



Cygnus identifies 18km long nickel target at Bencubbin

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Highlights

- Regionally extensive surface nickel geochemical anomaly with more than 18km strike length identified at Bencubbin
- Cygnus considers the 70km long Bencubbin Greenstone Belt to be a prime target for sulfide-hosted Nickel-Copper mineralisation, in addition to the previously identified gold potential
- The Bencubbin nickel target has not been previously drilled or tested with modern geophysics
- Elevated copper, lead and zinc mineralisation with outcropping gossans over 3.3km identified at the adjacent Mandiga prospect
- Follow up mapping and infill surface sampling planned for early 2019

Cygnus Gold (Cygnus or the Company) (ASX:CY5) has identified nickel (and base metal) targets on new tenement applications within its wholly-owned Bencubbin Project in the southwest of Western Australia (Figure 1).

The Bencubbin Project covers more than 70km strike length of Archaean greenstone rocks in the Wheatbelt Region of Western Australia.

Cygnus has completed a review of historical exploration across the Bencubbin project area and identified an extensive nickel surface geochemical anomaly over a strike length of approximately 18km at Bencubbin North, and a more than 3.3km strike length of elevated copper, lead and zinc mineralisation at the Mandiga prospect to the southeast of the nickel target.

Cygnus Gold Managing Director James Merrillees said, "We're excited by these new nickel and base metals targets at our Bencubbin Project in WA, where we see potential for a significant new mineralised system. The 70km-long Bencubbin Greenstone Belt has not been tested for its nickel potential and represents an exciting development for the Company.

This is a high priority project vindicating our understanding that the Southwest has potential for multi commodity deposits like the well-known greenstone belts of the Eastern Goldfields without having had anywhere near the same level of exploration in the last 30 years."



BENCUBBIN NORTH (100% CY5)

Overview

Bencubbin North forms part of the Company's ~675km² Bencubbin Project which includes one granted EL (E70/4988, Bencubbin) and two EL applications (E70/5169, Bencubbin North and E70/5168, Bencubbin South). The Bencubbin Project ~220km northeast of Perth, was pegged to cover the Bencubbin Greenstone, a partially dismembered greenstone sequence extending over 70km of strike, and up to 5km in width (Figure 2).

Review of historical exploration at Bencubbin North by the Company has identified a regionally extensive nickel auger surface geochemical anomaly, developed over a strike length of ~18km, and associated with ultramafic rocks within a north-northwest trending Archaean greenstone belt. This target has not been drilled and no electrical geophysics has previously been collected over the nickel anomalies.

The nickel anomalism includes samples with locally anomalous Cu and Au results, and Cygnus considers this a prime target for sulphide-hosted nickel-copper-cobalt mineralisation, and potentially separate lode gold mineralisation.

In addition to the nickel potential, historical exploration along the southwestern margin of the nickel anomaly identified elevated copper, lead and zinc mineralisation associated with outcropping gossans over 3.3km of strike, in the Mandiga base metal prospect, a VMS-related massive sulphide system.

As previously reported, the Company has received WA Government co-funding for a drill program to test for gold mineralisation in the historical Jefferies Bore Prospect, in the Bencubbin tenement ~18km southeast of the Bencubbin North nickel anomaly (refer CYG ASX announcement dated 14/6/2018¹).

Bencubbin North Nickel-Copper Target (Ni-Cu ± Co, Au)

The Bencubbin North nickel anomaly is defined by consistent, highly anomalous (up to 1,500ppm) Ni in auger surface geochemistry. Sampling by a previous explorer in 2007/2008 was completed on 800m spaced lines with 80m sample spacing, and some infill lines at 400m line spacing on the northern end of the system.

Cygnus has defined the nickel anomaly here over 18km in strike, and up to 400m in apparent width, consistent with being developed over an ultramafic source in the underlying ~80km long mafic-ultramafic greenstone belt (Figure 2).

Several discrete Cu and Au anomalies are located within or adjacent to the Ni anomaly, with a maximum coincident auger Cu result of 162ppm recorded, and a (separate) maximum Au value of 71 ppb Au reported, both within the greenstone sequence (Figure 3).

Historic drilling includes five lines of shallow (<40m) RAB holes principally in search of gold mineralisation. None of these holes tested the peak nickel anomalism, and none were assayed for Ni, leaving the entire 18km surface multi-element geochemical anomaly effectively untested for nickel deposits.

