

23 April 2024

## Auclair Lithium Project, James Bay, Canada

# Compelling targets identified surrounding recent intersection of 43.7m @ 1.15% Li<sub>2</sub>O

First time interpretation of LiDAR and orthophotography in an area known to host blind pegmatites concealed by vegetation cover; Prospecting starts next month with drilling scheduled to commence in June

### Highlights

- Numerous walk-up exploration targets surrounding the recently announced intersection of 43.7m @ 1.15% Li<sub>2</sub>O<sup>1</sup> have been identified, highlighting the immense exploration upside at Auclair
- The targets were identified using recently interpreted LiDAR and orthophotography; this is the first time these techniques have been used in the area, which is known to host blind pegmatites under widespread vegetation cover
- Last year's first spodumene-bearing pegmatite discovery (Auriga) was blind, with an 80m x 9m wide surface outcrop completely concealed by dense vegetation<sup>2</sup>
- The LiDAR and orthophotography are being utilised in conjunction with interpretation of the detailed magnetics and surface geochemistry to help identify targets
- Prospecting is due to commence towards the end of May following the traditional hunting season. This will be the first boots-on-ground exploration since the discovery of the Pegasus and Lyra spodumene-bearing outcrops late last year. Drilling is scheduled to resume later in the quarter
- At Auclair, the Company has identified significant Scale and Grade indicative of a major lithium system with potential for a substantial tonnage resource
- Scale – a proven 10km optimal fractionation window with thick and shallow, spodumene-bearing pegmatites demonstrating mineralised intersections of up to 43.7m @ 1.15% Li<sub>2</sub>O (true width)<sup>1</sup>
- Grade – strong mineralisation of up to 6.7% Li<sub>2</sub>O and multiple drill intersections >1% Li<sub>2</sub>O<sup>3</sup>
- The Auclair Project area is located in the same greenstone belt and just 60km due east of Critical Elements' Rose Deposit (34.2Mt @ 0.9% Li<sub>2</sub>O), and just 50km north-east of Whabouchi (55.7Mt @ 1.4% Li<sub>2</sub>O), owned and operated by Nemaska Lithium.<sup>4</sup>

*Cygnus Executive Chair David Southam said: "With so many new targets, recent results of up to 43.7m @ 1.15% Li<sub>2</sub>O and prospecting imminent, Cygnus is perfectly positioned to unlock huge value at Auclair. This will be first boots back on the ground since the discovery of Pegasus and Lyra late last year.*

*"Use of LiDAR, orthophotography and magnetics is fundamental to our process of exploration in this terrane with proven blind pegmatites under vegetation. Auclair clearly has the potential to host a significant lithium system and we look forward to unlocking this through the season with prospecting followed by drilling".*

