

CYGNUS METALS

**Cygnus Metals Limited
ACN 609 094 653**

Notice of General Meeting

The General Meeting of the Company will be held as follows:

Time and date: 9:00am (AWST) on Friday, 6 September 2024

Location: Offices of Cygnus Metals Limited
Level 2, 8 Richardson Street, West Perth WA 6005

The Notice of General Meeting should be read in its entirety.

If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company on (08) 6118 1627.

Shareholders are urged to vote by lodging the Proxy Form

Cygnus Metals Limited
ACN 609 094 653
(Company)

Notice of General Meeting

Notice is hereby given that a general meeting of Shareholders of Cygnus Metals Limited (**Company**) will be held at the offices of Cygnus Metals Limited at Level 2, 8 Richardson Street, West Perth WA 6005, on Friday, 6 September 2024 at 9:00am (AWST) (**Meeting**).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (AWST) on Wednesday, 4 September 2024.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

Terms and abbreviations used in the Notice are defined in the Schedule.

Agenda

Resolution 1 – Ratification of issue of Tranche 1 Placement Shares

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) 43,349,802 Tranche 1 Placement Shares issued under Listing Rule 7.1; and
- (b) 29,335,913 Tranche 1 Placement Shares issued under Listing Rule 7.1A,

on the terms and conditions in the Explanatory Memorandum.'

Resolution 2 – Approval to issue Tranche 2 Placement Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 12,914,286 Tranche 2 Placement Shares on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Approval to issue Director Placement Shares

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 9,428,572 Director Placement Shares to the Directors (or their respective nominee/s) as follows:

- (a) *up to 2,857,143 Director Placement Shares to David Southam;*
- (b) *up to 2,857,143 Director Placement Shares to Michael Naylor;*
- (c) *up to 2,857,143 Director Placement Shares to Raymond Shorrocks;*
- (d) *up to 571,429 Director Placement Shares to Michael Bohm; and*
- (e) *up to 285,714 Director Placement Shares to Kevin Tomlinson,*

on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Approval to issue Consideration Shares to Optionors

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 486,600 Consideration Shares, on the terms and conditions in the Explanatory Memorandum.'

Note: these Shares are to be issued as part consideration for the Company's interest in mining claims that extend the Pontax Lithium Project.

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 1(a):** by or on behalf of any person who participated in the issue of those Tranche 1 Placement Shares, or any of their respective associates, or their nominees.
- (b) **Resolution 1(b):** by or on behalf of any person who participated in the issue of those Tranche 1 Placement Shares, or any of their respective associates, or their nominees.
- (c) **Resolution 2:** by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Tranche 2 Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates, or their nominees.
- (d) **Resolution 3(a):** by or on behalf of David Southam (or his nominee/s), and any other person who will obtain a material benefit as a result of, the proposed issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (e) **Resolution 3(b):** by or on behalf of Michael Naylor (or his nominee/s), and any other person who will obtain a material benefit as a result of, the proposed issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (f) **Resolution 3(c):** by or on behalf of Raymond Shorrocks (or his nominee/s), and any other person who will obtain a material benefit as a result of, the proposed issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

- (g) **Resolution 3(d):** by or on behalf of Michael Bohm (or his nominee/s), and any other person who will obtain a material benefit as a result of, the proposed issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (h) **Resolution 3(e):** by or on behalf of Kevin Tomlinson (or his nominee/s), and any other person who will obtain a material benefit as a result of, the proposed issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (i) **Resolution 4:** by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Consideration Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates, or their nominees.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD



David Southam
Executive Chair
Cygnum Metals Limited
Dated: 1 August 2024

Cygnus Metals Limited
ACN 609 094 653
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of Cygnus Metals Limited at Level 2, 8 Richardson Street, West Perth WA 6005, on Friday, 6 September 2024 at 9:00am (AWST) (**Meeting**).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted. The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Voting and attendance information
Section 3	Resolution 1 – Ratification of issue of Tranche 1 Placement Shares
Section 4	Resolution 2 – Approval to issue Tranche 2 Placement Shares
Section 5	Resolution 3 – Approval to issue Director Placement Shares
Section 6	Resolution 4 – Approval to issue Consideration Shares to Optionors
Schedule 1	Definitions

A Proxy Form is made available with the Explanatory Memorandum.