Air core drilling within the Bencubbin greenstone belt approximately 15km to the southeast of the Bencubbin North Ni-Cu target yielded results including:

- 12m @ 0.13% Ni from 48m in hole MERA 3
- 16m @ 0.12% Ni from 47m in hole MERA 1 ~ 600m to the northeast of MERA 3. (Refer Appendix 1)

Although this drilling targeted magnetic highs for diamond-bearing kimberlites, the results are consistent with extensions of the Bencubbin North ultramafic package wrapping around a granite evident in the core of the Bencubbin tenement package.

Importantly, no Platinum Group Element (PGE) or cobalt analyses were recorded with PGEs considered an important indicator of nickel sulfide mineralisation.

The previous exploration data compiled by Cygnus demonstrates the potential for nickel sulphide mineralisation hosted within ultramafic units within the Bencubbin greenstone belt, both along the main 18km surface geochemical trend at Bencubbin North, and to the southeast - along the more than 70km long greenstone belt -where historic air core holes returned thick intervals of highly anomalous Ni assays as noted above.

Given the lack of effective historic exploration, as well as the ability to apply improved (and more detailed) geochemical sampling (including Ni pathfinder geochemistry), and electromagnetic (EM) geophysics, Cygnus considers the Bencubbin Project a high priority target for the discovery of new nickel systems.



Mandiga Base Metal (VMS) Target (Cu-Pb-Zn-Au-Ag)

Previous explorers targeted a series of gossans known as the Mandiga prospect, within the Bencubbin North tenement. These gossans are the surface expression of a laterally extensive sulphide-bearing ironstone unit within the Bencubbin greenstone, west of the Bencubbin North nickel anomaly.

The Mandiga gossans outcrop discontinuously over a strike length of more than 3km with a true thickness of up to 15m (Figure 4).

Mandiga was explored between 1978 and 1979, including auger sampling which identified a Pb anomaly spatially coincident with the gossan.

Drilling at Mandiga included percussion drilling and seven diamond core holes, with best results of:

- 18m @ 0.14% Ni from 32m in Hole DMA4;
- 2m @ 0.63% Pb from 52m in Hole DMA2; *and*
- 2m @ 1.7% Zn from 176m in Hole DMA5. (Refer Appendix 1)

The Pb-in-auger anomalism extends for a further 1.2km south of the known drilling and has not been drill tested in any subsequent work.

Historical drilling and sampling demonstrated that the Mandiga sequence hosts a (volcanogenic?) semi-massive to massive sulphide system, mainly comprising pyrite and pyrrhotite.

The maximum tested thickness is approximately 15m and maximum intersection depth was about 150m (vertical). Oxidation generally extends to a vertical depth of approximately 50m.

Given the extent and known thickness of the system, encouraging early results, and lack of modern exploration techniques applied, Cygnus considers this target highly prospective for base metal mineralisation.

