28 November 2023

Auclair Lithium Project, James Bay, Canada

Spectacular rock chip results of up to 6.6% Li_2O from 50m-wide Pegasus outcrop

Drilling to start in January to target Pegasus and Lyra outcrops at Auclair; Potential for a major lithium discovery with both outcrops demonstrating significant scale along with grades of up to 6.6% and 6.7% Li_2O respectively

Highlights

- Latest results from Pegasus demonstrate significant potential for a major lithium discovery, with newly received rock chip results of 6.6% Li_2O, 5.5% Li_2O, 5.3% Li_2O, 4.6% Li_2O, 2.2% Li_2O, 1.8% Li_2O, 1.5% Li_2O, and 0.7% Li_2O
- The Pegasus discovery consists of two large spodumene-bearing pegmatite outcrops that sit side by side measuring up to 75m long x 50m wide and 65m long x 30m wide
- Excellent results have also been received from the Lyra discovery (1.7km north of Pegasus), again with significant grades of up to 6.7% Li_2O and 2.0% Li_2O. Lyra is a 60m long x 15m wide spodumene pegmatite outcrop that is largely covered by dense vegetation
- A diamond drill rig has been secured for the winter season to target both Pegasus and Lyra at depth and along strike. All permits are in place and drilling is expected to commence in mid to late January
- Auclair has immense potential for further discovery with 6km of known spodumene mineralisation within a 10km highly prospective corridor
- Recent exploration has barely scraped the surface at Auclair with recent discoveries made just days before the early October snow which curtailed the prospecting season
- Significant potential remains along strike and undercover with ongoing targeting in progress utilising the high resolution magnetics and LiDAR recently completed in conjunction with NewGen Geo, a consultancy specialising in the latest geophysical techniques in lithium exploration
- The project is located in the same greenstone belt and just 60km due east of Critical Elements Lithium Corporation's Rose Deposit (34.2Mt @ 0.9% Li_2O), and just 50km northeast of Whabouchi (55.7Mt @ 1.4% Li_2O), owned and operated by Nemaska Lithium[1]

Cygnus Managing Director David Southam said: "Pegasus and Lyra represent outstanding drilling targets with immense potential given their favourable location to infrastructure, their grade and outcrop size.

"Our aim is to expand on the mineralised footprint at surface by drilling at depth and along strike, while potentially linking up these two outcrops which may be part of one large continuous dyke.

"Pegasus is on track to be drilled in January. This will be followed by drilling at Lyra, where the results already show that the system we have been targeting at Auclair is extremely fertile".

Cygnus Metals Limited
Level 2, 8 Richardson Street, West Perth WA 6005
T: +61 8 6118 1627 E: info@cygnusmetals.com W: www.cygnusmetals.com

Cygnus Metals Limited (ASX: CY5) is pleased to announce spectacular surface rock chip results of up to 6.6% Li_2O and 6.7% Li_2O, respectively, from the recent Pegasus and Lyra pegmatite discoveries at its Auclair Lithium Project in James Bay, Quebec.

Pegasus and Lyra are two newly discovered areas with significant spodumene-bearing pegmatite outcrops that are only 1.7km apart and demonstrate significant scale to be potential major lithium discoveries. Recent rock chip results from Pegasus include grades of 6.6% Li_2O, 5.5% Li_2O, 5.3% Li_2O, 4.6% Li_2O, 2.2% Li_2O, 1.8% Li_2O, 1.5% Li_2O, and 0.7% Li_2O, while results from rock chips from Lyra include 6.7% Li_2O and 2.0% Li_2O. These high-grade results highlight Auclair to be a highly fertile system with significant lithium mineralisation which has now been identified over 6km to date between the Auriga, Lyra and Pegasus discoveries.

Pegasus consists of two pegmatite outcrops that sit side by side, separated by 15m of vegetation. The southern outcrop has exposed dimensions of 75m long by up to 50m wide while the northern outcrop is 65m in length by up to 30m wide. Lyra is a single outcrop with exposed dimensions of 60m by 15m wide and is mostly covered by vegetation.

The Cygnus team believe there is untapped potential at Auclair with a 6km spodumene pegmatite trend within a 10km prospective corridor of highly fractionated pegmatites with low K/Rb ratios. This area remains completely open with the discoveries of Lyra and Pegasus happening just days before the early October snow curtailed the prospecting season. The exploration team have barely scraped the surface in terms of the exploration potential at Auclair which is proving to be a significantly under-explored and extremely fertile, lithium system.

