

Cygnus Gold starts Bencubbin drilling

ASX ANNOUNCEMENT:

4 February 2019

ASX: CY5

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Cygnus Gold (ASX:CY5, 'Cygnus' or the 'Company') has mobilised two rigs to start drilling at its 100%-owned Bencubbin Project in WA's Wheatbelt region.

Diamond drilling commenced on Friday on the Jefferies gold prospect at Bencubbin, with the reverse circulation (RC) rig mobilising after completing the final stage of reverse circulation (RC) drilling at Cygnus' Stanley project.

Cygnus Gold's Managing Director James Merrillees said the company was keen to start drilling at Bencubbin, which has previously been largely underexplored:

"Our Bencubbin project is an exciting gold prospect that has until now received little deeper drilling and we look forward to seeing the results in the next few months," Mr Merrillees said.

Results from the drilling program completed in December last year at Stanley have now been received. The program consisted of eight RC holes and 65 AC holes targeted the Bottleneck and McDougall South Prospects.

The two RC holes at McDougall South intersected a broad zone of anomalous gold which will be followed up with further RC and AC drilling.

Drilling at Bottleneck intersected several zones of >1g/t Au although these intersections have not materially extended the Bottleneck mineralisation.

A further five RC holes were drilled at Stanley in January at Bottleneck and McDougall with results expected in the next four weeks.

Mr Merrillees said Cygnus was encouraged by the aircore results, given the limited deep drilling at Stanley.

"Our aircore campaign at McDougall South intersected a broad zone of coherent gold mineralisation associated with an important structural setting,"

"The Company looks forward to results from the January drilling at Stanley and also completing the drill program on the Bencubbin Project."

BENCUBBIN GOLD

The Company has commenced drilling on the Company's 100% Bencubbin Project in the Wheatbelt Region of Western Australia.

The drilling program comprising up to six diamond core (DD) and five reverse circulation (RC) holes is expected to take approximately two weeks to complete with results expected later in the quarter.

Drilling will focus on the Jefferies gold prospect, where previous explorers defined a ~3.5km long auger gold anomaly with assay values up to 566ppb Au² (Figure 1).

Historical exploration at Jefferies also reported rock chip assays up to 12.9g/t Au and wide, anomalous gold intercepts in shallow drilling including:

- 12m @ 2.15g/t Au from surface in hole NM2R-1131 and
- 13m @ 0.62g/t Au from 42m to EOH, including 2m @ 3.36g/t Au from 52m in hole NM2R-0141².

Despite these encouraging results, the Company considers Jefferies underexplored and, apart from generally shallow air core and RAB drilling, has only been tested by limited deeper drilling (Figure 2).

The Bencubbin drilling program is being co-funded by a grant from the Western Australian Government's Exploration Incentive Scheme.

Following the gold drilling program at Bencubbin, the Company will commence surface sampling and mapping on the Bencubbin North nickel project which covers the northern 18km strike of the more than 80km long Bencubbin Greenstone (refer CY5 ASX Announcement 30 November 2018)¹.



Diamond core drilling underway at Cygnus Gold's Bencubbin Project

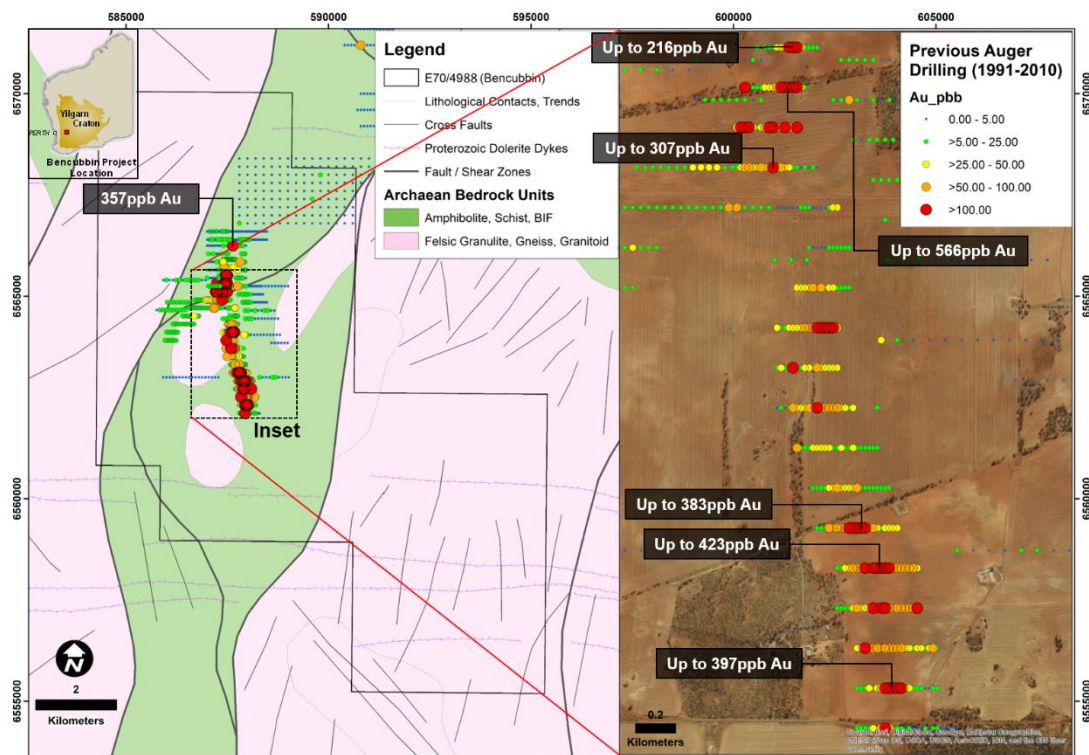


Figure 1: Cygnus' Bencubbin Project interpreted geology and historical auger sampling².

