

ASX ANNOUNCEMENT/MEDIA RELEASE

24 June 2019

Abbotts Gold Project – Good Potential in an Underexplored Greenstone

- ***Abbotts Gold Project is centred on an underexplored segment of the Abbotts Greenstone Belt***
- ***Gold deposits occur throughout the belt - none yet discovered in the poorly explored section of the belt Cervantes controls***
- ***The Abbotts Greenstone Belt is yet to deliver a world class gold deposit typical of neighbouring belts***
- ***Structures running through the Project from the south and south-west host gold deposits on adjacent ground***
- ***Recently completed surface soil geochemistry highlights the prospectivity of these structures on Cervantes' tenement***

Abbotts Gold Project E51/1721 (CVS 100%)

The Abbotts Gold Project consists of EL51/1721 covering an area of approximately 52.3km². The tenement is located about 22km north-north-west of Meekatharra in the Murchison Province of Western Australia. Importantly, it is less than 16km west of Silver Lake Resources' Andy Well gold mill with a capacity of 165ktpa and 35km north of Westgold's Bluebird mill with a capacity of 1.8Mtpa (Figure 1).

Surface Geochemical Sampling

Cervantes Corporation Ltd (ASX:CVS) undertook a regional soil sampling survey across the southern portion of E51/1721. The purpose of this survey was to:

1. Undertake a first-pass sampling over the width of the tenement to test a number of potentially gold bearing structures that are interpreted to strike onto Cervantes' ground from the south
2. Sample the lithologies over this same area to establish a base geochemical signature for these lithologies
3. Test the mobile ion technique in this area. MI sampling can be undertaken at up to five times the speed as conventional soil sampling techniques due to the small size of the sample being collected and its independence of the soil horizon being sampled.

The soil survey was undertaken on five traverses spaced 100 metres apart. Sample sites are spaced at 50 metre intervals, with each subsequent line having samples shifted 50m west to establish a diamond sampling pattern. Four lines of samples were submitted for assay using Intertek's Terraleach process. Terraleach is a partial leach method that aims to assay for mobile ions which have migrated into the weathering zone and which are only weakly attached to the surfaces of soil particles. Nineteen elements were assayed for.

