

Quarterly Activities Report – March 2025

Battery, base and precious metals exploration company Lykos Metals Limited (**ASX: LYK**) (**Lykos** or the **Company**) is pleased to provide its activities report for the quarter ended 31 March 2025.

Highlights:

- **Extension of the Jezero project exploration permit until 4 March 2028**
- **Successful Placement completed to use towards exploration and development of the Company's existing projects and evaluation of new opportunities**

Sockovac (Petrovo) Project

As per the Company's ASX announcement on 29 January 2025, the legal deadlines for the Government of Bosnia and Herzegovina (the "Government") to respond to our application concerning the Sockovac (Petrovo) project have now passed. During the period, following consultations between the Company and the Government, the Company agreed to the Government's proposal to reduce the tenement application size from 44km² to 10km². This revised application area covers the Company's primary drill targets and will still allow the Company to focus its activities on the most prospective areas of the ground moving forward. The Company is optimistic about a favourable outcome and are in ongoing discussions with our advisors at the Ministry of Energy and Mining.

Jezero Licence

The Ministry of Energy and Mining has extended the exploration permit for the Jezero project until 4 March 2028. Jezero is prospective for epithermal gold and polymetallic mineralisation, with trenching revealing surface mineralisation, including an interval of 61 meters at 1.5 g/t gold (refer Figure 1). The Company is currently considering its future activities in respect of the Jezero project.

Due to the winter weather conditions during the reporting period, activities were limited to field visits, community relations and cabinet work.

