

ASX ANNOUNCEMENT/MEDIA RELEASE

16 June 2021

ASX : CVS

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CAPITAL STRUCTURE:

Shares on issue:
1,554,012,464

Unlisted Options expiring
31/12/22: 25,750,000

Unlisted Options expiring
31/12/23: 18,000,000

Listed Options expiring
20/5/24: 1,134,002,075

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Definition drilling kicks off at Primrose Gold Project

Key points:

- ***A planned 3,000 metre Reverse Circulation (RC) drilling program has started at the Primrose Gold Project***
- ***Drilling being undertaken to progress the Exploration Target announced on 16 July, 2020. Previous intercepts include:***
 - ***12m @ 6.62g/t from 10m in PFRC116***
 - ***3m @ 9.28g/t from 47m in HPFRC17***
 - ***7m @ 2.43g/t from 26m in PFCR115***
- ***Drilling will also be undertaken on the periphery of the Exploration Target to pursue gold mineralisation in areas not yet closed off by previous drilling***
- ***An as yet untested potentially large tonnage primary gold mineralisation target identified by CSA will have its first drill test***
- ***Historic Lines of Lode, never before drill tested, are being targeted to assess their potential***

Following a successful recapitalisation and re-quotation on the ASX, **Cervantes Corporation Limited** (ASX:CVS) is pleased to advise that drilling has commenced on its flagship Primrose Gold Project in the Yalgoo district of WA (Figure 1). A campaign of approximately 3,000m of Reverse Circulation (RC) drilling will focus on the Blue Heaven Exploration Target (ASX release on 16 July, 2020), an untested primary gold mineralisation target, and a number of as yet untested historic gold lodes.

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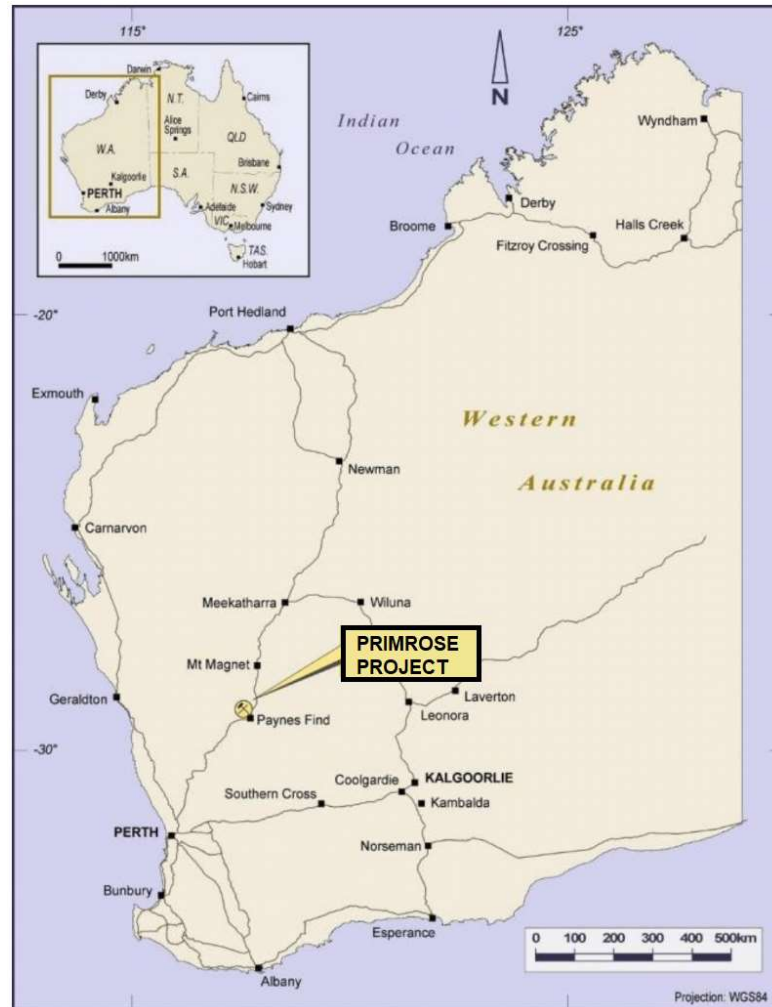


Figure 1 Primrose Gold Project location.