2. Voting and attendance information

Shareholders should read this Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Voting on all proposed Resolutions at the Meeting will be conducted by poll. On a poll, each Shareholder has one vote for every fully paid ordinary Share held in the Company.

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above.

2.2 Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

2.3 Voting by proxy

A Proxy Form has been made available with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are

encouraged to vote by completing and submitting the Proxy Form to the Company in accordance with the instructions thereon. Submission of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the chair of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Your proxy voting instruction must be received by 9:00am (AWST) on Wednesday, 4 September 2024, being not later than 48 hours before the commencement of the Meeting.

2.4 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

2.5 Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretaries at admin@cygnusmetals.com by no later than 5 business days before the Meeting.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

3. Resolution 1 – Ratification of issue of Tranche 1 Placement Shares

3.1 General

On 15 July 2024, the Company announced that it had received firm commitments for a placement to raise up to approximately A\$3.0 million (before costs) through the issue of 85,600,001 Shares at an issue price of A\$0.035 per Placement Share (**Placement**).

The Placement is being undertaken in the following tranches:

- (a) the issue of 72,685,715 Shares (**Tranche 1 Placement Shares**), comprising:
 - (i) 43,349,802 Tranche 1 Placement Shares issued under Listing Rule 7.1; and
 - (ii) 29,335,913 Tranche 1 Placement Shares issued under Listing Rule 7.1A; and
- (b) the issue of up to 12,914,286 Shares subject to the receipt of shareholder approval (**Tranche 2 Placement Shares**), including the issue of up to 9,428,572 Shares to the Directors (or their respective nominee/s), in the proportions set out in Section 5.1 (**Director Placement Shares**).

The Company issued the Tranche 1 Placement Shares on 19 July 2024 without prior Shareholder approval using the Company's available placement capacity under Listing Rules 7.1 and 7.1A.

Resolution 1(a) and (b) seek the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

3.2 Listing Rules 7.1, 7.1A and 7.4

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its shareholders, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained this approval at its annual general meeting held on 16 May 2024.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1 and 10% placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity

Securities without Shareholder approval under those Listing Rules for the 12-month period following the issue of the Tranche 1 Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A.

The effect of Shareholders passing Resolution 1(a) and (b) will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 and the 10% additional placement capacity set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

If Resolution 1(a) is passed, 43,349,802 Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 1(a) is not passed, 43,349,802 Tranche 1 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 43,349,802 Equity Securities for the 12-month period following the issue of those Tranche 1 Placement Shares.

If Resolution 1(b) is passed, 29,335,913 Tranche 1 Placement Shares will be excluded in calculating the Company's additional 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 1(b) is not passed, 29,335,913 Tranche 1 Placement Shares will continue to be included in the Company's additional 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 29,335,913 Equity Securities for the 12-month period following the issue of those Tranche 1 Placement Shares (and assuming the Company's approval under Listing Rule 7.1A remains in force for this period).

3.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

- (a) The Tranche 1 Placement Shares were issued to sophisticated and professional investors. The participants in the Placement were identified through a bookbuild process, which involved the Company and the Joint Lead Managers seeking expressions of interest to participate in the Placement from new and existing contacts of the Company.

In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company advises that:

- (i) Symorgh Investments Pty Ltd <Symorgh A/C>, an associate of Stephen Parsons, and a substantial Shareholder, was issued 7,142,857 Tranche 1 Placement Shares; and
- (ii) Merk Investments LLC <ASA Gold Precious Metals A/C>, a substantial Shareholder, was issued 5,631,596 Tranche 1 Placement Shares,

which in each case comprises more than 1% of the Company's current issued capital.

Other than as set out above, none of the other recipients of the Tranche 1 Placement Shares were related parties of the Company or a Material Investor.

