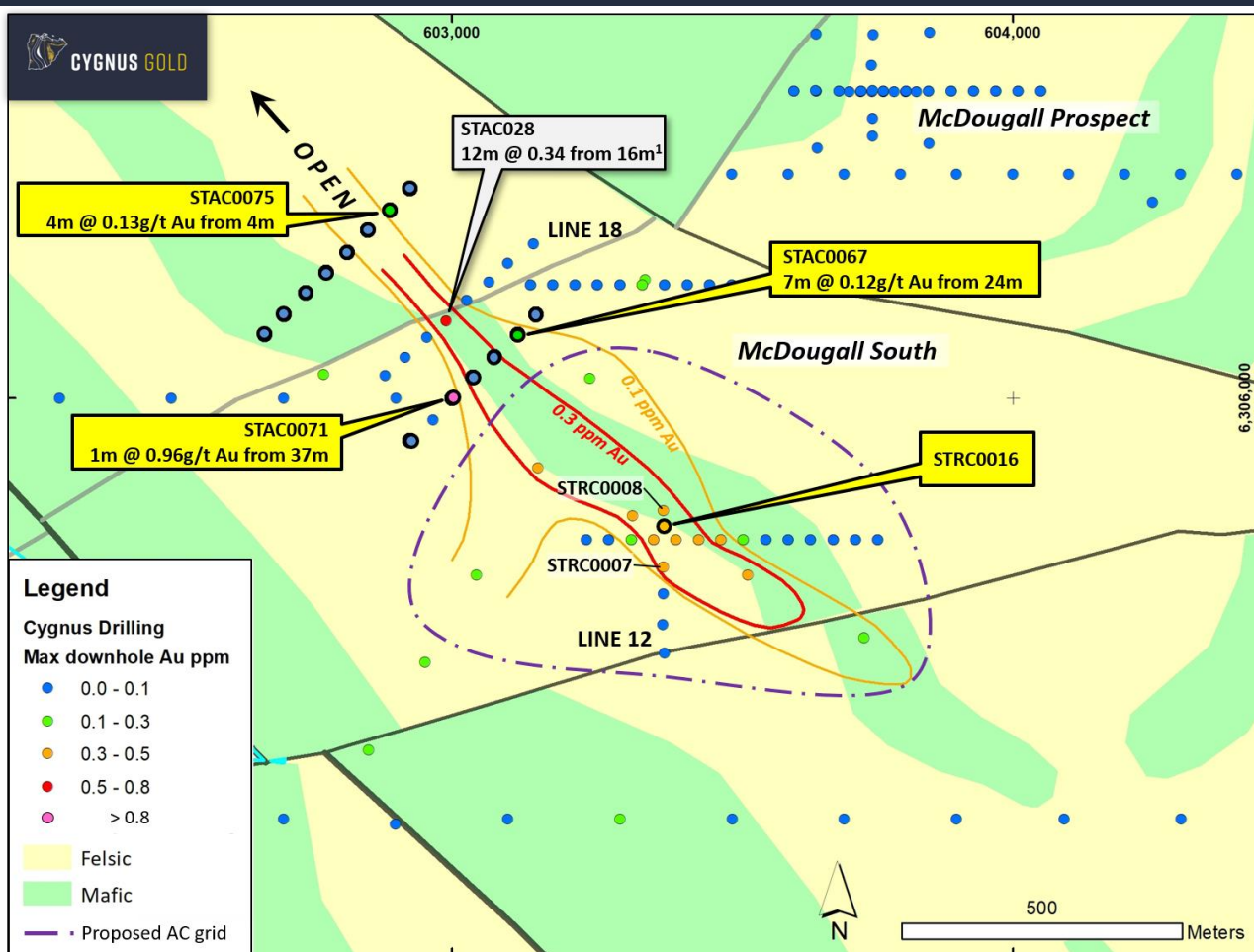


Figure 3: Cygnus drilling at McDougall South (Stanley Project) with gold anomalous zones defined by shallow AC drilling.

