DECEMBER 2019 QUARTERLY ACTIVITY REPORT

Cervantes Corporation Ltd (ASX:CVS) ("the Company" or "Cervantes") is pleased to provide the December quarter activity report.

ACTIVITIES

PRIMROSE GOLD PROJECT

- Ø Numerous field visits/inspections by consultant Geologists and the Company Exploration Manager to carry out small but focused follow-up soil sampling of specific outcrops within the project area and in particular, areas within and around the Pansy pit, including additional inspections and sampling for Environmental reporting.

ALBURY HEATH GOLD PROJECT

- Ø Conversations continue with interested groups regarding additional exploration and expansion of the resource, potential toll treatment and/or other means to maximise value for the benefit shareholders.

- Ø Soil survey, carried out in August last year, used the mobile ion method (MI) to identify three anomalous high priority copper, gold and nickel target zones. These target zones are of specific interest for future evaluation to potentially add to the current Inferred Resource at the Albury Heath Mine. Areas were chosen from an interpretation of aeromagnetic data that highlighted similar magnetic settings to the Albury Heath Mine area. Refer to 5 August 2019 release *'Albury Heath Targets Identified from Soil Survey'* and 12 March 2019 release *'Cervantes Albury Heath Update'* for details.

ABBOTTS GOLD PROJECT

- Ø As a result of positive MI and soil sampling results reported previously (24 June 2019, ASX release *'Abbotts Exploration Update'*), the Company intends to pursue additional MI and soil sampling within the large Exploration license to identify potential drill targets, consideration will also be given to the results reported by our adjoining exploration neighbour. Previous general discussions with a third party, interested in the tenement, were not considered sufficiently beneficial to the Company's shareholders at the time, however the Company will entertain any worthwhile discussions to advance the value of the project area. This asset may be grouped with other assets in the event the Company entertains interested parties.

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PRIMROSE PROJECT

The Murchison Province hosts many significant gold deposits, including the million-ounce gold camps at Big Bell, Mount Magnet (Hill 50), and Meekatharra, as well as numerous smaller gold camps at Cue, Kirkalocka, Mt Gibson, and locally Rothsay, Fields Find and Pinyalling.

The Cervantes "Primrose Project" (*Figure 1*) contains some 37 historical workings that produced high-grade gold that resulted in a battery being built by the State Government for the old miners, which stands today as a tourist attraction.

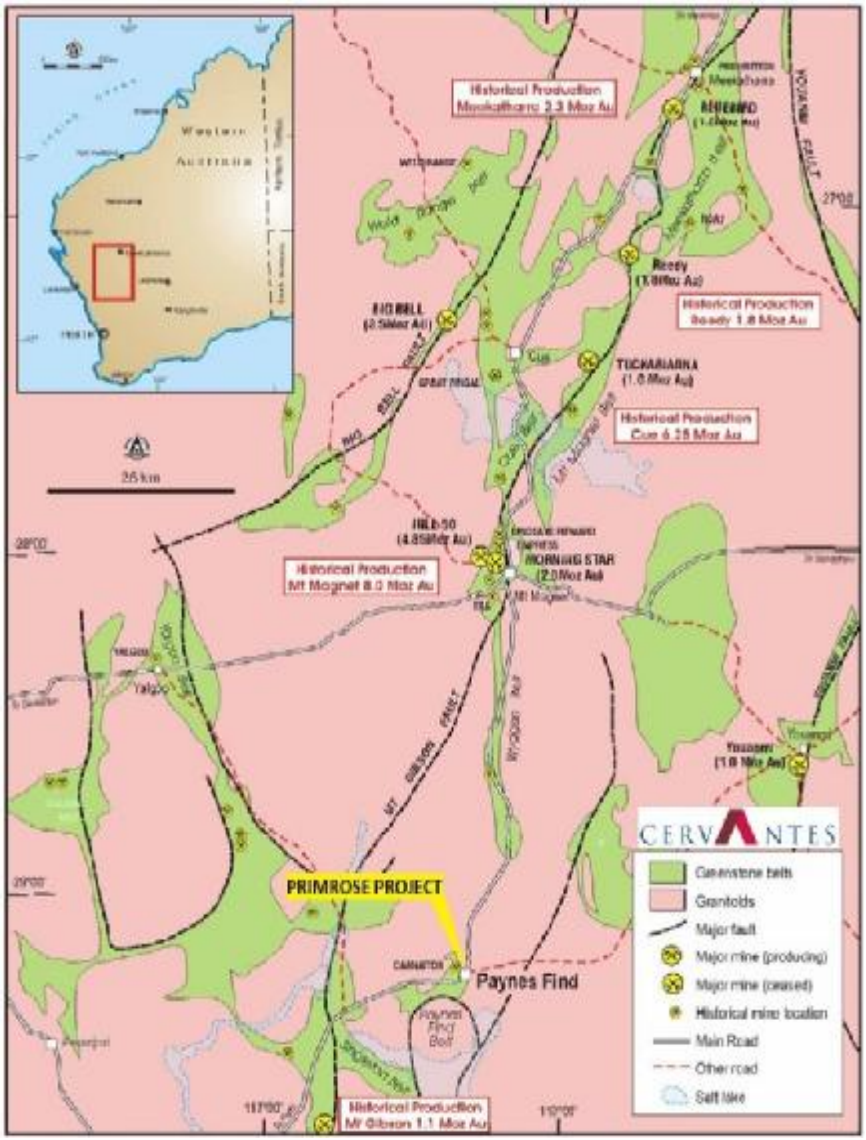

Figure 1: Primrose Project location on regional geology; showing regional historical gold production.

The geological potential of the Payne's Find area as previously discussed in ASX releases and reports, as well as in reports from our consulting and in-house geologists, outlines that, in addition to gold, the felsic volcanic area has potential for volcanogenic massive sulphide mineralisation (VMS) similar to the Golden Grove deposits located to the west in the Yalgoo Greenstone Belt. Elevated nickel and cobalt results have also been identified in the Payne's Find area, as previously outlined in ASX releases.

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)").

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The Edna May gold mine was sold to Ramelius Resources Ltd on 3rd October 2017 for the equivalent of $90m including royalties as released to the market.

Cervantes supports the view and comments in various reports that the historical mineralisation in the area could be an indicator of a bigger gold system associated with sheared mafic amphibolites intruded by a porphyry. 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, it covers tracts of the Primrose Shear which have had little or no modern exploration work done on them.

During the December quarter, numerous field visits by consulting geologists and the Company Exploration Manager were carried out to conduct small focused follow-up soil sampling of specific areas of interest, including outcrops within the project area and in particular areas within and around the Pansy pit. In addition, further inspections, clean-ups and sampling were carried out for Environmental reporting, including core shed inventory and sample clean-up or disposal. The Company continues to meet all required expenditures on all tenements.

ALBURY HEATH

The Albury Heath Gold Project consists of P51/2937 and P51/2997 - 3001. The tenements are located about 21km south-south-east of Meekatharra in the Murchison Province of Western Australia. Importantly, they occur within trucking distance of Silver Lake Resources' Andy Well gold mill with a capacity of 165ktpa, south-east of Westgold's Bluebird mill with a capacity of 1.8Mtpa providing an opportunity for a fast, low cost mine start up (*Figure 2*).

