ASX ANNOUNCEMENT/MEDIA RELEASE

14 August 2019

Primrose gold and copper targets Highlighted by Soil Survey

- ***New gold zone identified in an old field***
- ***Copper zone recognized as potential drilling target***
- ***High occurrence of lanthanum may be pathfinder to REE target***

Primrose Gold Project P59/1941, P59/2159 to 2160 (CVS 100%)

The Primrose Gold Project comprises the vast majority of the historic Paynes Find Gold Field and its interpreted extensions to the north and south. Importantly, its covers tracts of the Primrose Shear which have had little or no modern exploration work done on them (Figure 1).

Surface Geochemical Sampling

Cervantes Corporation Ltd (ASX:CVS) carried out soil sampling in five areas identified and highlighted from the aeromagnetic interpretation of the area. The purpose of this survey was to test the poorly explored western Paynes Find Intrusive and obtain profiles over an interpreted southern felsic intrusion. Whilst the Paynes Find Gold Field is hosted within the eastern Paynes Find Gneiss, an adjacent felsic intrusive may have provided the heat and fluid driver for that mineralisation.

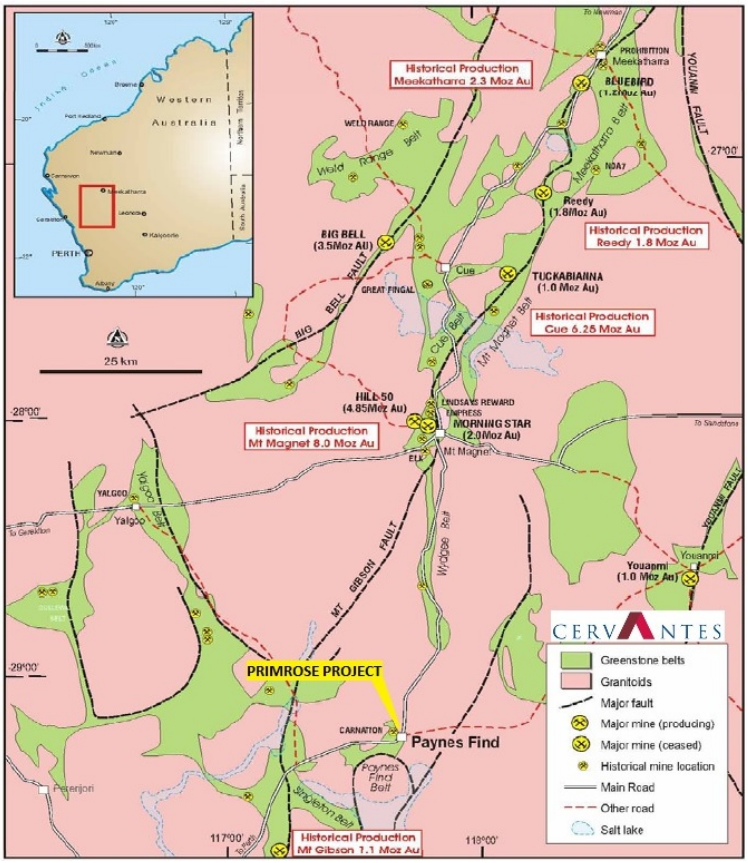

Figure 1: Primrose Project location on regional geology; showing regional historical gold production

Each area was sampled along two, 200m spaced lines with samples collected at 50m intervals, save for one where samples were collected along three lines

All samples were submitted for assay using Intertek's Terraleach process. Terraleach is a partial leach method that aims to assay for mobile ions (MI) which have migrated to the surface and which are only weakly attached to the surfaces of soil particles.

It is important to note that, as this is a partial leach technique, the resulting assays are not an absolute assay and they will change by adjusting leach times. Accordingly, MI data is assessed by recognising anomalies that are multiples of a background value, rather than by absolute grades.

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

For this survey, the 75th percentile was chosen as the background limit for gold, copper, and nickel based on the examination of the cumulative histogram curves for those elements. In addition, it was found that Lanthanum is very active in this area (see break out box). In the Primrose area, it may reflect the presence of pegmatites which are common to the south of the project area. The 90th percentile was chosen for its background.

These are unusually high percentiles to use and reflect the ubiquitous mineralisation that is a hallmark of the Primrose Gold Project.

