



Share Placement

ASX ANNOUNCEMENT:

1 July 2020

ASX: CY5

CORPORATE DIRECTORY

Non-Executive Chairman

Michael Bohm

Non-Executive Directors

Simon Jackson

Raymond Shorrocks

Shaun Hardcastle

Company Secretary

Michael Naylor

Cygnus Gold Limited

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Firm commitments to raise \$1.37 million (before costs) by way of private placement

Cygnus Gold Limited (“**Cygnus**” or the “**Company**”) (ASX: CY5) is pleased to advise that it has received firm commitments from sophisticated and professional investors to raise approximately \$1,370,000 (before costs) through the issue of up to 30,455,556 fully paid ordinary shares in the Company (**Placement Shares**) at an issue price of \$0.045 per Share (**Issue Price**) (**Placement**).

In conjunction with the issue of the Placement Shares, the Company will issue up to 29,500,000 unquoted options with an exercise price of \$0.08 expiring three years from the date of issue (**Placement Options**).

The Issue Price represents a discount of approximately 11% to the 60-day VWAP.

The Placement will take place in 2 tranches. The Placement Shares to be issued under the first tranche (**Tranche 1**) will be issued under the Company’s Listing Rule 7.1 placement capacity and will not be subject to shareholder approval. The Placement Shares under Tranche 1 are expected to be issued on or about 7 July 2020.

The securities to be issued under the second tranche (**Tranche 2**) (20,455,556 Placement Shares and 29,500,000 Placement Options) are subject to the approval of shareholders at the Company’s next general meeting.

Tranche 2 includes participation by directors (current and incoming) of the Company, who intend to subscribe for 5,677,778 Placement Shares and be issued 9,000,000 of the Placement Options, all of which is subject to the approval of shareholders at the Company’s next general meeting.

Funds raised from the Placement will be used for the company’s exploration activities in the south-west, on tenement holding expenses, toward business development opportunities and for general working capital.

In conjunction with the Placement, the following changes will be made to the Company’s board:

- Mr Ray Shorrocks and Mr Shaun Hardcastle will join the board as Non-Executive Directors; and
- Mr James Merrillees (Managing Director) and Dr Oliver Kreuzer (Non-Executive Director) resign from the board, effective immediately.



Mr Shorrocks has over 27 years' experience in corporate finance and has advised a diverse range of mining companies during his career at one of Australia's largest investment banking and full-service stockbroking and financial services firms. He has been instrumental in managing and structuring equity capital raisings as well as having advised extensively in the area of mergers and acquisitions. He was previously the Chairman of ASX 300 Company Bellevue Gold Limited and is currently the Chairman of Galilee Energy Limited and Auteco Minerals Limited.

Mr Hardcastle has over 15 years' experience as a corporate and finance lawyer and extensive experience in equity capital markets, mergers & acquisitions, resources and corporate governance. He has been involved in a broad range of cross-border and domestic transactions including IPOs, reverse takeovers, secondary capital raisings, joint ventures and corporate restructuring. Mr Hardcastle is currently a partner at HWL Ebsworth and is currently a non-executive director of ASX listed companies RareX Limited (ASX: REE), Schrole Group Limited (ASX: SCL) and Hawkstone Mining Limited (ASX: HWK).

Commenting, Cygnus Gold's Non-Executive Chairman Michael Bohm said:

"On behalf of the board I would like to take the opportunity to pass on our sincere thanks to Oliver and James, Oliver as one of the original founders of Cygnus and James for his stewardship of the Company over the last three years. We are also pleased to note that James will be staying on in a consulting role to oversee our exploration activities in the wheatbelt - both in Cygnus' own right and in joint-venture."

I am also pleased to welcome Ray Shorrocks and Shaun Hardcastle, who have joined the Cygnus board as non-executive Directors. Ray has an outstanding track record in corporate finance and investment banking which has included previous chairmanships with Bellevue Gold and now with Auteco Minerals, amongst others. Shaun brings to the Company a wealth of legal, capital market and corporate experience in both the international and domestic resources sector. Both are experienced public company directors and we are fortunate to have them join the board."

By authority of the board of directors.

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

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About Cygnus Gold

Cygnus is currently 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.