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

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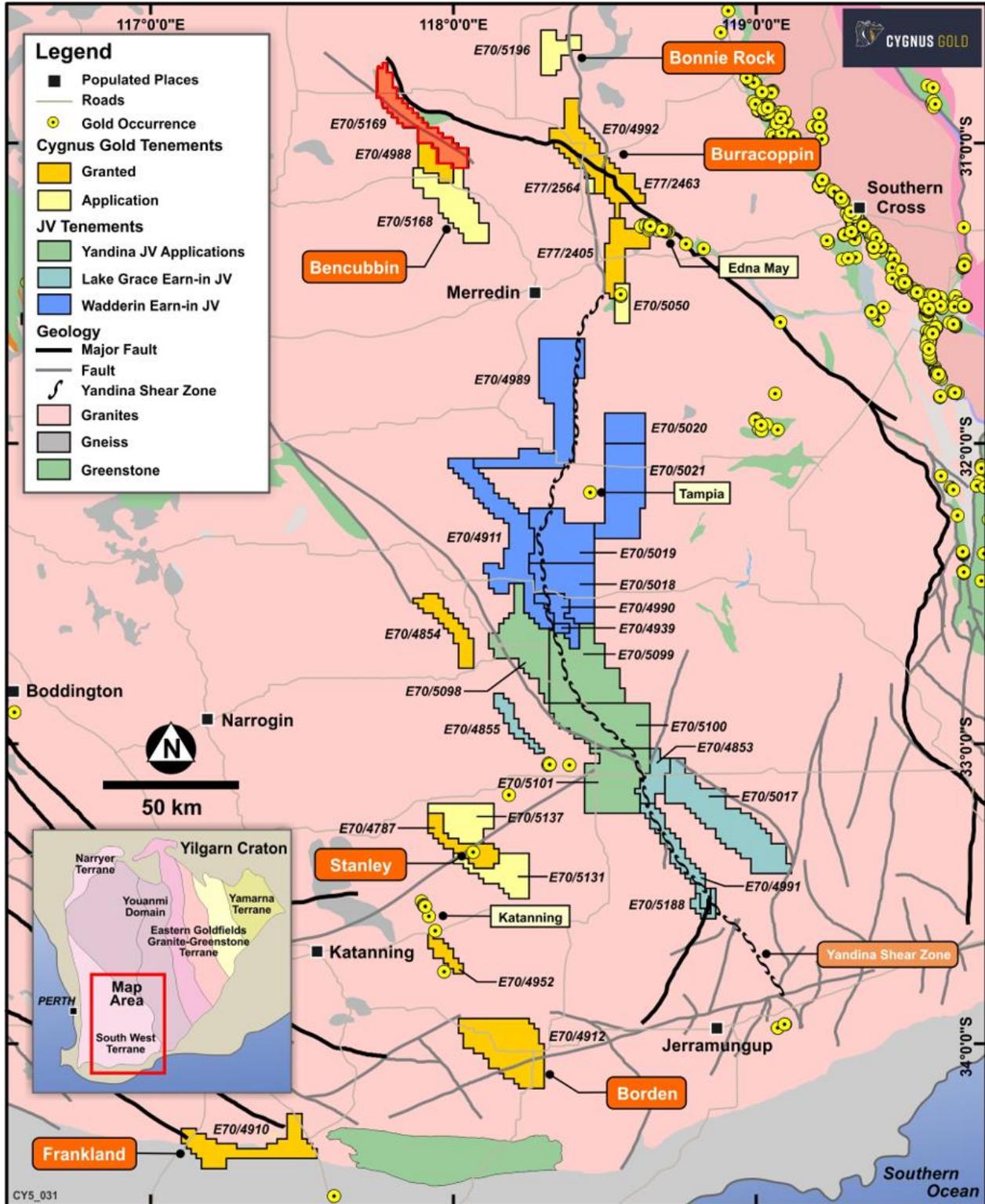


Figure 1: Location of Cygnus Gold tenements in SW Western Australia including the Bencubbin Project and E70/5169 (Bencubbin North) highlighted in red. Regional geology from 1:500,000 GSWA mapping.