Spodumene is the only lithium mineral identified at the project to date with extremely coarse grained (>1m) crystals observed at Pegasus.

Planned Exploration

In light of these exciting new discoveries and recent results, the Company will undertake a winter diamond drilling program at Auclair to test the pegmatites both along strike and at depth. With the exploration camp already established and all-weather road access across the project area, the Company has now secured drilling permits and a diamond drill rig for the upcoming campaign. Drilling is expected to commence mid to late January.

In addition to the upcoming drilling at Pegasus and Lyra, work over the winter months will include target generation beneath cover through geophysics and geochemical sampling programs. This work is being conducted in conjunction with NewGen Geo, a consultancy specialising in the application of contemporary geophysical techniques in exploration for lithium bearing pegmatites.

Results are still pending from the recent drilling campaign across the Auriga discovery; these are expected early-mid December.

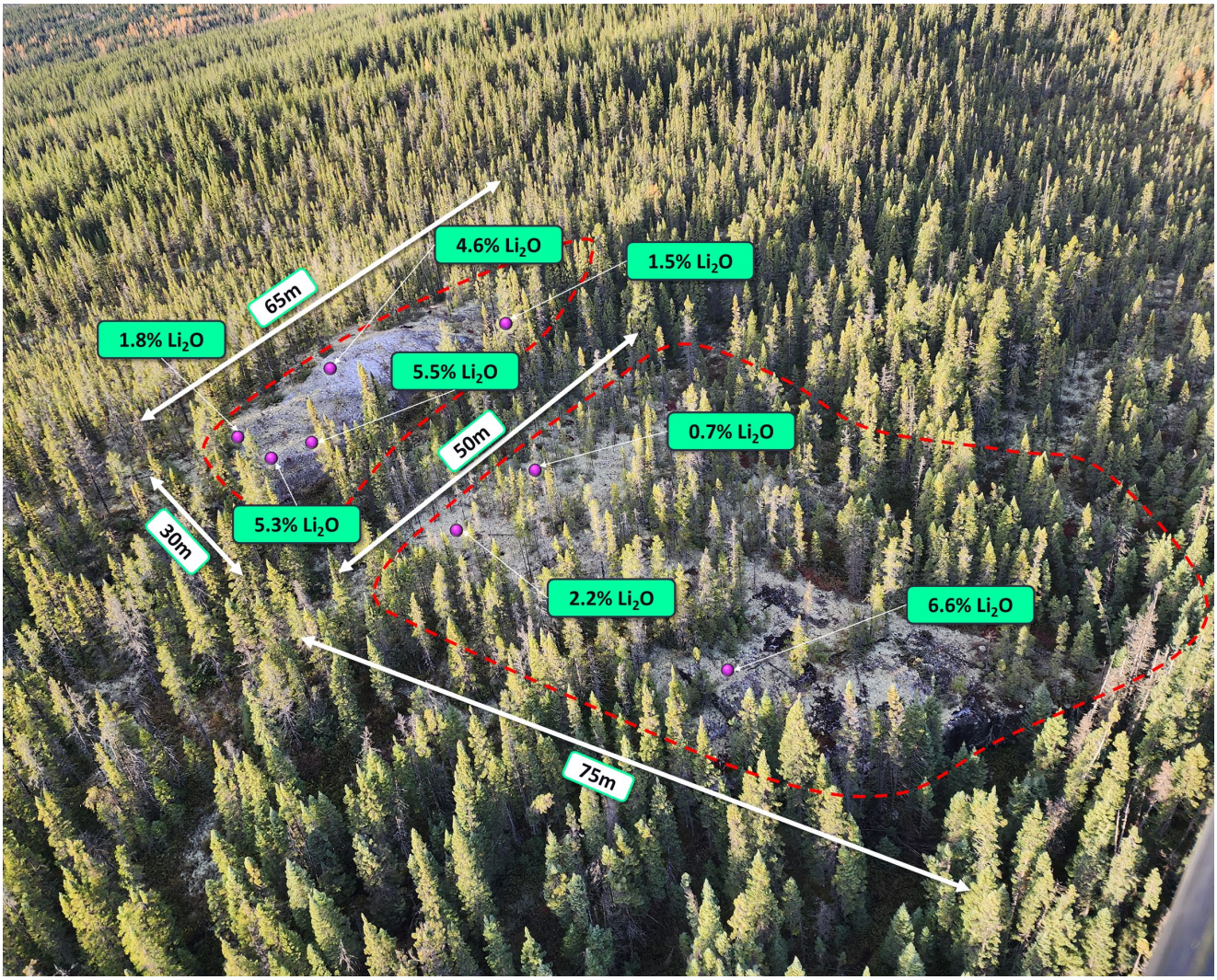

Figure 1: Rock chip samples returning up to 6.6% Li_2O at the newly discovered Pegasus pegmatites at the Auclair Project.

