

22nd June 2016

ASX Announcement

Cervantes Activity Update

Cervantes Corporation Ltd (ASX:CVS) (“Cervantes” or “the company”) is pleased to advise that it has now requested the ASX to amend its classification under the GISC Sector Code from Consumer Staples, to Materials as an exploration company, in accordance with previous announcements of our transition to an exploration company. We expect this to be finalised in the near future.

Albany Fraser Range

Cervantes announced on 13th August 2015 that it had secured a strategically located Exploration Licence in the Fraser Range, immediately adjoining the Eastern boundary of **Mt Ridley’s** block of permits, where they are actively carrying out an advanced exploration program. Native Title agreement was executed and announced on the 4th April 2016 in relation to Cervantes permit.

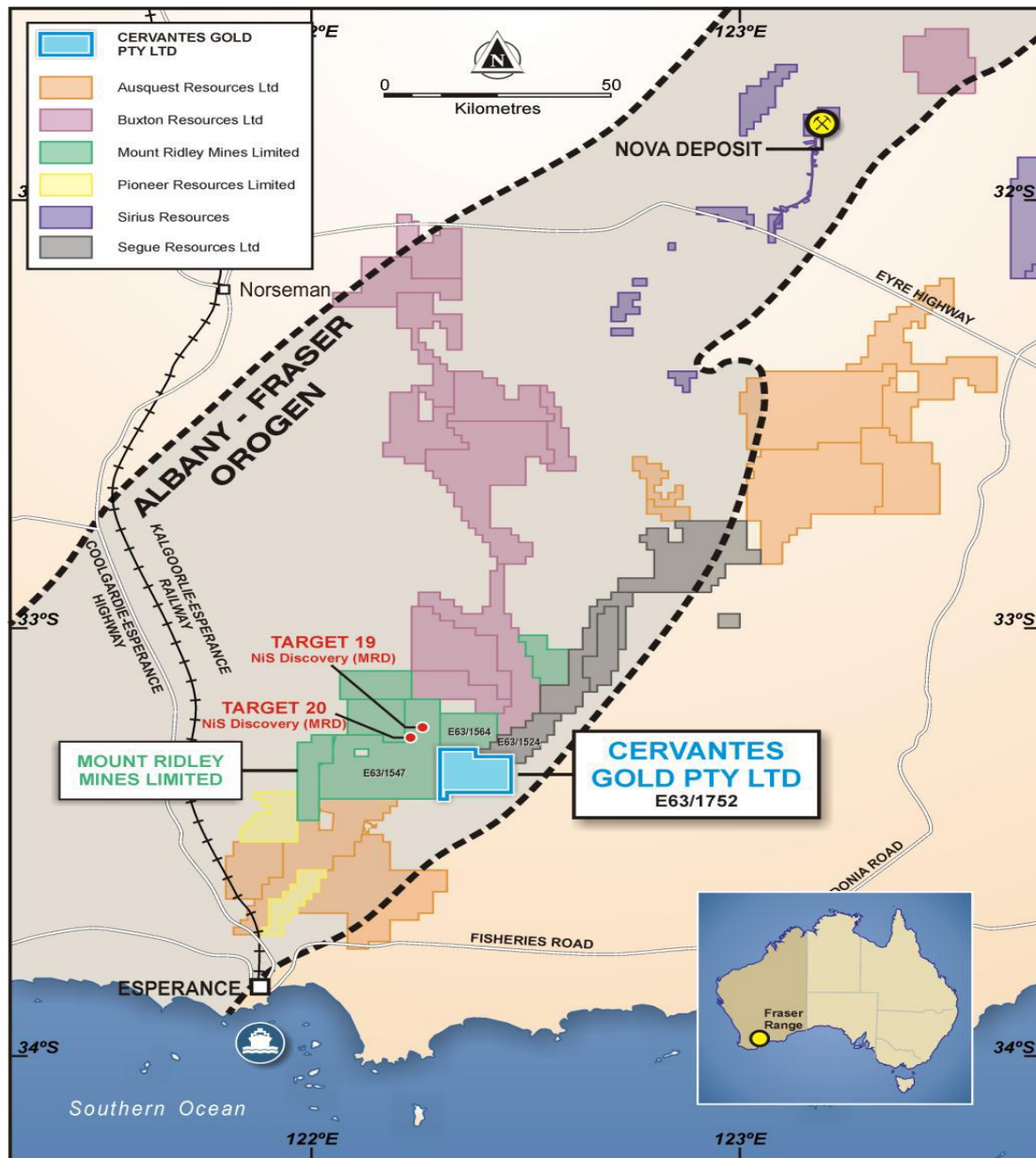
Cervantes has since accumulated historical data on the permit area and is currently in discussions with consultants and others to assess that data and formulate an exploration program.

In the meantime **Mt Ridley** announced on the 3rd June 2016 that it is currently conducting detailed ground magnetics across the western half of target 19. The aim of this survey is to detect signs of magnetic Ni-Cu mineralisation. Deep diamond drill testing of potential AMT targets is expected to get underway soon after the data from the 3D inversion work has been analysed together with other ongoing geophysical surveys.

The immediate location of Mt Ridley’s exploration activities, and in particular target 19 are shown in the map below.

There are a number of companies now announcing exploration programs in the Fraser Range, and whilst none have to date been able to replicate the success of the Sirius (Nova) discovery, now absorbed by the Independence Group for an equivalent dollar value of \$1.8 billion, they remain confident of their success.





