

3 June 2022

Cyclone Secures Exclusive Rights to a World Class Cobalt, Nickel and Manganese Deposit in Cameroon

Highlights

- **Nkamouna-Mada Cobalt-Nickel-Manganese Deposit is highly sought after.**
- **Total non-JORC foreign measured and indicated resource estimate of * 120.6 Million tonnes @ 0.23% Co, 0.65% Ni and 1.35% Mn.**
- **Total global non-JORC foreign resource estimate of *323 Million tonnes @ 0.21% Co, 0.61% Ni and 1.25% Mn.**
- **Cyclone has entered into a binding exclusivity agreement with Ewaah Cameroon Ltd to secure the right to purchase 100% of the issued capital of Ewaah's subsidiary, Camdu Corporation.**
- **Camdu Corporation has applied for the mining permit that covers the area of a world class cobalt deposit in southeastern Cameroon, the Nkamouna-Mada Project.**

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) is pleased to announce that it has entered into a binding exclusivity agreement with Ewaah Cameroon Ltd (**Ewaah**) to secure the right to purchase 100% of the issued capital of Camdu Corporation Ltd (a company incorporated in Cameroon), which in turn has applied for the mining permit that covers the area of a world class cobalt deposit in southeastern Cameroon, the Nkamouna-Mada Project (**Project**).

The exclusivity agreement has been entered into between Cyclone and Ewaah to secure Cyclone's exclusive right to acquire the mining permit once it is granted to Camdu Corporation by the relevant mining authority in Cameroon. The mining permit covers an area of 1,645km² and the Nkamouna and Mada deposits are located within that area. Cyclone will issue 50,000,000 fully paid ordinary shares in the capital of CLE at a deemed issue price of \$0.005 per share and 50,000,000 unlisted options (\$0.01 expiring 12 months from the date of issue) to Ewaah to secure exclusivity which will be issued within 5 days of the mining permit being granted. The shares will be issued utilising CLE's existing placement capacity under Listing Rule 7.1. Upon grant, and subject to Cyclone being satisfied with the findings of due diligence it undertakes during the exclusivity period, the parties will negotiate the consideration payable for the acquisition of the Project.

About Nkamouna-Mada Development Asset

The Nkamouna and Mada deposits are located in southeastern Cameroon, approximately 400km from Cameroon's capital city, Yaoundé. The closest town to the Project site is Lomie, located approximately 26 km to the west-southwest. The closest railroad transport to the Project is located in the town of

* Non-JORC foreign estimate ,June 2 2011 NI43-101 Technical Report ,Geovic Mining Corp, Nkamouna and Mada Deposits, East Province of Cameroon, Africa. The foreign estimates are not reported in accordance with the JORC Code and a competent person has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code.

Belabo, approximately 250 km to the Project site. A paved highway to Ayos, public road to Abong Mbang and private logging roads links to the project site. International airports and modern telecommunication facilities exist at Yaoundé and Douala. The international seaport of Douala has suitable shipping and receiving facilities.

Nkamouna-Mada was identified as a potential deposit in the 1980s. Previous owners, Geovic, through its Cameroon subsidiary, Geovic Cameroon PLC (Geocam) were granted a prospecting permit by the Government of Cameroon in 1995. Geocam undertook various exploration programs that focused on the mineralised zone at Nkamouna and Mada deposits and identified deposits at Rapodjombo, North Mang, South Mang, Messea and Kondong. Geovic were responsible for identifying and perfected technology to economically recover cobalt, nickel and manganese from Nkamouna-Mada and a definitive feasibility study was prepared by SRK Consulting (Lakewood, Colorado), with contributors Lycopodium Minerals Pty Ltd and Knight Piesold of Australia, which can be accessed and read in full on www.sedar.com, company search Geovic Mining Corp, date of release 2 June 2011, or by following this link: <https://www.sec.gov/Archives/edgar/data/1398005/000119312511161283/dex991.htm>.

Mineral resources and ore reserves were calculated by SRK Consulting Engineers and Scientists, with mineral resources and ore reserves estimated in Sections 15 and 16, which was prepared in accordance with NI43-101 standards and summarised the report published on June 2, 2011 effective as of December 31, 2010.

