

ASX ANNOUNCEMENT/MEDIA RELEASE

5 July 2018

Paynes Find Project Purchase Update

As announced 21 December 2017, Cervantes Corporation Limited (ASX:CVS) (the **Company**) confirmed that the purchase of the Paynes Find Gold Project from European Lithium Limited (ASX:EUR) (**EUR**) (the **Transaction**) had settled.

The total consideration in relation to the Transaction comprises \$500,000 cash (of which \$420,000 has been paid to date) and \$500,000 in share consideration (paid). The parties have agreed to settle the remaining cash consideration payable of \$80,000 through the issue of 7,000,000 shares in Cervantes at a deemed issue price of 1.14c each. The Company will also issue one free attaching unquoted option for every two shares issued which are exercisable at 1.5 cents each on or before 30 June 2020.

The Company is extremely pleased with finalising the Paynes Find Gold acquisition and can now move forward with a great deal of comfort knowing all assets are now 100% owned. It is also pleasing that EUR has such confidence in the Company and its assets that they have seen value in taking shares in the Company, especially after such encouraging results from our Albury Heath Project in Meekatharra.

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