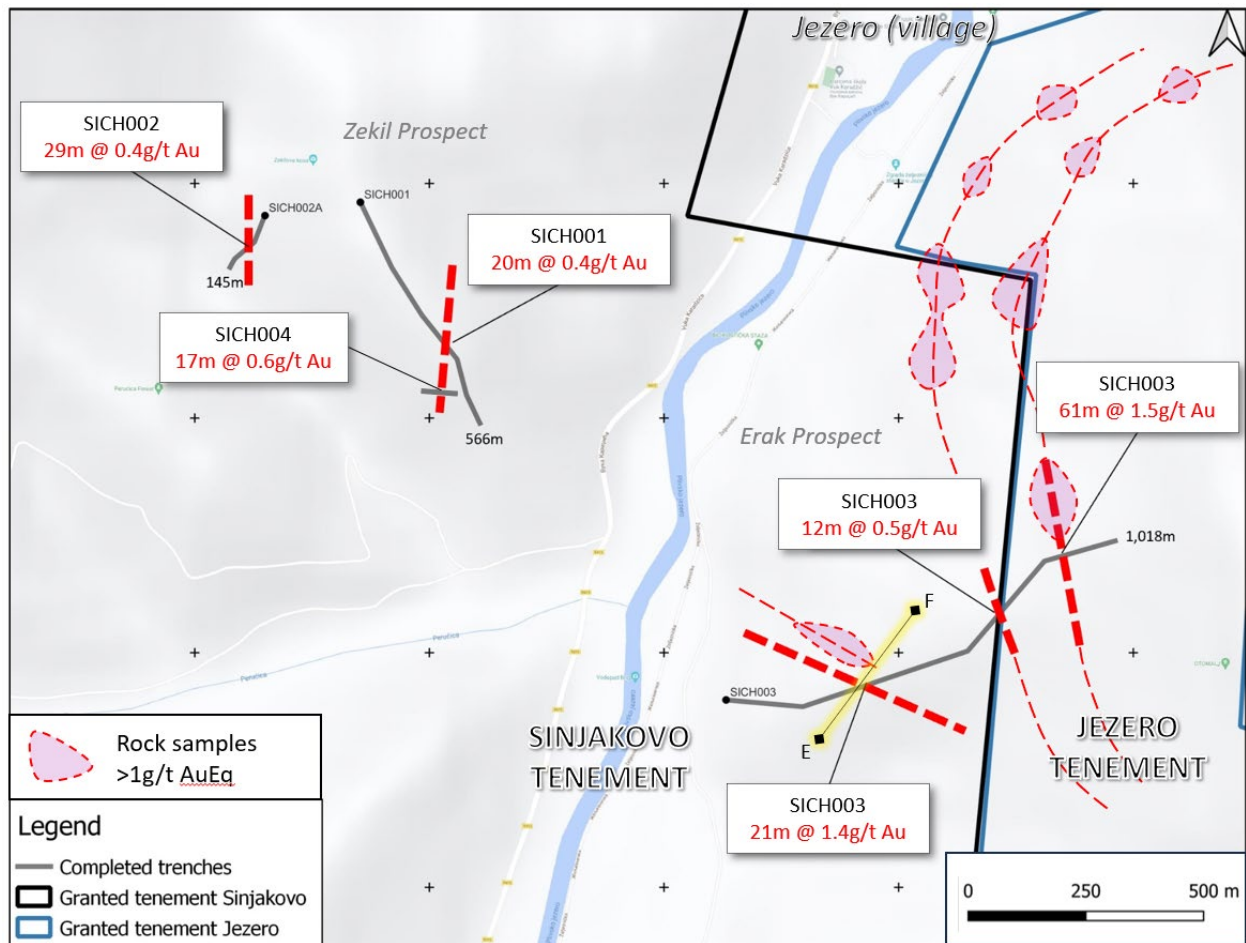


Figure 1: Channel sampling results over Zekil and Erak Gold Prospects (refer to the Company's ASX announcement "Investor Presentation – amended" dated 15 August 2024).

In addition, the Company is continuing to actively explore various prospects and assessing potential acquisitions in tier 1 jurisdictions that would be complimentary to the Company's asset portfolio and enhance shareholder value.

Corporate

Cash position and capital raise completed

Net cash outflow during the quarter was approximately \$0.38 million leaving the Company with a cash balance of approximately \$0.79 million as of 31 March 2025.

On 27 March 2025 the Company announced firm commitments had been received for a \$0.4 million Placement to use towards exploration and development of the Company's existing projects and evaluation of new opportunities. The Placement was completed on 4 April 2025 with the issue of 44,423,480 fully paid ordinary shares at A\$0.009 per share. The Placement includes one (1) free attaching unlisted option for every two (2) shares applied for and issued under the Placement (Placement Options).

ASX Release



24 April 2025

The Placement Options will be exercisable at \$0.02 each, expire 3 years from the date of issue and will be subject to shareholder approval.

CPS Capital Group Pty Ltd (CPS Capital) acted as Lead Manager to the Placement and received a 2% cash management fee and a 6% Placement fee paid in fully paid ordinary shares (2,665,408 shares) in the Company using remaining capacity under ASX Listing Rule 7.1. CPS Capital will also receive 20 million unlisted options (Lead Manager Options) for their services as Lead Manager, subject to shareholder approval. The Lead Manager Options are to be issued on the same terms as the attaching Placement Options.

Related party transactions

Related party transactions during the quarter were limited to payments to the directors for salaries and directors' fees for a total amount of \$114,887 (included in item 6.1 of the attached Appendix 5B).

Resignation of Non-Executive Directors

On 3 March 2025, Mr. Miloš Bošnjaković and Mr. Mladen Stevanovic resigned as Non-Executive Directors of the Company. Mr. Stevanovic will continue to contribute to the Company in a consulting capacity to provide ongoing strategic guidance, geological and technical support.

Capital structure

At the date of this release, the Company's capital structure is:

	Number
Fully paid ordinary shares	235,444,447 ¹
Listed options (ASX: LYKOA) with an exercise price of \$0.30 per option and an expiry date of 11 June 2025	50,000,000
Unlisted options with an exercise price of \$0.20 per options and an expiry date of 15 October 2025	1,725,000
Unlisted option options with an exercise price of \$0.30 per option and an expiry date of 1 April 2026	750,000
Class A Performance Rights expiring 28 March 2028	18,835,000 ²

¹ 44,423,480 fully paid ordinary shares issued during the quarter at \$0.009 per share raising a total of \$0.4M before costs and 2,665,408 fully paid ordinary shares were issued to the Lead Manager (CPS Capital).

