

**ASX ANNOUNCEMENT/MEDIA RELEASE**

21 May 2018

## Drilling starts on the Primrose Project

### HIGHLIGHTS

- Drill testing of historic gold mineralisation in the Pansy Pit has started
- The drilling aims to confirm, better define, and expand that gold mineralisation
- Regional aircore (AC) drilling will be taken on select lines across the interpreted position of the Primrose Shear, a structure which past exploration has shown to be linked to the district's gold mineralisation

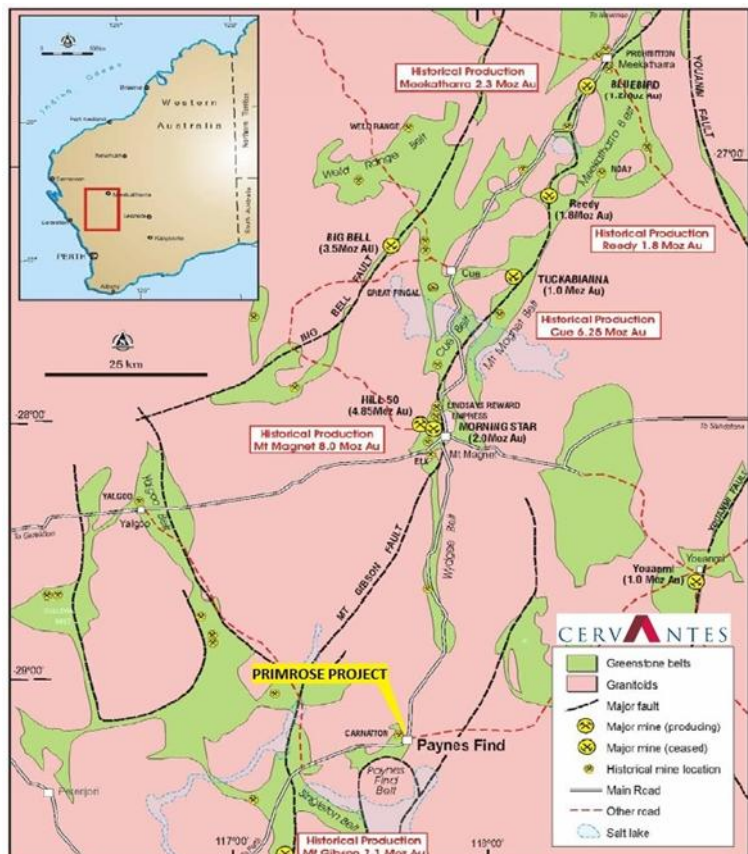
With the authorisation of the submitted Programmes of Work, Cervantes has mobilised two drilling rigs to its Primrose Project (Figure 1) to start drill testing of identified targets. Those targets, identified in the announcement made on 28 March, 2018, are situated in favorable locations along the Primrose Shear (Figure 1 & 2), namely:

**Blue Bell:** north of the historically mined Paynes Find area, the Blue Bell target is located on a jog in the Primrose Shear with which surface (MMI) anomalous gold geochemistry has been detected.

**Princess Mary:** south of the historically mined Paynes Find area also sits on a jog on the Primrose Shear with associated elevated gold surface geochemistry.

**Goodingnow:** a largely untested length of the Primrose Shear.

**Pansy South:** the extension of the Primrose Shear to the south of the Pansy Pit has, again, elevated surface gold geochemistry but has never been tested. The area is structurally complex.

