

ASX Announcement

12 March 2024

Short Term Cash Loan

Highlights

- European Lithium Ltd (ASX: EUR) has granted a cash loan of \$2,000,000 to Cyclone
- Proceeds of the loan have been allocated to the cash repayment of 1.34 million notes issued by Cyclone to CPS Capital Group Pty Ltd that were originally repayable in EUR securities, and for working capital purposes
- Cyclone has \$6.3 million of equity in primarily ASX listed entities, which highlights a solid financial position to repay the aforementioned cash loan
- The repayment of the loan eliminates the ability of the holders of the convertible notes to sell EUR shares on market in a short period of time without regard for the fundamentals of EUR's assets

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) advises that European Lithium Limited (ASX: EUR) (**European Lithium**) has granted a short-term cash loan of \$2,000,000 to the Company (**Loan**). The Loan is secured over the Company's Iron Bear iron ore project, accrues interest of 10.0% per annum and is repayable on 20 June 2024. The purpose of the Loan is to facilitate the repayment in cash of convertible notes issued by Cyclone to CPS Capital Group Pty Ltd which were secured by Cyclone's shareholding in European Lithium (refer to announcement dated 14 November 2023 for further details on the notes).

Tony Sage, Executive Chairman, stated, "*The cash loan granted by European Lithium to Cyclone Metals is a profitable short-term transaction for European Lithium and more importantly illustrates our commitment to support the share price of EUR by ensuring an orderly management of shares controlled by large shareholders*".

Announcement authorised for release to ASX by the Board of Cyclone Metals.

ENDS

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