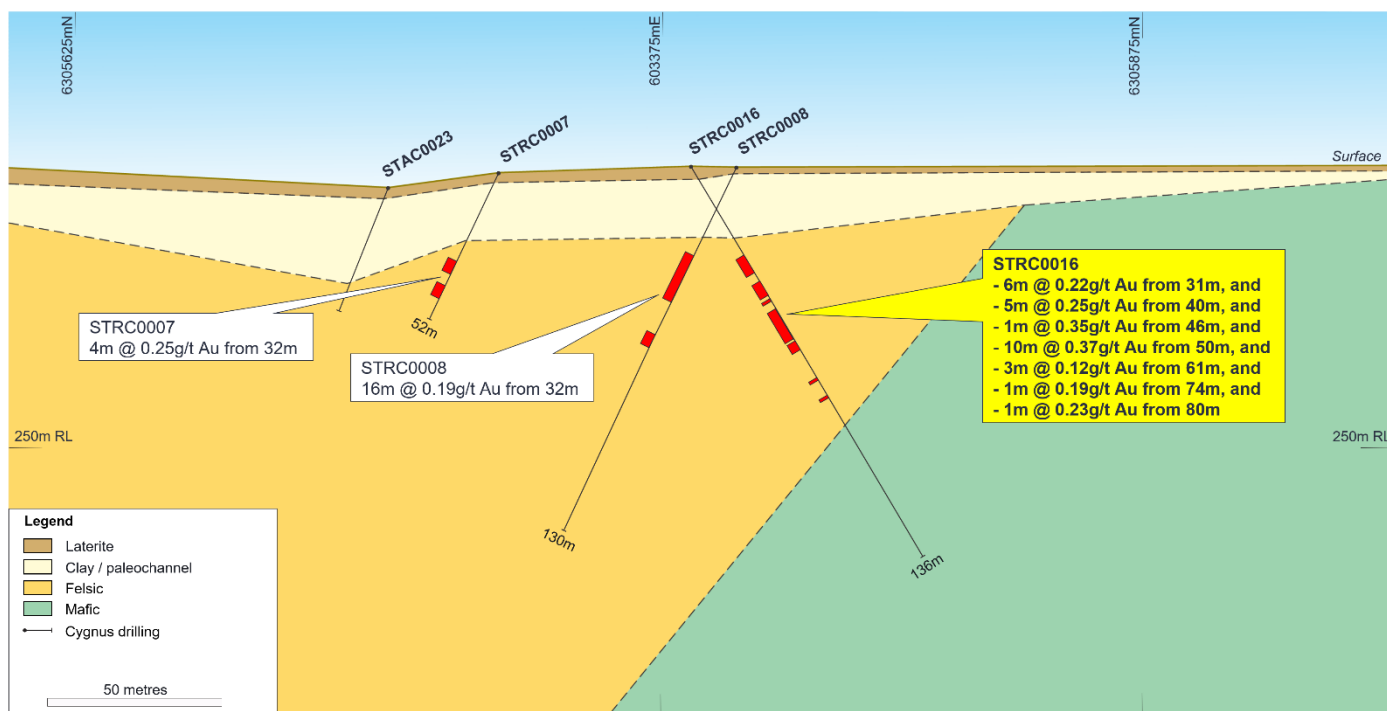


Figure 4: Oblique cross section through Cygnus hole STRC0016 looking northwest with broad low-grade Au. Intervals are >0.1g/t Au as listed in Table 2.



## About Cygnus Gold

Cygnus is targeting the discovery of gold and base metals deposits within the Southwest Terrane, in the Wheatbelt region of Western Australia. The Southwest Terrane is a package of high metamorphic grade rocks forming part of the well mineralised Yilgarn Craton.

Cygnus' tenements include both early stage exploration areas through to advanced drill-ready targets, where high-grade gold results were achieved in drilling by previous explorers. In addition to the wholly-owned Projects, Cygnus is managing two significant earn-in agreements with ASX-listed Gold Road Resources, whereby Gold Road is earning into Cygnus' Lake Grace and Wadderin Projects. The Company is also managing exploration on the Yandina Project, in joint venture with Gold Road.