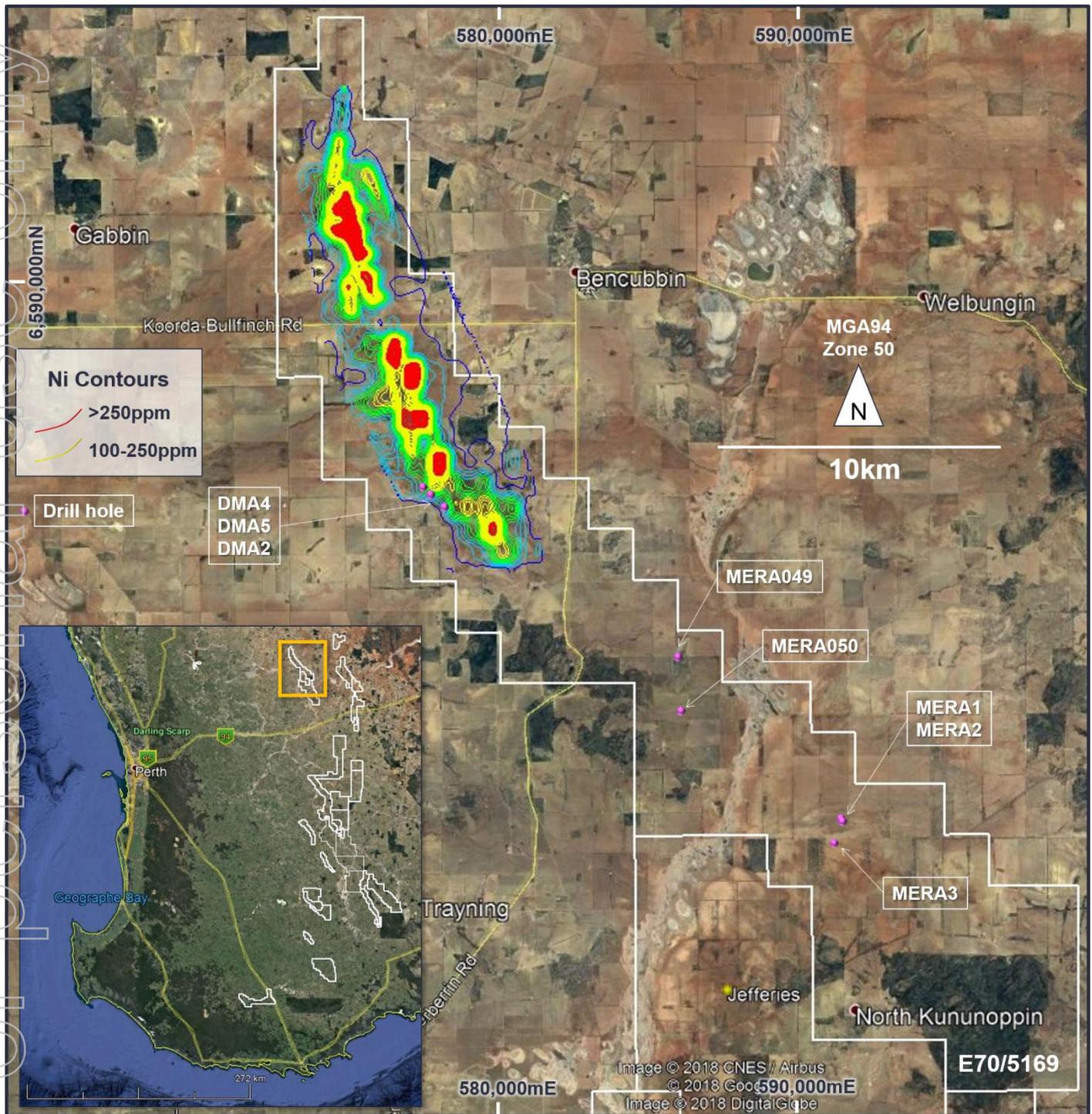


Figure 2: E70/5169 (Bencubbin North) surface geochemistry grid contours for nickel. White polygons Cygnus tenements in southwest Western Australia.