² 18,835,000 Class A Performance Rights expiring 28 March 2028 were issued to various consultants of the Company on 28 March 2025.

Exploration licences

At the end of the quarter Lykos held a 100% interest in exploration licences in three project areas located in Bosnia and Herzegovina, namely:

- **Sinjakovo (including Jezero) – approximately 80.8km²**
- **Sockovac – approximately 49km² at Doboj (not including the area under current application at Petrovo)**
- **Cajnice - approximately 49.5km²**

As disclosed in the Company's ASX announcement on 29 January 2025, the legal deadlines for the Government of Bosnia and Herzegovina (the "Government") to respond to the Sockovac (Petrovo) project application have now passed. During the period, following consultations between the Company and the Government, the Company agreed to the Government's proposal to reduce the tenement application size from 44 km² to 10 km².

In accordance with ASX Listing Rule 5.3.2, Lykos confirms that its activities were restricted to exploration only and that it did not conduct any mining development or production activities during the quarter. In accordance with ASX Listing Rule 5.3.1: Exploration and Evaluation expenditure during the quarter was \$30K.

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code). Lykos confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement referred to in this report.

This announcement has been authorised for release by the Board of Lykos Metals Limited.

For further information, please contact:

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About Lykos Metals Limited

Lykos Metals Limited (ASX: LYK) is a Perth-based exploration company with projects in Bosnia and Herzegovina. Lykos' projects are highly prospective for battery and precious metals, which are all located in Europe's most prospective mining region, the Tethyan metallogenic belt.

Lykos is committed to delivering significant and sustainable shareholder value through advancing its three base and precious metals projects. The Company's projects are located near existing core infrastructure and transport routes to Europe's battery manufacturing supply chain.

For more information about our Company, please visit www.lykosmetals.com.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled and conclusions derived by Mr Mladen Stevanovic, a Competent Person who is a Fellow member of the AusIMM (membership number 333579). Mr Stevanovic has sufficient experience that is relevant to the technical assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and 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 Stevanovic consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This announcement contains forward-looking statements which involve several risks and/or uncertainties. These forward-looking statements are expressed in good faith and are believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks and/or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and/or strategies described in this announcement. No obligation is assumed to update forward-looking statements if these beliefs, opinions and/or estimates should change and/or to reflect other.

Note: polymetallic mineralisation is encountered at localities throughout the project area. For easier reporting and comparison of assay results, figures in this report sometimes include the "gold equivalent" results. This is a simpler reporting measure that combines the results from gold, silver, copper, lead, antimony and zinc (normalised by their market prices and the expected metallurgical recoveries).

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Lykos Metals Limited

ABN

65 650 011 644

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(30)	(207)
	(b) development	-	
	(c) production	-	
	(d) staff costs	(206)	(561)
	(e) administration and corporate costs	(142)	(641)
1.3	Dividends received (see note 3)	-	
1.4	Interest received	8	34
1.5	Interest and other costs of finance paid	(6)	(6)
1.6	Income taxes paid	-	
1.7	Government grants and tax incentives	-	
1.8	Other (VAT/GST refund)	18	127
1.9	Net cash from / (used in) operating activities	(358)	(1,254)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(8)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	2	82
	(d) investments	-	
	(e) other non-current assets	-	
2.3	Cash flows from loans to other entities	-	
2.4	Dividends received (see note 3)	-	
2.5	Other (provide details if material)	-	
2.6	Net cash from / (used in) investing activities	2	74

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – Payment of lease liabilities	(24)	(24)
3.10	Net cash from / (used in) financing activities	(24)	(24)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,172	1,995
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(358)	(1,254)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	2	74
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(24)	(24)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	2	3
4.6	Cash and cash equivalents at end of period	794	794

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	794	1,172
5.2	Call deposits		-
5.3	Bank overdrafts		-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	794	1,172

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	115
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(358)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(358)
8.4	Cash and cash equivalents at quarter end (item 4.6)	794
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	794
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.2
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2025

Authorised by: The Board of Lykos Metals Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.