

**ASX ANNOUNCEMENT/MEDIA RELEASE**

7 January 2019

## **Drill testing of gold zones at Albury Heath intersect impressive quartz lodes**

- ***Focused drill testing of bonanza grade gold at Albury Heath completed***
- ***Seven holes for approximately 440 metres designed to test extent of two newly discovered gold zones:***
  - 2m @ **67.2 g/t** from 27m in AHP116, incl 1m @ **129.3 g/t** from 27m*
  - 5m @ **63.1 g/t** from 32m in AHP134, incl 1m @ **202.8 g/t** from 33m*
- ***Quartz lodes up to 26m downhole width (apparent, true width not known) intersected***
- ***Shallow intercepts in saprolite noted***
- ***RC drill sample assays awaited***

Drilling of two previously unrecognized bonanza-grade gold zones at the Albury Heath Prospect (P51/2937, Figure 1) has now been completed. The drilling aimed to test the downdip, updip and strike extent of high grade zones intersected during Cervantes' previous drilling campaign on this prospect (announced on 16 May, 28 June, and 17 July, 2018).

Previous intercepts are shown in Table 1. Drill hole locations are shown in Figure 2. Of note are two very high grade ("bonanza") zones intersected:

*2m @ **67.2 g/t** from 27m in AHP116, incl 1m @ **129.3 g/t** from 27m*

*5m @ **63.1 g/t** from 32m in AHP134, incl 1m @ **202.8 g/t** from 33m*

These intercepts are located outside the historic underground workings and were not known from historic drilling.

A typical cross section from the Albury Heath prospect is shown in Figure 3 with location of the section shown in Figure 2.

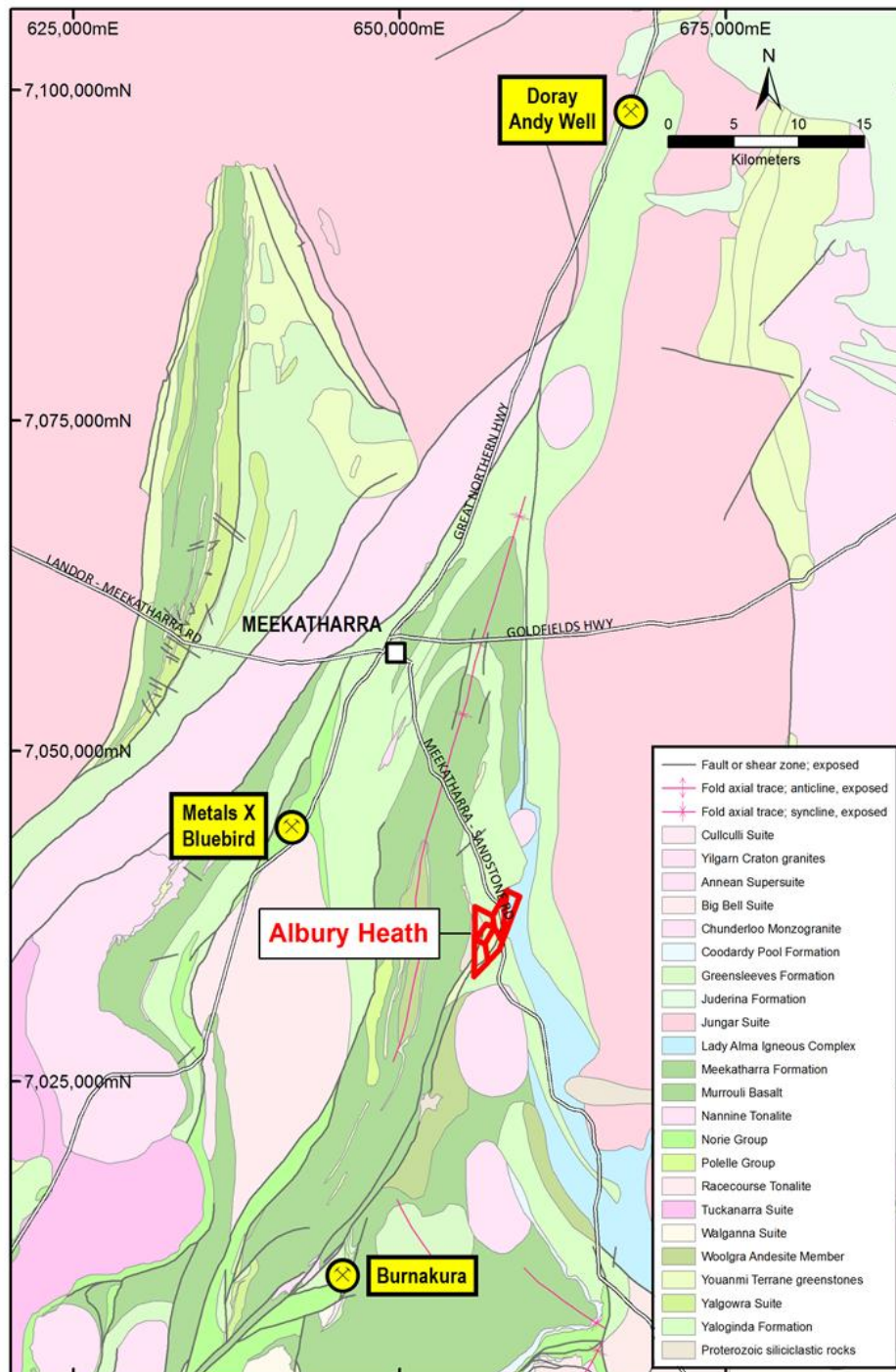
Gold at Albury Heath is hosted in massive quartz veins, otherwise termed lodes, or secondary quartz veining within the host basalts, dolerites, and undifferentiated mafics.