Cygnus' team has considerable technical expertise in targeting and evaluating gold mineralised systems world-wide, using a regional-scale, mineral systems approach to identifying areas prospective for economic mineral deposits.

## Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information and supporting documentation compiled by Mr James Merrillees, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Merrillees is Managing Director and a full-time employee of Cygnus Gold and holds shares in the Company.

Mr Merrillees 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 Merrillees consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

## Notes:

1: Refer ASX announcement on said date for full details of these exploration results. Cygnus is not aware of any new information or data that materially affects the information included in the said announcement.



## APPENDIX 1 – DRILL HOLE INFORMATION

**TABLE 1:** Reverse circulation and aircore coordinate details – Stanley Project (E70/4787). Drill hole coordinates MGA94 Zone 50 (GDA94). Collars located with handheld GPS ( $\pm 5$  m accuracy), EOH= end of hole depth; RC= Reverse Circulation Hole, AC = Air core hole. \* Hole abandoned short of target depth. \*\*Resampling of previously reported hole STRC0002.

Prospect	Hole ID	Hole Type	EOH (m)	East MGA	North MGA	RL MGA	Dip	Azimuth MGA
McDougall South	STAC0066	AC	49	603226	6306224	323.104	-60	045
McDougall South	STAC0067	AC	34	603150	6306150	322.182	-60	045
McDougall South	STAC0068	AC	40	603117	6306114	322.084	-60	045
McDougall South	STAC0069	AC	43	603074	6306078	318.557	-60	045
McDougall South	STAC0070	AC	52	603032	6306040	318.151	-60	045
McDougall South	STAC0071	AC	37	602999	6306004	319.251	-60	045
McDougall South	STAC0072	AC	40	602929	6305933	316.556	-60	045
McDougall South	STAC0073	AC	52	602809	6305816	316.876	-60	045
McDougall South	STAC0074	AC	43	602938	6306389	316.51	-60	045
McDougall South	STAC0075	AC	49	602899	6306339	316.307	-60	045
McDougall South	STAC0076	AC	49	602846	6306311	315.727	-60	045
McDougall South	STAC0077	AC	52	602812	6306262	315.034	-60	045
McDougall South	STAC0078	AC	40	602772	6306222	313.01	-60	045
McDougall South	STAC0079	AC	46	602738	6306191	311.97	-60	045
McDougall South	STAC0080	AC	37	602697	6306152	310.254	-60	045
McDougall South	STAC0081	AC	37	602663	6306117	308.182	-60	045
McDougall South	STAC0066	AC	49	603226	6306224	323.104	-60	045
McDougall South	STAC0067	AC	34	603150	6306150	322.182	-60	045
McDougall South	STAC0068	AC	40	603117	6306114	322.084	-60	045
McDougall South	STAC0069	AC	43	603074	6306078	318.557	-60	045
McDougall South	STAC0070	AC	52	603032	6306040	318.151	-60	045
McDougall South	STAC0071	AC	37	602999	6306004	319.251	-60	045
McDougall South	STAC0072	AC	40	602929	6305933	316.556	-60	045
McDougall South	STAC0073	AC	52	602809	6305816	316.876	-60	045
McDougall South	STAC0074	AC	43	602938	6306389	316.51	-60	045
McDougall South	STAC0075	AC	49	602899	6306339	316.307	-60	045
McDougall South	STAC0076	AC	49	602846	6306311	315.727	-60	045
McDougall South	STAC0077	AC	52	602812	6306262	315.034	-60	045
McDougall South	STAC0078	AC	40	602772	6306222	313.01	-60	045
McDougall South	STAC0079	AC	46	602738	6306191	311.97	-60	045
McDougall South	STAC0080	AC	37	602697	6306152	310.254	-60	045
McDougall South	STAC0081	AC	37	602663	6306117	308.182	-60	045
Bottleneck	STRC0002**	RC	142	598177	6308203	304.479	-60	045
Stanley Hill	STRC0009	RC	148	590135	6312999	325	-60	090
Stanley Hill	STRC0010	RC	70*	590049	6312800	315	-60	090
Stanley Hill	STRC0011	RC	156	591700	6312110	306	-60	090
Bottleneck	STRC0012	RC	106	598439	6308101	311	-65	225
Southern Targets	STRC0013	RC	94*	602351	6304539	315	-60	045
Southern Targets	STRC0014	RC	124	602386	6304575	317	-60	045
McDougall South	STRC0015	RC	82*	602946	6306104	315	-60	045
McDougall South	STRC0016	RC	136	603388	6305771	323	-60	045