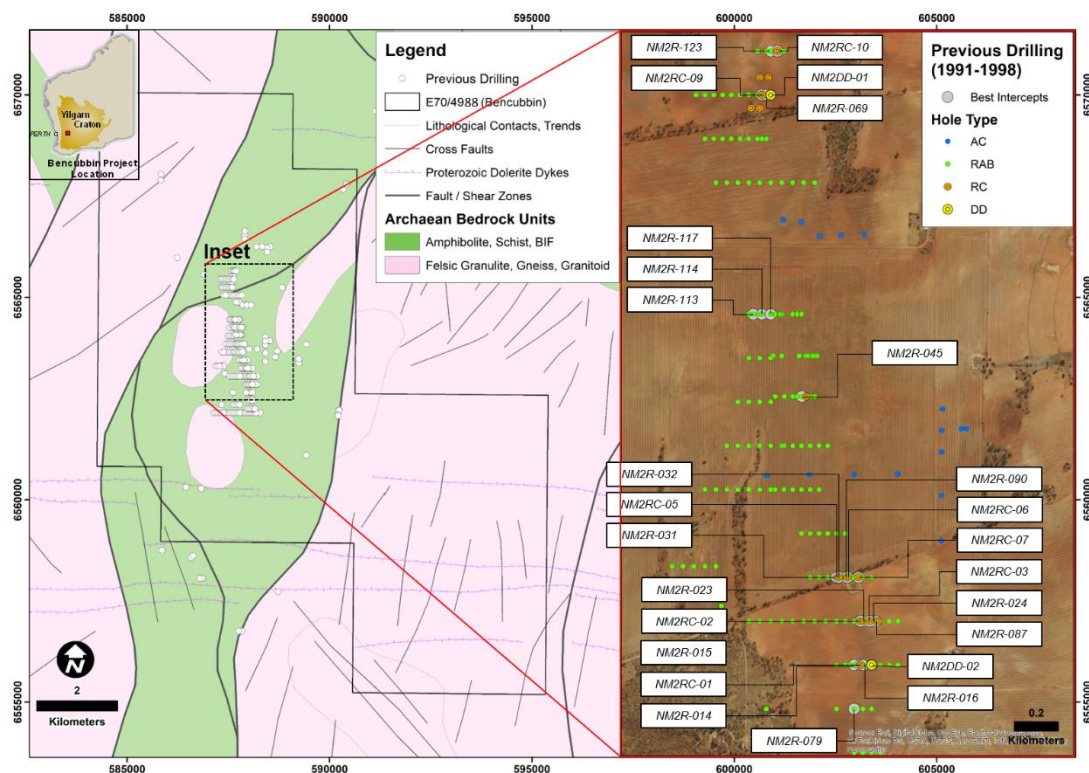


Figure 2: Bencubbin Project interpreted geology and previous drilling².

2018-2019 STANLEY DRILLING PROGRAM

Cygnus has now received assay results from the reverse circulation (RC) and aircore (AC) drilling program completed in December 2018 at the Company's Stanley Project (Figure 3).

The RC rig mobilised back to site in mid-January 2019 to complete drilling six targets (eight holes for 916m) with results expected in the next four weeks.

The drilling programs are summarised in Table 1 below with significant results tabulated in Appendix 1. A brief discussion of the results received to date follows with a complete review to follow when results from the final eight holes are received later in the quarter.

Reverse Circulation Drilling

Eight reverse circulation (RC) holes for 866m were drilled in December 2018 to test several high priority gold prospects at Stanley.

Three holes (STRC0001, STRC0002, STRC0003) targeted extensions to the **Bottleneck Prospect** with the best result from STRC0002 which intersected a narrow zone of mineralisation at the target depth with 4m 1.17g/t Au from 124m. STRC0002 finished in mineralisation with 6m @ 0.74g/t Au from 136m. Resampling of these intervals as well as multi-element geochemistry is underway to determine whether follow up is warranted.

STRC0003 was drilled to test extensions of the high-grade mineralisation intersected in Cygnus hole BNDD001 which included 9.50 m @ 29.20g/t Au from 36.70m (refer CY5 ASX announcement 22 February 2018)¹. STRC0003 was abandoned short of the target depth due to high water flows, and was successfully re-drilled in January with results anticipated later this quarter.

STRC0004, 0005 and 0006 tested a domal feature to the south of Bottleneck with the best result from STRC0005 with 4m @ 1.08g/t Au from 32m. STRC0004 and STR0006 did not intersect significant mineralisation and the dome is considered to have been tested with no follow up planned.

Cygnus also drilled two RC holes (182m) at the **McDougall South Prospect** targeting historical aircore gold anomalism associated with a complex structural zone². Holes STRC0007 and STRC0008 intersected anomalous gold with:

- STRC0007: 4m @ 0.25g/t Au from 32m *and*
- STRC0008: 16m @ 0.19g/t Au from 32m.

Follow up aircore drilling by Cygnus at McDougall South demonstrated these mineralised zones are associated with a 1km x 500m zone of anomalous gold (refer discussion below).

During January the Company completed the RC program at Stanley with the re-drill of hole STRC0003 at Bottleneck as well as two holes at Stanley Hill (a third hole was abandoned due to high water flows) and an additional two RC holes at McDougall South (two holes abandoned), with analytical results anticipated over the next four weeks.



Aircore Drilling

A 65 hole (2,661m) aircore (AC) program was completed during December to test targets identified by the Company's ground geophysics and surface geochemistry surveys.

