

ASX ANNOUNCEMENT:

22 October 2019

ASX: CY5

CORPORATE DIRECTORY

Non-Executive Chairman

Michael Bohm

Managing Director

James Merrillees

Non-Executive Directors

Simon Jackson

Oliver Kreuzer

Company Secretary

Michael Naylor

Cygnus Gold Limited

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Non-Renounceable Entitlement Offer

- 1 for 3 non-renounceable entitlement offer at \$0.04 per share
- Attractively priced at 29% discount to 30-day VWAP of \$0.056
- Shareholders may apply for additional securities as part of the Entitlement Offer shortfall
- Issue will raise approximately \$809,000
- Funds to be used on the Company's projects including Bencubbin

Cygnus Gold Limited ("Cygnus" or the "Company") (ASX: CY5) is pleased to announce the lodgement of a prospectus for a pro rata non-renounceable offer to eligible shareholders for the issue of 1 new Share (**New Shares**) for every 3 Shares held at the record date (**Entitlement**) on 25 October 2019 (**Record Date**) at an issue price of \$0.04 each to raise approximately \$809,000 before costs (**Entitlement Offer**).

The funds raised will be applied to exploration drilling on the Company's tenements in the Wheatbelt (including the Bencubbin Nickel project), the Company's contribution to the joint venture exploration programs with Gold Road Resources, general working capital and costs of the Entitlement Offer.

Details of the Entitlement Offer

The Entitlement Offer is available to all Company shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia or New Zealand (**Eligible Shareholders**). The Entitlement Offer is not being extended to any Shareholders with a registered address outside these jurisdictions.

The Entitlements under the Entitlement Offer are non-renounceable. Accordingly, you cannot trade your Entitlement. If you do not take up your Entitlement to securities under the Entitlement Offer by 18 November 2019 (the closing date of the Entitlement Offer), your eligibility to take up your Entitlements will lapse.

The issue price of \$0.04 represents a 29% discount to the volume weighted average price of Shares over the last 30 trading days.

Pursuant to the Entitlement Offer, the Company will issue up to approximately 20.2 million New Shares to raise approximately \$809,000 (before costs).

Eligible Shareholders will be able to apply for additional shares beyond their Entitlements pursuant to the Shortfall Offer.

Details of the Entitlement Offer and Shortfall Offer are contained in the Prospectus. The Prospectus can be accessed from the ASX and Company websites, www.asx.com.au and www.cygnusgold.com respectively.

The Prospectus will also be despatched to Eligible Shareholders in accordance with the indicative timetable set out in the Prospectus, as below.

Proposed Timetable for Entitlement Offer

Event	Date
Lodgement of Prospectus and Appendix 3B with ASX	Tuesday, 22 October 2019
Notice of Entitlement Offer sent to Shareholders	Wednesday, 23 October 2019
Securities quoted on an "Ex" basis	Thursday, 24 October 2019
Record Date for determining Entitlements	Friday, 25 October 2019
Prospectus and Application Form despatched to Eligible Shareholders	Wednesday, 30 October 2019
Opening Date of Entitlement Offer	Wednesday, 30 October 2019
Last day to extend the Closing Date of Entitlement Offer	Wednesday, 13 November 2019
Closing Date of Entitlement Offer	Monday, 18 November 2019
Share quoted on a deferred settlement basis	Tuesday, 19 November 2019
Notification of Shortfall	Thursday, 21 November 2019
Issue date of Securities	Monday, 25 November 2019
Commencement of Securities trading on ordinary settlement basis	Tuesday, 26 November 2019

All dates (other than the date of the Prospectus, and the date of lodgement of the Prospectus with ASIC and ASX) are indicative. The Company reserves the right, subject to the Corporations Act and Listing Rules and other applicable laws, to vary any other date of the Offers, including accepting late applications, either generally or in particular cases, without notice.

For further information please visit www.cygnusgold.com or contact:

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About Cygnus Gold

Cygnus is targeting the discovery of high grade 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's tenements include both early stage exploration areas through to advanced drill-ready targets. In addition to the 100% 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' technical team has considerable knowledge and experience in targeting and evaluating mineralised systems world-wide, using a regional-scale, mineral systems approach to identifying areas prospective for economic mineral deposits.