**TABLE 2:** Significant drilling assay results. Intervals are calculated with a lower cut-off of 0.1 g/t Au with up to 1m of below cut-off internal dilution included. Higher grade intervals reported >1 g/t Au. No top-cut applied. All widths quoted are downhole widths, true widths are not known at this stage. \* EOH intersection. \*\* Note STRC0002 results in this announcement relate to 1m resampling of previously reported mineralised intercepts (refer to CY5 ASX announcement 4 February 2019)<sup>1</sup>

Hole ID	Hole Type	Total Depth (m)	Depth From (m)	Depth To (m)	Length (m)	Au (g/t)
STAC0067	AC	34	24	31	7	0.12
STAC0071	AC	37	28	31	3	0.14
STAC0071	AC	37	36	37	1	0.96
STAC0075	AC	49	4	8	4	0.13
STRC0002**	RC	142	28	32	4	0.12
and			117	118	1	0.15
and			125	129	4	1.09
and			137	142	5	1.84
including			139	140	1	6.92
STRC0009	RC	148	16	20	4	0.11
STRC0011	RC	154	17	19	2	0.84
and			21	22	1	0.11
and			24	27	3	0.17
and			73	75	2	0.51
and			79	86	7	0.19
and			96	98	2	0.32
and			100	102	2	0.36
and			133	135	2	0.17
STRC0012	RC	106	24	32	8	0.70
STRC0013	RC	94	22	29	7	0.41
and			32	46	14	0.35
STRC0016	RC	136	31	37	6	0.22
and			40	45	5	0.25
and			46	47	1	0.35
and			50	60	10	0.37
and			61	64	3	0.12
and			74	75	1	0.19
and			80	81	1	0.23

## APPENDIX 2: JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data – Cygnus Gold Aircore and Reverse Circulation Drilling