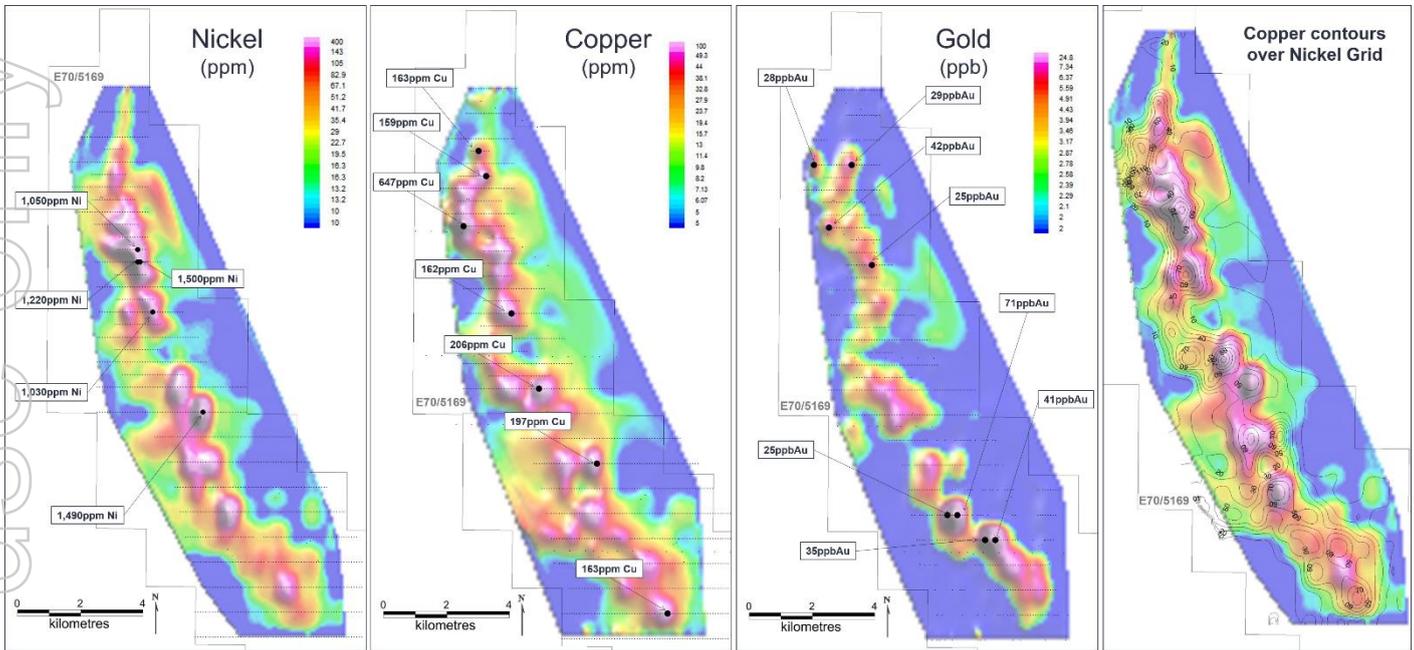


Figure 3: E70/5169 (Bencubbin North); gridded historical nickel, copper and gold surface geochemistry.

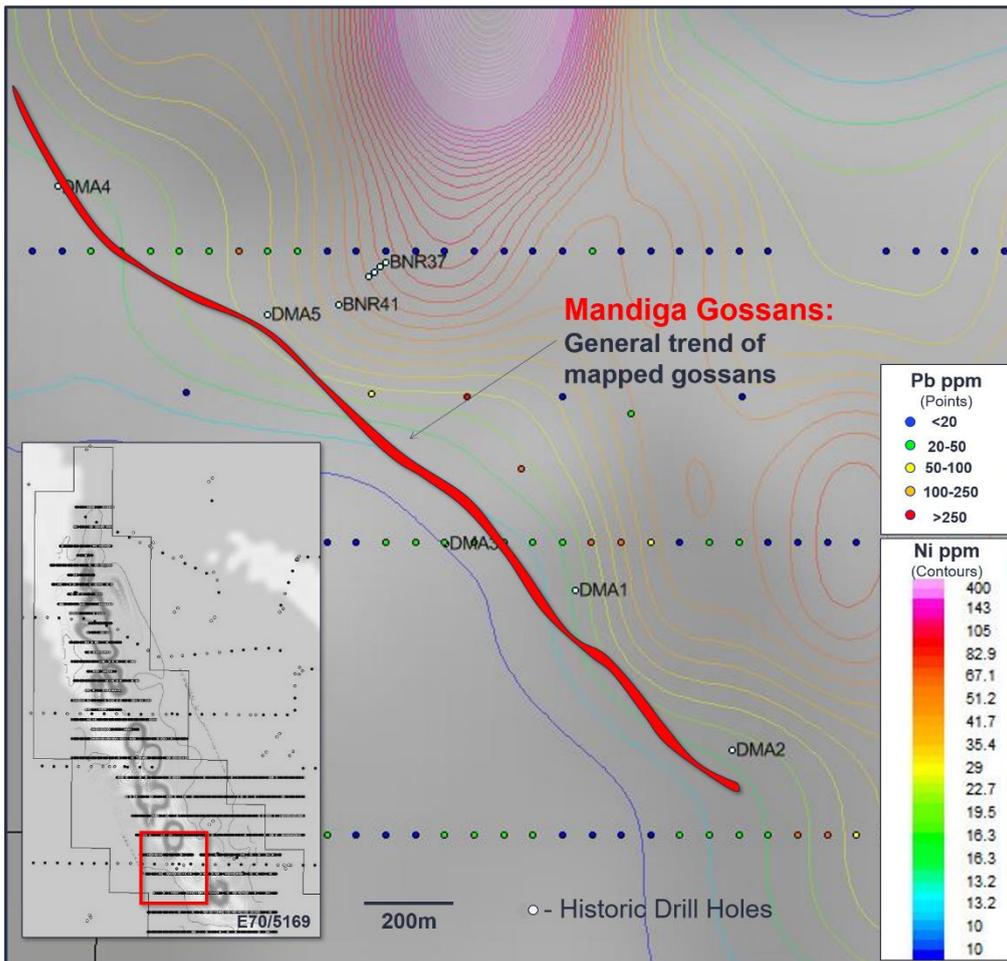


Figure 4: E70/5169 (Bencubbin North); Mandiga Gossan VMS Target Zone Lead points over nickel grid contours



About Cygnus Gold

Cygnus is targeting the discovery of high-grade gold 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 Gold's tenements include both early stage exploration areas through to advanced drill-ready targets, where high-grade gold results were achieved in drilling by previous explorers. In addition to the 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.

