



Cygnus Metals Limited
ACN 609 094 653

Notice of Annual General Meeting

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

Time and date: 2:00pm (AWST) on Thursday, 16 May 2024

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

The Notice of Annual 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 Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Cygnus Metals Limited (**Company**) will be held at the offices of Cygnus Metals Limited, Level 2, 8 Richardson Street, West Perth WA 6005, on Thursday, 16 May 2024 at 2:00pm (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 Tuesday, 14 May 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

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 31 December 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve the Annual Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'

Note: a vote on this Resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 – Re-election of Director – Michael Bohm

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

'That, Michael Bohm, who retires in accordance with Rules 6.1(f) and (i) of the Constitution, Listing Rule 14.5 and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Approval of 10% Placement Facility

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

'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Ratification of agreement to issue Noranda Consideration 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 7.4 and for all other purposes, Shareholders ratify the agreement to issue up to 500,000 Noranda 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 Auclair Project.

Resolution 5 – Approval to issue Beryl Consideration 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 900,000 Beryl 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 Auclair Project.

Resolution 6 – Ratification of agreement to issue Sakami Consideration 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 7.4 and for all other purposes, Shareholders ratify the agreement to issue up to 900,000 Sakami Consideration Shares, on the terms and conditions in the Explanatory Memorandum.'

Resolution 7 – Approval to issue STI Bonus to David Southam

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 10.14 and for all other purposes, Shareholders approve the issue of up to 1,333,334 STI Share Rights to David Southam (or his nominees) under the Plan, on the terms and conditions in the Explanatory Memorandum.’

Note: the STI Share Rights are proposed to be issued in lieu of cash at a deemed issue price of \$0.09 each.

Resolution 8 – Approval to issue Share Rights to Directors in lieu of Directors fees

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 10.14, section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of up to a maximum number of Salary Share Rights to the Directors under the Plan based on a deemed issue floor price of \$0.02 each as follows:

- (a) *up to 5,609,856 Share Rights to David Southam;*
- (b) *up to 2,375,000 Share Rights to Kevin Tomlinson;*
- (c) *up to 1,244,350 Share Rights to Raymond Shorrocks;*
- (d) *up to 1,244,350 Share Rights to Michael Bohm; and*
- (e) *up to 1,244,350 Share Rights to Michael Naylor,*

or their respective nominees, on the terms and conditions in the Explanatory Memorandum.’

Note: The actual number of Share Rights to be issued will be based on a deemed issue price calculated as set out in Section 11.1 of the Explanatory Memorandum, whereas the above numbers reflect a floor price.

Voting exclusions

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

- **Resolution 3:** if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- **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 Noranda Consideration Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates, or their nominees.

- **Resolution 5:** 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 Beryl Consideration Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates, or their nominees.
- **Resolution 6:** 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 Sakami Consideration Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates, or their nominees.
- **Resolution 7 and Resolution 8(a):** by or on behalf of David Southam (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.
- **Resolution 8(b):** by or on behalf of Kevin Tomlinson (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.
- **Resolution 8(c):** by or on behalf of Raymond Shorrocks (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.
- **Resolution 8(d):** by or on behalf of Michael Bohm (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.
- **Resolution 8(e):** by or on behalf of Michael Naylor (or his nominees), and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 7 and Resolution 8(a) – (e) (inclusive): In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the relevant Resolution if:

- the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and

(b) the appointment does not specify the way the proxy is to vote on the resolutions.

However, the above prohibition does not apply if:

(c) the proxy is the Chair; and

(d) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'DS' or similar, written in a cursive style.

David Southam
Executive Chair
Cygnus Metals Limited
Dated: 11 April 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, Level 2, 8 Richardson Street, West Perth WA 6005, on Thursday, 16 May 2024 at 2:00pm (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	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Michael Bohm
Section 6	Resolution 3 – Approval of 10% Placement Facility
Section 7	Resolution 4 – Ratification of agreement to issue Noranda Consideration Shares
Section 8	Resolution 5 – Approval to issue Beryl Consideration Shares
Section 9	Resolution 6 – Ratification of agreement to issue Sakami Consideration Shares
Section 10	Resolution 7 – Approval to issue STI Bonus to David Southam
Section 11	Resolution 8 – Approval to issue Share Rights to Directors in lieu of Directors fees
Schedule 1	Definitions
Schedule 2	Terms and conditions of STI Share Rights and Salary Share Rights
Schedule 3	Summary of material terms of the Plan

A Proxy Form is located at the end of 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 2:00pm (AWST) on Tuesday, 14 May 2024, being not later than 48 hours before the commencement of the Meeting.

2.4 Chair's voting intentions

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1 even though that Resolution is connected directly or indirectly with the remuneration of the Company's Key Management Personnel. 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. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2023.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://www.cygnusmetals.com/investors>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (d) the preparation and content of the Auditor's Report;
- (e) the conduct of the audit;
- (f) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (g) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretaries at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

4. Resolution 1 – Remuneration Report

4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 31 December 2023 in the 2024 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any). Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2023 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2025 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

4.2 Additional information

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

5. Resolution 2 – Re-election of Director – Michael Bohm

5.1 General

Rule 6.1(f) of the Constitution provides that an election of Directors must take place each year and at that meeting one-third of the Directors must retire from office.