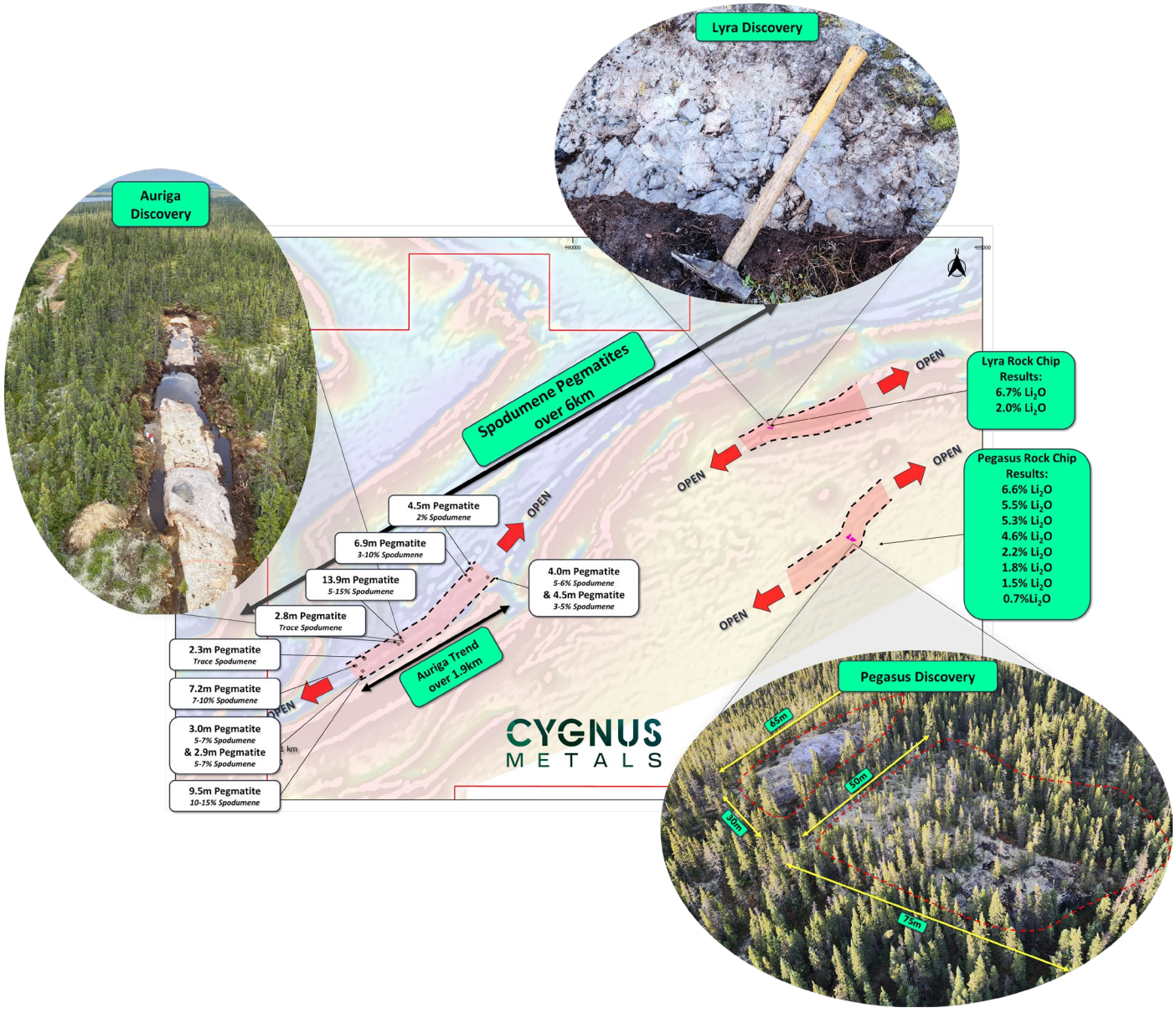

Figure 2: Mutiple spodumene-bearing pegmatites discovered across 6km of strike with the Auriga, Lyra and Pegasus discoveries. Refer ASX releases dated 19 and 25 October 2023. These discoveries