ASX ANNOUNCEMENT

CYGNUS GOLD

Cygnus commences 20,000m drill program on Wheatbelt JVs

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Cygnus Gold (**Cygnus** or the **Company**) (**ASX:CY5**) is pleased to report the completion of the aircore drilling program on the Company's 100% owned Bencubbin North Project. The rig has now commenced drilling on the Lake Grace and Yandina Joint Venture (JV) Projects, where the Company is presently managing exploration programs being funded by JV partners Gold Road Resources Ltd ('**Gold Road', ASX:GOR**).

The ~2,600m program at Bencubbin North was designed to test high priority nickel and base metals targets (CY5 ASX announcement 30/11/2018)[1]. The final batch of samples has now been delivered to the laboratory in Perth with results anticipated next month.

The aircore drill rig has now mobilised to the Lake Grace and Yandina JV Projects, which the Company is exploring in partnership with Gold Road.

The JV drilling program will comprise approximately 20,000m of aircore drilling targeting extensions of the Hammerhead Prospect, and gold mineralisation associated with the Yandina Shear Zone, a geological structure interpreted to control the distribution of gold mineralisation regionally.

Drilling at the Hammerhead prospect in 2019 intersected widespread anomalous gold including 3m @ 0.35g/t Au from 52m and 6m @ 0.28g/t Au from 56m to end of hole (refer CY5 ASX Announcement 15 October 2019 for details of these results and background on the JV projects[1]).

The gold intersected to date at Hammerhead is associated with widespread anomalous arsenic, copper, and molybdenum, which are considered to be important 'pathfinder' elements for gold mineralisation in this region.

The Hammerhead prospect is part of a more than 20km long prospective rock package associated with the regional Yandina Shear which represents a high priority target for follow up testing.

Gold Road have also notified the Company of their intention to take over management of the JV projects from the first of April, to correspond with the completion of this drill program.

Commenting on the drilling programs Cygnus Gold's Managing Director James Merrillees said the Company was looking forward to continuing the Company's strong start to 2020 with nonstop drilling now planned through to the end of April.

"We're eagerly anticipating results from the aircore drilling at Bencubbin North to better understand the geology and guide deeper drilling for base metals and nickel on the project.

We're also excited to have commenced this large, 20,000m drilling program at Hammerhead with our partners Gold Road. The size of the program reflects the prospectivity of this high priority target area, and we look forward to a regular flow of drill results over the coming months."

BENCUBBIN PROJECT (100% CY5)

Cygnus Gold's 675km[2] Bencubbin Project comprises three granted tenements (E70/4988, Bencubbin, E70/5169, Bencubbin North and E70/5168, Bencubbin South).

The project, approximately 200km northeast of Perth, covers the Bencubbin Greenstone Belt – a suite of rocks extending over a strike length of 70km and up to 5km in width - where the Company's review of historical exploration has identified the belt's prospectivity for:

- Magmatic nickel-copper sulfides and gold at Bencubbin North and Bencubbin South, and
- Base metals mineralisation associated with the 'Mandiga trend' at Bencubbin North.

Historical exploration at Bencubbin North identified a regionally extensive nickel-in-soil geochemical anomaly, defined by consistent, highly anomalous and coincident nickel (more than 1,500ppm Ni) and copper (maximum 197ppm Cu) developed over a strike length of ~18km and up to 400m wide (refer Figure 1 and CY5 ASX announcement 30/11/2018)[1].