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. 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>	<p><u>Reverse Circulation (RC) Drilling</u> The RC drilling program referred to in this announcement consisted of eight RC holes for 914m.</p> <p>Samples from RC drilling were collected in one metre intervals at the rig with a cyclone-mounted cone splitter, bagged in pre-numbered calico bags with the remainder retained in large plastic bags. Four metre composites were collected by spear sampling individual RC sample bags.</p> <p>Where composite assays returned mineralised intervals (nominal &gt;0.1g/t Au), the individual one metre samples were also analysed for Au.</p> <p>QAQC samples consisting of field duplicates (additional split from RC), with standards inserted into the sample sequence at a rate of 1 in 10.</p> <p>Each RC sample (whether composite or individual splits) weighed approximately two to three kilograms.</p> <p>All RC samples were sent to ALS Laboratories in Perth for crushing and pulverising to produce a 50 gram sample charge for analysis by fire assay and flame atomic absorption spectrometry (AAS).</p> <p><u>Aircore (AC) Drilling</u> A total of 16 AC holes are being reported for 900m.</p> <p>One metre samples were collected from individual plastic bags using a spear sampler, although scoops were used where the spear method was unsuitable (e.g. when the sample was wet).</p> <p>A four-metre composite was then made up these individual one metre samples to obtain an approximately 2.5 - 3kg sample. An individual one metre 'end of hole' sample was also collected for submission.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Sampling including QAQC was done under Cygnus Gold's standard procedures. The laboratory also applied their own internal QAQC protocols.</p> <p>See further details below.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>RC and AC holes were sampled over 1m intervals by cone-splitting.</p> <p>All samples are pulverised at the lab to 85% passing -75µm to produce a 50g charge for Fire Assay with an ICP-AES finish.</p> <p>Samples are analysed by ALS Laboratories in Perth.</p>
Drilling techniques	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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></p>	<p><u>RC Drilling</u></p> <p>Reverse circulation (RC) drilling was completed by Profile Drilling to target depth using a 5.5" face sampling bit. The drill bit size is considered appropriate for this style of mineralisation.</p> <p>RC holes are not oriented.</p> <p>A north seeking gyro downhole survey system was used every ~30m to monitor downhole trajectory.</p> <p><u>AC Drilling</u></p> <p>Aircore drilling with a blade bit was completed to "refusal" and then continued with a face sampling hammer bit to extend at least 3 metres into fresh basement rocks.</p> <p>AC holes were typically drilled at a downhole dip angle of 60° at an azimuth perpendicular to the interpreted strike of the geology.</p> <p>AC holes are not oriented.</p> <p>The program was supervised by experienced Cygnus Gold geologists.</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><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></p>	<p><u>RC Drilling</u></p> <p>One metre samples were collected from individual plastic bags using a spear sampler, although scoops were used where the spear method was unsuitable (e.g. when the sample was wet).</p> <p>A four-metre composite was then made up from these individual one metre samples to obtain an approximately 2.5 - 3kg sample. An individual one metre 'end of hole' sample was also collected for submission.</p> <p><u>AC Drilling</u></p> <p>One metre samples were collected in individual plastic bags via a cyclone on the rig.</p> <p>Sample recovery was estimated visually and was generally around 80-90% but was as low as 30-40% in some near surface samples.</p>

Criteria	JORC Code explanation	Commentary
		There is no apparent correlation between gold grades and ground conditions. There is no apparent sample bias.
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>	Samples were wet sieved and logged for colour, weathering, grain size, major lithology (where possible) along with any visible alteration, sulphides or other mineralisation  The entire hole is logged by experienced geologists employed by Cygnus Gold using Cygnus Gold's logging scheme.  The level of detail is considered sufficient for early stage exploration of the type being undertaken.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Geological logging is qualitative whereas magnetic susceptibility readings and density readings are quantitative  All chip trays (both RC and AC) are photographed in the field.  No geotechnical logging has been done as the program is early stage exploration.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes are geologically logged over their entire length.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Samples were generally dry and duplicate samples were taken at the frequency of 1 duplicate per 50 samples.
	<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>	All samples were prepared at the ALS Laboratory in Perth. All samples were dried and pulverised to 85% passing 75µm and a sub sample of approximately 200g retained. A nominal 50g charge was used for the fire assay analysis. The procedure is industry standard for this type of sample and analysis.  Sample sizes are considered appropriate given the particle size and the need to keep 4m samples below a targeted 3kg weight which meet the targeted grind size using LMS the mills used in sample preparation by ALS.  <u>RC Drilling</u>  Samples were composited over 4m intervals with individual 1m splits also collected. Only the 4m composites are analysed, and where mineralised individual 1m splits are analysed.  <u>AC Drilling</u>  Samples were composited over 4m intervals with a 1m end of hole sample also collected.
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>	Samples were analysed at ALS Laboratory, Perth. The analytical method used was a 50g charge for Fire Assay with an ICP-AES finish for gold only. This method gives a near total digest of the sample and is considered appropriate for the material and mineralisation.