On 12 March 2019, Cervantes announced that the Albury Heath Mine Inferred Resource increased to 35,500 ounces (uncut) and 23,740 ounces (with 17.95g/t gold top cut). Please refer to 12 March 2019 ASX release *'Albury Heath Resource Update'* for details.

Inferred Resource

A re-estimation of the resource at Albury Heath was undertaken with this additional drilling data (12 March 2019). This follow-up drilling showed that, while the lode zones are generally continuous, the gold grades tend to be variable. Consequently, Cervantes decided it prudent to classify the entire resource as an Inferred Resource *(Table 1)*:

Resource category	Tonnes	Gold, grammes/tonne	Gold, Contained ounces	Gold, Bottom cut	Gold, Top cut
Inferred	528,000	2.09	35,479	0.3	(none)

Table 1 Summary of Inferred Resources at Albury Heath above a lower cutoff of 0.3g/t gold. No top cut applied.

In accordance with Listing rule 5.23.2, Cervantes confirms that it is not aware of any new information or data that materially affects the information included in the 12 March 2019 release and, in the case of this estimated resource, that all material assumptions and technical parameters underpinning the estimate in the 12 March 2019 release continue to apply and have not materially changed.

Drilling by the Company has shown that areas of bonanza grade gold, to 202.8g/t gold, or 6.5 ounces/t, exist in the mine area. Follow-up drilling showed that, while the lode zones are generally continuous, the gold grades tend to be erratic. Additional close spaced drilling will be needed to establish gold grade continuity.

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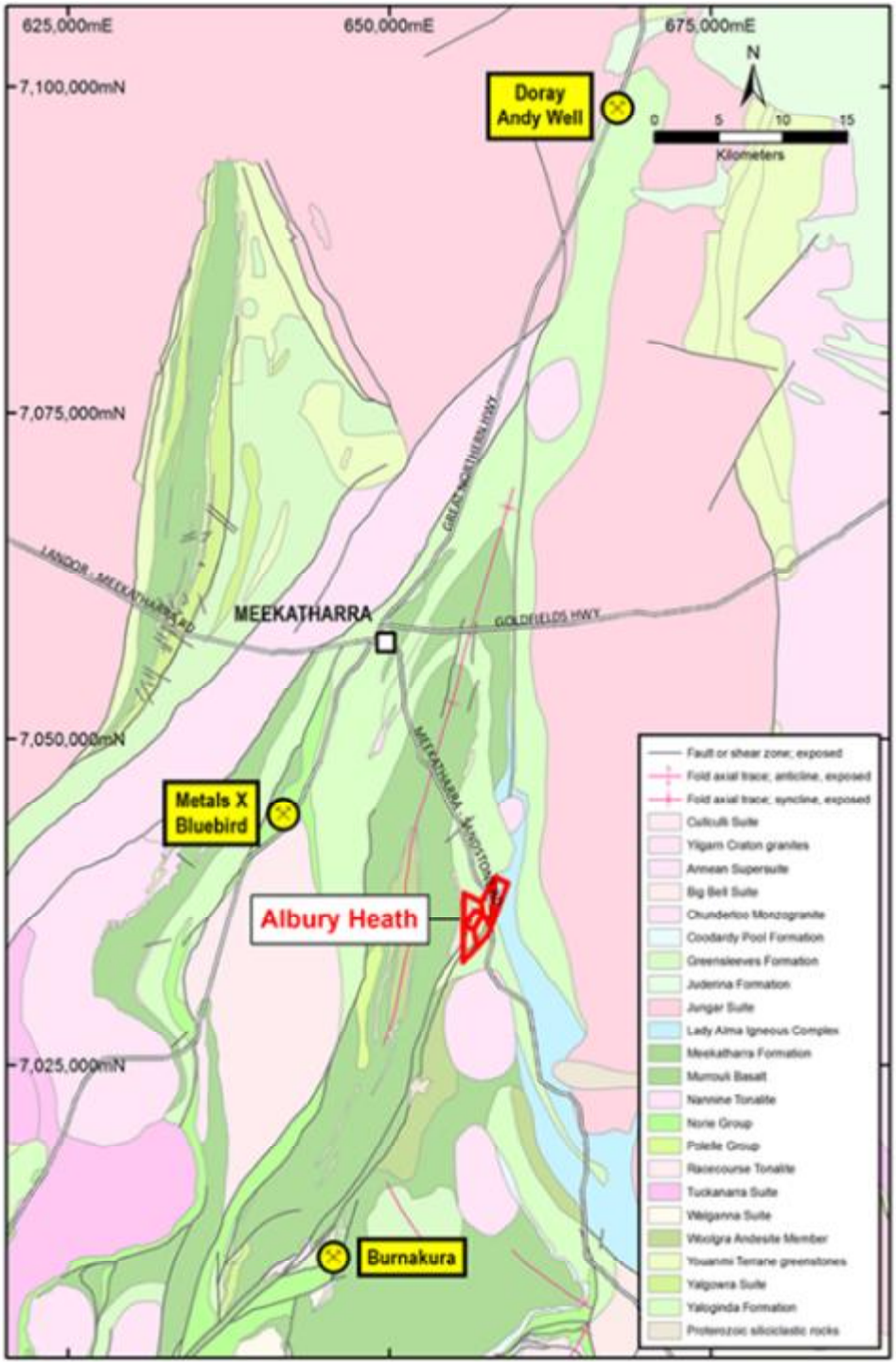

Figure 2 Albury Heath Gold Project is located within trucking distance of possibly three toll-treatment gold mills.

BACKGROUND

Cervantes announced a Maiden Resource for the Albury Heath Gold Mine on 7 February 2017 soon after the Mining Lease's acquisition. That resource estimate was based on 110 drill holes for

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6,326.5m drilled by previous explorers. Drilling chiefly consisted of Reverse Circulation (RC) drilling and there was one diamond drill hole (DDH).

Cervantes recognised a number of opportunities at Albury Heath Gold Mine:

1. Previous drilling through the old underground stoped areas was ineffective given the drilling equipment of the day. Specifically, the rock immediately before and after the drill bit hit an open stope was not properly sampled – an area with a likely high gold content.
2. Areas of high quartz lode development away from the historic mine were inadequately drilled.
3. Rock samples from the historic drilling was only assayed if it exhibited significant quartz content, leaving large drilled sections poorly assayed.
4. Gold is not necessarily restricted to quartz lodes, though it is mainly hosted by the lodes.

In May 2019, Cervantes undertook a regional soil sampling survey across six regional zones identified from aeromagnetic interpretation. Please refer to 5 August 2019 *'Albury Heath Targets Identified from Soil Survey'* ASX release for details.

Of note:

1. The historic Albury Heath Gold Mine is reflected strongly in the gold assays. Whether mining contamination exists, even at the 30cm depth from which the samples were taken, can only be determined by undertaking a full soil horizon transect.
2. Significant gold anomalies occur
    a. to the south-south-west of the mine in P51/2999
    b. to the south-east of the mine in P51/3000
    c. to the north-east of the mine in P51/3001 (centre area)
3. The mine orientation line showed no anomalous base metal assays, at odds with the anomalous values seen elsewhere.
4. Noteworthy copper and nickel anomalies are observed:
    a. To the south-south-west of the mine in P51/2999
    b. to the south-east of the mine in P51/3000
    c. to the north-east of the mine in P51/3001 (north area)

Implications for exploration

The mobile ion soil geochemistry survey has delineated at three significant zones of gold, copper, and nickel anomalism.

