

CYCLONE METALS LIMITED
ACN 095 047 920

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 23 March 2022 (**Prospectus**) issued by Cyclone Metals Limited (ACN 095 047 920) (**Company**).

This Supplementary Prospectus is dated 13 April 2022 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus in hard copy or as an electronic copy and may be accessed on the Company's website at www.cyclonemetals.com.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

1. PURPOSE OF THIS DOCUMENT

The Supplementary Prospectus has been prepared to advise investors that the Company has appointed a new director to the board of directors of the Company.

The Company has appointed Mr Stirling Ross as a non-executive director of the Company, effective 13 April 2022 (**Appointment**).

By this Supplementary Prospectus, the Company makes the amendments to the Prospectus as set out in Section 2 in relation to the Appointment.

The amendments to the Prospectus outlined in Section 2 below should be read in conjunction with the Prospectus.

2. AMENDMENTS TO THE PROSPECTUS

The circumstances referenced in Section 1 above necessitate an amendment to the following sections of the Prospectus:

2.1 Corporate Directory

Section 1 is amended by including the name and position of Mr Ross below the heading 'Directors' as follows:

Mr Stirling Ross

Non-Executive Director

2.2 Section 7.5

Interests of Directors

The table under the heading 'Security Holdings' in Section 7.5 is amended by inserting a new row at the bottom as follows:

| Director | Shares | Options | Performance Rights |
|---|--------------------------|-------------------|---------------------------|
| <i>Terry Donnelly</i> | 20,000,000 ¹ | <i>Nil</i> | 120,000,000 ⁵ |
| <i>Antony Sage</i> | 312,514,763 ² | <i>Nil</i> | <i>Nil</i> |
| <i>Tim Turner</i> | 25,723,000 ³ | <i>Nil</i> | <i>Nil</i> |
| <i>Will Scott</i> | 53,734,889 ⁴ | <i>Nil</i> | 50,000,000 ⁶ |
| <i>Stirling Ross</i>⁷ | <i>Nil</i> | <i>Nil</i> | <i>Nil</i> |

A new note to the above table (Note 7) is included in addition to the existing notes (which remain unchanged):

Notes:

7. *Mr Ross was appointed as a Director on 13 April 2022. Mr Ross does not have an interest in any securities in the Company.*

Remuneration

The table under the heading 'Remuneration' in Section 7.5 is amended by deleting the existing table and replacing it with the following:

| | <i>Financial Year 2022 (Proposed)</i> | <i>Financial Year 2021 (Actual)</i> |
|---|--|--|
| <i>Terry Donnelly</i> ² | \$120,000 | \$65,000 ³ |
| <i>Antony Sage</i> | \$400,000 | \$400,000 ⁴ |
| <i>Tim Turner</i> | \$60,000 | \$60,000 |
| <i>Will Scott</i> ⁵ | \$50,000 | - |
| <i>Stirling Ross</i>⁶ | <i>\$12,500</i> | <i>Nil</i> |
| <i>TOTAL</i>¹ | <i>\$642,500</i> | <i>\$525,000</i> |

A new note to the above table (Note 6) is included in addition to the existing notes (which remain unchanged):

Notes:

6. *Appointed 13 April 2022. Remuneration calculated for the period 13 April to 30 June 2022.*

3. ACTION BY INVESTORS

If you have already lodged an Application with the Company **you are not required to undertake any action** because of this Supplementary Prospectus. The Board of the Company has formed the view that the updates provided in Section 2 above are not materially adverse from the point of view of an investor for the purposes of Section 719 of the Corporations Act, and therefore no rights of withdrawal are offered under this Supplementary Prospectus.

4. CONSENTS

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

5. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Terry Donnelly
Non-Executive Chairman
For and on behalf of
CYCLONE METALS LIMITED