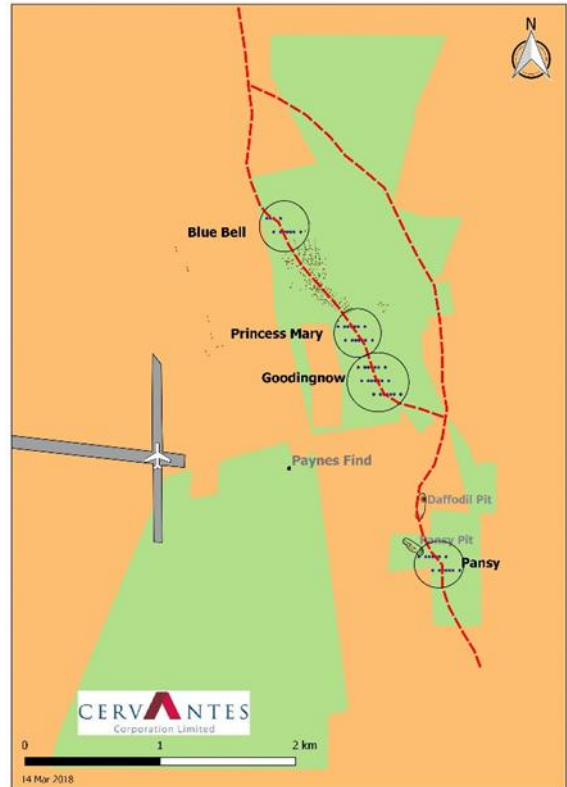


**Figure 1: Primrose Project location on regional geology; showing regional historical gold production**

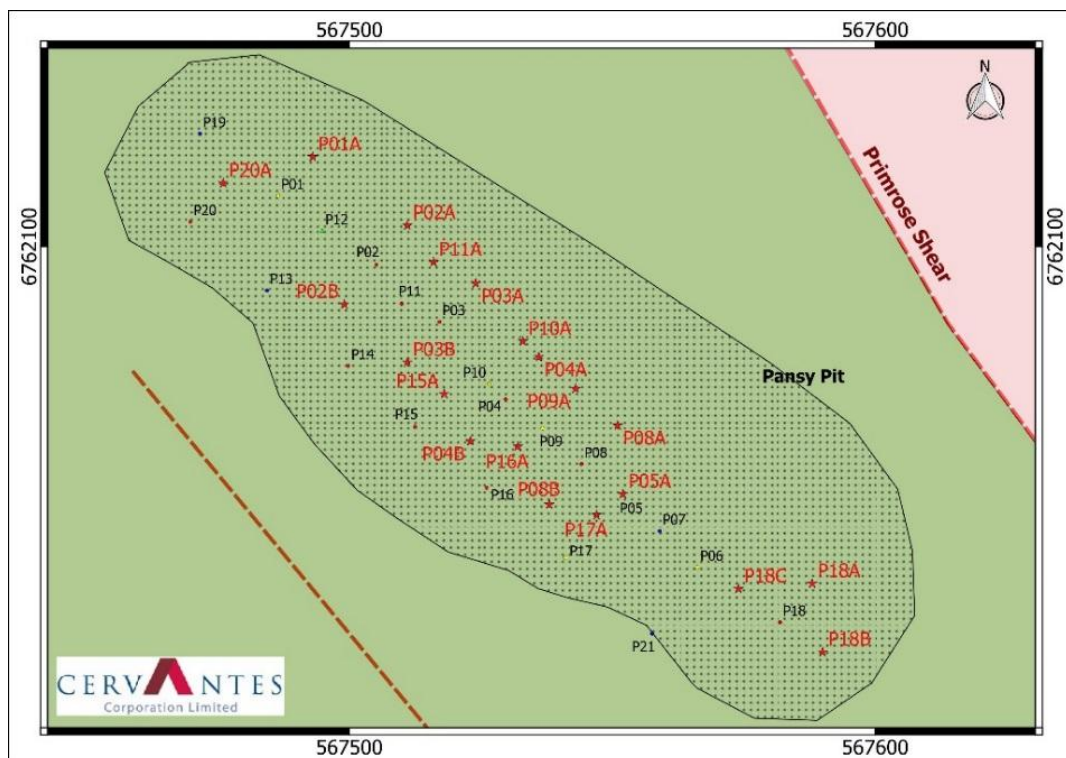
These four prospects will each be tested with a minimum of two lines of AC drilling at a planned spacing of 25m. Drilling will be “to refusal”, ie, until hard bedrock is hit, ensuring the sample derived is truly *in situ* and not contamination from this extensively mined area. A total of 63 holes for a notional 756m will be drilled. Drilling will either be expanded or curtailed depending on final drill depths.

The **Pansy Pit** will be investigated with a nominal 22 Reverse circulation (RC) holes for a total of 730m to test mineralisation intersected by historic drilling (Figure 3). That drilling intersected up to 8m at 7.08g/t gold (refer to the 28 March 2018 announcement). The potential quantity and grade of this target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The drilling programme will also serve to provide fresh material for metallurgical testing and geotechnical information to assist in evaluation. With fresh material and results from this exploration program, Cervantes expects to be in a stronger position to continue



**Figure 2: Proposed shallow AC drilling on flexures in the Primrose Shear exhibiting gold anomalism (large dots). Smaller dots show existing drill holes.**



**Figure 3: Proposed Pansy Pit drilling (shown as stars) in relation to existing drill holes (black dots). The Pansy Pit is 5 to 8m deep. Field checking indicates all historic collars have been destroyed.**

discussions with nearby mills regarding treatment of the ore.

Cervantes also now controls the base metal rights over the majority of the Primrose project area, the Company intends to pursue a report on the base metals in the near future. The Company has also noted a **comment made by a well respected Geologist E de C Clark who worked for the Mine Department in 1920**; *“The goldfield contains epidiorite, hornblende schist, serpentine, and foliated quartz porphyries, in addition to hornblende-biotite gneiss forming the matrix of the ore body. The gold quartz veins are found mainly in the epidiorites and hornblende schists, and only rarely in the serpentine. The gold bearing gneiss is east of the greenstone belt, and are of two lithological types 1) biotite dominant with quartz parallel to the foliation planes 2) mica subordinate to the hornblende. He compares the geology as similar to Westonia (Edna May Mine) elsewhere in the State.”* (sourced: Mindat website “Paynes Find Goldfield (Goodingnow)”). The board seek an independent report on this and will advise in due course.

### **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 now controls 25 mining leases, prospecting licences, and an exploration 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 employee 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 mining reserves and resources 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.*

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