Blue Heaven

The Blue Heaven area covers the core of the historic Paynes Find gold field. It was the major focus of the previous explorer's drilling activities. During 2020, Cervantes reviewed this data and confirmed and rectified collar locations with a high definition digital elevation survey supported by spot DGPS on the ground surveying. The data set was used to announce an Exploration Target of 170,000 to 520,000 tonnes at 2.2 to 4.5g/t gold. The potential quantity and grade of an Exploration Target estimate is conceptual in nature, as there has been insufficient reliable exploration data to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Verification and in fill drilling has now started in support of converting this Exploration Target to a JORC resource, and test highly prospective ground not previously drilled.

The following historic intercepts will be retested with the following drill holes (Table 1):

Table 1 Significant gold intersections from previous drilling.

Drill Hole	Interval (m)	Gold (g/t)	From (m)	Within broader interval (m)	Gold (g/t)	From (m)
HPFRC17	3	9.28	46	7	4.32	46
HPFRC19	2	14.7	21	4	8.46	20
and	4	8.43	8			
PFRC010	2	2.49	18	10	1.53	18
PFRC115	3	4.34	30	7	2.43	26
and	4	1.91	16			
PFRC116	6	11.49	12	12	6.62	10
PFRC120	1	271.63	41	3	92.1	41
and	1	1.52	35			
PFRC135	3	8.05	77	7	4.83	77
and	2	3.6	48			
PFRC149	3	4.64	41	9	2.16	41
PFRC150	3	5.85	120	6	3.56	120
and	2	12.04	79			

In addition, in-fill and extensional drilling will be undertaken in areas that have gaps in the drilling or the mineralisation is not closed off.

Primrose Shear Conceptual Gold Target

Prior to the previous explorer exiting the field, CSA Global was commissioned to undertake a review of the geological data for the purpose of improving the understanding of the structural and lithostratigraphic controls on mineralisation in this gold field. CSA recognised two gold mineralising events:

1. Shear related quartz veining with high grade gold tightly bound within segmented and boudinaged quartz veins within the gneiss lithologic units – the main target for the historic mining activities. This is interpreted to represent remobilised gold.
2. Moderate grade, but more consistent gold mineralisation along the sheared contact between mafic amphibolite and gneiss that is interpreted as the primary gold mineralising event.

The previous explorer focused on the first style and it is this style that represents all of the historic Paynes Find gold mines. These mines are developed on secondary structures associated with the Primrose Shear. Over 37 historic mines occur within the area.

The second style, interpreted to be closely associated with the Primrose Shear itself (Figure 2), has not been well tested. Historic drill hole PFRC116 (Table 1) may possibly represent this style, having a thicker intercept with moderate grade. This style has been overlooked up until now as it is not generally associated with quartz veining.