Criteria	JORC Code explanation	Commentary
		Representative samples are also analysed using the ALS method ME-MS61 which is a four-acid digest with an ICP-MS or ICP-OES finish depending on the element being reported with Cygnus requesting analyses for 48 elements. Four acid digestion is considered a 'near total' digest.
	<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>	Magnetic susceptibilities were recorded in the field using a magROCK magnetic susceptibility metre with a sensitivity of $1 \times 10^{-5}$ SI units.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	For AC and RC drilling Cygnus has submitted a mix of certified Reference Materials (CRMs) and blanks at a rate of five per 100 samples. Field duplicates are also collected.  Umpire checks are not considered necessary for early stage exploration.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections are checked by the Project Geologist and Competent Person in addition to checks by the Database Manager.
	<i>The use of twinned holes.</i>	No twinned holes have been completed at this early stage of exploration
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All field logging is carried out on a laptop using Ocris Mobile software. Logging data is submitted electronically to the Database Manager based in Perth. Assay files are received from the lab electronically and all data is stored in the Company's SQL database managed by Expedito Ltd in Perth.
	<i>Discuss any adjustment to assay data.</i>	No assay data is adjusted.
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>	RC and AC collars were located by handheld GPS, which are considered accurate to $\pm 5$ m in Northing and Easting.  Angled holes are set up using a clinometer to set the angle of the drill rig's mast.  All holes are surveyed using a north seeking gyroscope at approximately 30m intervals and at the end of hole.
	<i>Specification of the grid system used.</i>	The grid system used is MGA94 Zone 50 (GDA94).
	<i>Quality and adequacy of topographic control.</i>	RLs are allocated to the hole collar using a DTM derived from detailed topography. The accuracy is estimated to be better than 2m in elevation.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	RC drill holes are reconnaissance holes with distances between holes varying between approximately 200 to 10,000m spacing.  AC holes were drilled on lines with 50m spacing between holes along lines up to 800m apart.
	<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>	N/A as no resource estimation is made.
	<i>Whether sample compositing has been applied.</i>	Samples were composited into 4m intervals from individual 1m samples.



Criteria	JORC Code explanation	Commentary
<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>	Orientation and dip of drill holes was determined from an interpretation of geophysics and modelling of geochemistry drilled by previous explorers and a detailed structural interpretation undertaken by Cygnus.
	<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>	The true width of mineralised intersections is not known at this stage.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	<p>RC and AC samples were collected in individual calico bags which were then placed in larger polyweave bags which were sealed with cable ties before transport to the laboratory in Perth by B&amp;J Bracknell Haulage (approximately 300km by road). The sample dispatches were accompanied by supporting documentation, signed by the site project geologist, which outlined the submission number, number of samples and preparation/analysis instructions.</p> <p>Samples were logged prior to being sampled.</p> <p>ALS maintains the chain of custody once the samples are received at the preparation facility, with a full audit trail available via the ALS Webtrieve site.</p>
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	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 - Stanley Aircore Drilling and Ground Gravity Survey