Appendix 1

Bencubbin North: Significant historic drill hole intersections

[Calculated with a 0.4% Pb or Zn cut-off; Ni using a 0.1% cut-off]

Hole ID	Drill Type	Company	Year	Easting (m)	Northing (m)	RL(m)*	Max Depth (m)	Dip (deg)	Azimuth (deg)	From (m)	To (m)	Int. (m)	Nickel (%)	Lead (%)	Zinc (%)
DMA 2	Diamond	Shell Minerals	1977	578182	6581433	0	250	-60	231	52	54	2	NA	0.63	0.04
DMA 2	Diamond	Shell Minerals	1977	578182	6581433	0	250	-60	231	156	157	1	NA	0.3	1.1
DMA 4	Diamond	Shell Minerals	1977	576348	6582977	0	170.7	-60	51	32	50	18	0.14	NSR	NSR
DMA 5	Diamond	Shell Minerals	1977	576919	6582626	0	198.15	-60	51	60	62	2	NA	0.52	0.72
DMA 5	Diamond	Shell Minerals	1977	576919	6582626	0	198.15	-60	51	102	103	1	NA	0.41	0.16
DMA 5	Diamond	Shell Minerals	1977	576919	6582626	0	198.15	-60	51	138	139	1	NA	1.1	0.1
DMA 5	Diamond	Shell Minerals	1977	576919	6582626	0	198.15	-60	51	176	178	2	NA	0.07	1.7
MERA1	Air core	Astro Mining	1997	591565	6570024	0	68	-90	0	48	64	16	0.12	NSR	NSR
MERA2	Air core	Astro Mining	1997	591560	657080	0	75	-90	0	24	44	20	0.19	NSR	NSR
MERA3	Air core	Astro Mining	1997	591150	6569604	0	77	-90	0	48	60	12	0.13	NSR	NSR
MERA049	Air core	Astro Mining	1998	585935	6576629	0	46	-90	0	2	5	3	0.16	NA	NSR
MERA049	Air core	Astro Mining	1998	585935	6576629	0	46	-90	0	19	21	2	0.14	NA	NSR
MERA049	Air core	Astro Mining	1998	585935	6576629	0	46	-90	0	28	30	2	0.13	NA	NSR
MERA049	Air core	Astro Mining	1998	585935	6576629	0	46	-90	0	42	46	4	0.11	NA	NSR
MERA050	Air core	Astro Mining	1998	585905	6574414	0	52	-90	0	41	47	6	0.12	NA	NSR

NOTE: Reported intersections are down hole lengths, true widths are not known

* RLs are given a nominal value of 0m so as to compare holes from different data sources.

NA – Not assayed

NSR – No significant result

APPENDIX 2: JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data – Bencubbin Historical Exploration

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	All data presented herein are historic and Cygnus Gold Limited (“Cygnus”) is yet to complete a full validation of the nature and quality of the sampling undertaken. At present, data are taken on face value.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	All data presented herein are historic and Cygnus is yet to complete a full validation of the nature and quality of the sampling undertaken. At present, data are taken on face value.
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. 	All references to mineralisation are taken from reports and documents prepared by previous explorers and have been taken at face value.
	<ul style="list-style-type: none"> 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. 	All data presented herein are historic and Cygnus is yet to complete a full validation of the nature and quality of the sampling undertaken. At present, data are taken on face value and is assumed to have been performed to industry standard.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<p>Various drill types have been used historically including Aircore (AC), Rotary Air Blast (RAB), Reverse Circulation (RC), Percussion (RCP) and Diamond (DD). At this time, hole diameters and detailed information regarding drilling has not been compiled and are not considered material to supporting the assessment of prospectivity underpinning the tenement selection.</p> <p>Several soils programmes have been carried out over Cygnus’ tenement with auger programmes carried out by Rubicon Resources and non specified sample techniques by earlier companies.</p>
	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	There are no records of sample recovery for any of the previous drilling campaigns. However for early stage, grass roots exploration projects the absence of this information is not considered material.
	<ul style="list-style-type: none"> 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. 	
Logging	<ul style="list-style-type: none"> 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. 	All holes have been geologically logged with the geology compiled and validated in Cygnus' historical database however the quality and level of detail is yet to be verified.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	It is believed that where diamond drilling assays are reported that core has been sawn and sampled according to "industry standard" (half or quarter core) however this is yet to be validated.
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	Various sampling methods have been employed historically for non-core drilling however the exact nature of this sampling is not provided in the historical reports. As discussed above the absence of detailed information on the criteria is not considered material to an assessment of early stage exploration
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	Cygnus has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that past sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programmes and generating targets for investigation.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	
	<ul style="list-style-type: none"> 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. 	
<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 		
Quality of assay data and	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	Cygnus has done sufficient verification of the assay data, in the Competent Person's opinion to provide sufficient confidence that the assaying was appropriate for the mineralisation present and is fit for the