validate the prospectivity of the high fractionation trend over 10km, most of which remains under shallow glacial cover.*

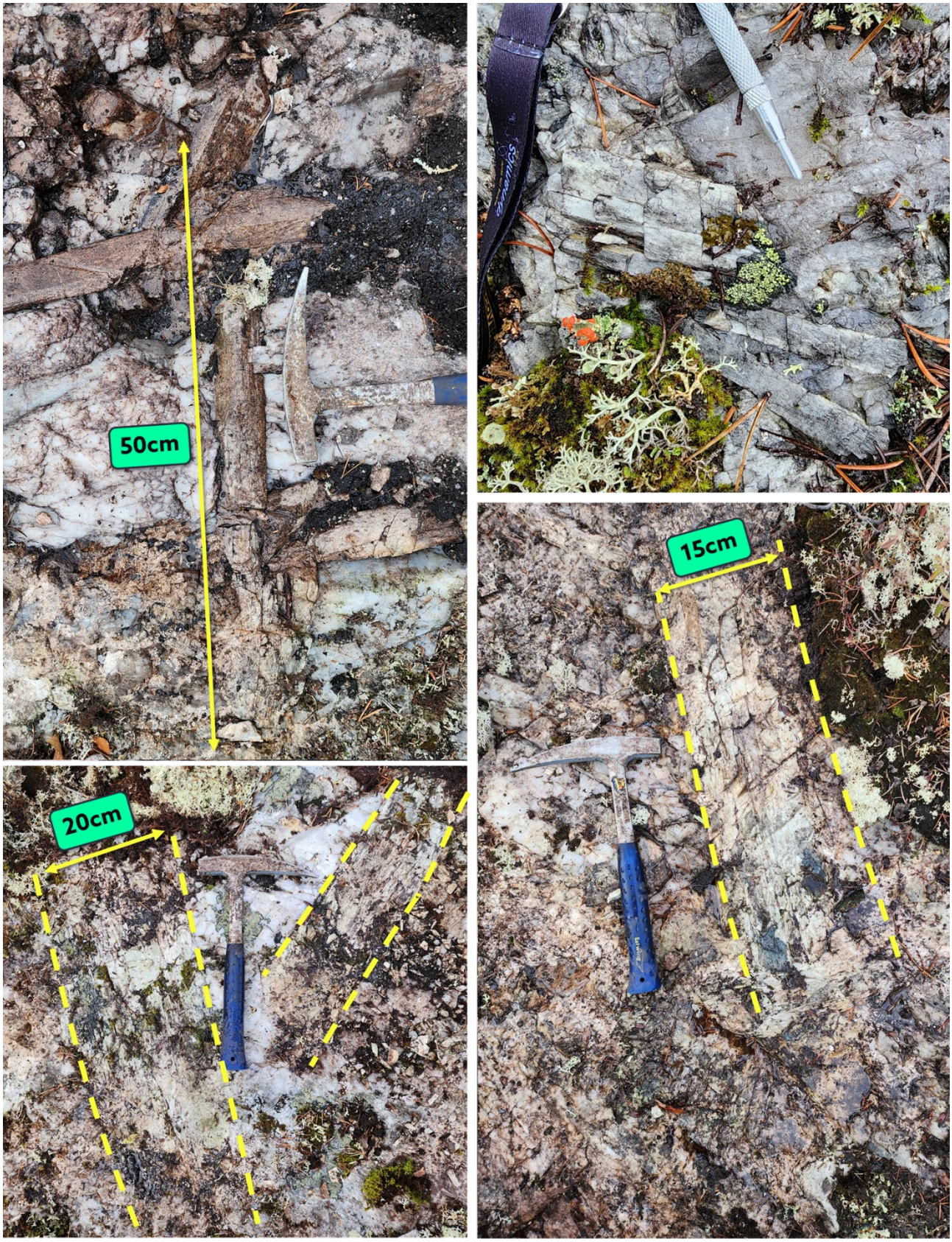

Figure 3: Abundant coarse spodumene crystals from the Pegasus discovery.

