

## **CANADIAN PROJECT ACQUISITION COMPLETES**

### **- Cyclone Lithium Project, James Bay Region, Quebec**

**Megado Minerals Limited** (ASX: MEG) (**Megado** or the **Company**) is pleased to advise that it has completed its acquisition of the Cyclone Lithium Project in Quebec, Canada. The Cyclone Project is in Quebec's James Bay region and is centred on approximately 130km<sup>2</sup> of the Aquilon Greenstone Belt (see Figure 1).

The Project area has had limited historical exploration for lithium and is also highly prospective for massive nickel sulphides and orogenic style gold deposits. The James Bay region is fast emerging as Canada's, and perhaps one of the worlds, premier hard rock lithium districts.

The consideration paid by the Company for the acquisition included:

- A cash payment of CAD\$250,000.
- 45,000,000 fully paid ordinary shares (Consideration Shares) subject to the following escrow restrictions:
  - a. 10% of the Consideration Shares (4,500,000 Shares) will be freely tradeable from the date of issue.
  - b. 45% of the Consideration Shares (20,250,000 Shares) will be subject to 6 months escrow from the date of issue.
  - c. 45% of the Consideration Shares (20,250,000 Shares) will be subject to 12 months escrow from the date of issue.
- 7,000,000 options to acquire fully paid ordinary shares in the capital of the Company, exercisable at AUD\$0.10 on or before the date that is three (3) years after the date of issue; and
- A 2% net smelter royalty over minerals extracted from the Project.

#### **Future Work Programs at the Cyclone Project**

Recent analyses of hyperspectral imagery identified 415 potential lithium bearing pegmatite targets within the Cyclone project area (see ASX release [17 April 2023](#)). Additional remote sensing work is currently underway, utilising high resolution satellite imagery and detailed topography to perform a structural analysis of the project. Existing datasets include government mapping and high-resolution geophysics (mag/TDEM). These datasets will be reviewed in combination to determine possible controls to pegmatite mineralisation, influence of glaciation and morphology versus host rock controls, and prospectivity of the target areas to develop a probabilistic ranking of targets that will aid initial field work and follow-up drill targeting.

Logistics planning is currently underway with on the ground reconnaissance commencing as soon as practical subject to snow cover.

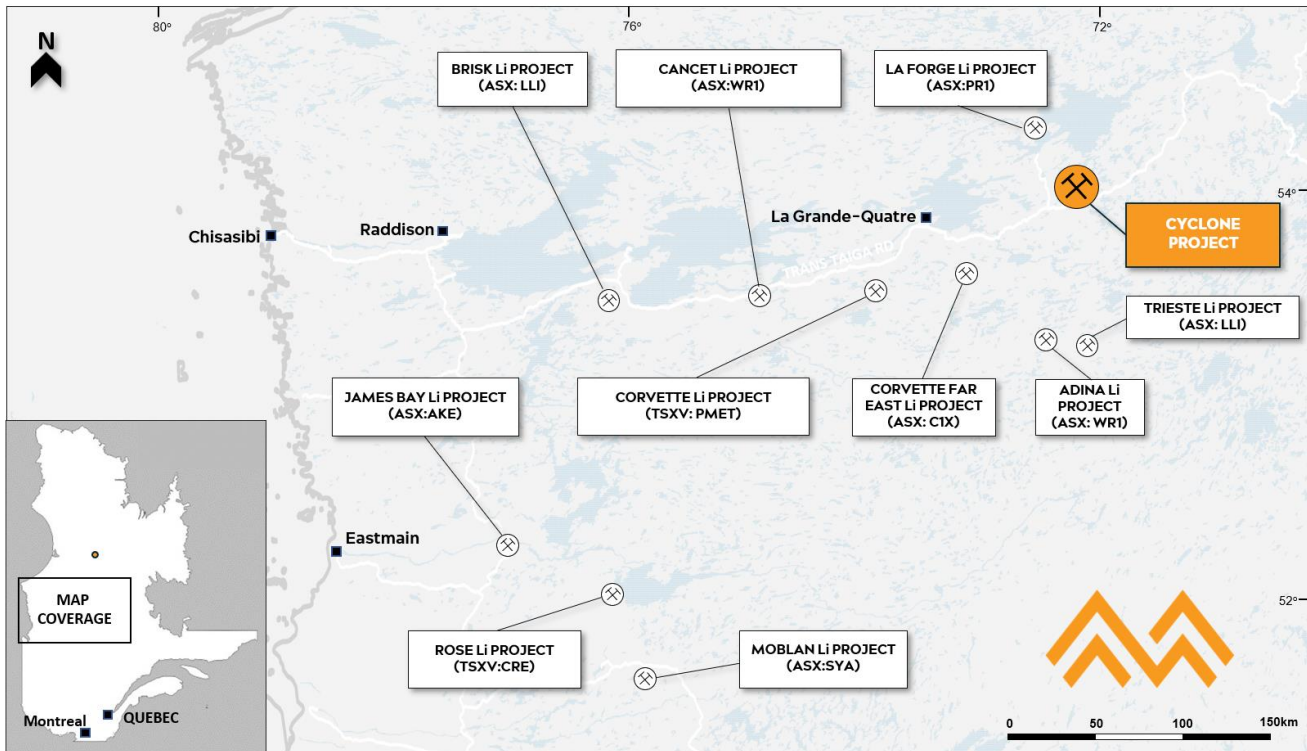


Figure 1: Location of the Cyclone Lithium Project in the James Bay region, Quebec, Canada.

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Authorised for release by the Board of Megado Minerals Limited.

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**About Megado Minerals**

Megado Minerals Ltd (ASX: MEG) (the Company or Megado) is an ASX-listed mining exploration company. The company's assets include the North Fork Rare Earth Project in Idaho, USA and the Cyclone Lithium Project in the James Bay region in Quebec, Canada.

In June 2022, Megado completed the acquisition 100% of the rights, title, and interest in the North Fork Rare Earth Project ("North Fork"), located in the mining-friendly Idaho Cobalt Belt region of Idaho, USA. Subsequently, Megado has acquired new lode claims in the project area. North Fork now consists of 526 (granted and in application), covering approximately 45km<sup>2</sup> with outcropping, high-grade, rare-earth element (REE) mineralised rock. It contains multiple carbonatite-hosted, high-grade, REE mineralised veins that have been observed at surface across numerous prospects over 10km along strike. Previous exploration has returned exceptional grades in channel samples. REE mineralisation displayed at North Fork is high-grade and enriched in critical rare earths (CREO), (typically Y, Nd, Tb, Dy, Eu). Idaho, where North Fork is located, is ranked the best mining policy jurisdiction in the world in 2020 by Fraser Institute.

In February 2023, Megado announced the acquisition of the Cyclone Lithium Project. The Project is in Quebec's James Bay region and centred on the Aquilon Greenstone Belt. The Project encompasses 130km<sup>2</sup> and includes 304 claims. Located within Category-III lands, the Cyclone Project does not carry any restrictions relating to mining or exploration according to the James Bay Agreement. The Project area is easily accessible year-round via the Trans Taiga Road, which transects the southern part of the Project area.