The best results from the AC program were in STAC028 at the McDougall South Prospect with 12m @ 0.34g/t Au from 16m. The AC drilling at McDougall South outlined a large (1km x 500m), and coherent gold anomaly associated with a NW trending structural zone (Figures 4 & 5).

This gold anomalous zone is defined by a +50ppb Au mineralised halo hosted in basement rock interpreted as a felsic granulite after a granitic precursor (Figures 4 & 5).

Further grid AC drilling on this target is planned once assay results for the two additional RC holes at McDougall South are received.

TABLE 1: Summary of Cygnus' December 2018 – January 2019 drilling programs at Stanley

Prospect	Target	Drilling (Holes/m)		Results	Follow Up
		AC	RC		
Bottleneck	Extensions to high grade zone at Bottleneck Prospect and wide zone of >0.1gt Au to the southwest of Bottleneck		6/684m 1/106*	- STRC0002: 4m @ 1.17g/t Au from 124m - STRC0005: 4m @ 1.08g/t Au from 32m	RC hole (106m) targeting extensions to the high-grade gold in BNDD001 drilled Jan 2019, results expected Feb-Mar 2019.
Brays	Fold hinge at Brays NW and 3-5km long Brays mineralised trend	21/792m		No significant new zones of mineralisation encountered	Under review
McDougall South	Gold-in-soil anomaly parallel to late E-W fault & demagnetised zone at McDougall South	11/493m	2/182m 4/384*	Broad zone (1km x 500m) of >50ppb gold anomalism in aircore drilling. - STRC0007: 4m @ 0.25g/t Au from 32m and - STRC0008: 16m @ 0.19g/t Au from 32m	Four RC holes (384m) drilled in January 2019. Two holes abandoned due to high water flow. Further AC drilling planned once results from the RC holes are received in Feb-Mar 2019.
McDougall	>2km-long Au-in-soils anomaly at McDougall, McDougall Extn and Dragonfly	33/1376m		No significant results	Subject to review.
Stanley Hill	Stanley Hill system at depth and arsenic 'pipe' at Stanley Hill North		3/294*	One hole abandoned due to high water flow. Results expected Feb-Mar 2019	Subject to results.

* NOTE these holes were drilled in January 2019 with results expected in Feb-Mar 2019

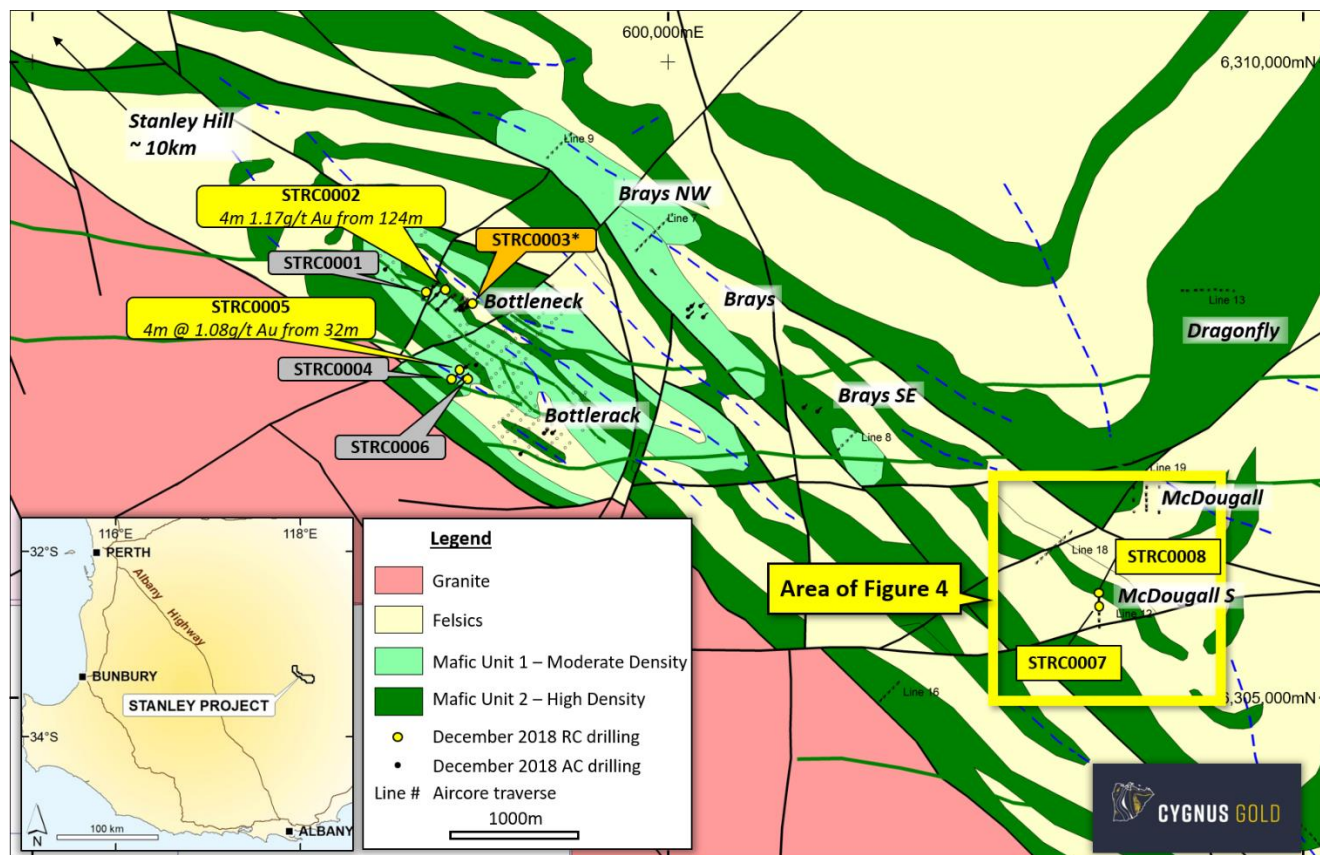


Figure 3: Stanley Project, SW Western Australia with geology and December 2018 drilling.