Figure 4: Over 1m long spodumene crystals from the Pegasus discovery.

Figure 5: Coarse grained spodumene crystals at the Lyra discovery. Sample 155790403 (6.7% Li_2O).

For and on behalf of the Board

David Southam
Managing Director
T: +61 8 6118 1627
E: info@cygnusmetals.com

Media
For further information, please contact:
Paul Armstrong
Read Corporate
+61 8 9388 1474

About Cygnus Metals

Cygnus Metals Limited (ASX: CY5) is an emerging exploration company focussed on advancing the Pontax Lithium Project (earning up to 70%), the Auclair Lithium Project and Sakami Lithium Project in the world class James Bay lithium district in Canada. In addition, the Company has REE and base metal projects at Bencubbin and Snake Rock in Western Australia. The Cygnus Board of Directors and Technical Management team have a proven track record of substantial exploration success and creating wealth for shareholders and all stakeholders in recent years. Cygnus Metals' tenements range from early-stage exploration areas through to advanced drill-ready targets.

Competent Persons Statements

The information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation compiled by Mr Duncan Grieve, a Competent Person who is a member of The Australasian Institute of Geoscientists. Mr Grieve is the Chief Geologist and a full-time employee of Cygnus Metals and holds shares in the Company. Mr Grieve has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Grieve consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

End Notes

1. For the information in this announcement that relates to: Whabouchi (55.7Mt @ 1.4% Li_2O), refer to Nemaska Lithium Inc's NI 43-101 dated 31 May 2019; and Rose (34.2Mt @ 0.9% Li_2O), refer for Critical Elements Lithium Corp's TSX-V Announcement dated 13 June 2022.

The information in this announcement that relates to previously reported Exploration Results has been previously released in ASX Announcements as noted in the text. Cygnus Metals confirms that it is not aware of any new information or data that materially affects the information in the said announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

** In relation to the disclosure of visual occurrences of pegmatite and spodumene, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. The Company expects to receive the laboratory analytical results in the December quarter.*

APPENDIX A – Details of rockchip results

Coordinates given in UTM NAD83 (Zone 18)

Sample ID	Showing	East	North	RL (m)	Geology	Li_2O %
155790391	Pegasus	493361	5764074	326	Spodumene pegmatite	5.3
155790392	Pegasus	493384	5764118	328	Spodumene pegmatite	0.1
155790393	Pegasus	493394	5764111	328	Spodumene pegmatite	1.5
155790394	Pegasus	493365	5764076	326	Spodumene pegmatite	5.5
155790395	Pegasus	493369	5764098	327	Spodumene pegmatite	4.6
155790396	Pegasus	493354	5764070	326	Spodumene pegmatite	1.8
155790397	Pegasus	493395	5764065	323	Spodumene pegmatite	2.2
155790398	Pegasus	493398	5764072	326	Spodumene pegmatite	0.7
155790399	Pegasus	493423	5764045	322	Spodumene pegmatite	6.6
155790401	Lyra	492433	5765404	350	Spodumene pegmatite	0.0
155790402	Lyra	492414	5765408	343	Spodumene pegmatite	2.0
155790403	Lyra	492386	5765416	344	Spodumene pegmatite	6.7

APPENDIX B – Grab Samples - 2012 JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Grab samples were collected from surface exposure using a rock hammer. The sample between 0.5-2kg is collected in a marked sample bag for submission for assay • Grab samples were collected by hand and in many cases several rock chips were collected from a single location to ensure representivity
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No drilling results are reported therefore information about drilling techniques is not available
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No drilling results are reported therefore information about drill sample recovery is not available
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• Samples were logged in the field according to rock type, colour, mineral assemblage, location and date/time of collection before being placed in sample bags and assigned a sample number
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	• Geological logging is qualitative and descriptive in nature
	The total length and percentage of the relevant intersections logged.	• All samples were logged