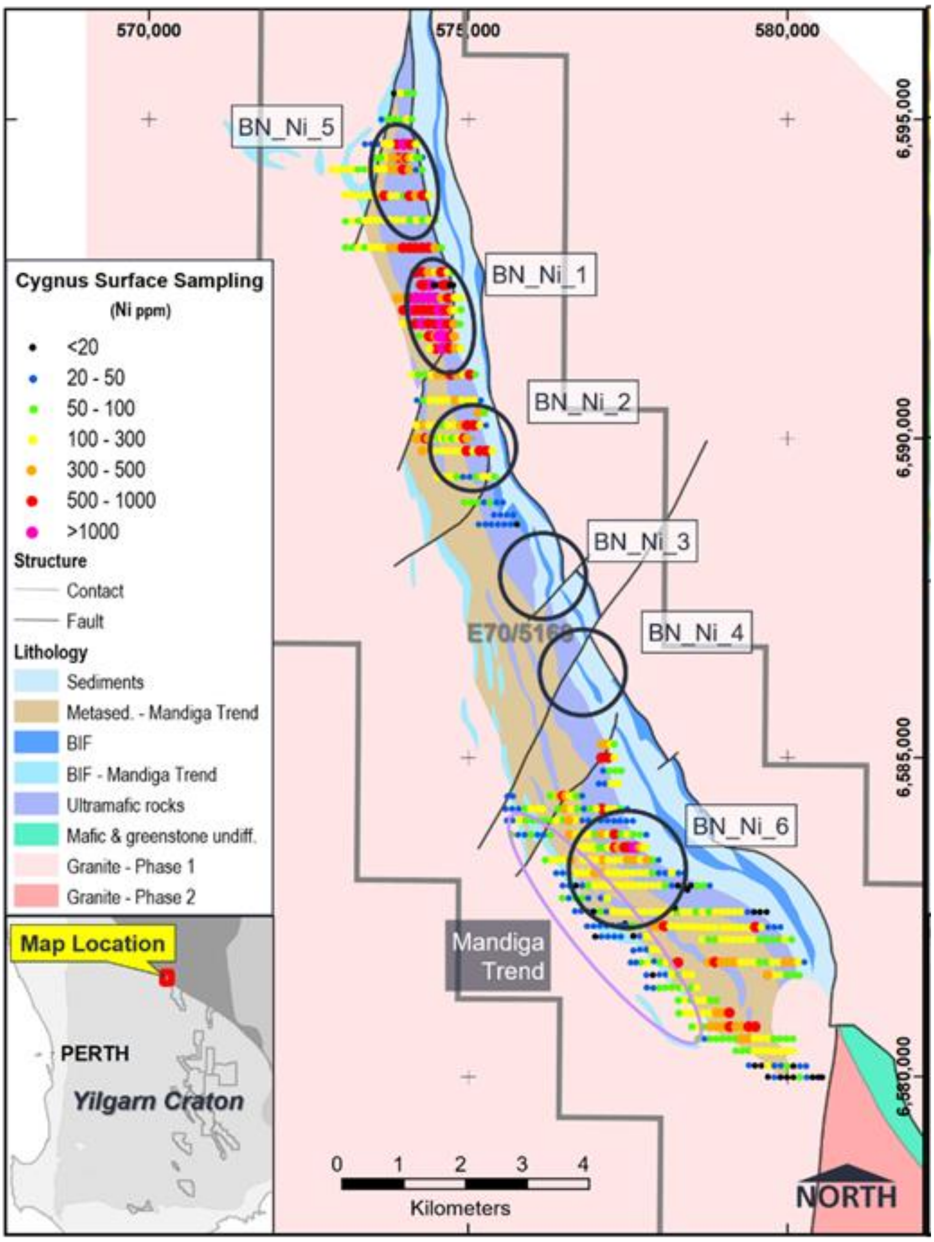

Figure 1: *Bencubbin North, nickel and base metals targets to be tested in the December aircore program with background interpreted geology and Ni (ppm) results from Cygnus and historical soil sampling (refer ASX Announcement 7 October 2019[1]).*

Cygnus AC drilling at Lake Grace JV, January 2020

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 an underexplored package of high metamorphic-grade rocks forming part of the well mineralised Yilgarn Craton.

Cygnus Gold's tenements ranges from early stage exploration areas through to advanced drill-ready targets.

In addition to the wholly owned projects, Cygnus is also managing exploration on the Lake Grace and Yandina JV Projects, two significant joint ventures with successful explorer/developer Gold Road Resources Ltd (ASX:GOR).

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.

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

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[1]: Refer ASX announcement on the said date for full details of these results. Cygnus is not aware of any new information or data that materially affects the information included in the said announcement.