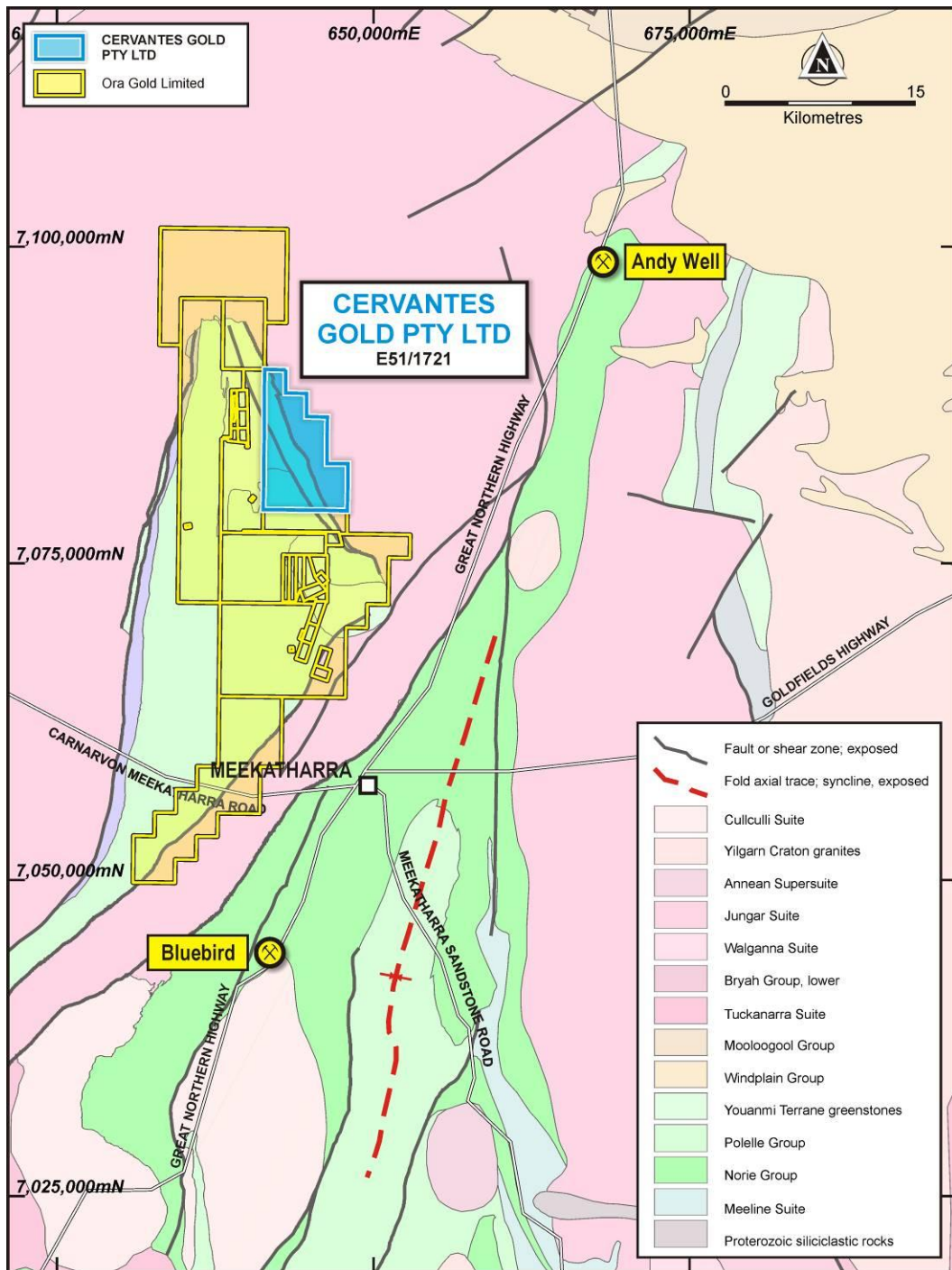


Figure 1 Abbots Gold Project E51/1721 is located within the Abbots Greenstone Belt 25km north-west of Meekatharra in the Murchison Province. It has easy access to a number of possible toll-treatment gold mills

MI data is assessed by recognising anomalies that are multiples of a background value, rather than by absolute grades. This is because it is a partial leach method, and so does not necessarily report the entire contents of the sample.

For this survey, the 25th percentile was chosen as the background limit. The mean of all values below the 25th percentile was used to normalise the data for each element. The results are termed the Response Ratio for that element.

Figure 3 shows plots of the Response Ratios for gold (Au), copper (Cu), and nickel (Ni) for the area surveyed on the Abbotts tenement.

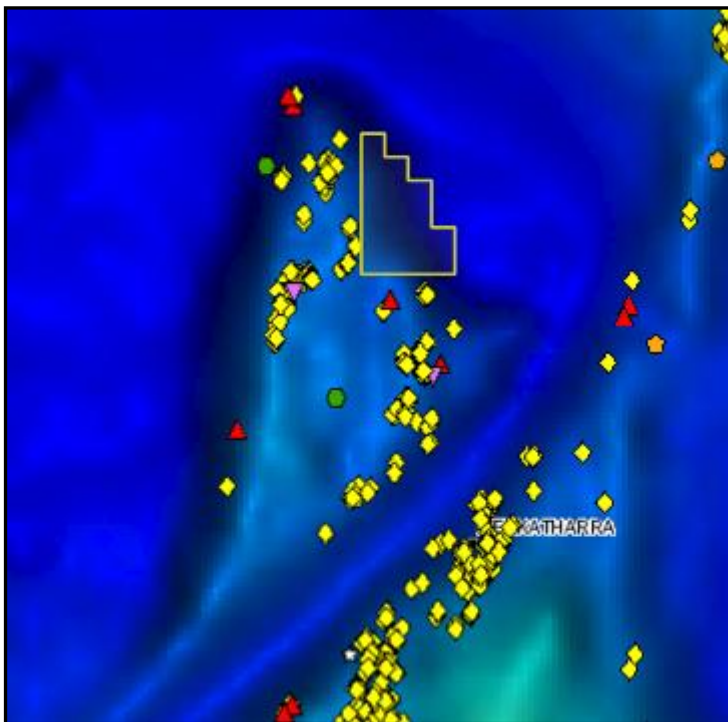


Figure 2 Abbotts Gold Project E51/1721 shown on an image of a subset of the Australian Gravity data (Bouguer Anomaly) where warmer colours are high, cold colours are low. Yellow diamonds indicate gold workings locations from MINEDEX, the database of mines that the DMIRS maintains. Note the typical association between gold occurrences and the margins of the gravity high that is directly associated with the Abbotts Greenstone Belt. Note also the absence of gold occurrences within the tenement area in spite of it straddling the greenstone-granite contact.