The zones are intimately associated with the major roughly north-south trending fault that hosts major gold deposits between Mt Magnet, Tuckabianna, and beyond. Interestingly, the Albury Heath area occurs where this fault is intersected with the Gabanintha Fault, another major gold bearing structure.

Field checking and geological mapping with a view to reconnaissance drill holes, will be undertaken to prioritise the areas defined.

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Mr Collin Vost, Cervantes' Executive Chairman, commented: "*The expansion of the Albury Heath Gold Mine resource through regional exploration has the potential to catapult the project to a "must have" resource for the three local mills. Cervantes is currently seeking funds to allow us to progress this area to drill testing*"

ABBOTTS

- Abbotts Gold Project is centred on an underexplored segment of the Abbotts Greenstone Belt
- Gold deposits occur throughout the belt - none yet discovered in the poorly explored section of the belt Cervantes controls
- The Abbotts Greenstone Belt is yet to deliver a world class gold deposit typical of neighbouring belts
- Structures running through the Project from the south and south-west host gold deposits on adjacent ground
- Recently completed surface soil geochemistry assays highlights the prospectivity of these structures on Cervantes' tenement

Abbotts Gold Project E51/1721 (CVS 100%)

The Abbotts Gold Project consists of EL51/1721 covering an area of approximately 52.3km^2 and immediately adjoins to the north and east of Ora Gold Ltd's Garden Gully project in Meekatharra, *Figure 3*. The tenement is located about 22km north-north-west of Meekatharra in the Murchison Province of Western Australia. Importantly, it is less than 16km west of Silver Lake Resources' Andy Well gold mill with a capacity of 165ktpa and 35km north of Westgold's Bluebird mill with a capacity of 1.8Mtpa.

Surface Geochemical Sampling

Cervantes undertook a regional soil sampling survey across the southern portion of E51/1721. Refer to 24 June 2019 *'Abbotts Exploration Update'* ASX release for details. The purpose of this survey was to:

1. Undertake a first-pass sampling over the width of the tenement to test a number of potentially gold bearing structures that are interpreted to strike onto Cervantes' ground from the south
2. Sample the lithologies over this same area to establish a base geochemical signature for these lithologies
3. Test the mobile ion technique in this area. MI sampling can be undertaken at up to five times the speed as conventional soil sampling techniques due to the small size of the sample being collected and its independence of the soil horizon being sampled.

The soil survey was undertaken on five traverses spaced 100 metres apart. Sample sites are spaced at 50 metre intervals, with each subsequent line having samples shifted 50m west to establish a diamond sampling pattern. Four lines of samples were submitted for assay using Intertek's Terraleach process. Terraleach is a partial leach method that aims to assay for mobile ions which

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have migrated into the weathering zone and which are only weakly attached to the surfaces of soil particles. Nineteen elements were assayed for.

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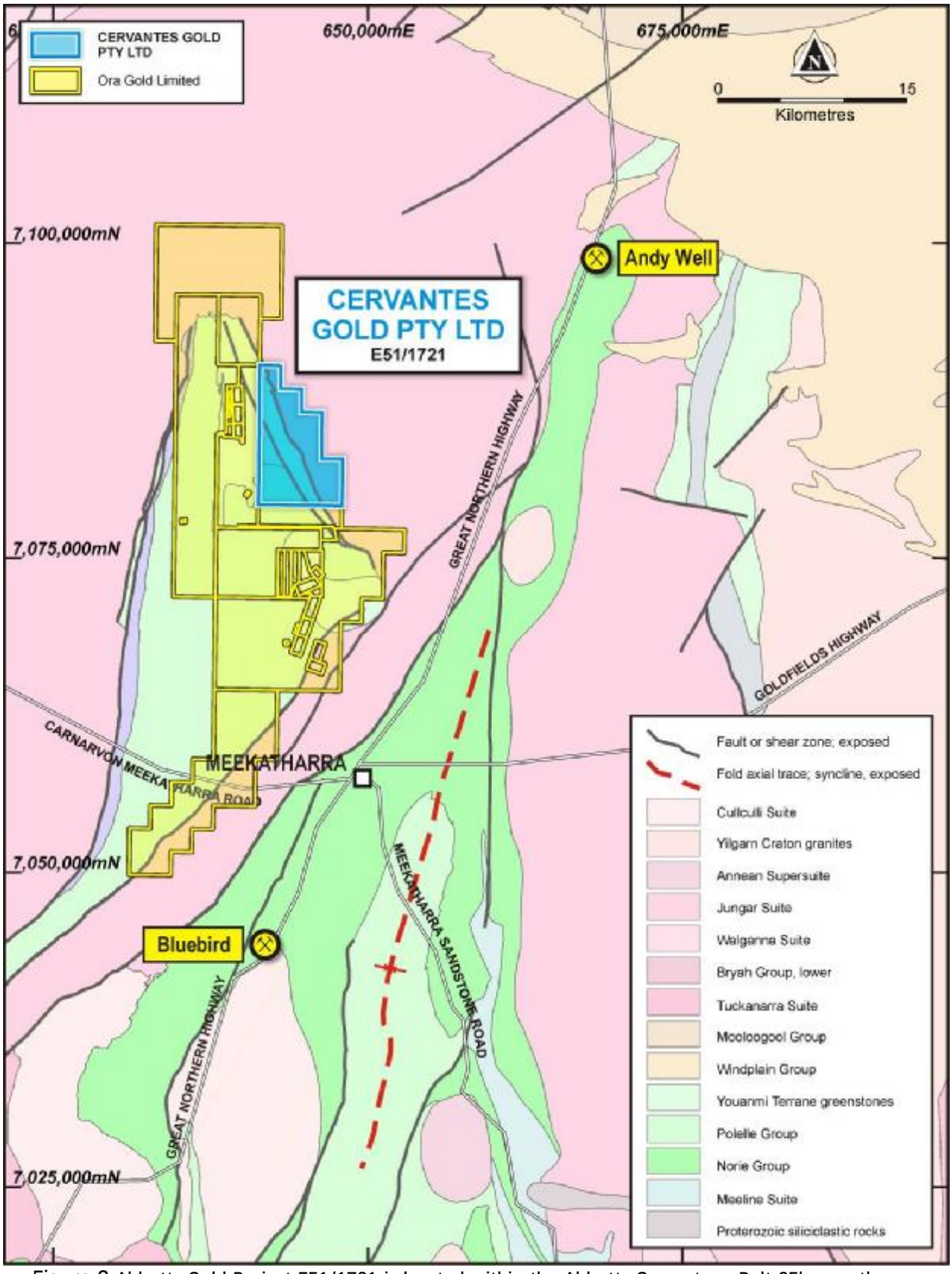

Figure 3 Abbotts Gold Project E51/1721 is located within the Abbotts Greenstone Belt 25km north-west of Meekatharra in the Murchison Province. It has easy access to a number of possible toll-treatment gold mills

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MI data is assessed by recognising anomalies that are multiples of a background value, rather than by absolute grades. This is because it is a partial leach method, and so does not necessarily report the entire contents of the sample.

For this survey, the 25th percentile was chosen as the background limit. The mean of all values below the 25th percentile was used to normalise the data for each element. The results are termed the Response Ratio for that element.