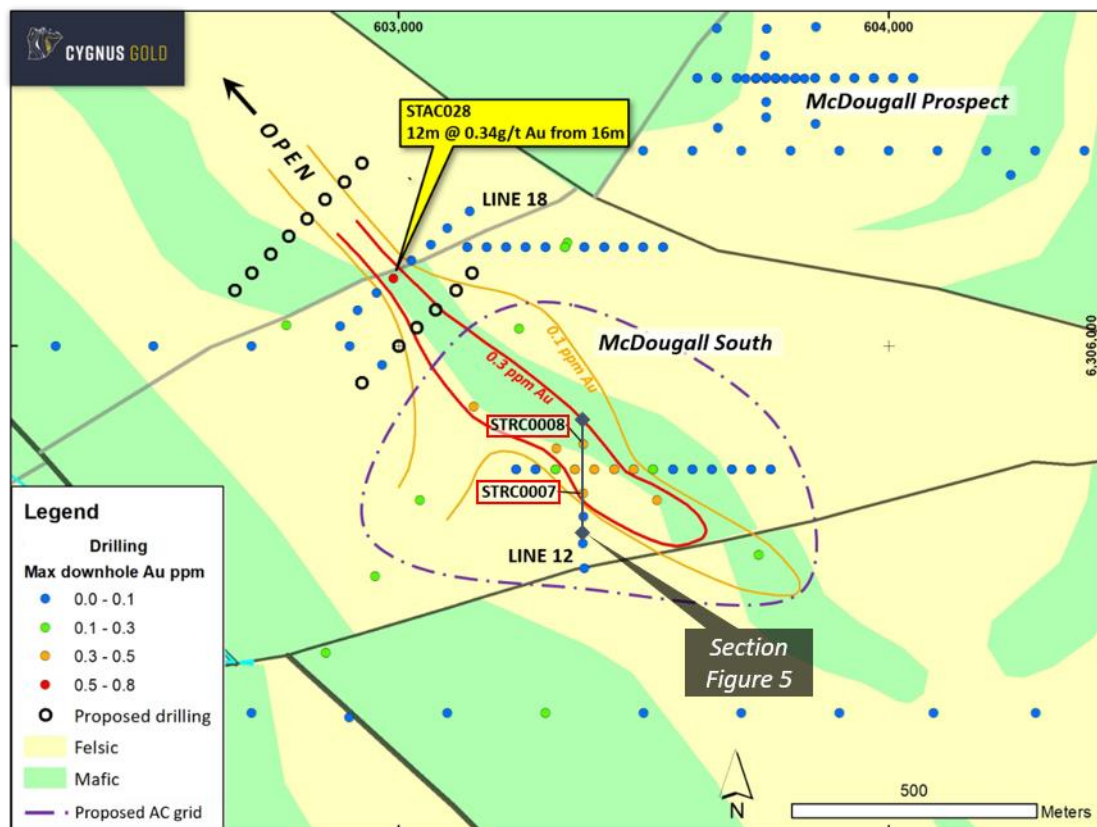


Figure 4: McDougall South Prospect, drilling over interpreted geology with contours of maximum downhole Au