- (b) A total of 72,685,715 Tranche 1 Placement Shares were issued under Listing Rules 7.1 and 7.1A in the proportions set out in Section 3.1.
- (c) The Tranche 1 Placement Shares are fully paid and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued on 19 July 2024 at A\$0.035 each.
- (e) The proceeds from the Placement have been or are intended to be used for exploration activities across the Company's existing project portfolio; general working capital (including transaction costs); corporate costs; and due diligence costs associated with potential acquisitions.
- (f) There are no other material terms to the agreement for the issue of the Tranche 1 Placement Shares.
- (g) A voting exclusion statement is included in this Notice.

3.4 Additional information

Each of Resolution 1(a) and (b) is a separate ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1(a) and (b).

4. Resolution 2 – Approval to issue Tranche 2 Placement Shares

4.1 General

The background to the proposed issue of the Tranche 2 Placement Shares is in Section 3.1. Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Tranche 2 Placement Shares. The Company is also separately seeking Shareholder approval under Resolution 3(a) - (e) (inclusive) for the Directors to participate in the Tranche 2 Placement.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is in Section 3.2 above. The effect of Shareholders passing Resolution 2 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. Resolution 2 includes the number of Shares proposed to be issued to the Directors (or their respective nominees) under Resolution 3(a) - (e). In the event Shareholders do not pass Resolution 3(a) - (e), the Company wishes to retain the flexibility to issue those Shares that would have otherwise been issued to the Directors (or their respective nominees) to unrelated parties as it does not currently have sufficient placement capacity under Listing Rule 7.1 to issue those Shares proposed to be issued to the Directors (or their respective nominees) under Resolution 3(a) - (e) without Shareholder approval. Accordingly, if Resolution 2 and Resolution 3(a) - (e) are passed, then the number of Tranche 2 Placement Shares issued under this Resolution 2 will be reduced by an amount equal to 9,428,572 Shares.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares.

4.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Shares:

- (a) The Tranche 2 Placement Shares will be issued to sophisticated and professional investors. Other than the Directors, for whom separate Shareholder approval is being sought (refer to Resolution 3(a) - (e) (inclusive)), the Tranche 2 Placement Shares will not be issued to any related party of the Company or Material Investor. The participants in the Placement were identified through a bookbuild process, which involved the Company and the Joint Lead Managers seeking expressions of interest to participate in the Placement from new and existing contacts of the Company.
- (b) A maximum of 12,914,286 Tranche 2 Placement Shares will be issued.
- (c) The Tranche 2 Placement Shares will be fully paid and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Tranche 2 Placement Shares will be issued at A\$0.035 each.
- (f) A summary of the intended use of funds raised from the Placement is in Section 3.3(e).
- (g) There are no other material terms to the agreement for the subscription of the Tranche 2 Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

4.4 Additional information

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

5. Resolution 3 – Approval to issue Director Placement Shares

5.1 General

The background to the proposed issue of the Director Placement Shares is in Section 3.1. The Directors have agreed to subscribe for up to an aggregate of 9,428,572 Shares under the Tranche 2 Placement to raise gross proceeds of approximately A\$330,000 (before costs) in the following proportions:

Director	Amount committed to the Placement	Director Placement Shares
David Southam	A\$100,000	2,857,143
Michael Naylor	A\$100,000	2,857,143
Raymond Shorrocks	A\$100,000	2,857,143
Michael Bohm	A\$20,000	571,429
Kevin Tomlinson	A\$10,000	285,714
Total	A\$330,000	9,428,572

Resolution 3(a) - (e) (inclusive) seek the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of the Director Placement Shares to the Directors (or their respective nominee/s).

5.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any of the following persons without the approval of its Shareholders:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5).

David Southam, Michael Naylor, Raymond Shorrocks, Michael Bohm and Kevin Tomlinson are all related parties of the Company by virtue of being Directors and therefore fall into the category stipulated by Listing Rule 10.11.1.

Shareholder approval pursuant to Listing Rule 10.11 is therefore required unless an exception applies. It is the view of the Board that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Shares as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of these Director Placement Shares will not be included in the Company's 15% placement capacity pursuant to Listing Rule 7.1.