Geological logging is now completed; with significant quartz lodes and veins recognised. Table 2 summarises the quartz lode intercept obtained.

All one metre samples have been submitted for gold analysis and results are anxiously awaited. This data will be released once received.

Cervantes has an open Prospectus, closing on or before 18 January 2019, to raise \$700,000 by issuing 70,000,000 shares at an issue price of \$0.01 per share, together with one (1) free attaching New Option for every two (2) Shares subscribed for and issued.

The Company is hopeful of receiving and releasing the anxiously awaited assay results prior to closing of the prospectus on or before 18 January 2019. Funds raised will be used to pursue the RAB drilling of five new potential areas, not previously tested, and for follow-up drilling of the current RC drilling programme. Cervantes also intends to pursue a deep drilling programme on the Primrose Project at Paynes Find targeting Gold, Nickel and Cobalt.



**Figure 1.** Location, Albury Heath Project, WA (after DMIRS).

Hole	From (m)	To (m)	Interval (m)	Gold (g/t)
AHP113	18	23	5	1.53
	26	28	2	1.07
AHP114	26	28	2	1.04
AHP116	4	6	2	2.84
	21	24	3	1.00
	27	28	1	<b>129.32</b>
in	27	29	2	<b>67.18</b>
AHP118	51	54	3	7.42
	61	64	3	1.09
	77	78	1	6.80
AHP119	19	20	1	<b>24.41</b>
in	19	23	4	9.09
AHP120	51	53	2	1.23
	58	59	1	<b>14.14</b>
	65	67	2	3.51
	79	81	2	4.49
AHP122	7	10	3	2.28
AHP123	8	13	5	1.68
AHP124	16	21	5	3.42
	51	53	2	1.22
AHP125	49	51	2	3.41
	64	65	1	5.82
AHP126	57	59	2	1.43
	70	71	1	7.78
	96	97	1	5.34
AHP127	4	5	1	<b>31.38</b>
in	4	7	3	<b>12.33</b>
	9	11	2	1.28
AHP128	14	15	1	5.24
in	11	15	4	1.64
	36	37	1	<b>31.41</b>