Criteria	JORC Code explanation	Commentary
laboratory tests		purpose of planning exploration programmes and generating targets for investigation..
	<ul style="list-style-type: none"> 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. 	<p>Cygnus has compiled all past geophysical data for the project areas. In consolidating and reprocessing the geophysical data, Cygnus applied checks on the quality of the data and concluded that the data were appropriate for regional targeting exercises.</p> <p>None of the previous reports reviewed by Cygnus specified the use of any spectrometers or handheld XRF tools.</p>
	<ul style="list-style-type: none"> 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. 	<p>Cygnus has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that the quality control procedures were performed to adequate industry standards and is fit for the purpose of planning exploration programmes and generating targets for investigation.</p> <p>As discussed above, the absence of detailed information on these criteria in not considered material to an assessment of early stage exploration potential and planning exploration activities.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	Significant intervals have been taken from historic databases and are assumed correct however these data are yet to be fully verified.
	<ul style="list-style-type: none"> The use of twinned holes. 	Data is from historic exploration and no twin holes have been drilled.
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	Cygnus has done sufficient verification of the data, in the Competent Person's opinion to provide sufficient confidence that sampling was performed to adequate industry standards and is fit for the purpose of planning exploration programmes and generating targets for investigation.
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	No adjustments have been made to any of the assay data.
Location of data points	<ul style="list-style-type: none"> 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. 	<p>It is assumed that previous workers collected this information accurately however this is yet to be fully verified.</p> <p>A Mineral Resource or Ore Reserve is not determined.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> 	<p>Several grid systems have been used historically, including AGD 1966 AMG Zone 50, AGD 1984 AMG Zone 50 and GDA 1994 MGA Zone 50.</p> <p>Cygnus uses the grid system GDA 1994 MGA Zone 50 and historic data in grid systems AGD 1966 AMG Zone 50 and AGD 1984 AMG Zone 50 have been converted to MGA 94 Zone 50.</p>
	<ul style="list-style-type: none"> <i>Quality and adequacy of topographic control.</i> 	<p>The local topography in the area is flat and nominal RL's or RL's taken from handheld GPS are assumed to have been used historically.</p>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	<p>Various data spacing has been used at various prospects by previous explorers.</p> <p>The maps showing sample and collar locations illustrate the data density at Bencubbin North E70/5169.</p>
	<ul style="list-style-type: none"> <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> 	<p>Not applicable as no Mineral Resource or Ore Reserve is calculated.</p>
	<ul style="list-style-type: none"> <i>Whether sample compositing has been applied.</i> 	<p>N/A</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <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> 	<p>The orientation of controlling structures has not been determined and a variety of drill orientations have been used historically.</p> <p>Cygnus's review to date has into identified any material issues.</p>
	<ul style="list-style-type: none"> <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> 	<p>Unable to be address due to insufficient data at this stage.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<p>Due to the historic nature of the data, this has not and may not be determinable. Cygnus believes that none of the historic samples have been preserved.</p>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>N/A as historic data reported.</p>