The effect of Shareholders passing Resolution 3(a) - (e) (inclusive) will be to allow the Company to issue the Director Placement Shares, raising up to A\$330,000 (before costs).

If Resolution 3(a) - (e) (inclusive) are not passed, the Company will not be able to proceed with the issue of the Director Placement Shares. As noted in Section 4.2 above, Resolution 2 includes the number of Shares proposed to be issued to the Directors (or their respective nominees) under Resolution 3(a) - (e). In the event Shareholders do not pass Resolution 3(a) - (e), and Resolution 2 is passed, the Company intends to seek commitments from unrelated parties to subscribe for up to an equivalent number of Tranche 2 Placement Shares as the Director Placement Shares, such that the Company is able to raise the A\$330,000 (before costs).

5.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Shares:

- (a) The Director Placement Shares will be issued to the Directors (or their respective nominee/s), in the proportions set out in Section 5.1.
- (b) Each of the Directors fall into the category stipulated by Listing Rule 10.11.1 by virtue of being a Director of the Company. In the event the Director Placement Shares are issued to a nominee of a Director, that nominee will fall into the category stipulated by Listing Rule 10.11.4.
- (c) A maximum of 9,428,572 Director Placement Shares will be issued.
- (d) The Director Placement Shares will be fully paid and rank equally in all respects with the Company's existing Shares on issue.
- (e) The Director Placement Shares will be issued no later than one month after the date of the Meeting.
- (f) The Director Placement Shares will be issued at A\$0.035 each.
- (g) A summary of the intended use of funds raised from the Placement is in Section 3.3(e).
- (h) The proposed issue of the Director Placement Shares is not intended to remunerate or incentivise the Directors.
- (i) There are no other material terms to the proposed issue of the Director Placement Shares.
- (j) A voting exclusion statement is included in the Notice.

5.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of the Director Placement Shares constitutes giving a financial benefit to related parties of the Company. However, the Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Placement Shares because the Director Placement Shares will be issued on the same terms as those Shares issued to non-related participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

5.5 Additional information

Resolution 3(a) - (e) (inclusive) are separate ordinary resolutions.

The Board declines to make a recommendation in respect of Resolution 3(a) - (e) (inclusive) as each of the Directors has a personal interest in the Resolutions.

6. Resolution 4 – Approval to issue Consideration Shares to Optionors

6.1 Background

On 27 September 2022, the Company announced that it had entered into an option agreement with 9219-8845 QC. Inc. (Canadian Mining House) (**CMH**), Victor Cantore and Steve Labranche (together, the **Optionors**) to acquire additional highly prospective ground along strike and adjacent to the Pontax Lithium Project (**CMH Option Agreement**).

A summary of the material terms of the CMH Option Agreement is in Section 6.3 below.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 486,600 Shares pursuant to the CMH Option Agreement (**Consideration Shares**).

6.2 Prior approval and issue of Shares under the CMH Option Agreement

By agreement between the Company and the Optionors, the Company will issue up to a total of 4,866,000 Shares under the CMH Option Agreement, in the proportions set out in Section 6.5(a) below.

As at the date of this Notice, the Company has issued the following Shares to the Optionors in accordance with the terms of the CMH Option Agreement:

- (a) on 29 November 2022, the Company issued 1,946,400 Shares with the approval of Shareholders obtained at the Company's general meeting held on 18 November 2022;
- (b) on 18 May 2023, the Company issued 1,216,500 Shares with the approval of Shareholders obtained at the Company's 2022 annual general meeting held on 17 May 2023; and
- (c) on 16 November 2023, the Company issued 1,216,500 Shares with the approval of Shareholders obtained at a general meeting of the Company held on 20 October 2023.

The Company is seeking approval pursuant to this Resolution 4 to issue the final tranche of Consideration Shares under the CMH Option Agreement.

6.3 Summary of material terms of CMH Option Agreement

The Company entered into the CMH Option Agreement with the Optionors on 27 September 2022. Under the terms of the CMH Option Agreement, the Company (through its wholly owned subsidiary Avenir Metals (Canada) Limited) is granted an exclusive option to acquire a 100% interest in the 166 mining claims known as the Pontax Extension Property, located north of Matagami in the Province of Quebec, Canada, and covering 8,827 hectares (together, the **CMH Projects**), (**CMH Option**).