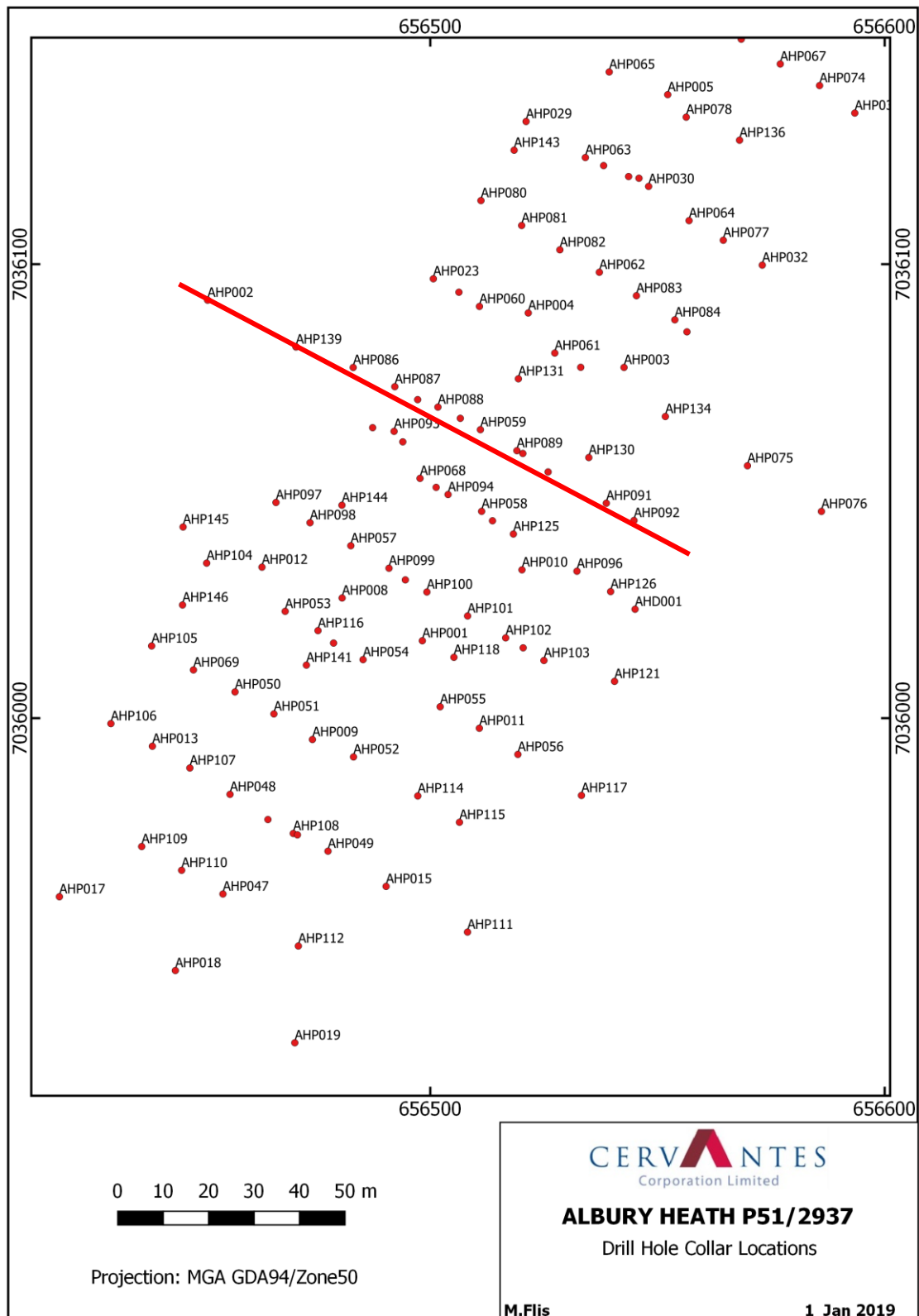
Hole	From (m)	To (m)	Interval (m)	Gold (g/t)
	45	51	6	1.26
in	60	63	3	4.22
AHP129	45	46	1	<b>18.96</b>
in	45	49	4	5.84
	61	62	1	8.75
AHP130	48	52	4	1.30
	66	68	2	2.19
	82	83	1	<b>21.27</b>
in	80	85	5	5.61
AHP131	49	54	5	2.01
AHP133	85	91	6	1.42
AHP134	10	11	1	<b>13.30</b>
in	9	11	2	6.98
	33	34	1	<b>202.79</b>
in	32	35	3	<b>104.39</b>
in	30	37	7	<b>45.20</b>
AHP135	76	78	2	1.66
	88	89	1	<b>57.37</b>
in	87	91	4	<b>30.08</b>
in	87	92	5	<b>15.33</b>
AHP136	29	31	2	3.18
	66	70	4	1.56
AHP139	46	47	1	<b>15.17</b>
in	43	47	4	5.19
in	43	54	11	2.75
	69	71	2	1.63
	88	89	1	<b>69.19</b>
in	86	90	4	<b>52.26</b>
in	77	94	17	<b>18.77</b>
	107	112	5	4.67