Set out below are the summary tables of the mineral resource and ore reserve estimates published on page 15-20 of the report, which have been extracted and included in this announcement:

Project	Lithology	Resource Category	Cut-off (%Co)	tonnes	Cobalt grade%	Nickel grade%	Manganese grade%	Co Metal tonnes	Ni Metal tonnes	Mn Metal Tonnes
Nkamouna	Breccia	Measured	0.23	6,527,000	0.47	0.55	2.6	30,677	35,899	169,702
Nkamouna	Ferrallite	Measured	0.12	53,277,000	0.22	0.69	1.22	117,209	367,611	649,979
Mada		Measured						-	-	-
Total Measured				59,805,000	0.24	0.68	1.37	143,532	406,674	819,329
Nkamouna	Breccia	Indicated	0.23	672,000	0.43	0.49	2.53	2,890	3,293	17,002
Nkamouna	Ferrallite	Indicated	0.12	20,247,000	0.19	0.68	1.07	38,469	137,680	216,643
Sub Total				20,918,000	0.19	0.67	1.12	39,744	140,972	233,645
Mada	Breccia	Indicated	0.23	6,625,000	0.38	0.53	2.21	25,175	35,113	146,413
Mada	Ferrallite	Indicated	0.12	33,251,000	0.21	0.6	1.28	69,827	199,506	425,613
Sub Total				39,876,000	0.24	0.59	1.43	95,002	234,619	572,025
Total Indicated				60,794,000	0.22	0.62	1.32	134,746	375,591	805,670
Total Measured & Indicated				120,599,000	0.23	0.65	1.35	278,278	782,265	1,624,998
Nkamouna	Breccia	Inferred	0.23	766,000	0.39	0.49	2.19	2,987	3,753	16,775
Nkamouna	Ferrallite	Inferred	0.12	19,163,000	0.18	0.66	1.05	34,493	126,476	201,212
Sub Total				19,929,000	0.19	0.65	1.09	37,481	130,229	217,987
Mada	Breccia	Inferred	0.23	14,790,000	0.40	0.53	2.47	59,160	78,387	365,313
Mada	Ferrallite	Inferred	0.12	167,831,000	0.18	0.59	1.1	302,096	990,203	1,846,141
Sub Total				182,621,000	0.20	0.59	1.21	361,256	1,068,590	2,211,454
Total Inferred				202,551,000	0.20	0.59	1.21	398,737	1,198,819	2,429,441
Total Resource				323,150,000	0.21	0.61	1.25	677,015	1,981,084	4,054,439

Table 1: Non-JORC historical estimate* summarised in June 2 2011 NI43-101 Technical Report ,Geovic Mining Corp, Nkamouna and Mada Deposits, East Province of Cameroon, Africa. The resource is stated above a 0.12% cobalt cut-off for ferralite and a 0.23% cobalt cut-off for breccias, constrained above the bedrock surface. (Tally of numbers may vary due to rounding).

*The historical estimates are not reported in accordance with the JORC Code and a competent person has not done sufficient work to classify the historical estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the historical estimates will be able to be reported as mineral resources in accordance with the JORC Code.

Cyclone is not in possession of any new information or data relating to the historical estimates that materially impacts on the reliability of the estimates or the Company's ability to verify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code. A full explanation of the non-JORC historical resource estimates and sources of information are included in the appendix section to this announcement.