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<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>The drill holes were all completed within E70/4787 (Stanley tenement) which is 100% owned by Cygnus Gold. The landownership within E70/4787 is mostly freehold, and Cygnus has Land Access Agreements according to the Mining Act 1978 (WA) with the underlying landowners.</p> <p>Cygnus has signed a standard Indigenous Land Use Agreement (ILUA) covering E70/4787.</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>	The Stanley tenement (E70.4787) is in good standing with the Western Australian Department of Mines, Industry Regulation and Safety ( <b>DMIRS</b> ). Cygnus is unaware of any impediments for exploration on this licence.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Historical exploration within E70/4787 occurred in three distinct time periods:</p> <ul style="list-style-type: none"> <li>• 1979 to 1988: Shell Company of Australia Ltd (Shell), Otter Exploration NL (Otter), and Associated Gold Fields NL (AGF) in joint venture with Golden Valley Mines NL. Work during this period was mainly undertaken in the northern part of E70/4787 and resulted in the discovery of several gold prospects.</li> <li>• 1996 to 2002: Tiger Resources NL (Tiger) and Elward Nominees Pty Ltd (a wholly owned subsidiary of Tiger). Work during this period mainly focused on the northern portion of E70/4787 and was mostly directed towards follow-up of previously identified gold-in-regolith anomalies and gold prospects.</li> <li>• 2006 to 2013: Dominion Mining Ltd (Dominion), Quadrio Resources Ltd (Quadrio; a wholly owned subsidiary of Dominion) and Kingsgate Consolidated Ltd (Kingsgate; which acquired Dominion in 2011). Work during this period was mainly undertaken in the southern and central parts of E70/4787 and resulted in the discovery in 2008 of the shallow, high-grade Bottleneck Prospect. Fieldwork and drilling ceased in early 2012 after the merger of Kingsgate and Dominion. In 2013, Kingsgate sold Quadrio and its extensive portfolio of Australian exploration projects to Caravel Minerals Ltd. The latter did not undertake any further work and relinquished the project in 2014.</li> </ul> <p>Please refer to the Independent Technical Assessment Report within Cygnus' Prospectus dated 22 November 2017 for details of and references to the previous work.</p>
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>Cygnus's projects are located in the Southwest Terrane of the Archaean Yilgarn Craton. Project-scale geology consists of granite-greenstone lithologies that were metamorphosed to amphibolite to granulite facies grade. The Archaean lithologies are cut by Proterozoic dolerite dykes.</p> <p>Mineralisation observed to date is similar in style to that at the nearby Katanning, Tampia and Griffins Find gold deposits. These deposits, classified as metamorphosed orogenic lode deposits, are characterized by multiple stacked lodes up to 25 m thick and greater than 1,000 m long in quartz rich gneiss and felsic to intermediate granulite. Narrow high-grade ore shoots (&gt;10 g/t Au) are commonly enclosed within broader low-grade envelopes (&lt;2 g/t Au) hosting the bulk of the ore at these deposits.</p> <p>Gold is commonly associated with pyrrhotite, pyrite, chalcopyrite, magnetite ± molybdenite. Quartz veins are rare. The mineralization is controlled by the schistosity of the metamorphosed host rocks and plunging folds preserved in these rocks.</p>

Criteria	JORC Code explanation	Commentary
		Please refer to the Independent Technical Assessment Report within the Cygnus Gold Prospectus dated 22 November 2017 for more detail.
<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"> <li><i>o easting and northing of the drill hole collar</i></li> <li><i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>o dip and azimuth of the hole</i></li> <li><i>o down hole length and interception depth</i></li> <li><i>o hole length.</i></li> </ul> <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>	<p>All assay and collar information are tabulated in Appendix 1 of this report.</p> <p>All significant intercepts are reported at a 0.1 g/t Au cut-off.</p> <p>Summaries of significant historical drill intersections at Stanley (including JORC Table 1 information) are provided in the Independent Technical Assessment Report within Cygnus' Prospectus dated 22 November 2017.</p>
<i>Data aggregation methods</i>	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p>	<p>No top cuts have been applied to high grade results, and individual grades &gt; 10g/t Au are reported as received from the lab.</p> <p>Intersection lengths and grades for all holes are reported as a down-hole, length weighted average of grades above a cut-off of 0.1 g/t Au.</p>
	<p><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></p>	<p>Intersection lengths and grades for all holes are reported as a down-hole, length weighted average of grades above a cut-off of 0.1 g/t Au and may include up to 1m of 'internal waste' below that cut-off.</p> <p>Details of all intersections are included in Appendix 1 in the body of the announcement.</p>
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>No metal equivalent values are reported.</p>
<i>Relationship between mineralisation widths and intercept lengths</i>	<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 (e.g. 'down hole length, true width not known').</i></p>	<p>Drill hole intersections are reported down hole, and true width is unknown.</p>
<i>Diagrams</i>	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include,</i></p>	<p>Refer to the figures in the body of this announcement for relevant plans and sections including a tabulation of intercepts.</p>

Criteria	JORC Code explanation	Commentary
	<i>but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<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>	Intersection lengths and grades are reported as down-hole, length weighted averages of grades above a cut-off (0.1 g/t Au). Higher grade intervals (>1 g/t Au) within these zones are reported separately.  Numbers of drill holes and metres are included in the body of the announcement.
<i>Other substantive exploration data</i>	<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>	No other substantive exploration data is available for reporting.
<i>Further work</i>	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>  <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>	Follow up RC drilling is planned with the quantum of the program to be determined based on detailed review of results to date.