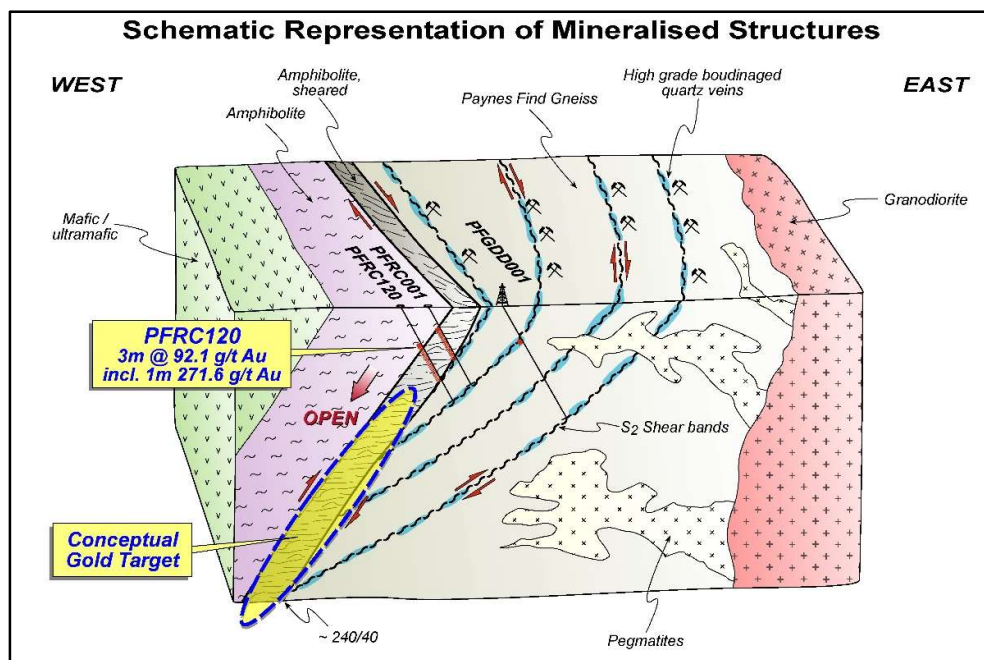


Figure 2 Primrose Shear conceptual gold target.

Exploration Drilling

Many of the known Lines of Lode, ie, major quartz veins along which shallow mines have been developed, have never been tested by drilling. The current drilling campaign is designed to undertake an initial testing of these to gauge their potential.

Drilling is expected to take approximately 15 days to complete.

Mr Downey, Cervantes' recently appointed Chairman, remarked: "This drilling campaign is an important step in advancing the Blue Heaven exploration target. While drilling is focused on better defining and expanding the known gold mineralisation, it will also test important new areas that have the potential to significantly increase the area's gold endowment."

About Cervantes Corporation Limited

Cervantes is an emerging gold explorer and aspiring gold miner. It holds a commanding position in an often overlooked gold field that has had only sporadic, disjointed, and interrupted exploration carried out on it. Cervantes has identified opportunities in this gold field that were overlooked by previous explorers. The company is committed to maximising shareholder value through the development of those opportunities.

About the Primrose Project

The Primrose Project covers in excess of 5km of the highly gold mineralised Primrose Shear and its extensions in the Murchison District of the Eastern Goldfields, Western Australia. Over 37 gold mines operated in this field from 1911 till 1982 winning in excess of 79,915 ounces of gold at an average grade of 28g/t during this period. It is generally accepted that significantly more gold than this was won from alluvial and unreported production.

Cervantes now controls 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, Technical Director 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.

Forward Looking Statement

This report contains forward looking statements concerning the projects owned by Cervantes Corporation Limited. Statements concerning exploration targets may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

This announcement has been authorised by the Board of Cervantes Corporation Limited.

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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>	<p>Reverse circulation (RC) drilling samples were collected through a rig-mounted cyclone with collected in one metre intervals. Samples were spear-sampled using multiple sampling points from the sample pile. RC drill chips (from each metre interval) were examined visually and logged by the geologist.</p> <p>Any visual observation of alteration or of mineralisation was noted on the drill logs. The prospect is quartz related gold mineralisation; care was taken to log quartz content of the chips.</p> <p>Duplicate samples comprise approximately 4% of total samples taken (ie one duplicate submitted for every 25 samples).</p> <p>A company contract geologist supervised the drilling and sampling to ensure representativeness. Drilling was done by industry standard techniques.</p> <p>Duplicates, were submitted to ensure assaying reliability and accuracy. Laboratory standards and blanks were used to monitor lab contamination and accuracy.</p> <p>Hole locations were surveyed by hand held GPS and by location onto 30cm resolution DEM and aerial photography.</p> <p>No downhole surveys were undertaken.</p>
<i>Drilling techniques</i>	<p>Drilling was by Reverse Circulation (RC) with NQ sized bit and rods.</p>
<i>Drill sample recovery</i>	<p>RC sample recovery and sample quality was recorded via visual estimation of sample volume and condition of the drill spoils.</p> <p>RC sample recovery was deemed as good with no loss of circulation reported.</p> <p>RC sample recovery was not problematic as the samples were dry.</p> <p>Relationships between recovery and grade are not evident and are not expected given the generally excellent and consistently high sample recovery.</p> <p>RC results are not utilised for Mineral Resource estimations.</p>
<i>Logging</i>	<p>RC chips were geologically logged at one metre intervals into a digital database that was kept with sample numbers.</p> <p>Logging is qualitative.</p>
<i>Sub-sampling techniques and sample preparation</i>	<p>One metre samples were collected from a cyclone into a plastic bucket and then laid out on the ground in rows of 10.</p> <p>Four metre composites were used at depths of reduced interest or indications (eg, granite intercepts may be sampled at four metres, sericite schists and quartz bearing intercepts at one metre.</p> <p>Mineralisation style is late stage quartz veins.</p> <p>The one metre samples are likely to downgrade actual grades intersected, but are commensurate with minimum mining requirements; sample size is considered appropriate for resource estimation work.</p>
<i>Quality of assay data and laboratory tests</i>	<p>Fire assay is a total digest technique and is considered appropriate for gold.</p> <p>Duplicates of 1 in every 25 samples were submitted.</p> <p>The lab inserted random pulp duplicates, certified reference standards and blanks.</p> <p>Accuracy and precision levels have been determined to be satisfactory after analysis of these QA/QC samples.</p>