The mean of all values below the background percentile chosen is used to normalise the data for each element. The results are termed the Response Ratio for that element. JORC Table 1 contains the statistical table for this process.

Lanthanum (La) is the lightest of the Rare Earth Element (REE) suite. It is used in large quantities in nickel metal hydride rechargeable batteries for hybrid automobiles. Today, a Toyota Prius hybrid car, for example, carries with it about 10 kg of lanthanum. These cars have nickel-lanthanum hydride batteries. Lanthanum commonly occurs with the other REEs. The largest producer is China, followed by Australia.

Results identify targets

Figure 2 to 5 show summary plots of the Response Ratios for gold (Au), copper (Cu), nickel (Ni), and lanthanum (La) for the areas surveyed.

Gold (Figure 2) is found to be highly anomalous along the western contact of the mafic schist (represented by the dark ground in the centre of satellite image). This is particularly the case on P59/2160 (at the northern end of the airstrip) but also further north on P59/2159. Both zones have never been drilled.

To the south, on P59/1941, gold increases towards both the western and the eastern contact of the mafic unit, with the eastern contact being associated with the Primrose Shear.

Copper (Figure 3) follows a similar pattern, though it is more active in the Paynes Find Intrusive (eg, western edge of P59/2161). A “hot spot” on the two lines completed on P59/2159 may present as a follow-up target.

Nickel (Figure 4) appears more ubiquitously anomalous and possibly reflects the scavenging nature of laterites developed over the area. Even so, anomalous zones on the southern two lines sampled on P59/2159 echo RAB and AC drilling results to the immediate east, upgrading this area as a drilling target.

Lanthanum (Figure 5) shows as particularly anomalous on the northern two areas sampled on P59/2159. Pegmatites are known historically in these permits and previous explorer, Paynes Find Gold, did limited follow-up work on them.

Implications for exploration

The mobile ion soil geochemistry survey has indicated that the western contact of the mafic unit which is associated with the Paynes Find Gold Field may be prospective for gold mineralisation. This contact lies undercover and would not have been subject to the success that early prospectors experienced in the outcropping main field.

