



Gold Road Earn-in Agreements Update

ASX ANNOUNCEMENT:

27 December 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 (Cygnus or the Company) (ASX:CY5) has been notified by Gold Road (Projects) Pty Ltd (Gold Road) of their decision to withdraw from the Wadderin Letter Agreement. In relation to the Lake Grace and Yandina Joint Ventures, programs and budgets for 2020 are currently in the process of being finalised.

The Wadderin Agreement with Gold Road (Projects) Pty Ltd, a wholly owned subsidiary of ASX-listed Gold Road Resources, was subject to a minimum spend of \$900,000 prior to withdrawing with that milestone having been reached last month. The tenements subject to the Wadderin agreement will now revert to Cygnus 100 per cent. A strategic review is now underway to rationalise the Wadderin landholdings and look for third party funding to test a range of high quality, early stage gold prospects adjacent to Ramelius Resources' (ASX:RMS) Tampia project in the Wheatbelt of WA.

As stated, Gold Road and Cygnus are finalising budgeted exploration expenditure for the 2020 year for both the Lake Grace and Yandina Joint Ventures.

Cygnus Gold's Managing Director James Merrillees said the Company was pleased with the continuing partnership with Gold Road which will now be focussed on the Yandina and Lake Grace JVs where Cygnus has identified the Hammerhead Prospect, a large-scale gold and pathfinder anomalous prospect ~300km east of Perth, slated for follow up drilling in early 2020.

"Gold Road continues to be a fantastic partner and we appreciate their ongoing support as we continue to unlock the potential of this underexplored belt," Mr Merrillees said.

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About Cygnus Gold

Cygnus is targeting the discovery of high-grade gold 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 Gold's 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 these wholly owned projects, Cygnus is managing two significant joint venture agreements with ASX-listed Gold Road Resources, whereby Company is managing exploration on the Lake Grace (CY5 49%) and Yandina Projects (CY5 25%).

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

Cygnus Gold

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