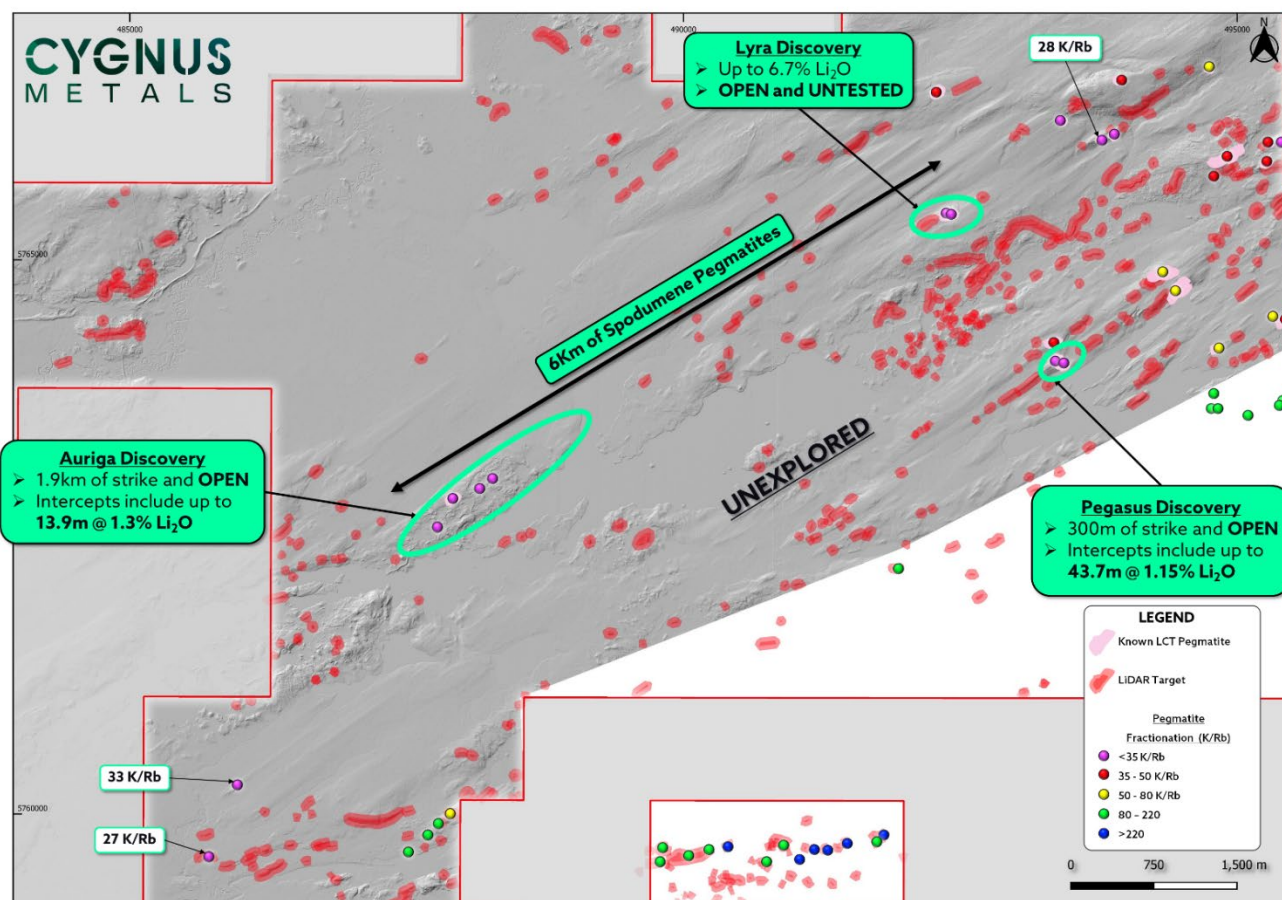


Figure 1: Numerous walk-up targets for immediate follow up surrounding the recent intersection of 43.7m @ 1.15% Li<sub>2</sub>O within a 10km highly prospective corridor with multiple spodumene pegmatite outcrops over 6km.<sup>3</sup>

Cygnus Metals Limited (ASX: CY5) is pleased to announce extensive new targets surrounding the recently announced standout intersection of 43.7m @ 1.15% Li<sub>2</sub>O<sup>1</sup> at the Pegasus discovery within its Auclair Lithium Project in James Bay, Quebec.

Recent targeting work has focussed on the high priority 10km high fractionation trend which includes the three known spodumene pegmatite occurrences: Auriga, Lyra and Pegasus over 6km of strike.

This recent targeting includes the first-time interpretation of LiDAR and orthophotography, an essential component for exploration in an area with known blind pegmatites. This was demonstrated by the discovery of Auriga last year, an 80m x 9m wide spodumene-bearing pegmatite outcrop concealed beneath vegetation. This is the first time such data will be utilised in this densely vegetated area and the first systematic exploration to be conducted since the discovery of Pegasus and Lyra were made late in the 2023 season following delays due to extreme wildfires and the season ending due to early snowfall.

The LiDAR data provides a high quality and detailed terrain model, essentially mapping the surface and landforms beneath vegetation. This is particularly useful in an area with widespread vegetation such as Auclair, with the recent interpretation resulting in an extensive number of new targets which are likely to be outcrop beneath vegetation. In addition to the LiDAR, targeting has included structural interpretation of the magnetic data and vectoring using surface geochemistry from outcrop and till sampling.

Prospecting is due to commence towards the end of May following the traditional hunting season, with drilling to commence later in the quarter. The drill program will focus on follow up at Pegasus and first drilling at Lyra, which returned rock chip results of up to 6.7% Li<sub>2</sub>O (refer ASX release dated 28 November 2023) and is yet to be tested.

## Auclair Potential

It has been just over a year since Cygnus acquired the Auclair Project with multiple successful exploration campaigns that have continued to demonstrate the significant potential of the area. It is clear with results to date, in such a short space of time, that the Auclair Project has the potential to host a substantial tonnage lithium resource and has all the hallmarks of a significant lithium system with scale, grade and thick mineralised pegmatites. This was recently highlighted by the latest standout intersection of **43.7m (true width) @ 1.15% Li<sub>2</sub>O from 46.4m** confirming thick and shallow pegmatites at the Pegasus discovery.<sup>1</sup> These widths alongside significant scale with known spodumene pegmatites over 6km and grades of up to 6.7% Li<sub>2</sub>O indicate a highly fertile system which remains largely unexplored.<sup>3</sup>

With extensive targets generated from a systematic review of all available data, the Company is excited to commence boots on ground exploration to fully unlock the potential of this area.