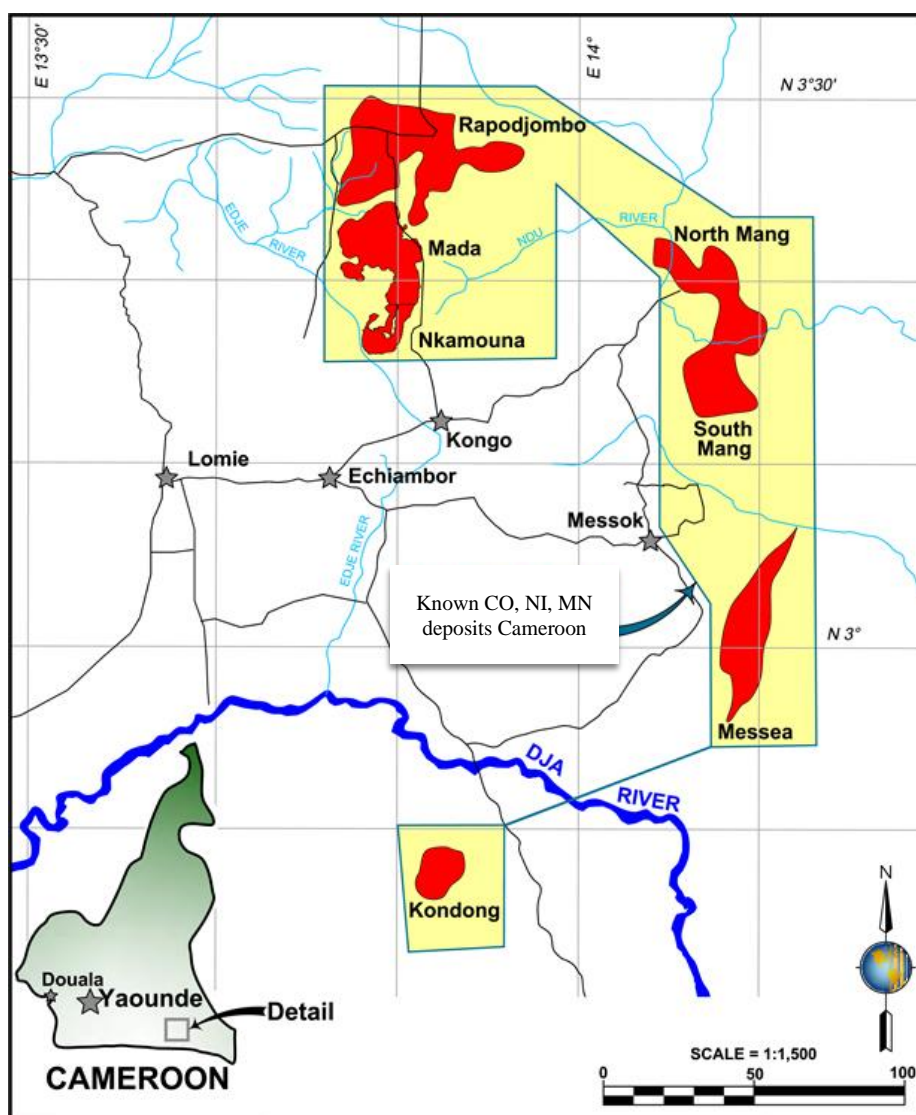


Figure 1: Project Location in Cameroon and location of Nkamouna and Mada Cobalt, Nickel, Manganese Deposits north of Kongo, that Cyclone has assigned a binding exclusivity agreement on. Permit boundary is not current.

Cyclone Non-Executive Chairman, Terry Donnelly commented, "To secure the exclusive rights to this asset is a game changer for the Company. The licenses have been highly sought after by many parties in the battery metals space for several years."

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

Yours faithfully
Cyclone Metals Limited

Terry Donnelly
Non-Executive Chairman

For further information please contact:

Investor Relations



+61 (0) 8 9380 9555



ir@cyclonemetals.com

Follow us



@cyclonemetals



cyclone-metals

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 Australian Institute of Mining and Metallurgy. Mr Mead is a consultant of the Company. 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.

The information in this report that relates to non-JORC Foreign Estimates is based on information compiled by Mr Edward Mead, a Member of the Australian Institute of Mining and Metallurgy. The information in this announcement provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Muirs Reef Project. Mr Mead is a consultant of the company. Mr Mead consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. References and source of information:

- June 2 2011 NI43-101 Technical Report ,Geovic Mining Corp, Nkamouna and Mada Deposits, East Province of Cameroon, Africa

Details of non-JORC Foreign Resource Estimates in relation to ASX LR Chapter 5, for **Nkamouna and Mada** Projects

Sections 5.10 to 5.12: *Requirements applicable to reports of foreign estimates and foreign estimates of mineralisation for material mining projects.*