The gravity low surrounding this gravity high is a typical signal of the lower density granites of the Yilgarn Craton.

Other symbols are: Red triangles = base metals, Green dots = specialty metal, Purple triangles = industrial minerals.

The Abbotts soil sediment survey defined a number of anomalous zones, as annotated in Figure 3:

- Zone A Anomalous in Au, Cu, and Ni, this area is underlain by dolerite and gabbros. More importantly. It lies at the intersection of an interpreted north-east structure and a north-west structure, the latter of which hosts gold and copper mines and occurrences to the south-east (Kyarra and Kanowna group of mines) and north-west (Abbotts and Spring Bore group of mines).
- Zone B This is interpreted to be lithology caused and, therefore, not truly anomalous. Field checking will be undertaken to confirm this interpretation.
- Zone C A two line gold anomaly that strikes nor-nor-east and is interpreted to reflect a favourable structural position.
- Zone D Parallel to Zone C but stronger and more extensive, also interpreted to be a favourable structural position.



Zone E A broad anomalous region bracketed by regional north-west faults with which the Vranizan North historic gold workings to the north and the Young and Garden Gully North group of historic gold deposits to the south are associated.

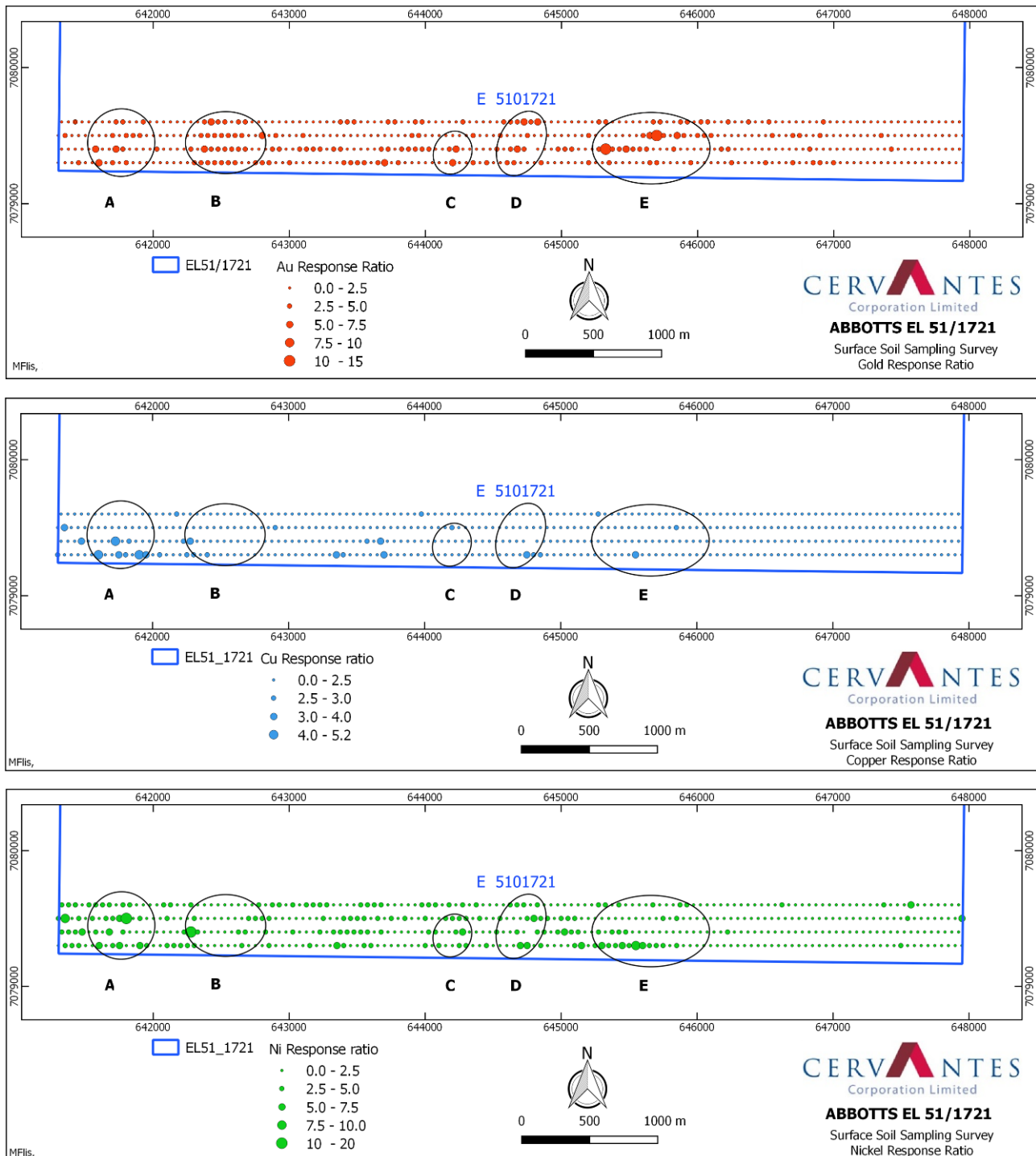


Figure 3 Response Ratios for gold, copper and nickel from the Abbots soil survey. The samples were analysed for mobile ions using the Terraleach method and represented as multiples of the background. Refer to text. Labelled anomalous areas are discussed in the text.