As at the date of this Notice, all conditions precedent under the CMH Option Agreement have been satisfied.

In order to exercise the CMH Option and acquire an undivided 100% right, title and interest in the CMH Projects, the Company must:

- (a) issue a total of 4,866,000 Shares, and pay an aggregate of C\$300,000 in cash, to the Optionors (pro-rata to their proportionate interests) as follows:

- (i) C\$120,000 in cash and 1,946,400 Shares within 5 business days of the satisfaction of the last of the conditions precedent (**Approval Date**). These Shares were issued to the Optionors on 29 November 2022;
 - (ii) an additional C\$75,000 in cash and 1,216,500 Shares on the 6th month anniversary of the Approval Date. These Shares were issued to the Optionors on 18 May 2023;
 - (iii) an additional C\$75,000 in cash and 1,216,500 Shares on the 12th month anniversary of the Approval Date. These Shares were issued to the Optionors on 16 November 2023; and
 - (iv) an additional C\$30,000 in cash and 486,600 Shares on the 24th month anniversary of the Approval Date. These Shares are the subject of this Resolution 4; and
- (b) incur total exploration expenditure of C\$1,000,000 inside the first 36 months of the Approval Date (C\$250,000 inside the first 12 months, C\$750,000 inside the first 24 months and C\$1,000,000 inside the first 36 months of the Approval Date).

The CMH Projects are subject to a 2% net smelter return royalty in favour of CMH (1%) and Victor Cantore (1%).

If the Company is in default in making any payments and exploration expenditures within the times required as noted above, the Optionors shall have the right to terminate the CMH Option Agreement if written notice of such default has been provided by the Optionors to the Company and such default has not been rectified within 30 days from the date of receipt of such notice. The Company's responsibilities on termination by the Optionors includes, but is not limited to, leaving the claims comprising the CMH Projects in good standing under the applicable mineral claims legislation of the Province of Quebec at the time of termination of the CMH Option Agreement, with a minimum of C\$250,000 in exploration expenditures incurred on the CMH Projects so the CMH Projects will remain in good standing for a period of at least one year from the date of termination of the CMH Option Agreement.

The CMH Option Agreement contains warranties, indemnities and other rights and obligations that are considered standard for a transaction of this nature.

6.4 Listing Rule 7.1

A summary of Listing Rule 7.1 is in Section 3.2 above.

The effect of Shareholders passing Resolution 4 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 4 is passed, in the event that the Company elects to exercise the CMH Option under the CMH Option Agreement, the Company can proceed to issue the Consideration Shares or a portion thereof without using up any of the Company's 15% limit on issuing Equity Securities without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will be unable to proceed with the issue of the Consideration Shares, the CMH Option will not be exercised and the Company will not acquire any interest in the CMH Projects on the terms set out in this Notice.

6.5 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Consideration Shares:

- (a) The Consideration Shares will be issued to the Optionors (or their respective nominees), none of whom are a related party or a Material Investor. The Consideration Shares will be issued in the following proportions:
 - (i) 162,200 Consideration Shares to CMH;
 - (ii) 162,200 Consideration Shares to Victor Cantore; and
 - (iii) 162,200 Consideration Shares to Steve Labranche.
- (b) A maximum of 486,600 Consideration Shares will be issued.
- (c) The Consideration Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) In the event the Company exercises the CMH Option, the Consideration Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Consideration Shares will be issued for nil cash consideration, as part consideration payable for the acquisition of the CMH Projects. The Consideration Shares have a deemed issue price of A\$0.277 each. Accordingly, no funds will be raised from the issue of the Consideration Shares.
- (f) A summary of the material terms of the CMH Option Agreement is in Section 6.3.
- (g) A voting exclusion statement is included in the Notice.

6.6 Additional information

Resolution 4 is an ordinary Resolution.