ASX Listing Rule	Reference to previous announcement or compliance in current draft
5.10 - An entity reporting historical estimates or foreign estimates of mineralisation in relation to a material mining project to the public is not required to comply with rule 5.6 (The JORC Code) provided the entity complies with rules 5.12, 5.13 and 5.14.	For the qualified non-JORC foreign estimates included in this market release, Cyclone is not required to comply with Listing Rule 5.6 (JORC Code) as all relevant and requested disclosures are stated in the report and tabulated below.
5.11- An entity must not include historical estimates or foreign estimates (other than qualifying foreign estimates) of mineralisation in an economic analysis (including a scoping study, preliminary feasibility study, or a feasibility study) of the entity's mineral resources and ore reserves holdings.	The Company complies with 5.12, 5.13 and 5.14 requirements for statement of non-JORC foreign resource estimates, as tabled below. Cyclone is not applying any economic analysis or commentary to the foreign resource estimates in this market release.
5.12 - Subject to rule 5.13, an entity reporting historical estimates or foreign estimates of mineralisation in relation to a material mining project must include all of the following information in a market announcement and give it to ASX for release to the market.	The same foreign resource estimates were previously reported to the TSX in June 2011.
5.12.1 - The source and date of the historical estimates or foreign estimates.	The NI 43-101 Summary Report on Muirs was sourced from Sedar • June 2 2011 NI43-101 Technical Report ,Geovic Mining Corp, Nkamouna and Mada Deposits, East Province of Cameroon, Africa
5.12.2- Whether the historical estimates or foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) and if so, an explanation of the differences.	Reference to the category of mineralisation at the time was defined as "Measured", "Indicated" and "Inferred" and comparable to the current JORC Code.
5.12.3 - The relevance and materiality of the historical estimates or foreign estimates to the entity.	The foreign estimates for the cobalt, nickel and manganese deposits at Nkamouna and Mada is relevant and material to Cyclone's planned acquisition, as it pertains to a project that could potentially be economically viable for the Company.
5.12.4 - The reliability of the historical estimates or foreign estimates, including by reference to any of the criteria in Table 1 of Appendix 5A (JORC Code) which are relevant to understanding the reliability of the historical estimates or foreign estimates.	The historical data is supported by extensive data reviews, and a site visit by the Competent Person in 2007, when most of the drilling, trenching and pitting had been completed. A recent visit by a consultant geologist to Cyclone also confirms the validity of the drilling, trenching and pitting. The Competent Person views the foreign estimates as providing reasonable indications of the potential size and grade of the deposits in the area based on the amount of drilling, trenching and pitting completed. At Nkamouna; 1,310 Pits for 17,466.34m, Diamond Core 1034 holes for 27,215.05m, 176 RC holes for 3,674.5m, have been completed that relate to the mineral resource estimate. At Mada; 593 Pits for 7,283.2m, 928 RC holes for 23,751.1m, have been completed that relate to the mineral resource estimate.
5.12.5 - To the extent known, a summary of the work programs on which the historical estimates or foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historical estimates or foreign estimates.	The non-JORC foreign estimate is based on data from Geovic Mining Corp: 1999 - exploration license covering 5,000 square kilometers granted to Geocam by the Government of Cameroon 1999 to 2003 - exploration programs mainly focused on resource delineation at Nkamouna and Mada was conducted. Limited drilling at Rapodjombo was also completed. This limited drilling indicated potential for similar resources as found at Nkamouna. Limited reconnaissance drilling was conducted on the other deposits identified by prospecting. 2003 - Geocam granted a mine permit by the Government of Cameroon for a term of 25 years and an extension, at the option of Geocam, for 25 years. 2004 to 2011 - Geovic identified and perfected technology to economically recover cobalt, nickel and manganese from Nkamouna - Mada.