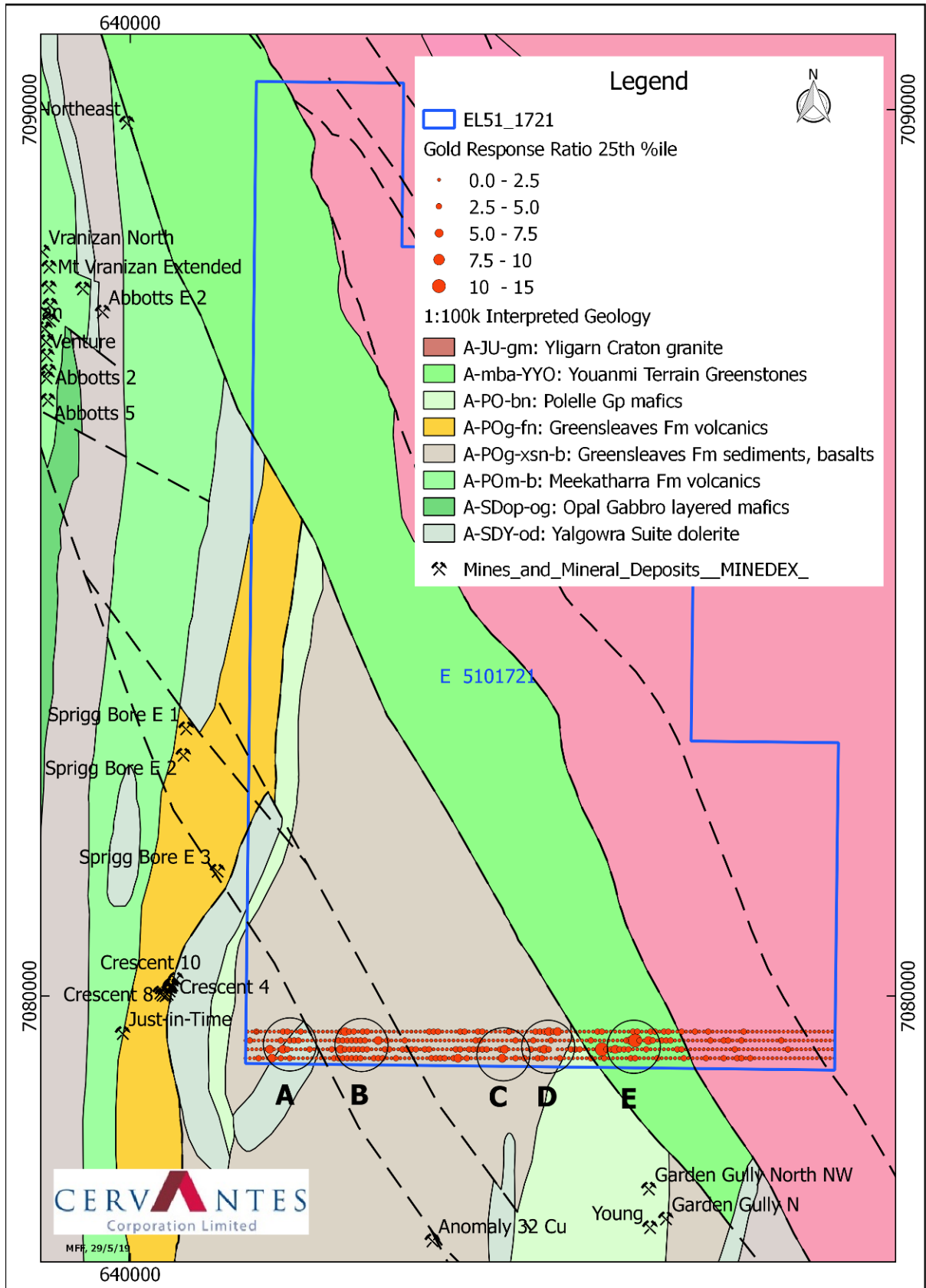


Figure 4 Gold geochemistry-defined target zones in relation to regional fault zones with which *historic gold* mineralisation is associated.

Implications for exploration

The mobile ion soil geochemistry survey has delineated at least five zones of gold, copper, and nickel anomalism.

Four of these zones are intimately associated with faults or shears striking onto Cervantes' ground from the south. These faults and shears have known gold mineralisation developed on them off Cervantes's ground and are considered prospective for gold.

Field checking and geological mapping will be undertaken to prioritise possible drilling targets.

Extensive exploration to the immediate West and South of our Abbotts Project is ongoing by Ora Gold Ltd and we will be following their progress with interest. Cervantes will seek to work with Ora Gold where appropriate to benefit all parties with a vested interest in the Meekatharra area.

Mr Collin Vost, Cervantes' Executive Chairman, commented: "Abbotts is shaping up nicely as a greenfields project in a high potential area. Decades of neglect by explorers have delivered an opportunity to Cervantes for a discovery."

In other news:

Primrose & Albury Heath

Exploration by Cervantes on these projects is ongoing. Soil geochemical sampling in specific areas is progressing in preparation for future drilling programs. Regional assessment, together with historic data searches on areas that are new to Cervantes' tenement holdings is progressing.

Capital Raising

Cervantes continues to assess submissions of various projects within Western Australia in a number of commodities, including gold, lithium and vanadium. The board will provide details of any discussions if and when those opportunities firm up to an agreement with the vendors.

In parallel to this work, Cervantes is vigorously pursuing capital investment by interested parties to expand and expedite the exploration of our existing and new projects.



About Cervantes Corporation Limited