Figure 5 shows plots of the Response Ratios for gold (Au), copper (Cu), and nickel (Ni) for the area surveyed on the Abbotts tenement.

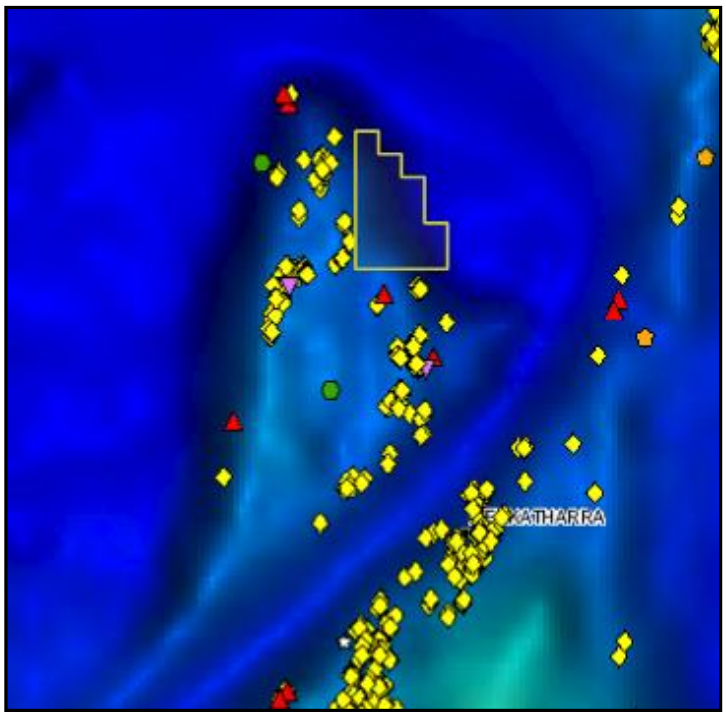

Figure 4 Abbotts Gold Project E51/1721 shown on an image of a subset of the Australian Gravity data (Bouguer Anomaly) where warmer colours are high, cold colours are low. Yellow diamonds indicate gold workings locations from MINEDEX, the database of mines that the DMIRS maintains. Note the typical association between gold occurrences and the margins of the gravity high that is directly associated with the Abbotts Greenstone Belt. Note also the absence of gold occurrences within the tenement area in spite of it straddling the greenstone-granite contact.

The gravity low surrounding this gravity high is a typical signal of the lower density granites of the Yilgarn Craton.

Other symbols are: Red triangles = base metals, Green dots = specialty metal, Purple triangles = industrial minerals.

The Abbotts soil sediment survey defined a number of anomalous zones, as annotated in *Figure 5:*

Zone A Anomalous in Au, Cu, and Ni, this area is underlain by dolerite and gabbros. More importantly. It lies at the intersection of an interpreted north-east structure and a north-west structure, the latter of which hosts gold and copper mines and occurrences to the south-east (Kyarra and Kanowna group of mines) and north-west (Abbotts and Spring Bore group of mines).

Zone B This is interpreted to be lithology caused and, therefore, not truly anomalous. Field checking will be undertaken to confirm this interpretation.

Zone C A two line gold anomaly that strikes nor-nor-east and is interpreted to reflect a favourable structural position.

Zone D Parallel to Zone C but stronger and more extensive, also interpreted to be a favourable structural position.

Zone E A broad anomalous region bracketed by regional north-west faults with which the Vranizan North historic gold workings to the north and the Young and Garden Gully North group of historic gold deposits to the south are associated.

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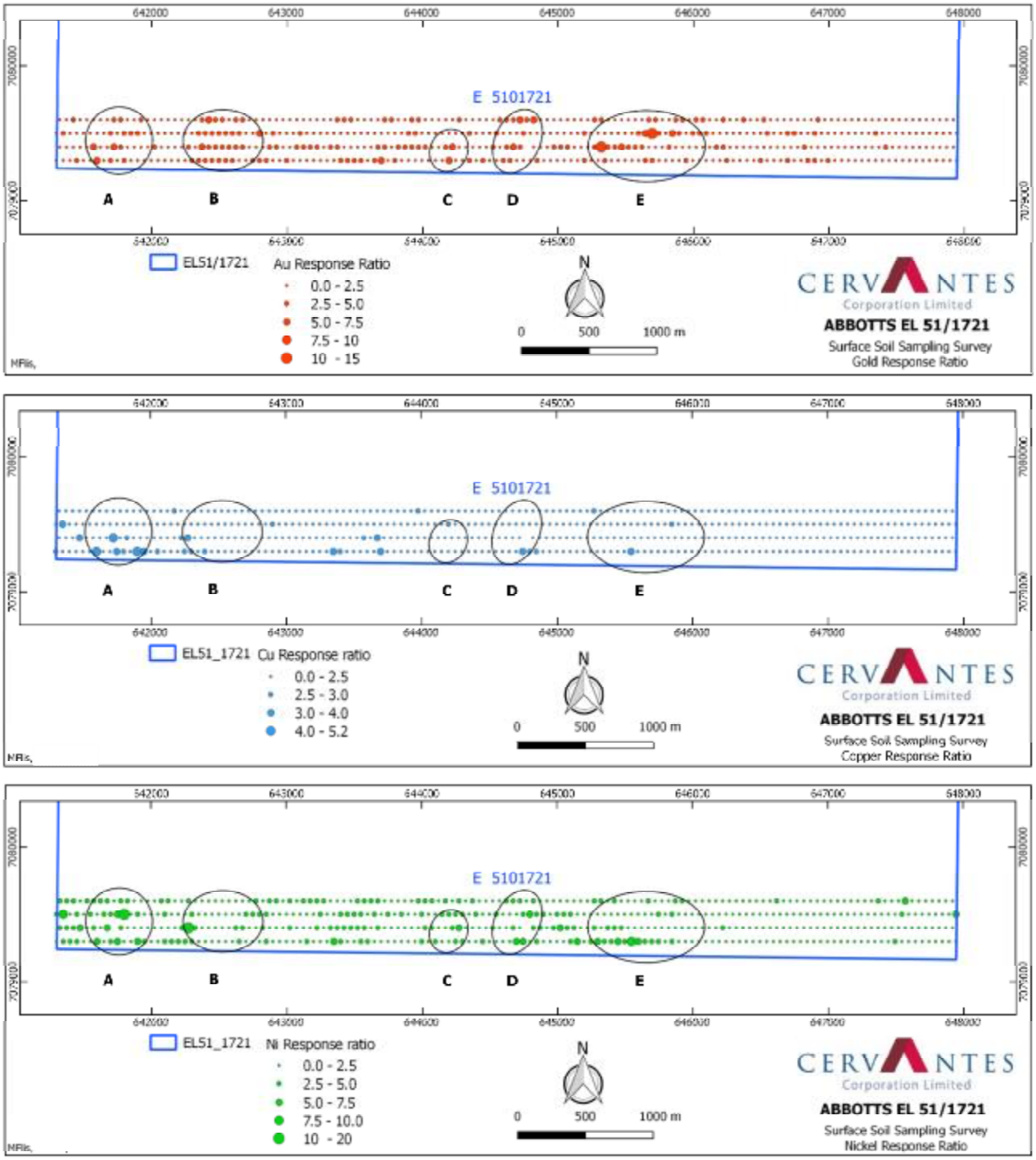

Figure 5 Response Ratios for gold, copper and nickel from the Abbotts soil survey. The samples were analysed for mobile ions using the Terraleach method and represented as multiples of the background. Refer to text. Labelled anomalous areas are discussed in the text.