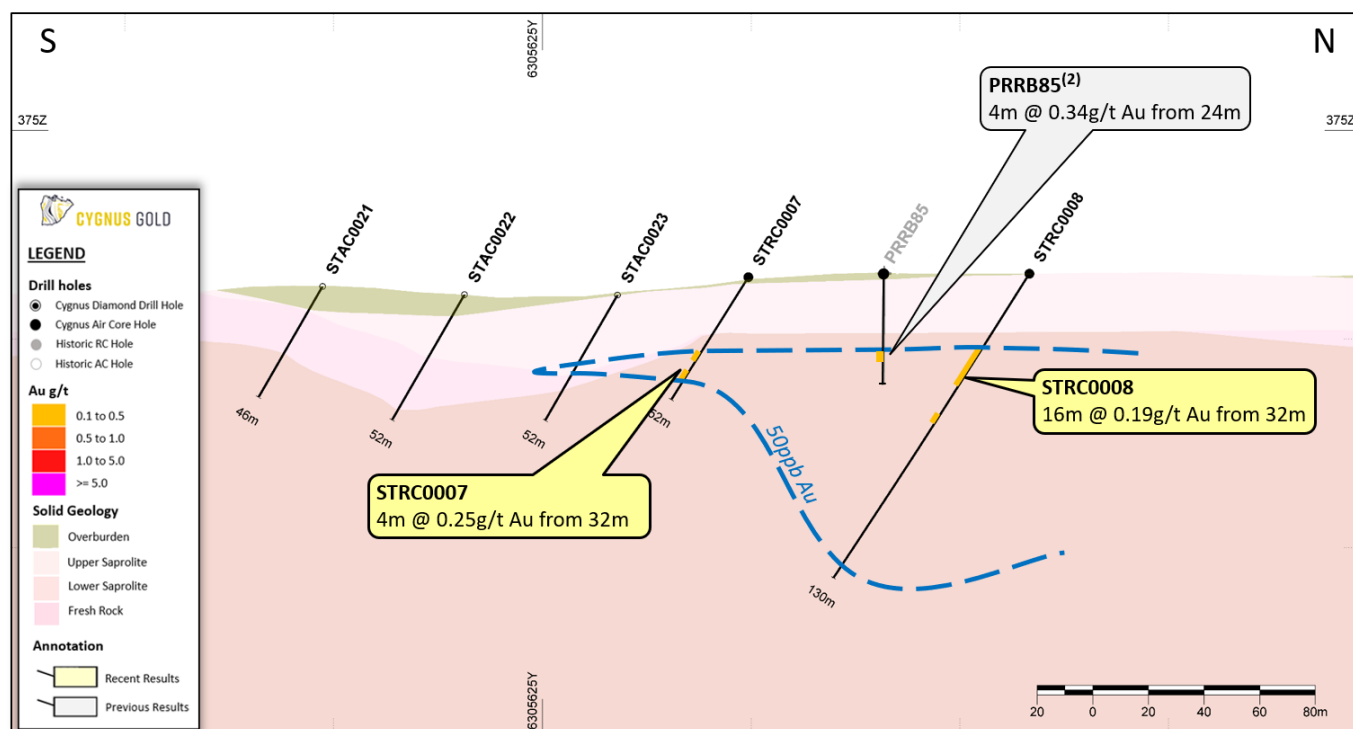


Figure 5: McDougall South Section with significant gold intersections at STRC007 and 008 within a broader >50ppb Au halo

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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 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 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.



APPENDIX 1 – DRILL HOLE INFORMATION

TABLE 1: Reverse circulation and aircore coordinate details – Stanley Project (E70/4787). Drill hole coordinates MGA94 Zone 50 (GDA94). Collars located with handheld GPS (± 5 m accuracy), EOH= end of hole depth; RC= Reverse Circulation Hole, AC = Air core hole. * Hole abandoned short of target depth. 'Greyed' holes drilled in January 2019 with results not reported here.

Prospect	Hole ID	Hole Type	Total Depth (m)	East MGA	North MGA	RL MGA	Dip	Azimuth MGA
Brays	STAC0001	AC	30	599996	6308791	301	-60	45
Brays	STAC0002	AC	51	599715	6308510	312	-60	45
Brays	STAC0003	AC	53	599749	6308545	309	-60	45
Brays	STAC0004	AC	51	599784	6308581	307	-60	45
Brays	STAC0005	AC	50	599820	6308616	306	-60	45
Brays	STAC0006	AC	49	599855	6308651	300	-60	45
Brays	STAC0007	AC	49	599891	6308686	300	-60	45
Brays	STAC0008	AC	38	599926	6308721	300	-60	45
Brays	STAC0009	AC	43	599960	6308755	300	-60	45
Brays NW	STAC0010	AC	30	599014	6309245	295	-60	45
Brays NW	STAC0011	AC	28	599049	6309283	297	-60	45
Brays NW	STAC0012	AC	31	599085	6309318	295	-60	45
Brays NW	STAC0013	AC	34	599120	6309354	295	-60	45
Brays NW	STAC0014	AC	37	599156	6309389	295	-60	45
Brays NW	STAC0015	AC	46	599191	6309424	293	-60	45
McDougall Extension	STAC0016	AC	52	601780	6305086	303	-60	45
McDougall Extension	STAC0017	AC	34	601745	6305051	302	-60	45
McDougall Extension	STAC0018	AC	48	601709	6305015	301	-60	45
McDougall Extension	STAC0019	AC	46	601674	6304980	301	-60	45
McDougall Extension	STAC0020	AC	49	601643	6304950	295	-60	45
McDougall South	STAC0021	AC	46	603379	6305546	317	-60	180
McDougall South	STAC0022	AC	52	603376	6305597	322	-60	180
McDougall South	STAC0023	AC	52	603377	6305652	324	-60	180
McDougall South	STAC0024	AC	52	603145	6306276	320	-60	45
McDougall South	STAC0025	AC	37	603100	6306241	316	-60	45
McDougall South	STAC0026	AC	40	603066	6306208	309	-60	45
McDougall South	STAC0027	AC	37	603027	6306175	322	-60	45
McDougall South	STAC0028	AC	43	602990	6306139	308	-60	45
McDougall South	STAC0029	AC	46	602955	6306109	317	-60	45
McDougall South	STAC0030	AC	43	602917	6306074	311	-60	45
McDougall South	STAC0031	AC	45	602881	6306041	312	-60	45
McDougall	STAC0032	AC	19	603652	6306447	328	-60	180
McDougall	STAC0033	AC	49	603649	6306549	333	-60	180
McDougall	STAC0034	AC	49	603650	6306650	332	-60	180
McDougall	STAC0035	AC	46	603650	6306748	329	-60	180
McDougall	STAC0036	AC	28	603653	6306846	330	-60	180
McDougall	STAC0037	AC	43	603751	6306468	325	-60	180
McDougall	STAC0038	AC	52	603751	6306500	331	-60	180