Cervantes is an emerging gold explorer and aspiring gold miner. It has built up a portfolio of gold properties in well-known and historically producing gold districts with a strategy to apply novel exploration and development thinking. Cervantes has identified opportunities in those districts that were overlooked by previous explorers. The company is committed to maximizing shareholder value through the development of those opportunities.

About the Abbotts Project

The Abbotts Gold Project lies within the Abbotts Greenstone Belt. A foliated biotite granite dominates the eastern half of the tenement transitioning to the Youanmi Terrain greenstones over a series of regional scale north-west trending faults and shear zones. These greenstones generally strike in a north-north-east direction and are discordant with the bounding faults and granites to the east. The western half of the tenement is dominated by sediments and interbedded basalts of the Greensleeves Formation bracketed by fine grained mafics of the Polelle Group. Felsic volcanics occur along the western edge of the tenement.

Faults and shears within the greenstone belt are common and these tend to be concordant with the strike of the lithologies within the belt. A regional shear bounds the Abbotts Greenstone Belt to the south/south-west. Secondary faults and shears emanating from this hold the Garden Gully-Lydia-Crown gold mining area. This structure strikes onto the Cervantes tenement.

The Abbotts Greenstone Belt is endowed with numerous historic gold workings, but which has yet to deliver the world class gold deposits seen in neighbouring belts. Those historic gold workings tend to occur on the margins of the Abbott Greenstone belt where deep seated faults, which define the extent of the belts, plumb gold-rich fluids deeper in the earth's crust, and channel them to the surface. Here, they interact with reactive lithologies to precipitate gold, amongst other metals. Gold occurrences do occur within the belt itself; these tend to be associated with secondary structures that give rise to generally smaller deposits.

