



Cygnus JV successful in EIS co-funding at Hammerhead

ASX ANNOUNCEMENT:

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ASX: CY5

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Cygnus Gold (Cygnus or the Company) (ASX:CY5) is pleased to advise that it has again been successful in securing Western Australian Government Exploration Incentive Scheme (EIS) co-funding.

The funds will partially fund diamond drilling on the Hammerhead Project, where Cygnus is managing exploration in joint venture (JV) with Gold Road Resources Ltd (ASX:GOR).

The EIS co-funding of up to \$150,000 in direct drilling costs is a competitive award by the State Government to support technically driven mineral exploration in Western Australia (WA).

Hammerhead is part of a ~20km long, prospective greenstone rock package where the JV is targeting gold mineralisation associated with the regional Yandina Shear.

The Company recently announced results from a 15,737m aircore (AC) drill program at Hammerhead, which outlined several discrete gold anomalous prospects, including the Gunsmoke, Lakeside and Hammerhead prospects where anomalous gold zones remain open in all directions (CY5 ASX announcement 7 May 2020).

Drilling to date on the Hammerhead Project is widely spaced, with holes generally set apart by 100m on each drilling line and drilling lines set apart by more than 400m apart, and in some cases up to 1.6km (Figure 1).

The EIS co-funding will be applied to core drilling at a number of prospects at Hammerhead and is planned to be run alongside AC and reverse circulation (RC) drilling programs. These programs are due to start shortly, following the recent easing of COVID-19 related regional travel restrictions in WA.

Commenting on the success of the EIS funding application and upcoming drilling programs, Cygnus' Managing Director James Merrillees said the Company was looking forward to continuing the strong start to 2020 with follow up on the new targets defined at Hammerhead, including the first diamond holes to be drilled in this part of the belt.

"The award of the competitive EIS co-funding grant is a great result for the JV and a strong endorsement of our technical approach and success to date at Hammerhead. With several promising gold prospects identified, our focus now turns to defining their footprint and potential endowment, including deeper drilling on selected targets."

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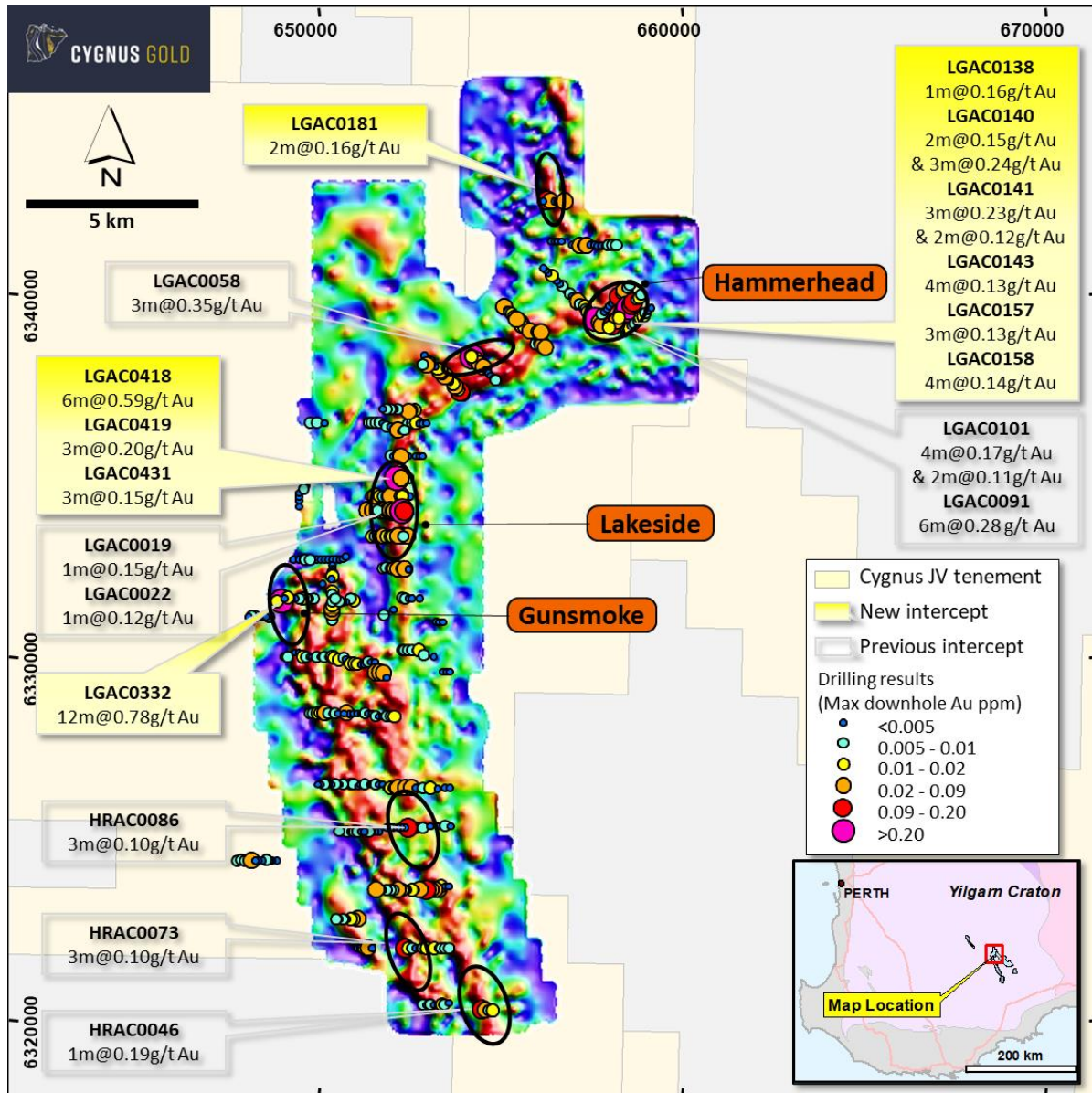


Figure 1: Hammerhead Project, Western Australia. Aircore drilling with significant intervals (>0.1 g/t Au) on background ground gravity geophysical image (for details of intersections refer ASX Announcement 7 May 2020¹).

**About Cygnus Gold**

Cygnus is targeting the discovery of high-grade gold, nickel, 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.

In addition to the wholly owned Projects, Cygnus is managing two significant joint venture agreements with ASX-listed Gold Road Resources on the Yandina and Lake Grace Projects.

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 the 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.

Authorised on behalf of the Board of Directors.

Cygnus Gold

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