ASX Announcement

11 April 2022

Gold Nuggets Recovered from the Nickol River Project

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) is pleased to advise that gold nuggets (Photo 1) have been recovered from additional test pits undertaken at the 100% owned Nickol River Gold Project (NRP, Figure 1), located 10km east of Karratha in the West Pilbara of Western Australia.

Highlights

- ***Sub Audio Magnetics (SAM) surveyed completed and interpretation received.***
- ***Test pits are being located on interpreted SAM structures for validation.***
- ***Gold nuggets up to 20.5 grams recovered from test pits, for a total of 76 grams, from M47/577 (Table 1, Figure 1).***
- ***Positive results from test pits indicate that SAM has successfully identified gold bearing structures.***
- ***Planning for a maiden drill program will begin based on results to date.***

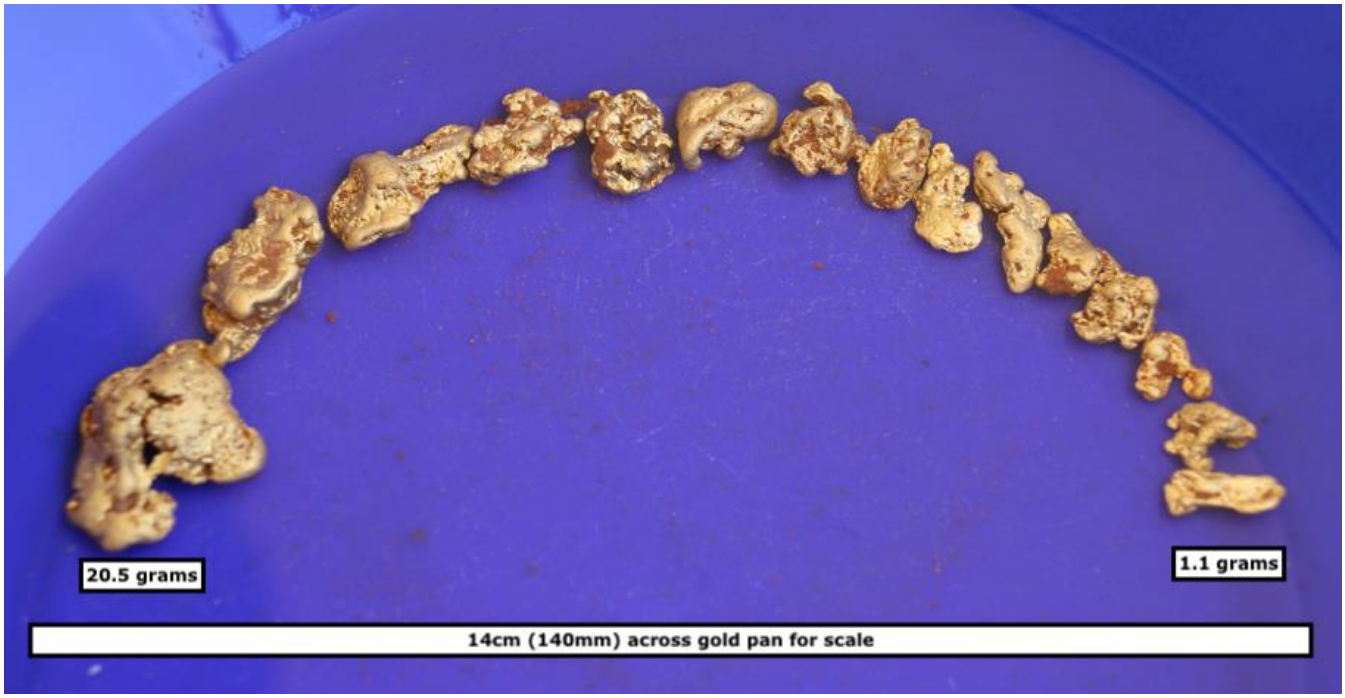

Photo 1: Nickol River Project, gold nuggets recovered and owned by Cyclone, see Table 1 for locations.

Commenting on the recovered gold, Cyclone Metals Director Will Scott said:

"It is very encouraging to find coarse gold in nugget form, from this single tenement at Nickol River, from below tertiary river gravel and on SAM identified structures. Work programs completed since the acquisition of the Nickol River Project are delivering positive results, that bode well for a drill program in the near future, and based on current results we will move towards a maiden drill program."

A Program of Work (PoW) was approved on 19 January 2022, for the Nickol River Gold Project for 18 test pits 20m x 10m by 1m deep over tenements M47/87, M47/401, M47/127, M47/421 and M47/577.

