

15 July 2024

Successful Placement Completed

Firm commitments received for ~A\$3.0m; new project opportunities being assessed

Highlights

- Cygnus has received firm commitments totalling ~A\$3.0 million via a Placement to institutional and sophisticated investors
- The Placement was priced at A\$0.035 per share, representing a 18.6% discount to the last sale price of A\$0.043
- The Placement was well supported (and therefore required significant scaling) with strong demand from existing and new investors, located both domestically and offshore
- Cygnus major shareholder Steve Parsons, and all current Directors, have committed to contributing a total of A\$580,000 to the Placement; the director component of A\$330,000 will form part of a second tranche which will require shareholder approval at a general meeting targeted for September 2024
- Completion of the Placement will leave the Company with ~A\$6.1m (before costs) based on 30 June 2024 cash balance of ~A\$3.1m
- Existing cash reserves prior to the Placement will be utilised to complete flow-through exploration expenditure commitments for lithium in James Bay, Quebec, principally at Auclair and Sakami
- The Placement funds will be used mainly for working capital requirements, including due diligence on potential project opportunities in battery metals (including copper); this follows the successful project acquisitions by Firefly Metals (ASX: FFM) and Andean Silver (ASX: ASL), both of which are closely associated with Cygnus' major shareholder and board members
- Cygnus also expects to conduct a small follow-up exploration program on the copper-gold anomaly identified at its Snake Rock Project in WA, which will be co-funded by the State Government
- Canaccord Genuity and Euroz Hartleys acted as Joint Lead Managers to the Placement.

Cygnus Managing Director David Southam said: "We are very appreciative of the substantial support we received for this Placement.

"Outside of our strong lithium portfolio, these funds will assist Cygnus in assessing project acquisition opportunities in the battery metals sector, including copper".

Cygnus Metals Limited (ASX:CY5) ("**Cygnus**" or the "**Company**") is pleased to advise that it has received commitments from institutional and sophisticated investors to raise approximately A\$3.0 million (before costs) through the issue of 85,600,001 fully paid ordinary shares in the Company ("**Shares**") at an issue price of A\$0.035 per Share ("**Placement**").

Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited acted as Joint Lead Managers to the Placement.

Use of funds

Proceeds of the Placement will be utilised for exploration activities across the Company's existing project portfolio, general working capital (including transaction costs), corporate costs (which have recently been reduced – refer to ASX release dated 27 March 2024) and due diligence costs associated with potential acquisitions. Cygnus intends to assess a number of opportunities in the battery metals space (including copper). With the support of the Board and founders/shareholders including Steve Parsons and Michael Naylor, Cygnus will assess these project opportunities in the normal diligent manner, noting the recent success of Firefly Metals Limited and Andean Silver Limited (formerly Mitre Mining Corporation Limited).

Exploration plans

Existing cash reserves will predominantly fund Cygnus' remaining 2024 lithium exploration program which is required to meet the commitments from the previous flow-through capital raising completed in August 2023. At this stage the program will focus on the Auclair Project with a ~3,000m diamond drill program and further target generation work at Auclair and Sakami.

Cygnus has also recently secured EIS funding from the State Government of Western Australia to drill test a copper-gold anomaly at its Snake Rock Project in Western Australia (refer ASX release dated 31 January 2023). Exploration on this project to date has been limited while the focus has been on James Bay lithium, and this co-funding provides the opportunity to drill test this prospect potentially later this year.

Placement

Cygnus will undertake the Placement in two tranches:

- Tranche 1 of 72,685,715 Shares ("**Tranche 1 Shares**") will be conducted using the Company's existing capacity under ASX Listing Rules 7.1 (43,349,802) and 7.1A (29,335,913) to raise a total of A\$2,544,000, with settlement expected to occur on Thursday, 18 July 2024. The first tranche is not subject to shareholder approval.
- Tranche 2 of 12,914,286 Shares ("**Tranche 2 Shares**") will be issued, subject to shareholder approval, to raise up to an additional A\$452,000. The second tranche includes A\$330,000 committed by Cygnus Directors. The notice for a general meeting, which is targeted to be held in September 2024, will be sent to shareholders shortly.

The issue price represents a discount of 18.6% to the last closing price of A\$0.043 on Wednesday, 10 July 2024, a discount of 21.8% to the 5-day VWAP of A\$0.0447 and a 22.7% discount to the 15-day VWAP of A\$0.0453.

Indicative Timetable*

Event	Time/Date
Announcement of Placement and lodgement of Appendix 3B (prior to commencement of trading)	Monday, 15 July 2024
Trading Halt lifted	Monday, 15 July 2024
Settlement of Tranche 1 Shares	Thursday, 18 July 2024
Issue and application for quotation of Tranche 1 Shares	Friday, 19 July 2024
General meeting of shareholders to approve issue of Tranche 2 Shares	Targeting September 2024

** The above timetable is indicative only and remains subject to change at Cygnus' discretion, subject to compliance with the Corporations Act, the ASX Listing Rules and other applicable laws. Cygnus reserves the right to change the timetable, subject to regulatory requirements.*

For and on behalf of the Board

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Media

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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 has 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.

Compliance Statements

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 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 Persons' findings are presented have not been materially modified from the original market announcements.