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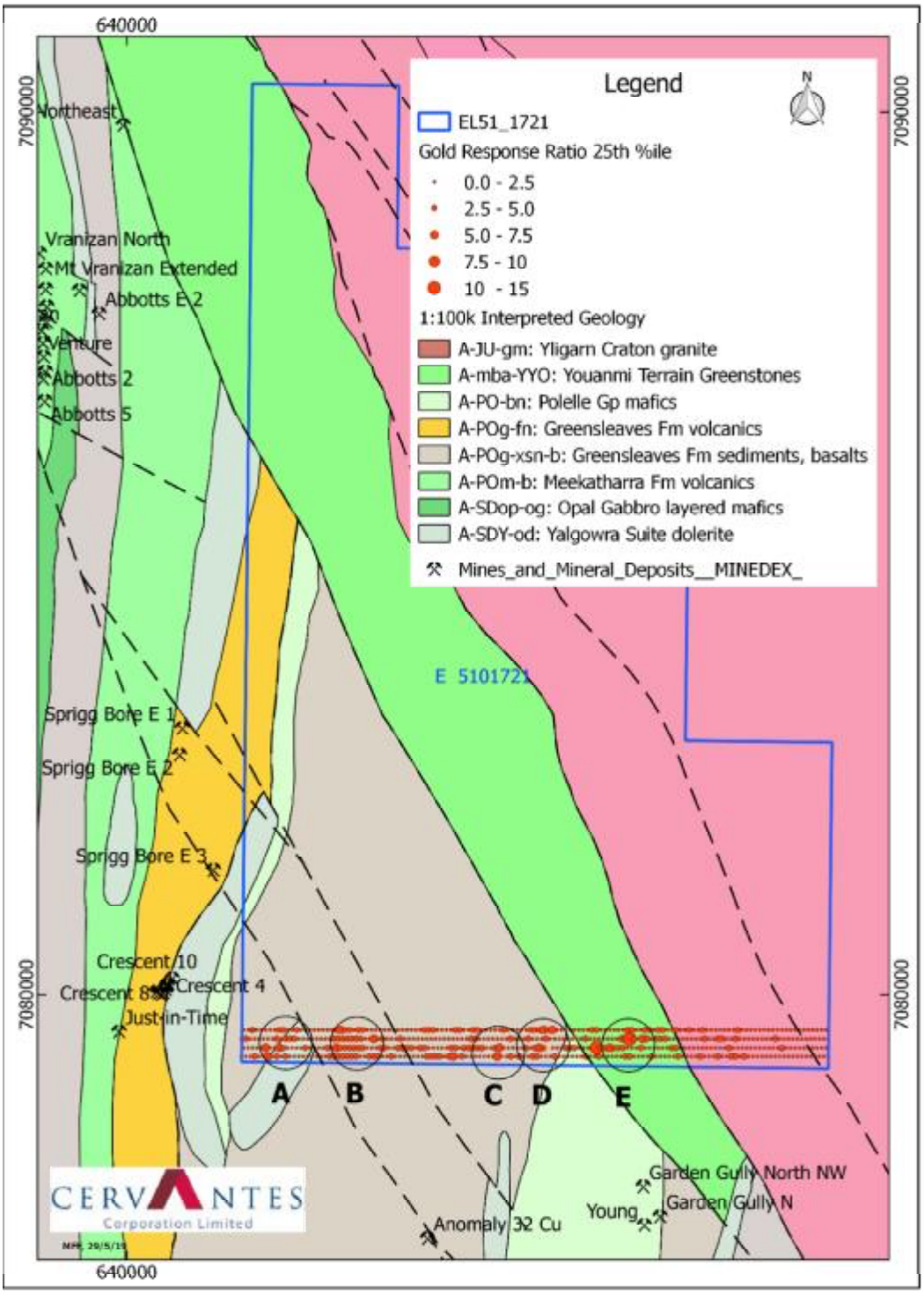

Figure 6 Gold geochemistry-defined target zones in relation to regional fault zones with which *historic g*old mineralisation is associated.

Implications for exploration

The mobile ion soil geochemistry survey has delineated at least five zones of gold, copper, and nickel anomalism.

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Four of these zones are intimately associated with faults or shears striking onto Cervantes' ground from the south. These faults and shears have known gold mineralisation developed on them off Cervantes's ground and are considered prospective for gold.

Field checking and geological mapping will be undertaken to prioritise possible drilling targets.

Extensive exploration to the immediate West and South of our Abbotts Project is ongoing by Ora Gold Ltd and we will be following their progress with interest. Cervantes will seek to work with Ora Gold where appropriate to benefit all parties with a vested interest in the Meekatharra area.

On the 16 January 2020 Ora Gold released a detailed and positive Investor Presentation outlining their exploration success to date and potential early cash flow, including Base Metal discoveries within the Greenstone Belt, on which Cervantes E51/1721 is located.

Mr Collin Vost, Cervantes' Executive Chairman, commented: *"Abbotts is shaping up nicely as a greenfields project in a high potential area. Decades of neglect by explorers have delivered an opportunity to Cervantes for a discovery."*

No additional work was carried out on Cervantes E51/1721 during the December 2019 quarter.

CORPORATE

The Company's shares were suspended on 30 May 2019 because the ASX deemed the Company's financial condition was not adequate at the time in accordance with Listing rule 12.2, and the Company was unable to determine from numerous communications what constituted adequate.

The Company has, since the 30 August 2019 been seeking guidance on the required capital raising for lifting of the suspension of the Company's shares.

The specific situation of Cervantes in regards to adequate capital was not covered in any specific listing rule and we have been seeking guidance on the definition of adequate.

The Company has determined what it believes is an adequate sum without any assurances.

The Company is now in discussions with a number of parties and if successful will formulate a submission to the ASX in regards to this matter.

The parties have expressed an interest in the Company's assets and structure by way of exploration, possible joint ventures and or sale of assets and capital injections.

All interested parties are of high net worth and some are not listed entities, but two have mills within a reasonable transport distance of our assets.

Some discussions are more advanced than others, but none are to date sufficiently advanced to release to the market. However the Company is confident of a successful outcome in the relatively near term.

The Company's Annual General Meeting of shareholders was held on the 29 November 2019 where shareholders approved the issue of up to 100m shares and 100m options on terms as outlined in that meeting, which must be issued within 3 months of shareholders approval.

Appendix 5B
The Appendix 5B for the quarter ended 31 December 2019 is attached.

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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 21 mining leases, prospecting licences, and an exploration licence 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.

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 1976 totalled 1,805oz at an average recovered grade of 20.51g/t at 60% to 70% recovery.

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 and connects gold mining centres from Mt Magnet to Tuckabianna and beyond. 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^{o} - 80^{o} to the east-southeast.