Gold nuggets have been recovered from test pits within M47/577, up to 20.5 grams in weight, refer photo 1, 2 and table 1, for a total of 76 grams.

A SAM survey completed in November 2021, and the subsequent interpretation by Southern Geoscience Consultants (SGC) completed early this year, has formed the basis for the location of the test pits. The structures the test pits were located on appear to be validated, and will form the basis for a maiden drill program.

Cyclone will also continue to assess opportunities to further consolidate the Nickol River Project area.

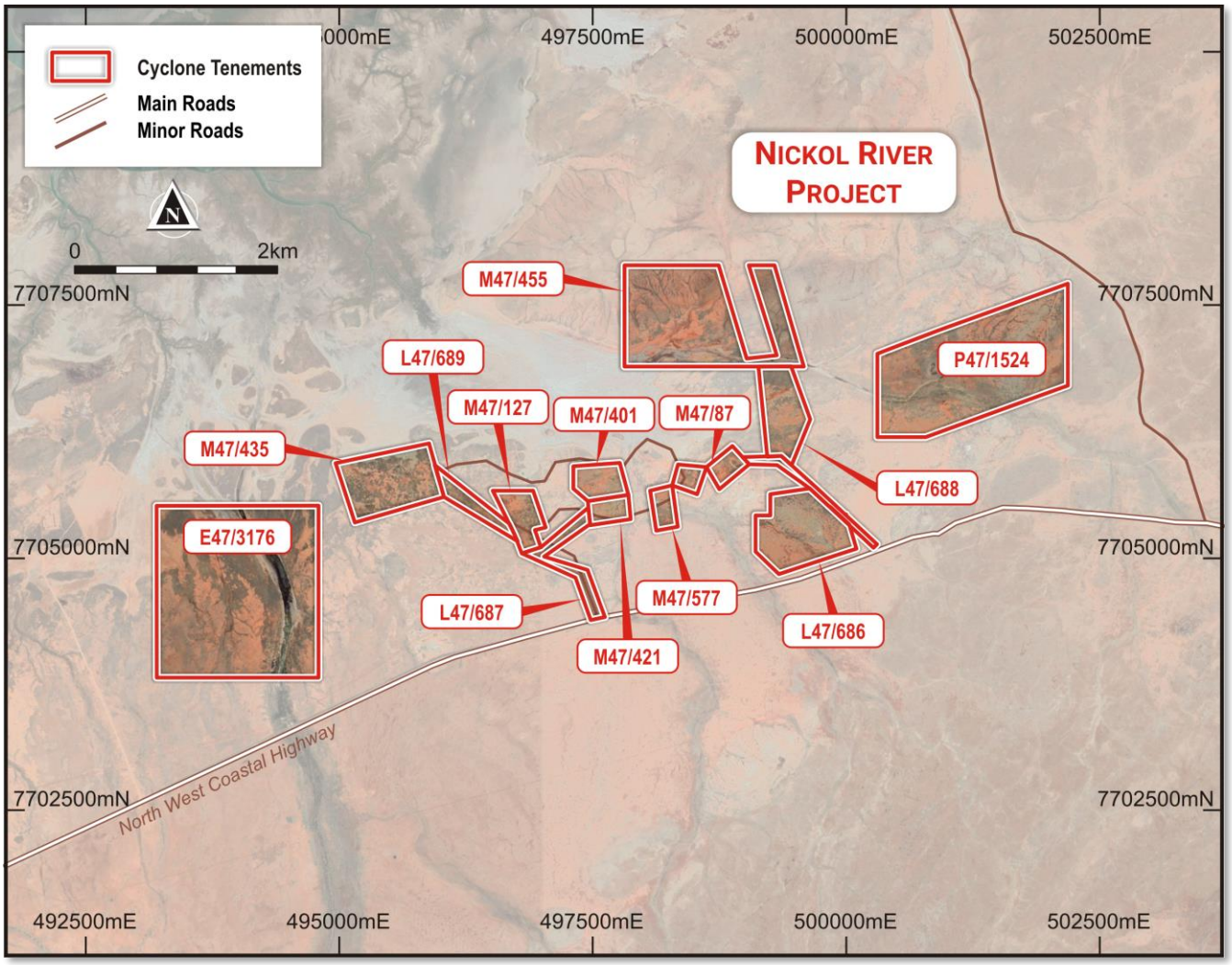

Figure 1: Nickol River Project and tenements, located 10km east of Karratha in the West Pilbara of Western Australia

