

Cygnus commences drilling gold targets at Stanley

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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

W: www.cygnusgold.com

Highlights

- 3,500 metre aircore drilling program underway to test priority targets on the 20km Stanley greenstone belt
- 1,500m of reverse circulation drilling also commenced to test extensions to the high-grade Bottleneck system as well as targets at the McDougalls and Stanley Hill prospects
- Drilling expected to be complete in late December, with results anticipated in early 2019

Cygnus Gold (ASX:CY5, 'Cygnus' or the 'Company') is pleased to provide an update on exploration activities underway at the Company's 100%-owned Stanley Project in the Wheatbelt district of Western Australia.

The ~160km² Stanley tenement covers a strike length of more than 20km of prospective greenstone including numerous prospects where previous explorers have intersected high-grade gold mineralisation.

Drilling – Stanley Project (Cygnus 100%)

The Company has commenced an aircore (AC) drilling program at Stanley to test additional targets identified by Cygnus' review of results from its previous drilling campaigns at Stanley.

The program is expected to test additional high-quality gold targets on the 20km greenstone sequence at the Company's Stanley project.

Reverse circulation (RC) drilling of interpreted extensions of the Bottleneck Prospect and other targets at the Brays and McDougalls prospects also underway. Drilling at the Stanley Hill prospect is subject to access - with the land currently under crop – and expected to commence shortly.

The AC and RC programs are expected to take around three weeks to complete, with first assay results anticipated in early 2019.

Cygnus Gold's Managing Director James Merrillees said the Company was pleased to be out drilling the Company's high priority targets at Stanley.

"It is good to be back on the ground drilling holes into these exciting target areas" Mr Merrillees said.

"This drilling is part of the Company's strategy to systematically test high priority targets on the 20km Stanley Greenstone belt. This is the first of a number of drill programs scheduled for the coming summer months."

Stanley Drilling Program

Cygnus 3,500m aircore (AC) and 1,500 reverse circulation (RC) drilling programs are designed to test priority gold targets at the Company's 100% Stanley Project including prospects at Stanley Hill, Bottleneck, Brays and McDougalls (Figure 1 & Table 1).

At **Stanley Hill** Cygnus previously intersected 8m @ 0.31g/t Au from 28m (refer ASX announcement on 8 June 2018)¹ however this target is yet to be tested with deeper drilling.

Previous drilling at **Bottleneck** targeted a high-grade zone, extensions of mineralisation into the basement and new targets with aircore drilling in the broader Bottleneck area. Follow up drilling in this campaign will test structural extensions to this high-grade gold mineralisation identified by the Company from a review of the drilling completed in early 2018.

The **Brays** prospect has returned results of up to 8m @ 2.97g/t Au² in previous exploration. Cygnus' previous drilling returned a best intersection of 8m @ 0.53g/t Au from 80m in BRRC031 (refer ASX announcement on 8 June 2018)¹. It has never been tested with deeper drilling.

Both AC and RC drill programs are expected to be completed later this month, with first assay results expected in early 2019.