Prospect	Hole ID	Hole Type	Total Depth (m)	East MGA	North MGA	RL MGA	Dip	Azimuth MGA
McDougall	STAC0039	AC	52	603751	6306549	340	-60	180
McDougall	STAC0040	AC	52	603748	6306594	339	-60	180
McDougall	STAC0041	AC	46	603752	6306649	330	-60	180
McDougall	STAC0042	AC	52	603851	6306455	341	-60	180
McDougall	STAC0043	AC	46	603852	6306653	335	-60	180
McDougall Extension	STAC0044	AC	40	605149	6303793	328	-60	135
McDougall Extension	STAC0045	AC	56	605111	6303825	324	-60	135
McDougall Extension	STAC0046	AC	47	605079	6303862	348	-60	135
McDougall Extension	STAC0047	AC	43	605044	6303901	317	-60	135
McDougall Extension	STAC0048	AC	31	605005	6303939	315	-60	135
McDougall Extension	STAC0049	AC	37	604970	6303973	322	-60	135
McDougall Extension	STAC0050	AC	31	604935	6304007	303	-60	136
Brays SE	STAC0051	AC	33	601448	6307074	319	-60	45
Brays SE	STAC0052	AC	34	601416	6307042	315	-60	45
Brays SE	STAC0053	AC	25	601383	6307006	316	-60	45
Brays SE	STAC0054	AC	28	601343	6306969	302	-60	45
Brays SE	STAC0055	AC	18	601312	6306937	308	-60	45
Brays SE	STAC0056	AC	34	601316	6306939	308	-60	45
Dragonfly	STAC0057	AC	46	604151	6308198	329	-60	270
Dragonfly	STAC0058	AC	46	604199	6308199	332	-60	270
Dragonfly	STAC0059	AC	28	604249	6308199	326	-60	270
Dragonfly	STAC0060	AC	34	604303	6308204	340	-60	270
Dragonfly	STAC0061	AC	34	604347	6308197	342	-60	270
Dragonfly	STAC0062	AC	34	604397	6308197	340	-60	270
Dragonfly	STAC0063	AC	21	604444	6308191	338	-60	270
Dragonfly	STAC0064	AC	43	604045	6308195	340	-60	270
Dragonfly	STAC0065	AC	42	604085	6308194	336	-60	270
Bottleneck	STRC0001	RC	100	598063	6308168	300	-60	45
Bottleneck	STRC0002	RC	142	598177	6308203	304	-60	45
Bottleneck	STRC0003	RC	64*	598428	6308118	311	-60	226
Bottleneck	STRC0004	RC	118	598276	6307498	324	-60	228
Bottleneck	STRC0005	RC	130	598327	6307553	321	-60	227
Bottleneck	STRC0006	RC	130	598346	6307502	323	-60	225
McDougall South	STRC0007	RC	52	603377	6305699	283	-60	184
McDougall South	STRC0008	RC	130	603377	6305800	324	-60	182
Stanley Hill	STRC0009	RC	148	590135	6312999	325	-60	090
Stanley Hill	STRC0010	RC	70*	590049	6312800	315	-60	090
Stanley Hill	STRC0011	RC	156	591700	6312110	306	-60	090
Bottleneck	STRC0012	RC	106	598439	6308101	311	-65	225
Southern Targets	STRC0013	RC	94*	602351	6304539	315	-60	045
Southern Targets	STRC0014	RC	124	602386	6304575	317	-60	045
McDougall South	STRC0015	RC	82*	602946	6306104	315	-60	045
McDougall South	STRC0016	RC	136	603388	6305771	323	-60	045



TABLE 2: Significant drilling assay results. Intervals are calculated with a lower cut-off of 0.1 g/t Au with up to 1m of below cut-off internal dilution included. Higher grade intervals reported >1 g/t Au. No top-cut applied. All widths quoted are downhole widths, true widths are not known at this stage. * EOH intersection

Hole ID	Hole Type	Total Depth (m)	Depth From (m)	Depth To (m)	Length (m)	Au (g/t)
STAC0003	AC	53	24	28	4	0.11
STAC0004	AC	51	12	16	4	0.30
STAC0009	AC	43	28	32	4	0.13
STAC0028	AC	43	16	28	12	0.34
STAC0038	AC	52	40	48	8	0.14
STAC0039	AC	52	0	4	4	0.16
and			28	32	4	0.16
and			36	39	3	0.11
STAC0040	AC	52	0	4	4	0.21
and			32	48	16	0.26
STAC0042	AC	52	0	4	4	0.11
STAC0054	AC	28	8	12	4	0.11
and			27	28	1	0.10
STAC0057	AC	46	28	36	8	0.16
STAC0065	AC	42	32	36	4	0.22
STRC0001	RC	100	80	84	4	0.14
STRC0002	RC	142	28	32	4	0.12
and			124	128	4	1.17
and			136	142*	6	0.74
STRC0005	RC	130	32	36	4	1.08
and			52	56	4	0.19
STRC0006	RC	130	12	16	4	0.10
and			20	24	4	0.10
STRC0007	RC	52	32	36	4	0.25
and			40	44	4	0.11
STRC0008	RC	130	32	48	16	0.19
and			60	64	4	0.10

APPENDIX 2: JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data – Cygnus Gold Aircore and Reverse Circulation Drilling

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<u>Reverse Circulation (RC) Drilling</u> The RC drilling program referred to in this announcement consisted of eight RC holes for 866m. Samples from RC drilling were collected in one metre intervals at the rig with a cyclone-mounted cone splitter, bagged in pre-numbered calico bags with the remainder retained in large plastic bags. Four metre composites were collected by spear sampling individual RC sample bags. Where composite assays returned mineralised intervals (nominal >0.1g/t Au), the individual one metre samples were also analysed for Au. QAQC samples consisting of field duplicates (additional split from RC), with standards inserted into the sample sequence at a rate of 1 in 10. Each RC sample (whether composite or individual splits) weighed approximately two to three kilograms. All RC samples were sent to ALS Laboratories in Perth for crushing and pulverising to produce a 50 gram sample charge for analysis by fire assay and flame atomic absorption spectrometry (AAS). <u>Aircore (AC) Drilling</u> A total of 65 AC holes were drilled for 2,661m. One metre samples were collected from individual plastic bags using a spear sampler, although scoops were used where the spear method was unsuitable (e.g. when the sample was wet). A four-metre composite was then made up these individual one metre samples to obtain an approximately 2.5 - 3kg sample. An individual one metre 'end of hole' sample was also collected for submission.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Sampling including QAQC was done under Cygnus Gold's standard procedures. The laboratory also applied their own internal QAQC protocols. See further details below.