Criteria	Commentary
<i>Verification of sampling and assaying</i>	<p>Analysis was by aqua regia using Intertek's FA50/OE procedure: samples were pulverised to minus 75 µm before a split of 25g was taken and analysed using standard Fire Assay procedures. The method is an accepted industry analytical process appropriate for the nature and style of mineralisation under investigation.</p> <p>There were no twinned holes.</p> <p>No adjustments were made to assay data.</p>
<i>Location of data points</i>	<p>All samples sites have been located using a hand held GPS unit with an accuracy of +/-5m. These were cross-checked with a 0.3m resolution DEM and aerial photography.</p> <p>The drilling co-ordinates are all in GDA94 MGA Zone 50 co-ordinates.</p> <p>Azimuth was set by hand held compass there being no intensely magnetic rocks in the area.</p> <p>Drill hole inclination is set by the driller using a clinometer on the drill mast and checked by the geologist prior to commencement of drilling.</p> <p>Camera survey points were at the top and bottom of each hole.</p> <p>Collar RLs were taken from the DEM data.</p>
<i>Data spacing and distribution</i>	<p>RC holes were drilled on an existing grid set up for resource drill out.</p> <p>Together with historic data, the data spacing and distribution will be sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p>
<i>Orientation of data in relation to geological structure</i>	<p>Drilling followed the geometry of existing holes.</p> <p>Previous resource estimation defined the strike and dip of ore zones. Current drilling utilised that information.</p> <p>It is not anticipated that, on current interpretation, any bias has been introduced to the sampling.</p>
<i>Sample security</i>	<p>Samples were collected in calico bags with sample number tickets included in each bag and the same identification posted externally.</p> <p>Samples were delivered to the lab by a company representative using commercial transport services.</p>
<i>Audits or reviews</i>	<p>Standards, blanks, repeats, and check assays are undertaken to ensure data robustness.</p>

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>	<p>Exploration results relate to work carried out over a package of tenements comprising mining and prospecting leases.</p> <p>The tenements are 100% owned and controlled by Cervantes Corporation Limited.</p> <p>All tenements and leases are currently in good standing with DMP with no known impediments to further exploration or development.</p>
<i>Exploration done by other parties</i>	<p>Historical drill holes exist at the project area.</p> <p>In early 1911, Thomas Payne found gold at what would become the Pansy lease, and shortly after more gold on what would become the Carnation lease on the main Paynes Find goldfield.</p> <p>The field was operated continuously from 1911 to 1941, with interruptions during the First World War period and the 1920's. Leases were gradually consolidated until around six major mines produced the most output. After World War II it was operated</p>