Drilling underway at Cygnus' Stanley Project

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

Cygnus Gold

James Merrillees - Managing Director

T: +61 8 9489 2680

E: info@cygnusgold.com

Investors/Media

Karen Oswald - NWR Communications

T: +423 602 353

E: karen@nwrcommunications.com.au

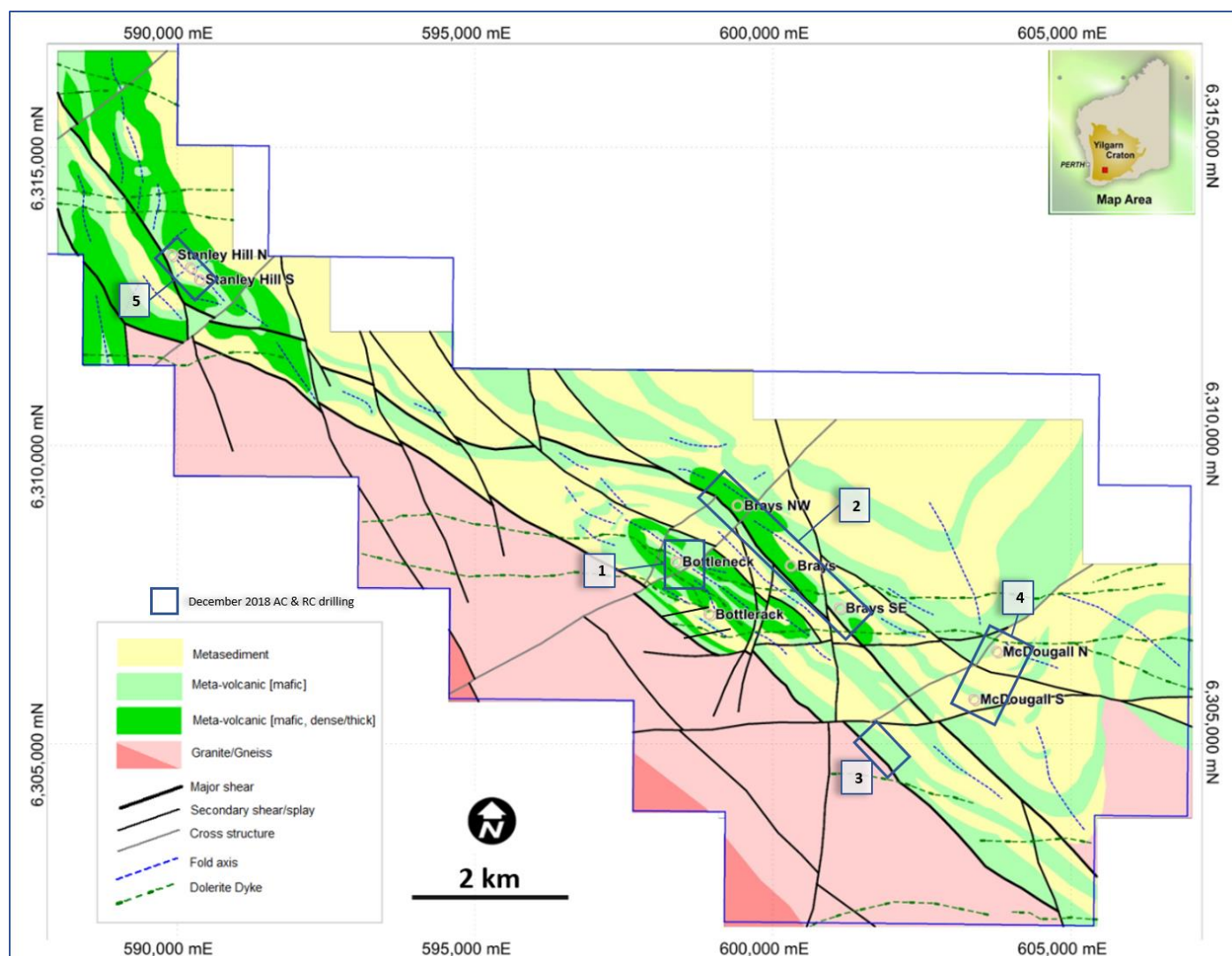


Figure 1: Stanley Project, SW Western Australia with geology and proposed drilling. Numbered prospects are described in Table 1 below.

TABLE 1: Summary of Cygnus' December 2018 drilling program at Stanley

Target Number	Target	Aircore (AC)	Reverse Circulation (RC)
1	Extensions to high grade zone at Bottleneck Prospect and wide zone of >0.1gt Au to the southwest of Bottleneck		630
2	Fold hinge at Brays and 3-5km long Brays mineralised trend	2,200	
3	Gold-in-soil anomaly parallel to late E-W fault & demagnetised zone McDougalls South	350	240
4	>2km-long Au-in-soils anomaly at McDougalls	950	230
5*	Stanley Hill system at depth and arsenic 'pipe' at Stanley Hill North		400
TOTAL		3,500	1,500
* Subject to access post-harvest			



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 results were achieved in drilling by previous explorers. In addition to its 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 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.

2 Information on historical results, including JORC Code Table 1 information, is contained in the Independent Technical Assessment Report within Cygnus' Prospectus dated 22 November 2017. Cygnus is not aware of any new information or data that materially affects the information included in the Prospectus.