Criteria	JORC Code explanation	Commentary
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	RC and AC holes were sampled over 1m intervals by cone-splitting. All samples are pulverised at the lab to 85% passing -75µm to produce a 50g charge for Fire Assay with an ICP-AES finish. Samples are analysed by ALS Laboratories in Perth.
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	<u>RC Drilling</u> Reverse circulation (RC) drilling was completed by Profile Drilling to target depth using a 5.5" face sampling bit. The drill bit size is considered appropriate for this style of mineralisation. RC holes are not oriented. A north seeking gyro downhole survey system was used every ~30m to monitor downhole trajectory. <u>AC Drilling</u> Aircore drilling with a blade bit was completed to "refusal" and then continued with a face sampling hammer bit to extend at least 3 metres in to fresh basement rocks. AC holes were typically drilled at a downhole dip angle of 60° at an azimuth perpendicular to the interpreted strike of the geology. AC holes are not oriented. The program was supervised by experienced Cygnus Gold geologists.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	<u>RC Drilling</u> One metre samples were collected from individual plastic bags using a spear sampler, although scoops were used where the spear method was unsuitable (e.g. when the sample was wet). A four-metre composite was then made up from these individual one metre samples to obtain an approximately 2.5 - 3kg sample. An individual one metre 'end of hole' sample was also collected for submission. <u>AC Drilling</u> One metre samples were collected in individual plastic bags via a cyclone on the rig. Sample recovery was estimated visually and was generally around 80-90% but was as low as 30-40% in some near surface samples.

Criteria	JORC Code explanation	Commentary
		There is no apparent correlation between gold grades and ground conditions. There is no apparent sample bias.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Samples were wet sieved and logged for colour, weathering, grain size, major lithology (where possible) along with any visible alteration, sulphides or other mineralisation The entire hole is logged by experienced geologists employed by Cygnus Gold using Cygnus Gold's logging scheme. The level of detail is considered sufficient for early stage exploration of the type being undertaken.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Geological logging is qualitative whereas magnetic susceptibility readings and density readings are quantitative All chip trays (both RC and AC) are photographed in the field. No geotechnical logging has been done as the program is early stage exploration.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes are geologically logged over their entire length.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Samples were generally dry and duplicate samples were taken at the frequency of 1 duplicate per 50 samples.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	All samples were prepared at the ALS Laboratory in Perth. All samples were dried and pulverised to 85% passing 75µm and a sub sample of approximately 200g retained. A nominal 50g charge was used for the fire assay analysis. The procedure is industry standard for this type of sample and analysis. Sample sizes are considered appropriate given the particle size and the need to keep 4m samples below a targeted 3kg weight which meet the targeted grind size using LMS the mills used in sample preparation by ALS. <u>RC Drilling</u> Samples were composited over 4m intervals with individual 1m splits also collected. Only the 4m composites are analysed, and where mineralised individual 1m splits are analysed. <u>AC Drilling</u> Samples were composited over 4m intervals with a 1m end of hole sample also collected.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples were analysed at ALS Laboratory, Perth. The analytical method used was a 50g charge for Fire Assay with an ICP-AES finish for gold only. This method gives a near total digest of the sample and is considered appropriate for the material and mineralisation.

Criteria	JORC Code explanation	Commentary
		Representative samples are also analysed using the ALS method ME-MS61 which is a four-acid digest with an ICP-MS or ICP-OES finish depending on the element being reported with Cygnus requesting analyses for 48 elements. Four acid digestion is considered a 'near total' digest.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Magnetic susceptibilities were recorded in the field using a magROCK magnetic susceptibility metre with a sensitivity of 1×10^{-5} SI units.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	For AC and RC drilling Cygnus has submitted a mix of certified Reference Materials (CRMs) and blanks at a rate of five per 100 samples. Field duplicates are also collected. Umpire checks are not considered necessary for early stage exploration.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections are checked by the Project Geologist and Competent Person in addition to checks by the Database Manager.
	<i>The use of twinned holes.</i>	No twinned holes have been completed at this early stage of exploration
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All field logging is carried out on a laptop using Ocris Mobile software. Logging data is submitted electronically to the Database Manager based in Perth. Assay files are received from the lab electronically and all data is stored in the Company's SQL database managed by Expedito Ltd in Perth.
	<i>Discuss any adjustment to assay data.</i>	No assay data is adjusted.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	RC and AC collars were located by handheld GPS, which are considered accurate to ± 5 m in Northing and Easting. Angled holes are set up using a clinometer to set the angle of the drill rig's mast. All holes are surveyed using a north seeking gyroscope at approximately 30m intervals and at the end of hole.
	<i>Specification of the grid system used.</i>	The grid system used is MGA94 Zone 50 (GDA94).
	<i>Quality and adequacy of topographic control.</i>	RLs are allocated to the hole collar using a DTM derived from detailed topography. The accuracy is estimated to be better than 2m in elevation.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	RC drill holes are reconnaissance holes with distances between holes varying between approximately 200 to 10,000m spacing. AC holes were drilled on lines with 50m spacing between holes along lines.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	N/A as no resource estimation is made.
	<i>Whether sample compositing has been applied.</i>	Samples were composited into 4m intervals from individual 1m samples.