On 12 March 2019, CVS released an updated resource statement for Albury Heath Mine area:

Gold bottom cut	Tonnes	Gold grade with top cut, g/t	Gold grade without top cut, g/t	Contained gold with top cut, ounces	Contained gold without top cut, ounces
>5.0	12,000	7.24	22.74	2,793	8,773
>4.0	23,000	5.85	15.33	4,326	11,336
>3.0	47,000	4.64	10.45	7,011	15,791
>2.0	105,000	3.40	6.27	11,478	21,166
>1.0	287,000	2.15	3.30	19,839	30,450
>0.9	314,000	2.05	3.10	20,695	31,296
>0.8	344,000	1.94	2.91	21,456	32,184
>0.7	378,000	1.84	2.71	22,361	32,935
>0.6	414,000	1.73	2.54	23,027	33,808
>0.5	453,000	1.63	2.37	23,740	34,517
>0.4	491,000	1.54	2.22	24,310	35,045
>0.3	528,000	1.46	2.09	24,784	35,479
>0.2	553,000	1.40	2.00	24,891	35,559
>0.0	570,000	1.37	1.95	25,107	35,736

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AM&A Inferred Resource estimate at various lower gold grade cut offs, both top cut to Mean+2 Std Devs, and with no top cut.

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 totalling 10.8km^2 that cover the northerly and southerly extent of the main controlling structure.

In accordance with Listing rule 5.23.2, Cervantes confirms that it is not aware of any new information or data that materially affects the information included in the 12 March 2019 release and, in the case of this estimated resource, that all material assumptions and technical parameters underpinning the estimate in the 12 March 2019 release continue to apply and have not materially changed.

About the Abbotts Project

The Abbotts Gold Project lies within the Abbotts Greenstone Belt. A foliated biotite granite dominates the eastern half of the tenement transitioning to the Youanmi Terrain greenstones over a series of regional scale north-west trending faults and shear zones. These greenstones generally strike in a north-north-east direction and are discordant with the bounding faults and granites to the east. The western half of the tenement is dominated by sediments and interbedded basalts of the Greensleeves Formation bracketed by fine grained mafics of the Polelle Group. Felsic volcanics occur along the western edge of the tenement.

Faults and shears within the greenstone belt are common and these tend to be concordant with the strike of the lithologies within the belt. A regional shear bounds the Abbotts Greenstone Belt to the south/south-west. Secondary faults and shears emanating from this hold the Garden Gully-Lydia-Crown gold mining area. This structure strikes onto the Cervantes tenement.

The Abbotts Greenstone Belt is endowed with numerous historic gold workings, but which has yet to deliver the world class gold deposits seen in neighbouring belts. Those historic gold workings tend to occur on the margins of the Abbott Greenstone belt where deep seated faults, which define the extent of the belts, plumb gold-rich fluids deeper in the earth' s crust, and channel them to the surface. Here, they interact with reactive lithologies to precipitate gold, amongst other metals. Gold occurrences do occur within the belt itself; these tend to be associated with secondary structures that give rise to generally smaller deposits.

Competent Person's Statement

The details contained in this report that pertain to exploration results and exploration targets are based upon information compiled by Mr Marcus Flis and fairly represent information and supporting documentation prepared by Mr Flis. Mr Flis, a Director and Exploration Manager of Cervantes Corporation Limited and 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

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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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Appendix 1 – Primrose Project regional soil sampling survey

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

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Criteria	Commentary
	histogram curve for each element is assessed and a background value chosen. In this case, the 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 massive granite, having structural contacts with these units. • The two north-northwesterly trending shears that form the Paynes Find Gneiss boundary

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<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>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>

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Appendix 2 – Albury Heath regional soil sampling survey

JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
Sampling techniques	• Reverse circulation (RC) drilling samples were collected through a rig-mounted cyclone with cone splitter attachment and split in even metre intervals. Wet sample was speared or scoop-sampled. RC drill chips (from each metre interval) were examined visually and logged by the geologist. • Any visual observation of alteration or of mineralisation was noted on the drill logs. • Duplicate samples comprise approximately 4% of total samples taken (ie one duplicate submitted for every 25 samples). • A company contract geologist supervised the drilling and sampling to ensure representativeness. Drilling was done by industry standard techniques to obtain 1 m samples from which 3 kg was pulverised to produce a charge for fire assay'. • Duplicates, standards, and blanks were submitted to ensure assaying reliability and accuracy. • Hole locations were surveyed by Differential GPS to subcentimetre accuracy. Downhole surveys were undertaken on holes AHP111 to AHP146 only.
Drilling techniques	• Drilling was by Reverse Circulation (RC) with NQ sized face sampling bit and rods.
Drill sample recovery	• RC sample recovery and sample quality was recorded via visual estimation of sample volume and condition of the drill chips. • RC sample recovery typically ranges from 90 to 100%, with only very occasional samples with less than 90% recovery. • RC sample recovery was maximised by endeavouring to maintain dry drilling samples as much as practicable; the RC samples were predominantly dry. • Relationships between recovery and grade are not evident and are not expected given the generally excellent and consistently high sample recovery.
Logging	• All RC chips were geologically logged at one metre intervals and recorded in a digital database that is cross referenced with sample numbers. • Logging is qualitative.
Sub-sampling techniques and sample preparation	• One metre RC samples were collected and bagged from a cyclone with the residue collected in a plastic bucket and then laid out on the ground in rows of 10. • No sample compositing was used. • All samples are pulverised at the laboratory to produce suitable material for assay. • A comprehensive QAQC regime was followed including standards and blanks and regular duplicate field sampling at regular intervals in every sample batch. • Mineralisation style is late stage quartz veins. The one metre samples are likely to downgrade actual grades intersected by dilution of the narrow veins, but are commensurate with minimum mining requirements. • Both the sample size and particle size are considered appropriate for the material being sampled and subsequently for resource estimation work.
Quality of assay data and laboratory tests	• Fire assay is a total digest technique and is considered appropriate for gold. • Certified references material standards (1 every 20 samples) and duplicates (1 every 25 samples) were inserted in the field before dispatching to laboratory for chemical analysis. • Lab used random pulp duplicates and certified reference material standards. • Accuracy and precision levels have been determined to be satisfactory after analysis of these QA/QC samples indicating no bias.
Verification of sampling and assaying	• Analysis was by acqua regia using Intertek's FA50/OE procedure: samples were pulverised to minus 75 microns before a split of 10g 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. • There were no twinned holes. • All sample logging and assay data was entered into the database and assays received from the