Criteria	Commentary
	<p>by lone prospectors, and later the local Taylor family who conducted small scale gold mining until 2010 when they sold the leases to Paynes Find Gold Limited.</p> <p>From 1911 to 1918 the field produced 23,193 oz from 20,510 tonnes of ore, with a further 575.72 oz from dollied gold and specimens. In 1939 it was reported since 1911 to that time the field had produced 56,946 oz of gold from 59,898 tonnes of ore at an average calculated grade of 28.6 g/t Au.</p> <p>The main historic mines 5 km north-west of Paynes Find (and starting closest to the town) are Goodingnow, Mariposa, Havela/Sumpton, Princess Mary, Aster Consolidated, Oversight, Oversight North, Lakeview West, Trey Bit, Paynes Future, Orchid, Carnation Alluvials, Sweet William, Paynes Find/Taylor, Margarite, Marigold, Adeline and Bluebell. Goodingnow, Carnation and Orchid were the most active and largest producers. South-east of Paynes Find are Pansy, Pansy North, Daffodil and Gharrock. Daffodil has been the most recently mined, and its mullock plateau can be seen east of the roadhouse.</p> <p>Since that time, the following activities are noted:</p> <p>1983 Geological mapping by the GSWA</p> <p>1985 G.R.Dale & Assoc undertook surface and underground exploration.</p> <p>1987 Exploration of the Carnation Gold Mine as well as sampling other old mine workings including Blue Heaven, Leschenaultia, Romes, Carnation, Daphne, Scadden (extensions), Daisy, Primrose, Sweet William, Kowhai, Horseshoe, Wattle, Marigold, Orchid by Falcon Australia Ltd.. They also undertook drilling.</p> <p>1986-7 Forsayth NL undertook field inspections, aerial photograph interpretation and drilling program.</p> <p>1998-8 Kirkwood Gold NL drilled two holes on M59/10, one diamond and one RC for 115.9m and 46m respectively (PFRCD1, PFRCD5). Three RC drill holes (PFRCD2-4) were drilled on M59/244 for a total of 85m. A fourth hole (PFRCD1) was drilled with an RC collar (58m) and diamond drilling 9.3m. All four holes returned anomalous gold values with the most significant being one metre at 23.9g/t Au from 55m in PFRCD4.</p> <p>2002 Hallmark Mining Limited undertook drilling with the aim of testing high-grade gold shoots below old workings for depth extensions.</p> <p>2010-7 Paynes Find Gold Ltd carried out detailed geological mapping (Fitton), Phase 1 and Phase 2 RC drilling (that forms the basis of the exploration target estimate), structural mapping and interpretation, MMI survey.</p> <p>2017-20 Cervantes Corp Ltd undertook a re-interpretation of the aeromagnetic data, audit and verification of the drillhole database, reconnaissance aircore drilling, and surface geochemical surveys.</p>
Geology	The mineralisation is seen as predominantly quartz veining in an undifferentiated mafic sequence. Felsic intrusives are the likely driver of the gold mineralisation.
Drill hole Information	See <i>tables</i> in this release.
Data aggregation methods	<p>Simple averages are used where aggregates are provided.</p> <p>Aggregated intercepts include contiguous metres where the grade does not fall below 0.5g/t for more than one metre.</p> <p>Reported aggregated intervals have been weighted by length.</p> <p>No density weighting has been applied.</p> <p>No top-cuts have been applied (unless specified otherwise).</p> <p>Higher grade intervals of mineralisation internal to broader zones of mineralisation are reported as included intervals.</p> <p>Metal equivalence is not used.</p>

Criteria	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<p>The intervals reported are the initial drill intervals and intercepts.</p> <p>No adjustment has been to the intervals to account for the declination of drilling.</p> <p>Drilling is generally inclined at 60° to the NW (TN). Ore shoots generally dip approximately 35° to the SE, meaning the apparent thickness is approximately the true thickness; this needs to be confirmed.</p>
<i>Diagrams</i>	Relevant location maps and figures are included in the body of this announcement.
<i>Balanced reporting</i>	<p>Table of representative grades are included in the report.</p> <p>This announcement includes the results of Au assays for the holes drilled as a follow-up programme to existing (reported) historic drilling.</p>
<i>Other substantive exploration data</i>	<p>The area is covered by a 50m line spaced aeromagnetic survey.</p> <p>Previous workers undertook sufficient drilling to define an Indicated Resource, though that is not now JORC compliant.</p> <p>No bulk samples, metallurgical results, groundwater or geotechnical studies have been carried out yet.</p>
<i>Further work</i>	<p>Work programmes currently under review include re-assaying of composite samples to one metre intervals, further drilling, metallurgical testing, resource estimation, and pit optimisation studies.</p> <p>Any interpreted extension of the existing resource is commercially sensitive.</p>

Section 3 Estimation and Reporting of Mineral Resources

No Mineral Resources are being reported.