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

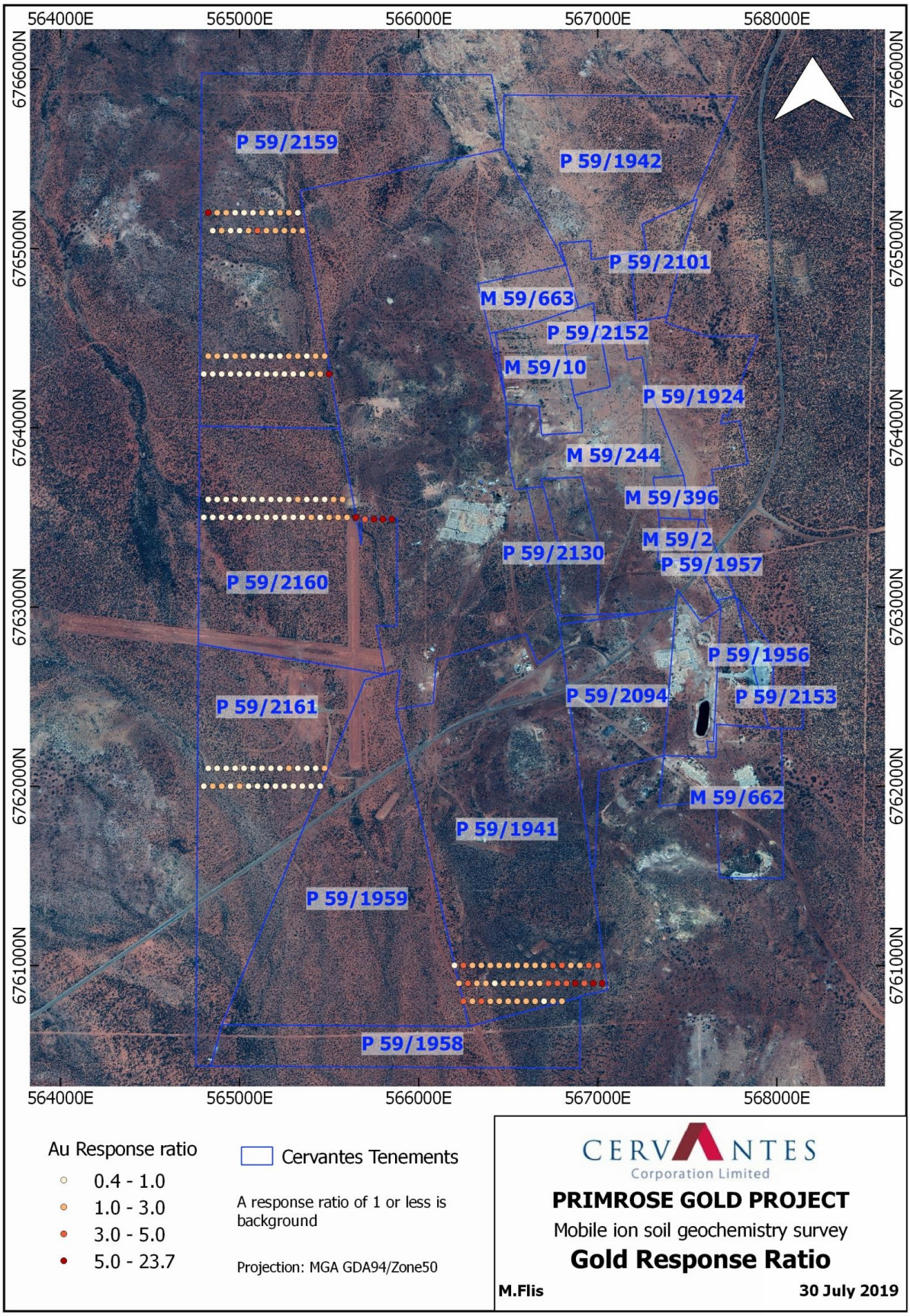

Figure 2 Gold Response Ratio for MI soil survey, Primrose Gold Project. Gold values presented as Response ratios (see text).