Criteria	JORC Code Explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Whole samples were collected in sample bags • Sampling practice is deemed appropriate to the geology and mineralisation of the deposit and complies with industry best practice • Samples were submitted to SGS preparation lab in Lakefield, Ontario • At Lakefield the samples are dried at 105°C, crushed to 75% passing 2 mm, riffle split 250 g, and pulverize 85% passing 75 microns • Laboratory QC procedures for rock chip assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates • The pulps were shipped by air to SGS Canada's laboratory in Burnaby, BC
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• The samples were analysed at SGS Canada laboratory in Burnaby, BC • Industry standard assay quality control techniques were used for lithium related elements • The samples were homogenized and subsequently analysed for multi-element (including Li and Ta) using sodium peroxide fusion with ICP-AES/MS finish (codes GE_ICP91A50 and GE_IMS91A50)
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	• None used
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Laboratory QC procedures for rock chip assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates • The company also submitted certified reference material and blanks with one in every 10 samples • Results for both met QAQC tolerances
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	• Verification was made by Cygnus Metals and other professional consultant geologists
	The use of twinned holes.	• No drilling results are reported therefore information about twinned holes is not available

Criteria	JORC Code Explanation	Commentary
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• All data has been reviewed, documented, and stored by IOS Services Geoscientifiques Inc, a professional exploration services company based out of Saguenay, Quebec
	Discuss any adjustment to assay data.	• There were no adjustments to the assay data. Oxide conversions were calculated for Li_2O and Ta_2O_5 using factors of 2.1527 and 1.2211 respectively.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• The location of sample points was recorded with a Garmin GPS model “GPSmap 62s” (4m accuracy)
	Specification of the grid system used.	• The grid system used is UTM NAD83 (Zone 18)
	Quality and adequacy of topographic control.	• Located with a Garmin GPS model “GPSmap 62s”
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	• The samples reported in this announcement were collected randomly from outcrops and other areas of interest by field geologists
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	• No resource estimation is made
	Whether sample compositing has been applied.	• No compositing has been applied to the exploration results
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• No drilling results are reported therefore information about drilling orientation is not available
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• No drilling results are reported therefore information about drilling orientation is not available
Sample security	*The measures taken to ensure sample security.*	• Samples are taken on site before being trucked to the IOS Services Geoscientifiques laboratory in Saguenay, Quebec through reputable transportation companies. Samples are then sorted and trucked to SGS Lakefield • The Company takes full responsibility on the custody including the sampling process itself and transportation
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been completed

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• The data reported within this announcement is from the Auclair Lithium Project. Cygnus owns 100% of 175 claims at Auclair, following completion of the acquisition from Osisko Exploration James Bay Inc and pegging of open ground • A further 589 claims at Auclair are under an option agreement with Canadian Mining House, Anna Rosa Giglio and Steve Labranche for the Beryl Property, which is immediately adjacent to and surrounds the original Auclair property • A further 22 claims have been acquired through a transaction with Noranda Royalties and 6998046 Canada Inc. announced July 2023 giving Cygnus 100% ownership of the claims • Combined these properties form the Auclair Lithium Project, which consists of 786 mining titles or cells designated on maps (CDC) for a total area of 417km^2
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• There are no known issues affecting the security of title or impediments to operating in the area
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	• Some drilling intersections and results discussed are based on historical exploration drilling completed by Virginia Mines Inc (now Osisko Exploration James Bay Inc)
Geology	*Deposit type, geological setting and style of mineralisation.*	• The Auclair Property is situated within the Middle to Lower Eastmain Greenstone Belt, which forms part of the La Grande sub-province of the Archean Superior Province of the Canadian Shield. The geology of the property comprises tholeiitic basalts and paragneiss with extensive banded iron formation horizons • The area is considered prospective for both gold and lithium
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole*	• No drilling results are reported therefore detailed drillhole information is not available

Criteria	JORC Code Explanation	Commentary
	○ *down hole length and interception depth* ○ *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• No data aggregation methods have been applied
	Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	• No data aggregation methods have been applied
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No metal equivalent reporting has been applied
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No mineralisation widths are reported
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Included elsewhere in this release. Refer figures in the body text
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results have been reported
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All reference to mineralogy of the pegmatites is included within the comments
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Cygnus Metals intends to drill test the depth and lateral extensions of the identified Auclair pegmatites • Further work will include geophysics and prospecting • Not enough data is available for geological interpretation