The Board recommend Shareholders vote in favour of Resolution 4.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ or A\$	means Australian dollars.
ASX	means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
AWST	means Western Standard Time, being the time in Perth, Western Australia.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
CMH	means 9219-8845 QC. Inc. (Canadian Mining House).
CMH Option	has the meaning given in Section 6.3.
CMH Option Agreement	means the option agreement entered into between the Company, its wholly-owned subsidiary Avenir Metals (Canada) Limited and the Optionors on 27 September 2022.
CMH Projects	means the 166 mining claims known as the Pontax Extension Property located north of Matagami in the Province of Quebec, Canada, and covering 8,827 hectares.
Company	means Cygnus Metals Limited (ACN 609 094 653).
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Director Placement Shares	means the 9,428,572 Shares proposed to be issued to the Directors (or their respective nominee/s), the subject of Resolution 3(a) - (e) (inclusive).
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Joint Lead Managers	means Canaccord Genuity (Australia) Limited (ACN 075 071 466) and Euroz Hartleys Limited (ACN 104 195 057).
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules	means the listing rules of ASX.
Material Investor	means, in relation to the Company: <ul style="list-style-type: none"> (a) a related party; (b) Key Management Personnel; (c) a substantial Shareholder; (d) an advisor; or (e) an associate of the above, who received or will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of general meeting.
Placement	has the meaning given in Section 3.1.
Proxy Form	means the proxy form made available with the Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, options and/or performance rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Tranche 1 Placement Shares	means the 72,685,715 Shares issued pursuant to the Placement, the subject of Resolution 1(a) and (b).
Tranche 2 Placement Shares	means the 12,914,286 Shares proposed to be issued pursuant to the Placement, the subject of Resolution 2.

CYGNUS METALS

Cygnus Metals Limited
ABN 80 609 094 653

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AWST) on Wednesday, 4 September 2024.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 183933

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Cygnus Metals Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Cygnus Metals Limited to be held at the offices of Cygnus Metals Limited, Level 2, 8 Richardson Street, West Perth, WA 6005 on Friday, 6 September 2024 at 9:00am (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1(a) Ratification of issue of Tranche 1 Placement Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 1(b) Ratification of issue of Tranche 1 Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval to issue Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a) Approval to issue Director Placement Shares to David Southam	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(b) Approval to issue Director Placement Shares to Michael Naylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(c) Approval to issue Director Placement Shares to Raymond Shorrocks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(d) Approval to issue Director Placement Shares to Michael Bohm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(e) Approval to issue Director Placement Shares to Kevin Tomlinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval to issue Consideration Shares to Optionors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ / <input type="text"/>
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number <input type="text"/>	Email Address <input type="text"/>
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7 August 2024

Dear Shareholder

General Meeting – Notice of Meeting and Proxies

Notice is given that a general meeting (**Meeting**) of Shareholders of Cygnus Metals Limited (ACN 609 094 653) (**Company**) will be held as follows:

Time and date: 9:00am (Perth time) on Friday, 6 September 2024

Location: Offices of the Company at Level 2, 8 Richardson Street, West Perth WA 6005

Notice of Meeting

In accordance with the *Corporations Act 2001* (Cth) the Company will not be dispatching physical copies of the Notice of Meeting unless individual shareholders have made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded from:

- the Company's website at <https://www.cygnusmetals.com/>; and
- the ASX market announcements page under the Company's code "CY5".

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting.

Voting at the Meeting or by proxy

Shareholders can vote by attending the Meeting in person, by proxy or by appointing an authorised representative. Shareholders are encouraged to vote by lodging a proxy form.

Proxy forms can be lodged:

Online: www.investorvote.com.au (control number: 183933) or use your mobile device to scan the personalised QR code

By mail: Computershare Investor Services Pty Limited
GPO Box 242 Melbourne VIC 3001, Australia

By fax: 1800 783 447 within Australia or +61 3 9473 2555 outside Australia

Your proxy voting instruction must be received by 9:00am (Perth time) on Wednesday, 4 September 2024, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

If you have questions about your Proxy Form or difficulties accessing the Notice of Meeting, please contact Computershare Investor Services on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

The Meeting Materials should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Authorised for release by:

Maddison Cramer
Joint Company Secretary
Cygnus Metals Limited