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

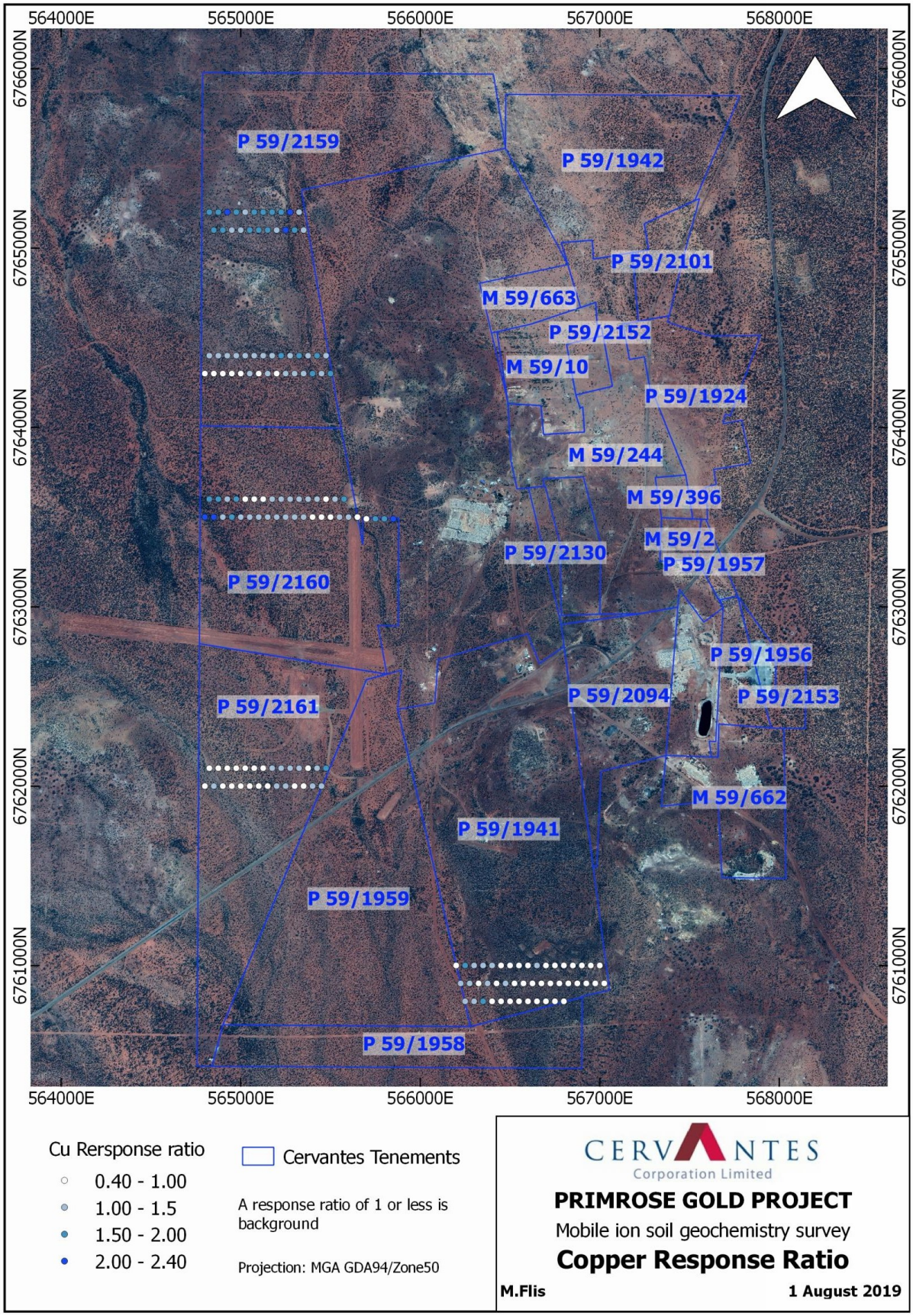

Figure 3 Copper Response Ratio for MI soil survey, Primrose Gold Project. Copper values presented as Response ratios (see text).