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Criteria	Commentary
	lab and field logs checked and verified by supervising geologist. • No adjustments were made to assay data
Location of data points	• All hole collars were located using DGPS unit with an accuracy of +/-0.01m. The GPS recorded locations used MGA94/GDA zone 50 as the datum. • The drilling co-ordinates are all in GDA94 MGA Zone 50 co-ordinates. • Azimuth was set by hand held compass. • 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. • Downhole surveys are undertaken for RC drill holes AHP111 to AHP146 only. • RL data were collected using DGPS to an accuracy of 0.01m.
Data spacing and distribution	• RC holes were drilled following an existing grid set up for resource drill out on an approximate 20 x 20m (max) to 5 x 10m (min) spacing. • 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. • All drill intersections quoted in the report are length weighted.
Orientation of data in relation to geological structure	• Drill hole spacing and inclination followed the geometry of existing holes. • Previous resource estimation defined the strike and dip of ore zones. It is not anticipated that, on current interpretation, any bias has been introduced to the sampling by the orientation of the drilling. • Since the pierce angle of the drilling with the mineralisation is not perpendicular the intersection widths will be longer than the true widths of the mineralisation.
Sample security	• All samples were collected in calico sample bags with sample number tickets included in each bag and the same identification posted externally. • Samples were delivered to the lab by a company representative who kept the samples under constant supervision during transport.
Audits or reviews	• 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	• Exploration results relate to work carried out over a package of tenements comprising six Prospecting Licences. The tenements are 100% owned and controlled by Cervantes Corporation Limited. All tenements and leases are currently in good standing with DMIRS with no known impediments to further exploration or development.
Exploration done by other parties	• Between 1982 and 1988 various companies conducted diamond drilling (1 hole), RC drilling (110 holes) and RAB drilling (548 holes) along with mapping and geochemical sampling. • This work met the standards expected at the time is was carried out.
Geology	• The Albury Heath resource is typical of Murchison Domain gold mineralisation: related to major faults and shear zones within greenstone belts and preferentially associated with banded iron formations, and ultramafic and mafic lithologies. Many shears and mineralised vein systems are associated with metasomatism with the mineralising fluids possibly being derived by progressive metamorphic dewatering of mafic and ultramafic sequences (Browning et al, 1987). • Gold mineralisation at Albury Heath is closely associated with the Meekatharra Structural zone, a major regional northeast trending shear dominated zone approximately 50km wide. Specifically, the local northeast trending structure is related to an extension of the regional scale Mt Magnet Fault. • Up to seven lodes are recognised locally. The Main Lode was mined by selective underground mining methods. While grades are best developed in the vicinity of the Albury Heath shaft, drilling has shown high gold grades extend along strike in areas not previously exploited by historic mining.

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Criteria	Commentary
Drill hole Information	• Drill hole collar data included as Appendix 1.
Data aggregation methods	• All drill intersections quoted in the text of this report are length weighted. No upper grade cutting used. • No metal equivalents were used.
Relationship between mineralisation widths and intercept lengths	• The pierce angle of the drilling with respect to the mineralisation varies. • All drill intersections quoted in the text are apparent widths and are longer than the true widths of the mineralisation intersected. • All the resource modelling is in 3D and the software used takes into consideration the pierce angles.
Diagrams	• Appropriate maps and sections are available in the body of this announcement.
Balanced reporting	• Reporting of results in this report is considered balanced.
Other substantive exploration data	• No other exploration data other than local geology maps were considered in the resource estimate.
Further work	• The results obtained to date at the Albury Heath project indicate that further exploration including drilling is warranted.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	Commentary
Database integrity	• Data used as received was checked for Hole ID and sample interval errors by MineMap © software. A selection of the Cervantes sample assays in database were checked against laboratory spread sheets and no errors were found.
Site visits	• A site visit including discussions with company personnel was conducted by Al Maynard of AM&A prior to the most recent drilling and Phil Jones visited the project on Friday, 20 July 2018 confirming the drill hole locations, discussed the regional and local geology and drilling and sampling procedures used by Cervantes geologist M Flis.
Geological interpretation	• The mineralisation is controlled by shears dipping steeply to the east. The mineralisation cannot be mapped at the surface due to soil cover however can be confidently interpreted from drilling data. Some supergene effects may have remobilised and possibly enriched some of the mineralisation in the upper oxidised zone.
Dimensions	• The modelled mineralisation at Albury Heath strikes approximately 340 m northeast-southwest and at least 100 m deep. The mineralisation is not properly closed off along strike or down dip.
Estimation and modelling techniques	• The mineralisation was digitised using MineMap© software on cross sections, snapping to the drill intercepts using a 0.3 g/t Au lower grade cut-off. This cut-off was chosen to define the mineralised envelope because it provided good continuity for the mineralisation between drill holes and cross sections and is estimated to be the minimum grade required to cover processing costs (i.e. the marginal cut-off grade) for an open-pit mine.. Sample intervals within the interpreted lode below 0.3 g/t Au were included within the lode wireframe where this internal dilution did not drop the total intersection below 0.3g/t and where it provided improved continuity with other adjacent drill intersections of the lode. • A 17.95 g/t Au high grade cut was applied on basis of cutting to the mean plus two standard deviations. • AM&A considers that these modelling parameters are appropriate for the resource of the type and style of mineralisation being modelled.
Moisture	• All tonnes and grades are on a dry basis.
Cut-off	• The resources are quoted at a lower cut-off grade of 0.5 g/t Au which is considered after

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Criteria	Commentary
parameters	potential mining dilution and losses to be approximately the economic cut-off grade at which the mineralisation could be economically mined.
Mining factors or assumptions	• No mining factors were considered for the resource estimate.
Metallurgical factors or assumptions	• There have been no metallurgical tests carried out on representative samples of Albury Heath ore however the mineralogy of the ore is very similar to the many other gold deposits in the region so it can be expected that metallurgical recoveries will be similar, i.e. approximately 90%, to those achieved in these deposits..
Environmental factors or assumptions	• No environmental factors were considered however the tenements have sufficient suitable area to accommodate a small mining and processing operation including provision for waste disposal. • There are no obvious especially environmentally sensitive areas in the vicinity of the deposit although the usual impact studies and government environmental laws and regulations will need to be complied with.
Bulk density	• No bulk density measurements were provided so an assumed SG of 2.5 was used to convert volumes to tonnes. Since the gold mineralisation is hosted by quartz veins in basaltic rocks this assumed SG is most likely to be conservative by approximately 10%.
Classification	• Considering the spacing of the drill intersections, quality of the drilling and sampling including the use of historic drilling with no proper QAQC records and the degree of understanding of the geological controls on the mineralisation, AM&A have classified the reported resources at Albury Heath as Inferred according to the JORC Code (2012). • AM&A believes that this classification to be appropriate.
Audits or reviews	• No audits or reviews of the Mineral Resource Estimates have been made.
Discussion of relative accuracy/ confidence	• AM&A have classified the reported resources at Albury Heath as Inferred according to the JORC Code (2012). • This resource classification appropriately considers the relative accuracy of the estimates. The Inferred resource estimate relies on drill hole sampling and other geological data of sufficient quality, amount and its distribution to imply but not verify an interpretation of the geological framework and continuity of mineralisation. • The quality of the data is considered to be reasonable for a resource estimate with adequate reporting of the QA/QC. • All quoted estimates are global for the deposit. • Historic mine production has been excluded from the resource estimate.

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Appendix 3 – Abbotts Project regional soil sampling survey

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 100m 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 HGS' storage site and subsequently 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 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. • MMI-M™ Soil Analysis - SGS 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

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Criteria	Commentary
	the lab and field logs checked and verified by supervising geologist. • The TerraLeach data was treated in a standard, industry accepted form: (a) the 25th percentile for each element is determined to approximate the "background" geochemical value, (b) the means of all values at and less than the 25th percentiles are calculated, and (c) a "response Ratio" is calculated by dividing the assay value by the mean of the 25th 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 100m 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 stored in the contractor's warehouse before being delived 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 Exploration Licenses E51/1721 ("Abbotts'"). • 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	• This are the first mobile ion soil programme to be conducted on the Abbotts Project programme ever conducted in the project. • Historically. Multiple companies have conducted limited exploration on the western margin of the bounding granite to the Abbotts Greenstone Belt to the east. These included: Accent Resources, Richmond resources and St Barbara Mines. • No drilling has been undertaken previously.
Geology	• The Abbotts Gold Project lies within the Abbotts Greenstone Belt. A foliated biotite granite dominates the eastern half of the tenement transitioning to the Youanmi Terrain greenstones over a series of regional scale north-west trending faults and shear zones. • These greenstones generally strike in a north-north-east direction and are discordant with the bounding faults and granites to the east. • The western half of the tenement is dominated by sediments and interbedded basalts of the Greensleeves Formation bracketed by fine grained mafics of the Polelle Group. Felsic volcanics occur along the western edge of the tenement. • Faults and shears within the greenstone belt are common and these tend to be concordant with the strike of the lithologies within the belt. A regional shear bounds the Abbotts Greenstone Belt to the south/south-west. Secondary faults and shears emanating from this hold the Garden Gully-Lydia-Crown gold mining area. This structure strikes onto the Cervantes tenement.