Meekatharra

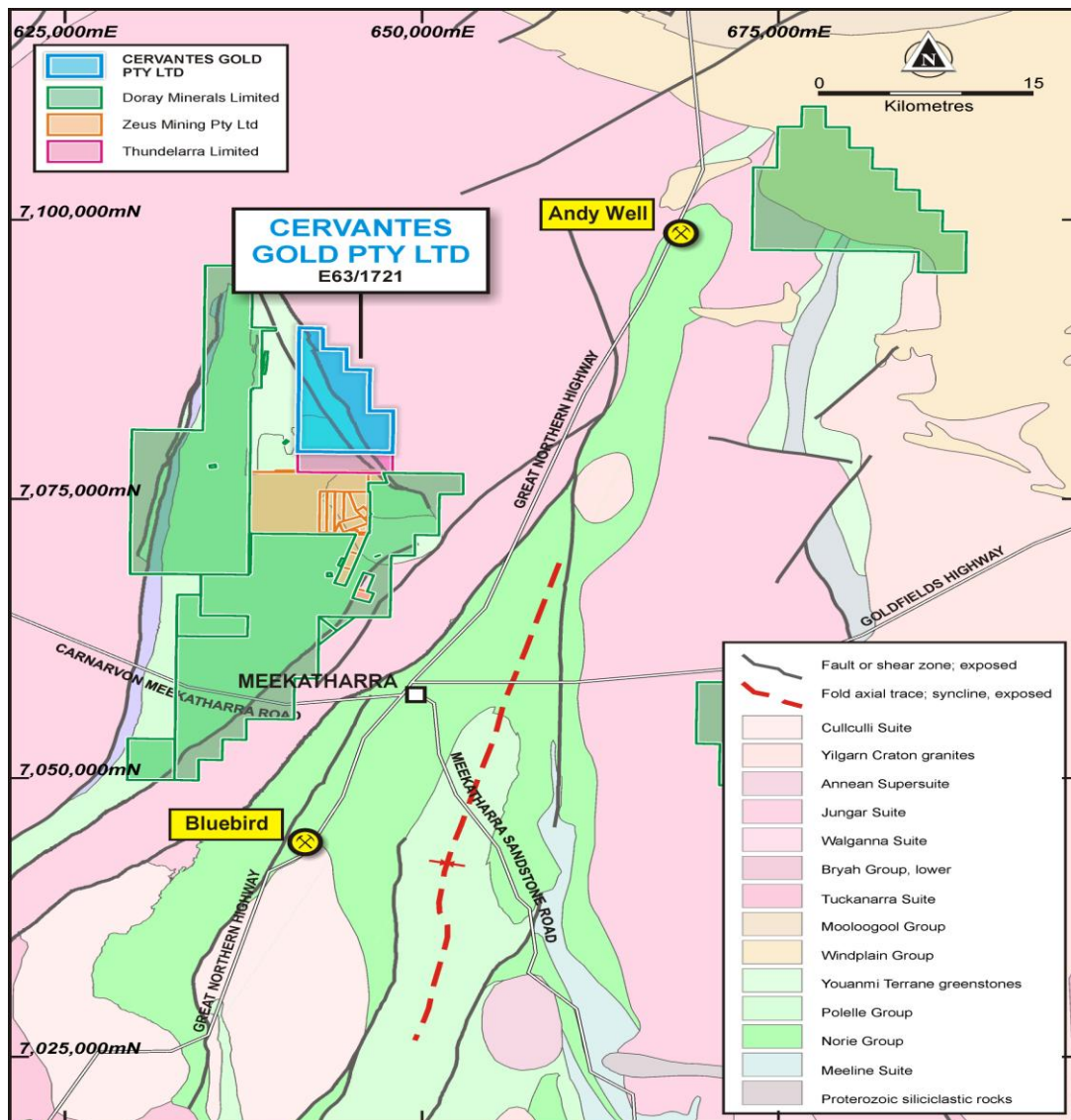
On the 5th February 2016 Cervantes announced that it had secured a strategically located exploration permit in Meekatharra.

The permit is located in Meekatharra, South West of **Doray Mining's "Andy Well"** project area and Mill (approx 10km) , North of and adjoining **Thundelarra's recently acquired (Red Dragon) ground**, North West of the Meekatharra Township(approx 20km) and North of **Metals X's Bluebird operations and Mill.**

Doray Minerals Ltd (DRM) have recently announced Outstanding drill results from their further successful drilling in their Meekatharra permits to provide additional material to their Andy Well mill, and **Thundelarra Ltd (THX)** have commenced the initial drilling of their Garden Gully gold areas immediately adjoining Cervantes southern boundary of their permits. Native title is still pending on the Meekatharra permit but acquisition of Historical data for assessment is currently underway.

Immediately all data is accumulated and assessed by our consultants we will be in a position to prepare an exploration program subject to native title agreement.

In the meantime any success by Mt Ridley, and or Thundelarra on their exploration programs in ground immediately adjoining our permits will be a substantial tick of confidence in progressing our work programs.





Whilst Cervantes will continue to plan and progress the exploration of the two above strategically located projects, it continues to search for a more advanced project, preferably but not essentially in Australia, in Gold and or metals and minerals with the right market demand and the correct risk to reward ratios.

Bids, tenders and discussions have not been successful to date, but we are hopeful in securing the right project in an appropriate time frame.

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