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

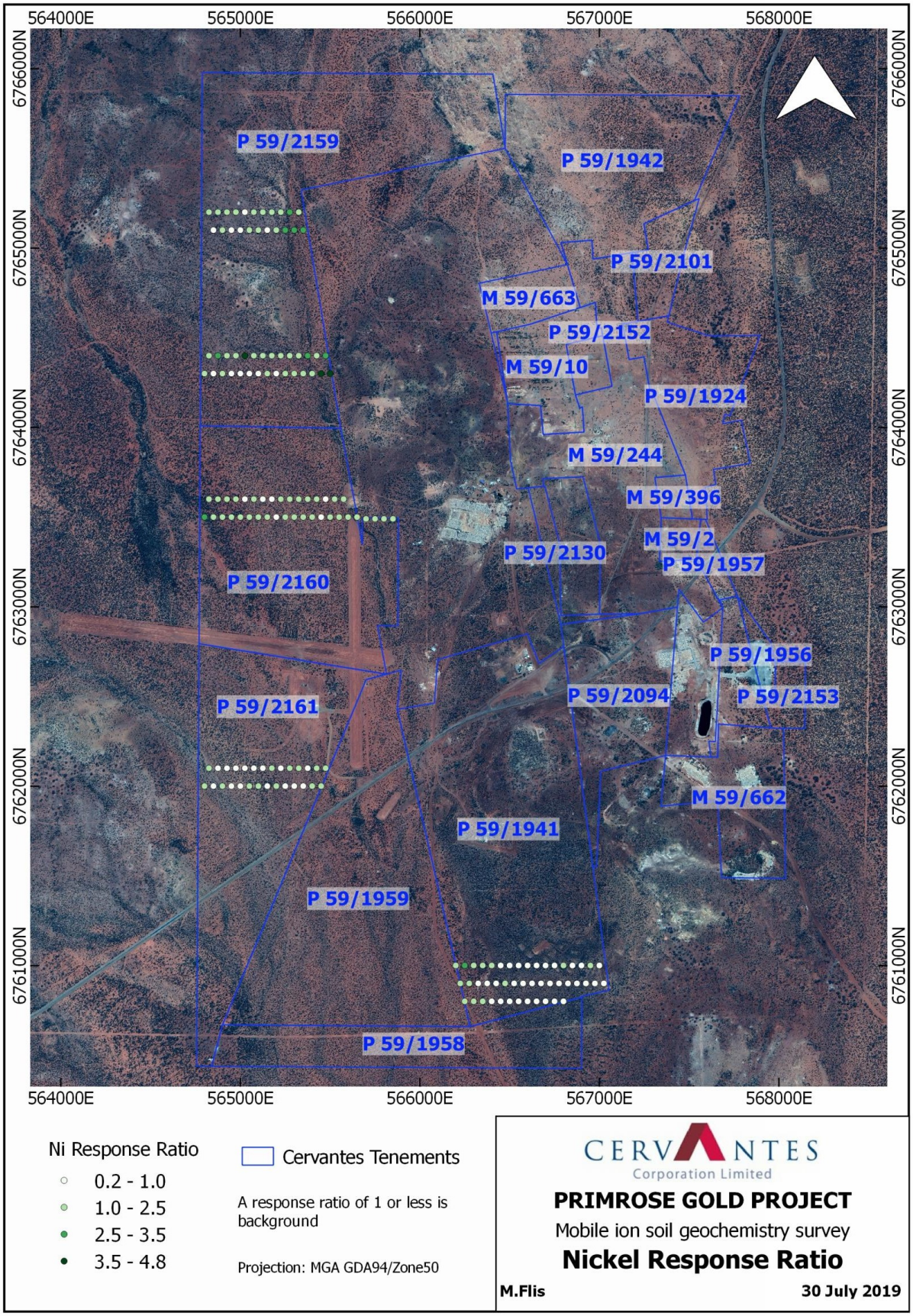

Figure 4 Nickel Response Ratio for MI soil survey Primrose Gold Project. Nickel values presented as Response ratios (see text)