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<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>• The Abbotts Greenstone Belt is endowed with numerous historic gold workings, but which has yet to deliver the world class gold deposits seen in neighbouring belts. Those historic gold workings tend to occur on the margins of the Abbott Greenstone belt where deep seated faults, which define the extent of the belts, plumb gold-rich fluids deeper in the earth' s crust, and channel them to the surface. Here, they interact with reactive lithologies to precipitate gold, amongst other metals. Gold occurrences do occur within the belt itself; these tend to be associated with secondary structures that give rise to generally smaller deposits.</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) the 25th percentile for each element is determined, (b) the mean of all values at and less than the 25th percentile is calculated, and (c) a "response Ratio" is calculated by dividing the assay value by the mean of the 25th percentile. The statistics for the three elements reported are:
<table>
<tr><th>Percentile</th><th>Au ppb</th><th>Cu ppm</th><th>Ni ppm</th></tr>
<tr><td>25</td><td>0.24</td><td>3.35</td><td>0.31</td></tr>
<tr><td>50</td><td>0.32</td><td>4.21</td><td>0.46</td></tr>
<tr><td>75</td><td>0.46</td><td>5.15</td><td>0.68</td></tr>
<tr><td>90</td><td>0.61</td><td>5.92</td><td>0.92</td></tr>
<tr><td>95</td><td>0.75</td><td>6.78</td><td>1.11</td></tr>
<tr><td>97.5</td><td>0.87</td><td>7.67</td><td>1.38</td></tr>
<tr><td>Max</td><td>2.24</td><td>13.29</td><td>4.58</td></tr>
<tr><td>Min</td><td>0.03</td><td>0.46</td><td>0.12</td></tr>
<tr><td>Mean</td><td>0.37</td><td>4.32</td><td>0.55</td></tr>
<tr><td>Mean of 25th Percentile</td><td>0.17</td><td>2.57</td><td>0.24</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. 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>• No other exploration data other than local geology and topographic maps were considered or known to exist for the area.</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>

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+Rule 5.5

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Cervantes Corporation Ltd

ABN	Quarter ended ("current quarter")
79 079 982 235	31 December 2019

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(33)	(74)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(13)	(29)
	(e) administration and corporate costs	(11)	(77)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(57)**	**(180)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	116	126
3.6	Repayment of borrowings	(12)	(12)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**104**	**114**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5	118
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(57)	(180)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	104	114

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**52**	**52**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	52	5
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**52**	**5**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	21
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Payments included in item 6.1 are related to Directors fees, bookkeeping and Serviced Offices provided by a Directors company, other services provided by a Director including some Company Secretarial and Consulting services.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	900	900
7.2	Credit standby arrangements	-	-
7.3	Other (New York Securities Pty Ltd and Biosynergy Pty Ltd)	430	380
7.4	**Total financing facilities**	1,330	1,280

7.5	**Unused financing facilities available at quarter end**	50

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

7.1 Global Vanadium Limited (ASX:GLV) provided Cervantes a two year interest free non-current unsecured loan facility, maturing on June 2021. 50% may be extended for a further 12 months to 2022 by payment of a nominal fee.

7.3 New York Securities Pty Ltd, a private company of which Collin Vost is also a director, continues to provide financial support to the Company. This financing facility of $350, 000 is secured. Whilst the secured facility has been utilised and a 7% interest applies from January 2020, New York Securities is continuing to provide unsecured financial support at 7% interest per annum as required.

Biosynergy Pty Ltd, offered financial support to the Company during the quarter. This facility comprised of a $80,000 secured facility with a flat fee of $4,000 payable at maturity 1/03/2020 that may be extended by mutual agreement.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(57)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(57)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	52
8.5	Unused finance facilities available at quarter end (Item 7.5)	50
8.6	Total available funding (Item 8.4 + Item 8.5)	102
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	1.8

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes, but of course that depends on the current discussions in regards to capital raising, sale of one or more assets or part of assets during the next quarter

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. Discussions are ongoing with a number of high profile and strategic parties on various methods of involvement, incorporating capital raising, sale of one or more and or part of the assets including joint ventures and potential processing arrangements. Based on the quality of the assets and market conditions for Gold assets in strategic and low sovereign risk locations, we would like to be believe it is very likely.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, on the basis of the comments and activity in 1 and 2 above.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: .....31 January 2020.....

Authorised by: ....."By the Board".....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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SCHEDULE OF TENEMENTS

As at 31 December 2019

Project / Tenement		Interest at Start of Quarter	Interest at End of Quarter	Acquired During the Quarter	Disposed During the Quarter
Abbotts Project - Western Australia					
Abbotts, Meekatharra	E51/1721	100%	100%	-	-
Albury Heath Project - Western Australia					
Albury Heath, Meekatharra	P51/2937	100%	100%	-	-
Albury Heath, Meekatharra	P51/2997	100%	100%	-	-
Albury Heath, Meekatharra	P51/2998	100%	100%	-	-
Albury Heath, Meekatharra	P51/2999	100%	100%	-	-
Albury Heath, Meekatharra	P51/3000	100%	100%	-	-
Albury Heath, Meekatharra	P51/3001	100%	100%	-	-
Primrose Project - Western Australia					
Paynes Find	M59/002	100%	100%	-	-
Paynes Find	M59/010	100%	100%	-	-
Paynes Find	M59/235	100%	100%	-	-
Paynes Find	M59/244	100%	100%	-	-
Paynes Find	M59/396	100%	100%	-	-
Paynes Find	M59/662	100%	100%	-	-
Paynes Find	M59/663	100%	100%	-	-
Paynes Find	P59/1941	100%	100%	-	-
Paynes Find	P59/1942	100%	100%	-	-
Paynes Find	P59/1956	100%	-	-	100%
Paynes Find	P59/1957	100%	-	-	100%
Paynes Find	P59/1958	100%	-	-	100%
Paynes Find	P59/1959	100%	-	-	100%
Paynes Find	P59/2076	100%	100%	-	-
Paynes Find	P59/2094	100%	100%	-	-
Paynes Find	P59/2101	100%	100%	-	-
Paynes Find	P59/2130	100%	100%	-	-
Paynes Find	P59/2151	100%	100%	-	-
Paynes Find	P59/2152	100%	100%	-	-
Paynes Find	P59/2153	100%	100%	-	-
Paynes Find	P59/2159	100%	100%	-	-
Paynes Find	P59/2160	100%	100%	-	-
Paynes Find	P59/2161	100%	100%	-	-
Paynes Find	P59/2174	100%	100%	-	-