Criteria	JORC Code explanation	Commentary
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Orientation and dip of drill holes was determined from an interpretation of geophysics and modelling of geochemistry drilled by previous explorers and a detailed structural interpretation undertaken by Cygnus.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The true width of mineralised intersections is not known at this stage.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	RC and AC samples were collected in individual calico bags which were then placed in larger polyweave bags which were sealed with cable ties before transport to the laboratory in Perth by B&J Bracknell Haulage (approximately 300km by road). The sample dispatches were accompanied by supporting documentation, signed by the site project geologist, which outlined the submission number, number of samples and preparation/analysis instructions. Samples were logged prior to being sampled. ALS maintains the chain of custody once the samples are received at the preparation facility, with a full audit trail available via the ALS Webtrieve site.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling and assaying techniques are considered to be industry standard. At this stage of exploration, no external audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results - Stanley Aircore Drilling and Ground Gravity Survey

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The drill holes were all completed within E70/4787 (Stanley tenement) which is 100% owned by Cygnus Gold. The landownership within E70/4787 is mostly freehold, and Cygnus has Land Access Agreements according to the Mining Act 1978 (WA) with the underlying landowners. Cygnus has signed a standard Indigenous Land Use Agreement (ILUA) covering E70/4787.
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The Stanley tenement (E70.4787) is in good standing with the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS). Cygnus is unaware of any impediments for exploration on this licence.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Historical exploration within E70/4787 occurred in three distinct time periods: • 1979 to 1988: Shell Company of Australia Ltd (Shell), Otter Exploration NL (Otter), and Associated Gold Fields NL (AGF) in joint venture with Golden Valley Mines NL. Work during this period was mainly undertaken in the northern part of E70/4787 and resulted in the discovery of several gold prospects. • 1996 to 2002: Tiger Resources NL (Tiger) and Elward Nominees Pty Ltd (a wholly owned subsidiary of Tiger). Work during this period mainly focused on the northern portion of E70/4787 and was mostly directed towards follow-up of previously identified gold-in-regolith anomalies and gold prospects. • 2006 to 2013: Dominion Mining Ltd (Dominion), Quadrio Resources Ltd (Quadrio; a wholly owned subsidiary of Dominion) and Kingsgate Consolidated Ltd (Kingsgate; which acquired Dominion in 2011). Work during this period was mainly undertaken in the southern and central parts of E70/4787 and resulted in the discovery in 2008 of the shallow, high-grade Bottleneck Prospect. Fieldwork and drilling ceased in early 2012 after the merger of Kingsgate and Dominion. In 2013, Kingsgate sold Quadrio and its extensive portfolio of Australian exploration projects to Caravel Minerals Ltd. The latter did not undertake any further work and relinquished the project in 2014. Please refer to the Independent Technical Assessment Report within Cygnus' Prospectus dated 22 November 2017 for details of and references to the previous work.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	Cygnus's projects are located in the Southwest Terrane of the Archaean Yilgarn Craton. Project-scale geology consists of granite-greenstone lithologies that were metamorphosed to amphibolite to granulite facies grade. The Archaean lithologies are cut by Proterozoic dolerite dykes. Mineralisation observed to date is similar in style to that at the nearby Katanning, Tampia and Griffins Find gold deposits. These deposits, classified as metamorphosed orogenic lode deposits, are characterized by multiple stacked lodes up to 25 m thick and greater than 1,000 m long in quartz rich gneiss and felsic to intermediate granulite. Narrow high-grade ore shoots (>10 g/t Au) are commonly enclosed within broader low-grade envelopes (<2 g/t Au) hosting the bulk of the ore at these deposits. Gold is commonly associated with pyrrhotite, pyrite, chalcopyrite, magnetite ± molybdenite. Quartz veins are rare. The mineralization is controlled by the schistosity of the metamorphosed host rocks and plunging folds preserved in these rocks.

Criteria	JORC Code explanation	Commentary
		Please refer to the Independent Technical Assessment Report within the Cygnus Gold Prospectus dated 22 November 2017 for more detail.
<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> - o <i>easting and northing of the drill hole collar</i> - o <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> - o <i>dip and azimuth of the hole</i> - o <i>down hole length and interception depth</i> - o <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	All assay and collar information are tabulated in Appendix 1 of this report. All significant intercepts are reported at a 0.1 g/t Au cut-off. Summaries of significant historical drill intersections at Stanley (including JORC Table 1 information) are provided in the Independent Technical Assessment Report within Cygnus' Prospectus dated 22 November 2017.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	No top cuts have been applied to high grade results, and individual grades > 10g/t Au are reported as received from the lab. Intersection lengths and grades for all holes are reported as a down-hole, length weighted average of grades above a cut-off of 0.1 g/t Au.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	Intersection lengths and grades for all holes are reported as a down-hole, length weighted average of grades above a cut-off of 0.1 g/t Au and may include up to 1m of 'internal waste' below that cut-off. Details of all intersections are included in Appendix 1 in the body of the announcement.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are reported.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	Drill hole intersections are reported down hole, and true width is unknown.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include,</i>	Refer to the figures in the body of this announcement for relevant plans and sections including a tabulation of intercepts.

Criteria	JORC Code explanation	Commentary
	<i>but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Intersection lengths and grades are reported as down-hole, length weighted averages of grades above a cut-off (0.1 g/t Au). Higher grade intervals (>1 g/t Au) within these zones are reported separately. Numbers of drill holes and metres are included in the body of the announcement.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	No other substantive exploration data is available for reporting.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Follow up RC is ongoing with further work subject to interpretation of analytical results from this program.