**Table 1** Summary of significant results. Intervals over 0.5g/t were averaged, including internal intervals of less than 0.5g/t if only one metre thick. Individual single metre assays less than 5g/t are ignored. Values above 10g/t highlighted. True thicknesses are unknown at this stage. Values rounded to second decimal place.

Hole	From (m)	To (m)	Lithology	Interval (m)
AHP140	12	24	Quartz lode	12
	32	34	Quartz lode	2
	55	57	dolerite	2
	69	70	dolerite	2
AHP141	32	33	Quartz lode	1
	43	44	saprolite	1
	57	59	dolerite	2
	69	71	altered mafic	2
AHP142	29	30	saprolite	1
	35	36	Quartz lode	1
AHP143	25	32	Quartz lode	7
	37	38	dolerite	1
AHP144	10	36	Quartz lode	26*
	42	43	dolerite	1
	102	103	basalt	2
	109	110	basalt	2
	117	118	basalt	2
AHP145	9	14	Quartz lode	5
AHP146	13	15	Quartz lode	2
	21	24	granodiorite	3

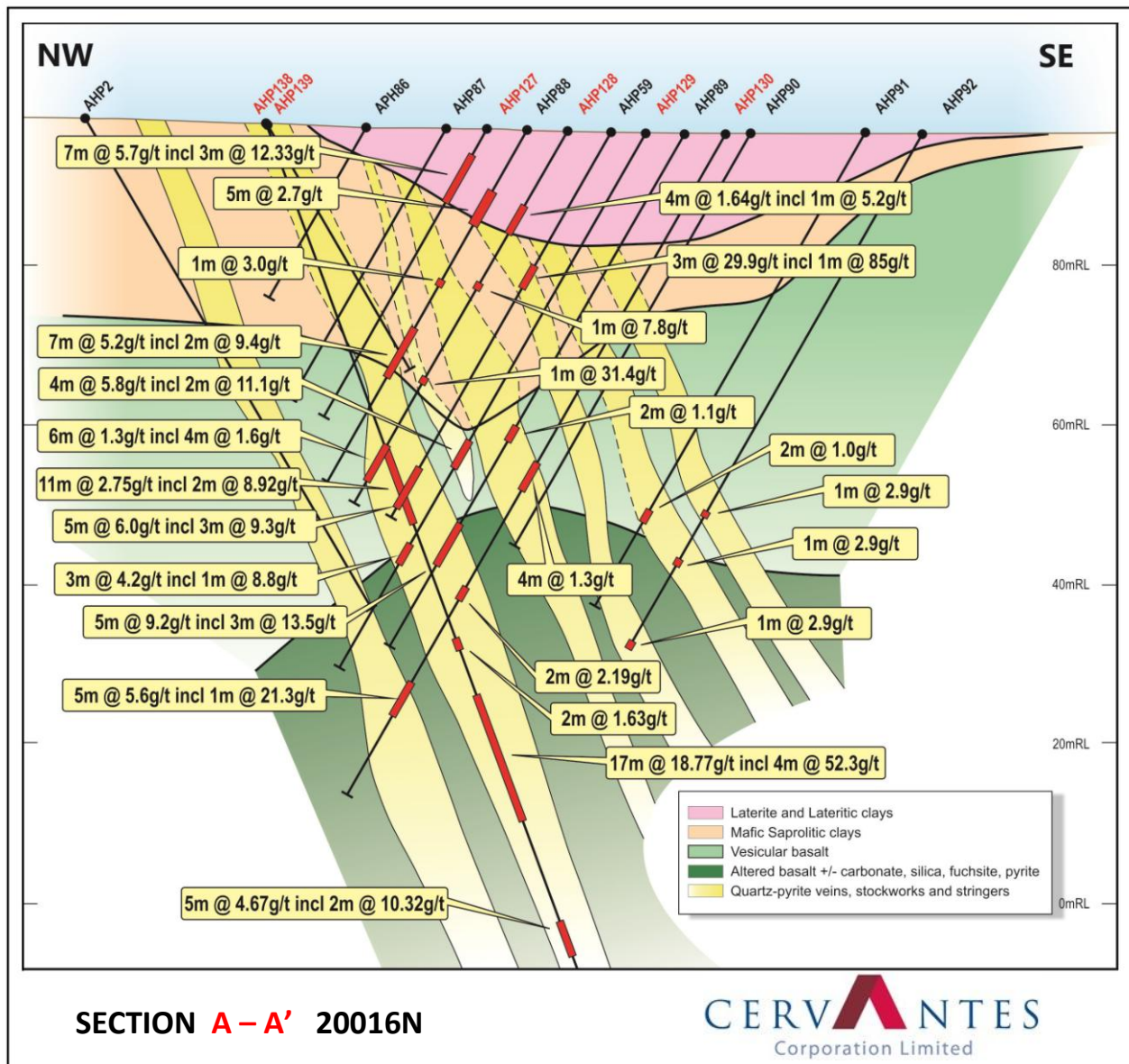
**Table 2** Summary of significant quartz zones intersected in the recent drilling campaign. Intervals are downhole measurements, true width is unknown at this stage. The presence of quartz does not, in itself, indicate auriferous mineralisation. Gold assays are pending.

\* hole traversed an historic stope at 17 to 19 metres downhole.



**Figure 2.** Drill hole and drilling section locations, Albury Heath. Note Holes AHP138 and 139 have the same collar location. Central section of grid shown only.





**Figure 3.** Drill section 20016N. Refer to Figure 2 for cross section location. RL datum is arbitrary

**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 Albury Heath Project**

*The Albury Heath Project is centred on the historic Albury Heath gold mine. Gold production from underground workings during the period 1948 to 1957 totaled 2,204 oz at an average head grade of 47.8g/t or 1.54oz/t.*

*Gold mineralisation is associated with quartz veining, quartz stringers, quartz stockworks, and wall rock alteration located in a major regional fault zone that trends north-northeasterly across the eastern side of the Meekatharra Greenstone Belt. The mineralisation occurs primarily in quartz-sulphide veins that are up to 4m in width. The main vein strikes north-northeasterly and dips steeply at 75° - 80° to the east-southeast.*

*Cervantes wholly owns six Prospecting Licences covering the Albury Heath mine and its surrounds (P51/2937 and P51/2997 to 3001). These comprise an area totaling 10.8km<sup>2</sup> that cover the northerly and southerly extent of the main controlling structure.*

**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.*

**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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