Competent Person's Statement

The details contained in this report that pertain to exploration results are based upon information compiled by Mr Marcus Flis, a Director and Exploration Manager of Cervantes Corporation Limited. Mr Flis is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Flis consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

Collin Vost
Executive Chairman
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JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Soil sediment samples were collected at 50m intervals along east-west lines 100m apart. • Samples were collected using plastic equipment to avoid contamination. • The standard sample depth was between 10cm and 20cm. • Approximately 150gm of material was collected at each site. • Sample locations were pre-planned and site recorded with a hand held GPS receiver with an accuracy not exceeding +/-5m. • Sampling was undertaken by HGS contractors using their standard sampling procedures and QA/QC protocols. • Samples were delivered firstly to HGS' storage site and subsequently to Intertek's laboratory in Perth
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • Not applicable.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • Not applicable.
<i>Logging</i>	<ul style="list-style-type: none"> • Soil samples were logged for regolith type, physical appearance (colour, grain size, moisture), and comments as to location (creek, disturbed ground, etc). • Logging is qualitative; samples were not suitable for geologic logging.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • No drilling was undertaken. • Samples were collected directly from the soil profile and were dry to moist. • The sample was stored in a plastic zip-lock air-tight bag as per the Intertek sampling guidelines. • No sample preparation or drying is required for the TerraLeach soil technique. • The soil sample was speared to collect a 50 gram aliquot assay. • No sub-sampling QAQC is required or performed by Intertek. • The sample sizes are considered to be appropriate to correctly represent the sought after mineralisation style.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • The sample preparation technique of the soil samples is in line with industry standards. • No geophysical tools were used to determine any element concentrations. • MMI-M™ Soil Analysis - SGS Laboratory: • TerraLeach technology is a proprietary analytical process that uses a unique approach to the analysis of metals in soils and related materials. Target elements are extracted using weak solutions of organic and inorganic compounds. • Assay of the pregnant solution is by conventional ICP-MS allowing for the reporting of very low detection limits in parts per billion (ppb). • TerraLeach is a single multi-element leach that provides an option to measure the concentration of a broad selection of mobile elements. <ul style="list-style-type: none"> • The following elements are included: Au, Ag, As, Bi, Cd, Co, Cu, La, Mo, Ni, Pb, Pd, Pt, Sb, Sn, Th, U, W, and Zn • Company analysis of the QAQC data for the soil samples found the standard sample results to be acceptable. • No field duplicates soil sample were collected. • Intertek includes in each sample batch control reference materials (1 every 50), blanks (1 every 50 samples) and replicates (1 every 25). • No sample preparation is required so no checks for pulverisation fineness were required.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • The soil results have been visually verified by the Competent Person. • All logging is entered directly into a ruggedised notebook computer using Microsoft Excel. • All sample logging and assay data was entered into the database and assays received from the lab and field logs checked and verified by supervising geologist. • The TerraLeach data was treated in a standard, industry accepted form: (a) the 25th percentile for

Criteria	Commentary
	each element is determined to approximate the “background” geochemical value, (b) the means of all values at and less than the 25 th percentiles are calculated, and (c) a “response Ratio” is calculated by dividing the assay value by the mean of the 25 th percentile pertaining to that element.
<i>Location of data points</i>	<ul style="list-style-type: none"> The report does not include new drill results. Soil sample locations are surveyed using a hand held GPS receiver which has an accuracy of ± 5 m. The soil sample co-ordinates are all in GDA94 MGA Zone 50 co-ordinates. Topographic surface uses handheld GPS elevation data, which is considered adequate at the current stage of the project.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> The soil programme was sampled across multiple east-west traverses spaced 100m apart with sample spacing on each traverse of between 50m. No sample compositing has been applied to the exploration results.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Sample lines oriented true east-west, approximately perpendicular to the dominant strike of basement rocks. Line and sample spacing are adequate to define sizeable geochemical anomalies of any orientation and no orientation based sampling bias has been identified in the data at this point.
<i>Sample security</i>	<ul style="list-style-type: none"> Chain of sample custody is managed by Cervantes to ensure appropriate levels of sample security. Samples were stored in the contractor’s warehouse before being delivered to Intertek’s offices in Perth.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> Soil sampling followed Intertek Sampling Guidelines. There have been no independent audits or reviews of sampling techniques and data.