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<p>Exploration results reported in this report are historical data reported within the area of Cygnus tenement application E70/5169 (Bencubbin North). A range of tenements covered the areas where the samples were originally collected. Full details are available in the referenced WAMEX reports.</p> <p>The landownership within Bencubbin North is mostly freehold, with the exception of small reserves set aside by the government for infrastructure or nature conservation.</p> <p>Exploration licence tenure covering freehold land, on grant, only provides for access below 30m of the natural land surface. Access to freehold land to conduct normal exploration activities is therefore contingent on freehold landowners granting surface access rights via a standard agreement template. These are typically agreements for exploration purposes only and access to undertake mining activities requires additional access permission.</p> <p>Cygnus believes that agreements can be negotiated with freehold landowners holding ground over key prospects and areas of interest on Bencubbin North and negotiations are planned to commence when the tenement is granted.</p> <p>Cygnus has signed a standard Indigenous Land Use Agreement (ILUA) for E70/4787.</p>
	<ul style="list-style-type: none"> 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. 	<p>Bencubbin Nth E70/5169) is currently an application with the Department of Mines, Industry Regulation and Safety (DMIRS) applied for on 17/5/2018. Cygnus is the sole applicant and is unaware of any impediments that may negatively impact on the granting of this application.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>Previous exploration has been completed on Cygnus' Bencubbin Nth E70/5169 by a variety of companies, most recently and best summarised by Rubicon Resources Limited in WAMEX Report a87615.</p> <p>General summary of previous work:</p>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> • 1997-1998 <i>Shell Minerals</i>: Detailed mapping and diamond drilling of the Mandiga gossans • 1978-1984 <i>Otter Resources</i>: Exploration for VMS systems and Mandiga Gossans. Work included a 7-hole RC program, SIROTEM and surface geochemical sampling. • 1991 <i>CRA Exploration</i>: Regional laterite sampling in search of gold, RAB drilling • 1993-1994 <i>Troy Resources NL</i>: RAB drilling for gold close to the Bencubbin North Nickel target • 1996-1998 <i>Astro Mining NL</i>: Primarily searched for Diamond and Gold mineralisation across the region, work included aeromagnetics, surface geochemistry and RC, RAB and Aircore Drilling (MERA1-60). Results included 20m @ 0.19% Ni in hole MERA2. • 2006-2010 <i>Rubicon Resources Limited/Heron Resources</i>: mapping, rock chip and auger sampling • 2011-2013 <i>Australia Minerals and Mining Group</i>: RC drilling of Banded Iron Formations for Fe-ore
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<p>Cygnus' E70/5169 is located in the Murchison Domain of the Youanmi Terrane of the 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.</p> <p>Deposit styles targeted by Cygnus in the project are:</p> <ul style="list-style-type: none"> • Archaean Nickel Sulfide deposits (Nickel-Copper ± Cobalt ± Platinum Group Elements ± Gold) • Saprolitic Nickel-Chrome deposits

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> • Archaean Orogenic mesothermal gold deposits • Copper-Lead-Zinc-Silver-Gold Volcanogenic Massive Sulfide (VMS) deposits
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <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> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> 	Summaries of significant previous drill intersections at Cygnus's Mandiga and Bencubbin North Prospects are provided Appendix 1.
	<ul style="list-style-type: none"> • <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> 	N/A, no information has been excluded.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <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> 	<p>All assays are based on a historical database, and have been treated on face value. No validation or check assaying has been carried out by Cygnus.</p> <p>Since these are exploration results, there has been no top cutting, and all data are presented, either graphically or in tables in Appendix 1.</p>
	<ul style="list-style-type: none"> • <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> 	A 0.4% Cut-off was applied to Pb and Zn, 0.1% Cut-off applied to Ni on available data for intercepts presented in Appendix 1.
	<ul style="list-style-type: none"> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	N/A, no metal equivalent values have been reported
<i>Relationship between mineralisation widths and</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> 	Historic drilling has been undertaken on various drill orientations, and thus does not represent true width intersections. Future work by Cygnus will involve validation and re-interpretation of historic results and the drilling of additional holes to determine the orientation of mineralisation and thus true widths.

Criteria	JORC Code explanation	Commentary
<i>Intercept lengths</i>	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	N/A, the geometry of the mineralisation with respect to the drill angles has not been verified.
	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	The statement "downhole length, true width not known" has been added to captions and footnotes of relevant tables and figures.
<i>Diagrams</i>	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Historic results are presented in maps and figures on the body of this announcement.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> 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. 	N/A
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> 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. 	All data presented herein are historic and Cygnus is yet to complete a full validation of the nature and quality of the historic work undertaken within its tenements. All material data encountered by Cygnus to date has been reported herein.
<i>Further work</i>	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). 	<p>Cygnus will undertake extensive validation and field confirmation of historic drill and sampling data at the various prospects, in particular at Bencubbin North Nickel and Mandiga Gossan Prospects.</p> <p>Once the historic data review is completed, Cygnus plans surface mapping and infill surface sampling to verify previous auger results and to further define the Bencubbin North Nickel anomalism.</p>
	<ul style="list-style-type: none"> Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	Provided in the body of this announcement