For and on behalf of the Board

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## 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 relating to Exploration Results is based on, and fairly represents, information and supporting documentation reviewed by Ms Laurence Huss, Quebec In-Country Manager of Cygnus Metals Ltd. Ms Huss also holds performance rights in the Company. Ms Huss is a member of the Quebec Order of Geologists (OGQ #486), a Registered Overseas Professional Organisation as defined in the ASX Listing Rules, and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been 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". Ms Huss consents to the inclusion in this release of the matters based on the information in the form and context in which they appear.

The information in this announcement that relates to previously reported Exploration Results has been previously released in ASX Announcements as noted in the text and End Notes. 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.

## End Notes

1. Refer to CY5's ASX announcement dated 8 April 2024.
2. Refer to CY5's ASX announcement dated 29 August 2023.
3. Refer to CY5's ASX announcements dated 22 May 2023, 29 August 2023, 21 September 2023, 19 October 2023, 25 October 2023, 28 November 2023, 26 February 2024 and 8 April 2024.
4. For the information in this announcement that relates to: Whabouchi (55.7Mt @ 1.4% Li<sub>2</sub>O), refer to Nemaska Lithium Inc's NI 43-101 dated 31 May 2019; and Rose (34.2Mt @ 0.9% Li<sub>2</sub>O), refer for Critical Elements Lithium Corp's TSX-V Announcement dated 13 June 2022.

APPENDIX A – Details of Results - 2012 JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>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.</i>	• No drilling results are reported in this announcement
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	• No drilling results are reported in this announcement
	<i>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.</i>	• No drilling results are reported in this announcement
<b>Drilling techniques</b>	<i>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).</i>	• No drilling results are reported in this announcement
<b>Drill sample recovery</b>	<i>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.</i>	• No drilling results are reported in this announcement
<b>Logging</b>	<i>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.</i>	• No drilling results are reported in this announcement
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	• No drilling results are reported in this announcement
	<i>The total length and percentage of the relevant intersections logged.</i>	• No drilling results are reported in this announcement
<b>Sub-sampling techniques and sample preparation</b>	<i>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.</i>	• No drilling results are reported in this announcement



Criteria	JORC Code explanation	Commentary
	<p>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.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	
<b>Quality of assay data and laboratory tests</b>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>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.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>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.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Verification of sampling and assaying</b>	<p>The verification of significant intersections by either independent or alternative company personnel.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>The use of twinned holes.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>Discuss any adjustment to assay data.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Location of data points</b>	<p>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.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>Specification of the grid system used.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>Quality and adequacy of topographic control.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Data spacing and distribution</b>	<p>Data spacing for reporting of Exploration Results.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>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.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>Whether sample compositing has been applied.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<p>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.</p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code Explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>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</li> <li>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</li> <li>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</li> <li>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<sup>2</sup></li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>There are no known issues affecting the security of title or impediments to operating in the area</li> </ul>
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> <li>Some drilling intersections and results discussed are based on historical exploration drilling completed by Virginia Mines Inc (now Osisko Exploration James Bay Inc)</li> </ul>

Criteria	JORC Code Explanation	Commentary
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> <li>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</li> <li>The area is considered prospective for both gold and lithium</li> </ul>
<b>Drill hole Information</b>	<p><i>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:</i></p> <ul style="list-style-type: none"> <li><i>eastings and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> <p><i>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.</i></p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Data aggregation methods</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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’).</i></p>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Diagrams</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Included elsewhere in this release. Refer figures in the body text</li> </ul>



Criteria	JORC Code Explanation	Commentary
<b>Balanced reporting</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>No drilling results are reported in this announcement</li> </ul>
<b>Other substantive exploration data</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Results are reported from LiDAR and high resolution imagery. The LiDAR was collected to a better than 10cm accuracy.</li> <li>Results are considered a suitable method for outcrop identification beneath cover</li> </ul>
<b>Further work</b>	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<ul style="list-style-type: none"> <li>Cygnus Metals intends to drill test the depth and lateral extensions of the identified Auclair pegmatites</li> <li>Further work will include geophysics and prospecting</li> <li>Not enough data is available for geological interpretation</li> </ul>