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> The soil sampling is located wholly within Exploration Licenses E51/1721 (“Abbotts”). Cervantes Corporation Ltd has a 100% interest in the tenement and there are no third party royalties applicable. No historical or environmentally sensitive sites have been identified in the area of work.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> This are the first mobile ion soil programme to be conducted on the Abbots Project programme ever conducted in the project. Historically, Multiple companies have conducted limited exploration on the western margin of the bounding granite to the Abbots Greenstone Belt to the east. These included: Accent Resources, Richmond resources and St Barabara Mines. No drilling has been undertaken previously.
<i>Geology</i>	<ul style="list-style-type: none"> The Abbots Gold Project lies within the Abbots Greenstone Belt. A foliated biotite granite dominates the eastern half of the tenement transitioning to the Youanmi Terrain greenstones over a series of regional scale north-west trending faults and shear zones. These greenstones generally strike in a north-north-east direction and are discordant with the bounding faults and granites to the east. The western half of the tenement is dominated by sediments and interbedded basalts of the Greensleeves Formation bracketed by fine grained mafics of the Polelle Group. Felsic volcanics occur along the western edge of the tenement. Faults and shears within the greenstone belt are common and these tend to be concordant with the strike of the lithologies within the belt. A regional shear bounds the Abbots Greenstone Belt to the south/south-west. Secondary faults and shears emanating from this hold the Garden Gully-Lydia-Crown gold mining area. This structure strikes onto the Cervantes tenement. The Abbots Greenstone Belt is endowed with numerous historic gold workings, but which has yet to deliver the world class gold deposits seen in neighbouring belts. Those historic gold

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<i>Drill hole Information</i>	<ul style="list-style-type: none"> Not applicable. 																																												
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> The TerraLeach data was treated in a standard, industry accepted form: (a) the 25th percentile for each element is determined, (b) the mean of all values at and less than the 25th percentile is calculated, and (c) a "response Ratio" is calculated by dividing the assay value by the mean of the 25th percentile. The statistics for the three elements reported are: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr style="background-color: #c00000; color: white;"> <th>Percentile</th> <th>Au ppb</th> <th>Cu ppm</th> <th>Ni ppm</th> </tr> </thead> <tbody> <tr><td>25</td><td>0.24</td><td>3.35</td><td>0.31</td></tr> <tr><td>50</td><td>0.32</td><td>4.21</td><td>0.46</td></tr> <tr><td>75</td><td>0.46</td><td>5.15</td><td>0.68</td></tr> <tr><td>90</td><td>0.61</td><td>5.92</td><td>0.92</td></tr> <tr><td>95</td><td>0.75</td><td>6.78</td><td>1.11</td></tr> <tr><td>97.5</td><td>0.87</td><td>7.67</td><td>1.38</td></tr> <tr><td><i>Max</i></td><td>2.24</td><td>13.29</td><td>4.58</td></tr> <tr><td><i>Min</i></td><td>0.03</td><td>0.46</td><td>0.12</td></tr> <tr><td><i>Mean</i></td><td>0.37</td><td>4.32</td><td>0.55</td></tr> <tr><td><i>Mean of 25th Percentile</i></td><td>0.17</td><td>2.57</td><td>0.24</td></tr> </tbody> </table> <ul style="list-style-type: none"> No length weighting has been applied due to the nature of the sampling technique. No top-cuts have been applied. Aggregate intercepts are not applicable for the sampling method used. No metal equivalent values have been used for the reporting of these exploration soil results. 	Percentile	Au ppb	Cu ppm	Ni ppm	25	0.24	3.35	0.31	50	0.32	4.21	0.46	75	0.46	5.15	0.68	90	0.61	5.92	0.92	95	0.75	6.78	1.11	97.5	0.87	7.67	1.38	<i>Max</i>	2.24	13.29	4.58	<i>Min</i>	0.03	0.46	0.12	<i>Mean</i>	0.37	4.32	0.55	<i>Mean of 25th Percentile</i>	0.17	2.57	0.24
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<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> The sampling technique used defines a surficial geochemical expression. No information is attainable relating to the geometry of any mineralisation based on these results. 																																												
<i>Diagrams</i>	<ul style="list-style-type: none"> Appropriate maps and sections are available in the body of this announcement. 																																												
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Reporting of results in this report is considered balanced. 																																												
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> No other exploration data other than local geology and topographic maps were considered or known to exist for the area. 																																												
<i>Further work</i>	<ul style="list-style-type: none"> A work program is currently in the planning phase and will be reported when completed For diagrams refer to body of this announcement. 																																												