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

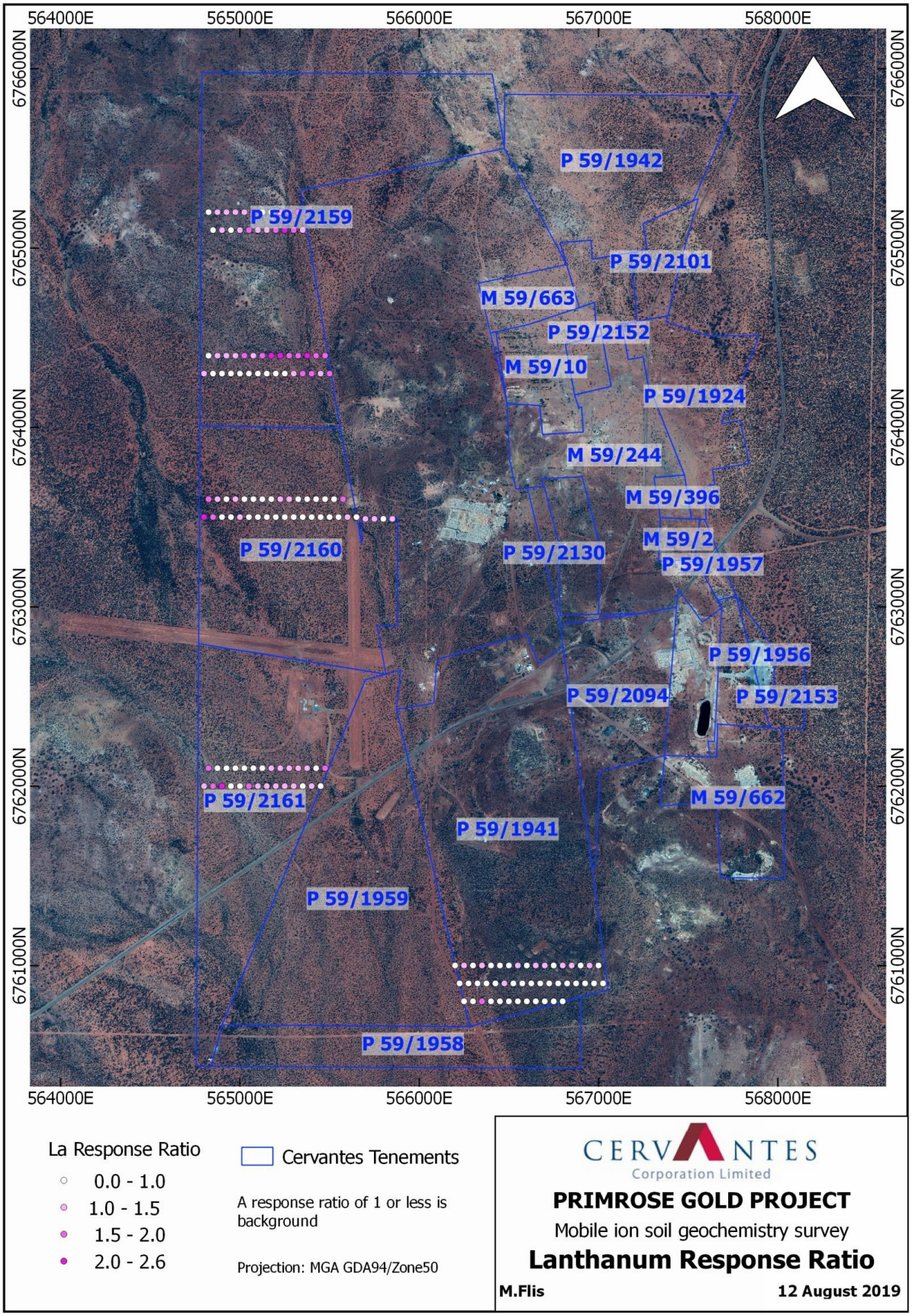

Figure 5 Lanthanum Response Ratio for MI soil survey, Primrose Gold Project. Lanthanum values presented as Response ratios (see text)

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

Secondary targets for copper and lanthanum (and associated REE) will be worked up with further field mapping.

Mr Collin Vost, Executive Chairman of Cervantes, commented: *"Payne's has now provided positive exploration results for Nickel, Cobalt, Copper and Lanthanum being all of the essential elements and metals for the Battery Industry as well as elevated Gold results over the entire permits as disclosed in various ASX releases supported by Competent Persons declarations. Considerably more work is required to develop a resource in any of the elements/metals but drilling programs are being designed off the various exploration results to date as released to the market."*

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 Primrose Project

The Primrose Project covers in excess of 8km of the highly gold mineralised Primrose Shear in the Murchison District of the Eastern Goldfields, Western Australia. Over 37 gold mines, of various sizes, operated in this field from 1911 till 1982. Some 63,000 ounces of gold was mined at an average grade of 25g/t during this period. It is generally accepted that significantly more gold than this was won from alluvial and unreported production.

Cervantes controls 23 mining leases and prospecting licences that cover the majority of this historic gold field. A large database of drilling, surface geochemistry, geological, and geophysical data has been assembled to allow the field to be better understood than at any time in its history.

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.

For Further information please contact:

Collin Vost
Executive Chairman
(08) 6436 2300
cvost@cervantescorp.com.au

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
Sampling techniques	• Soil sediment samples were collected at 50m intervals along east-west lines 200m 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 Intertek's laboratory in Perth
Drilling techniques	• Not applicable.
Drill sample recovery	• Not applicable.
Logging	• 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.
Sub-sampling techniques and sample preparation	• 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 entire sample is used. • The sample sizes are considered to be appropriate to correctly represent the sought after mineralisation style.
Quality of assay data and laboratory tests	• The sample preparation technique of the soil samples is in line with industry standards. • No geophysical tools were used to determine any element concentrations. • TerraLeach™ Soil Analysis – Intertek 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. • 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.
Verification of sampling and assaying	• 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 cumulative histogram curve for each element is assessed and a background value chosen. In this case, the

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

Criteria	Commentary
	75th percentile was chosen for gold, copper, and nickel, and the 90th percentile for lanthanum (b) the means of all values at and less than the background percentiles are calculated, and (c) a "response Ratio" is calculated by dividing the assay value by the mean of the percentile pertaining to that element.
Location of data points	• 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.
Data spacing and distribution	• The soil programme was sampled across multiple east-west traverses spaced 200m apart with sample spacing on each traverse of between 50m. • No sample compositing has been applied to the exploration results.
Orientation of data in relation to geological structure	• 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.
Sample security	• Chain of sample custody is managed by Cervantes to ensure appropriate levels of sample security. Samples were delivered to Intertek's offices in Perth.
Audits or reviews	• 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
Mineral tenement and land tenure status	• The soil sampling is located wholly within Prospecting Licences **P59/1941, P59/2159 to 2160**. • 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.
Exploration done by other parties	• The central gold field has been extensively prospected, but with little modern exploration methodologies applied • Paynes Find Gold Ltd was the first company to consolidate the previously family-owned tenments. • Paynes Find Gold undertook an extensive drilling programme of the historic gold field but failed to define a resource due to the spotty nature of the quartz lodes.
Geology	• The project area is located within the Archean Murchison Domain of the Youanmi Terrane, Yilgarn Craton (Cassidy et al., 2006). • The Paynes Find Greenstone belt is described as primarily an arcuate sequence of ultramafic rocks younging westward to more acid volcanic and volcanoclastic rocks. • These have been intruded by later stage east–west orientated dykes and numerous thin pegmatites presumably related o granitic intrusions. • The belt is bounded to the east and west by massive granite plutons and has been folded and faulted. • Rock types in the project area consist of granitic rock, granitic gneiss (Payne's Find Gneiss), felsic porphyrys, and greenstones comprising interlayered ultramafic, basaltic and dacitic metavolcanics and schists and subordinate banded iron-formations. • The Paynes Find Gneiss, which hosts most of the quartz vein mineralisation, is strongly deformed and metamorphosed to amphibolite grade. • In plan view, the gneiss covers a lensoidal area between the greenstone belt in the west and