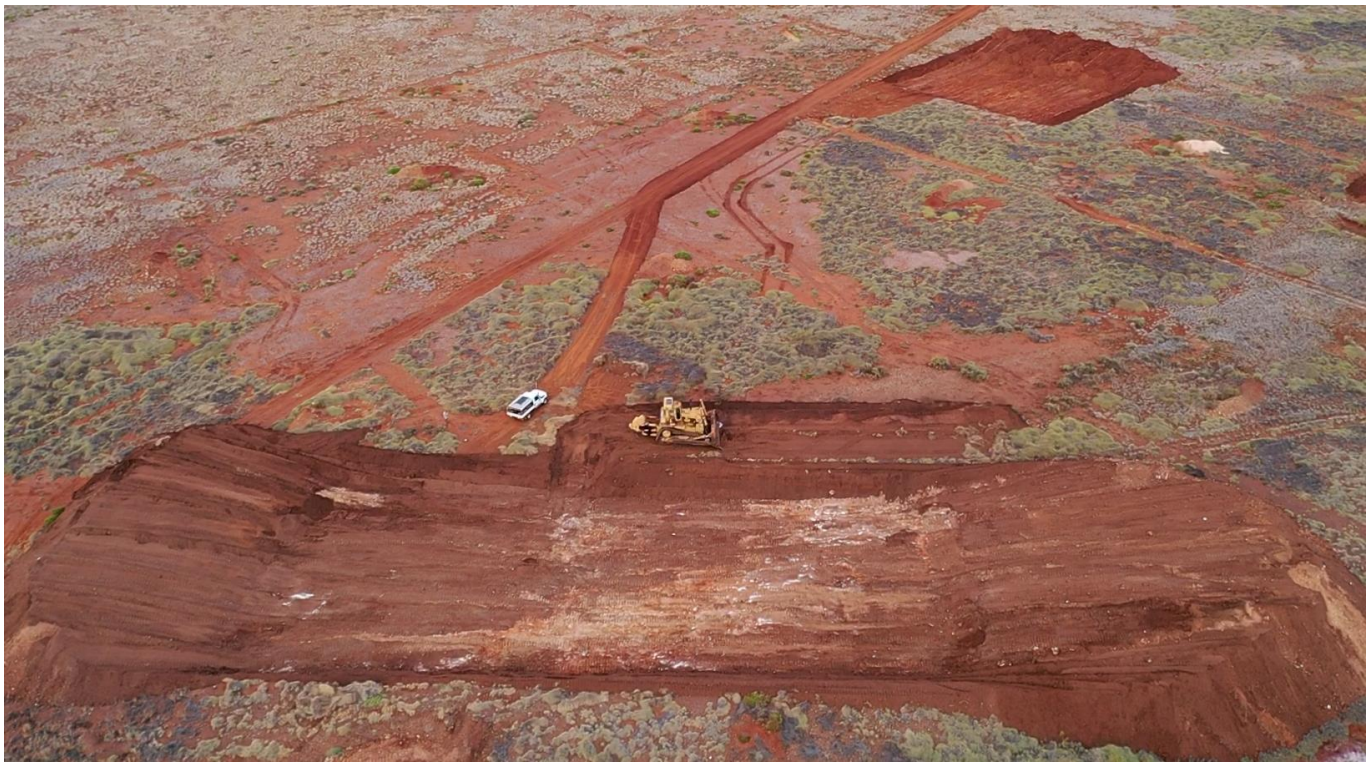

Photo 2: Nickol River Project, Excavation of test pits through regolith into saprock where gold nuggets have been recovered. Test pits on tenement M 47/577, looking to the southwest.

This announcement has been approved by the Company's board of directors.

Yours faithfully
Cyclone Metals Limited

Terry Donnelly
Non-Executive Chairman

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Competent Persons Statement
The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Edward Mead, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Mead is a consultant to the company and employed by Doraleda Pty Ltd. Mr Mead has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the `Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Mead consents to the inclusion of this information in the form and context in which it appears in this report.

Table 1: Location of gold nuggets recovered by metal detecting at the Nickol River Project, with a Minelab GPZ7000 from Rehabilitation of prospector activity.