	<p>2007 – at the request of the Government of Cameroon, Société Nationale d'Investissement du Cameroun ("SNI") became a shareholder of Geocam. SNI also carries the investment of the local shareholders. The current investment by the shareholders is approximately of US\$105 million. As a result of the current shareholders of Geocam are:</p> <p>2009 - As a result of the deterioration of financial markets the financial advisors of Geocam (Standard Chartered Bank) recommended that a strategic partner be sought for financing the development of the Nkamouna project.</p> <p>2010 – A definitive feasibility study was completed by Lycopodium Minerals Pty of Australia.</p> <p>2011 - An agreement was reached with Jiangxi Rare Metals Tungsten Holdings Group Co., Ltd. of China ("JXTC") to become a strategic partner with Geocam for the development of the Nkamouna project. Under the terms of the transaction JXTC would have purchased 51% ownership of the project from the shareholders on a proportional basis. As SNI refused to dilute Geovic agreed to assume all of the dilution so that the project could advance. SNI refused to execute the final Definitive Agreement between JXTC, Geocam and its shareholders. As a result the agreement with JXTC terminated in 2014.</p> <p>2010 to 2017 - The cobalt price dropped from a high of approximately US\$25 per pound to less than US\$10 per pound at which time the project became uneconomic.</p> <p>2014 to 2017 – Geovic began exploring a modified processing approach to lower both capital and operating prices to make the project economic.</p> <p>2017 – GBM Minerals Engineering Consultants (UK) engaged to update the Lycopodium feasibility study using the modified processing approach developed by Geovic</p> <p>2018 to current – Cobalt prices have increased from below UD\$10 per pound to as high as US\$43 per pound and current prices of approximately US\$37 per pound (London Metals Exchange). This increase is a result of increased demand for cobalt, a critical component, in batteries for electric cars and the continued and worsening instability in the Democratic Republic of Congo which has recently been the source of approximately 60% of world cobalt supply.</p> <p>From 1999 to present at Nkamouna; 1,310 Pits for 17,466.34m, Diamond Core 1034 holes for 27,215.05m, 176 RC holes for 3,674.5m, have been completed that relate to the mineral resource estimate.</p> <p>From 1999 to present at Mada; 593 Pits for 7,283.2m, 928 RC holes for 23,751.1m, have been completed that relate to the mineral resource estimate.</p>
5.12.6 - Any more recent estimates or data relevant to the reported mineralisation available to the entity.	There are no more recent estimates, and Cyclone is planning to convert Nkamouna and Mada foreign estimate to JORC 2012.
5.12.7 - The evaluation and/or exploration work that needs to be completed to verify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with Appendix 5A (JORC Code)	Further exploration field work is required including surveying all historical drillholes, and bulk metallurgical samples to test newer processing technologies.
5.12.8 - The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work.	Cyclone is currently consolidating data so that when the Nkamouna and Mada projects are acquired, based on successful execution of a final agreement, on ground work can be undertaken to generate a JORC 2012 Mineral Resource Estimate. The Company is also looking to update the DFS completed by Lycopodium.
5.12.9 - A cautionary statement proximate to, and with equal prominence as, the reported historical estimates or foreign estimates stating that: the estimates are historical estimates or foreign	Cyclone is an ASX-listed Company and will fund exploration work in compliance with listing rules, its constitution, market conditions and appropriate shareholder approval.
	The following cautionary statement has been inserted in the report proximal to mention of foreign resources on pages 1, 2: "non-JORC

<p>estimates and are not reported in accordance with the JORC Code; a competent person has not done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC Code; and it is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code</p>	<p>foreign estimate June 2 2011 NI43-101 Technical Report ,Geovic Mining Corp, Nkamouna and Mada Deposits, East Province of Cameroon, Africa <i>The foreign estimates are not reported in accordance with the JORC Code and a competent person has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code”.</i></p>
<p>5.12.10 - A statement by a named competent person or persons that the information in the market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The statement must include the information referred to in rule 5.22(b) and (c).</p>	<p>Edward Mead, a Geologist and consultant to the Company, is acting as the Competent Person for this report - The following statement has been included in the Competent Person section: <i>“The information in this report that relates to non-JORC Foreign Estimates is based on information compiled by Mr Edward Mead, a Member of the Australian Institute of Mining and Metallurgy. The information in this announcement provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Nkamouna and Mada Projects. Mr Mead is a consultant to the company. Mr Mead consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.”</i></p>