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>massive granite, having structural contacts with these units.
• The two north-northwesterly trending shears that form the Paynes Find Gneiss boundary transect the entire length of the eastern half of the project area, and are referred to as Primrose and Daffodil, the latter being the easternmost of the two.
• Gold mineralisation has also been noted in places within the felsic intrusive rocks (Maynard, 2010; Fitton, 2011)</td></tr>
<tr><td>Drill hole Information</td><td>• Not applicable.</td></tr>
<tr><td>Data aggregation methods</td><td>• The TerraLeach data was treated in a standard, industry accepted form: (a) a percentile was chosen from the cumulative histogram for each element treated. These were: the 75th percentile for gold, copper, and nickel, and the 90th percentile for lanthanum (b) the mean of all values at and less than the background percentile is calculated, and (c) a “response Ratio” is calculated by dividing the assay value by the mean of those percentiles. The statistics for the four elements reported are:
<table>
<tr><th>Percentile</th><th>Au ppb</th><th>Cu ppm</th><th>La ppb</th><th>Ni ppm</th></tr>
<tr><td>25</td><td>0.67</td><td>4.33</td><td>494.1</td><td>1.61</td></tr>
<tr><td>50</td><td>1.00</td><td>5.24</td><td>634.0</td><td>2.51</td></tr>
<tr><td>75</td><td>1.63</td><td>6.64</td><td>897.7</td><td>3.85</td></tr>
<tr><td>90</td><td>3.10</td><td>7.82</td><td>1180.3</td><td>4.80</td></tr>
<tr><td>95</td><td>4.90</td><td>8.98</td><td>1261.2</td><td>6.01</td></tr>
<tr><td>97.5</td><td>8.02</td><td>9.96</td><td>1370.4</td><td>6.94</td></tr>
<tr><td>Max</td><td>21.37</td><td>11.09</td><td>1628.5</td><td>10.01</td></tr>
<tr><td>Min</td><td>0.39</td><td>2.06</td><td>0.3</td><td>0.34</td></tr>
<tr><td>Mean</td><td>1.74</td><td>5.49</td><td>700.9</td><td>2.87</td></tr>
<tr><td>Background percentile</td><td>75</td><td>75</td><td>90</td><td>75</td></tr>
<tr><td>Mean of background Percentile</td><td>0.90</td><td>4.60</td><td>629.10</td><td>2.10</td></tr>
</table>
• 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.</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>• The sampling technique used defines a surficial geochemical expression. As with all surface geochemical techniques, no information is attainable relating to the geometry of any mineralisation based on these results.</td></tr>
<tr><td>Diagrams</td><td>• Appropriate maps and sections are available in the body of this announcement.</td></tr>
<tr><td>Balanced reporting</td><td>• Reporting of results in this report is considered balanced.</td></tr>
<tr><td>Other substantive exploration data</td><td>• CVS has outlined the geology and resources calculations for this area in announcements to the ASX on 10/9/18, 8/8/18, 11/7/18, 5/7/18, 12/6/18, 3/4/18, 15/3/18, 21/12/17.</td></tr>
<tr><td>Further work</td><td>• A work program is currently in the planning phase and will be reported when completed
• For diagrams refer to body of this announcement.</td></tr>
</table>

Shop 11 (Southshore Piazza) 85 The Esplanade, South Perth WA 6151 • (PO Box 1196, South Perth WA 6951) • ABN 70 097 982 235
Telephone 61 8 6436 2300 • Fax 61 8 9367 2450 • Email: admin@cervantescorp.com.au • Web: www.cervantescorp.com.au