Tenement	Type	Weight Grams	East	North
M 47/577	Nugget	12.5	498116.00 m E	7705469.00 m S
M 47/577	Nugget	2	498108.00 m E	7705470.00 m S
M 47/577	Nugget	4.4	498111.00 m E	7705464.00 m S
M 47/577	Nugget	1.5	498112.00 m E	7705465.00 m S
M 47/577	Nugget	3.5	498110.00 m E	7705464.00 m S
M 47/577	Nugget	4.1	498111.00 m E	7705464.00 m S
M 47/577	Nugget	5.1	498116.00 m E	7705465.00 m S
M 47/577	Nugget	8.3	498118.00 m E	7705462.00 m S
M 47/577	Nugget	1.1	498140.00 m E	7705464.00 m S
M 47/577	Nugget	1.6	498141.00 m E	7705462.00 m S
M 47/577	Nugget	5.5	498293.00 m E	7705443.00 m S
M 47/577	Nugget	2.5	498278.00 m E	7705445.00 m S
M 47/577	Nugget	20.5	498256.00 m E	7705457.00 m S
M 47/577	Nugget	2.2	498305.00 m E	7705437.00 m S
M 47/577	Nugget	1.2	498280.00 m E	7705434.00 m S
	Total	76		

JORC Code, 2012 Edition – Table 1

SECTION 1 SAMPLING TECHNIQUES AND DATA

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

Criteria	Commentary
Sampling techniques	• A metal detector was used to identify and recover gold nuggets within the near surface profile, from a small localised area based around coordinates reported in the announcement. • The test pit area of 20 metres by 10 metres by 1 metre depth was an excavation created by bulldozer. • The nuggets were then hand dug. • Total weight of gold nuggets is 76 grams.
Drilling techniques	• Drilling not being reported.
Drill sample recovery	• Not drilling results.
Logging	• Test pits are being geologically mapped.
Sub-sampling techniques and sample preparation	• No sub sampling as not drilling related samples.

Criteria	Commentary
Quality of assay data and laboratory tests	• No assay data and not analysed by a laboratory.
Verification of sampling and assaying	• No verification sampling has been undertaken.
Location of data points	• A Garmin GPSMap62 hand-held GPS was used to define the location of the nugget locations. Sample locations are considered to be accurate to within 5m. • Zone 51 (GDA 94).
Data spacing and distribution	• Randomly spaced test pits with coverage by metal detecting within a small defined area of 20m x 10 m x 1 m deep. • Not for ore resource estimation. • No compositing applied.
Orientation of data in relation to geological structure	• No orientation of data. All surface sampling.
Sample security	• The gold specimens remain in the possession of Cyclone Metals Limited.
Audits or reviews	• Data is validated upon up-loading into the master database. Any validation issues identified are investigated prior to reporting of results.

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	• M47/87, M47/401, M47/127, M47/421 and M47/577 have a granted PoW, are in the name of D & K Corps Investments Pty Ltd and are owned 100% by Cyclone Metals Limited • The tenements are in good standing, and further extensions of term can be applied for.
Exploration done by other parties	• Historic gold production is known from Nickol River through small-scale mining and dry-blowing activities, estimated production is 13kg of gold between 1900-1911. • Trial mining operations at Nickol River in 1984, with a 10 tonne per hour plant tested 600 tonnes of material, yielded a recovered grade of 0.33 grams per tonne of gold (“g/t Au”) and in 1985 a bigger 40 tonne per hour pilot plant processed 42,500 tonnes of material that yielded a recovered grade of 0.15 g/t Au. • Samantha Exploration NL completed 21 reverse circulation drillholes following trenching, soil sampling and mapping activities in period 1984-5. In 1989 Vince Roberts & Associates completed a further 22 reverse circulation drillholes. During 1990-94 Sir Samuel Mines NL explored the area completing extensive soil sampling programs and an aeromagnetics survey. In 1994 Moonstone Resources NL completed 95 RAB holes and 36 reverse circulation drillholes within the area. • All exploration and analysis techniques conducted by the parties are considered to have been appropriate given the available techniques at the time.
Geology	• At Nickol River coarse gold mineralisation is thought to be present as the basal remnants of a supergene enriched zone developed during lateritisation, with primary mineralisation originally emplaced along a fault/shear zones. • Gold mineralisation has more recently been identified as being associated with ultramafic lithologies, and quartz veins. • As exploration is at an early stage at Nickol River, further work is required to determine the

Criteria	Commentary
	geological setting and provenance of the gold mineralisation.
Drill hole Information	• No drill holes being reported.
Data aggregation methods	• No aggregation methods used.
Relationship between mineralisation widths and intercept lengths	• No mineralisation widths are being reported.
Diagrams	• Appropriate diagrams are contained in this document.
Balanced reporting	• Reporting of results in this report is considered balanced.
Other substantive exploration data	• No other significant exploration work has been reported by Cyclone. • A Sub Audio Magnetics survey has been completed by Gap Geophysics and an interpretation is currently underway by Southern Geoscience Consultants.
Further work	• Plans are to undertake follow-up mapping and sampling with geochemical sampling, further test pits, and drilling with complementary metal detecting in appropriate areas.