Rules 6.1(i)-(j) of the Constitution provide that a retiring Director holds office until the conclusion of the meeting at which that Director retires but is eligible for re-election or election (as appropriate).

Rule 6.1(g) of the Constitution provides that the Director(s) who must retire at a meeting in accordance with Rule 6.1(f) is the Director who has, or are the Directors who have, been longest in office since their last election but, as between persons who were last elected as Directors on the same day, the Director or Directors to retire must be determined by agreement among themselves or, in the absence of agreement, by lot.

Michael Bohm was last elected at the 2022 annual general meeting of the Company and is the Director who has been longest in office since his last election. Accordingly, Michael Bohm, Non-Executive Director, has agreed to retire at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 2.

5.2 Michael Bohm

Mr Bohm is a qualified mining professional with significant corporate and operations experience. He has had extensive minerals industry experience in Australia, South East Asia, Africa, Chile, Canada and Europe. A graduate of WA School of Mines, Mr Bohm has worked as a mining engineer, mine manager, study manager, project manager, project director and managing director and has been directly involved in a number of new mine developments in the gold, nickel and diamond sectors.

Mr Bohm is the current Non-Executive Chairman of Riedel Resources Ltd (ASX: RIE) and was previously a Non-Executive Director of Mincor Resources Ltd (ASX: MCR), Ramelius Resources Ltd (ASX: RMS) and Perseus Mining Limited (PRU).

Mr Bohm does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Bohm is not considered by the Board (with Mr Bohm abstaining) to be an independent Director, due to having been, or having been associated directly with, substantial holders of the Company within the last 3 years.

Mr Bohm has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

5.3 Board recommendation

The Board (with Mr Bohm abstaining) recommends that Shareholders vote in favour of Resolution 2. Mr Bohm's extensive experience with mining operations and mine development in both Australia and overseas is considered to be an important addition to the Board's existing skills and experience.

5.4 Additional information

Resolution 2 is an ordinary resolution.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% annual placement capacity under Listing Rule 7.1.

Resolution 3 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

6.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$18.7 million, based on the closing price of Shares on 11 April 2024.

(b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of this Notice, the Company has on issue one quoted class of Equity Securities, being Shares.

(c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A = is the number of Shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (1) the agreement was entered into before the commencement of the Relevant Period; or
 - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid shares that became fully paid shares in the Relevant Period;
- (E) plus the number of fully paid shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D = is 10%.

E = is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

(d) What is the interaction with Listing Rule 7.1?

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) At what price can the Equity Securities be issued?

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 6.2(e)(i) above, the date on which the Equity Securities are issued, **(Minimum Issue Price)**.

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(g) **What is the effect of Resolution 3?**

The effect of Resolution 3 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

6.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) **Final date for issue**

The Company will only issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 6.2(e) above).

(c) **Purposes of issues under the 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of convertible Securities, only if the convertible Securities are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 6.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.032 50% decrease in Current Market Price	\$0.064 Current Market Price	\$0.128 100% increase in Current Market Price
291,559,139 Shares Variable A	10% Voting Dilution	29,155,914	29,155,914	29,155,914
	Funds raised	\$932,989	\$1,865,978	\$3,731,957
437,338,709 Shares 50% increase in Variable A	10% Voting Dilution	43,733,871	43,733,871	43,733,871
	Funds raised	\$1,399,484	\$2,798,968	\$5,597,935
583,113,278 Shares 100% increase in Variable A	10% Voting Dilution	58,311,828	58,311,828	58,311,828
	Funds raised	\$1,865,978	\$3,731,957	\$7,463,914

Notes:

1. The table has been prepared on the following assumptions:
 - (a) The issue price is the current market price (\$0.064), being the closing price of the Shares on ASX on 11 April 2024, being the latest practicable date before this Notice was signed.

- (b) Variable A comprises of 291,559,139 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
 - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (d) No convertible Securities are exercised or converted into Shares before the date of the issue of the Equity Securities.
 - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
 3. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 4. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) Issues in the past 12 months

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 27 May 2023.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued the following Equity Securities under Listing Rule 7.1A:

Date of issue	Recipient	Number and type of security	Price	Use of funds
24 Aug 2023	The Shares were issued pursuant to a placement undertaken via the Canadian flow-through shares regime (FT Placement), facilitated by share dealer Peartree Securities Inc, with the end buyer block trade facilitated by Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited (JLMs). The JLMs facilitated the secondary sale of the flow-through shares (FT Shares) acquired by PearTree clients under the FT Placement to sophisticated and professional investors in Australia and certain other countries by way of a block trade agreement.	18,934,273 Shares, representing ~8.84% of the total number of Shares on issue at the commencement of that 12-month period.	C\$0.3697 (A\$0.4275) each, representing a 98% premium to the closing price on the date of issue	Cash raised: \$8,094,401.71 Cash spent: Approximately \$2,975,000 Use of funds: Funds raised from the FT Placement have been (and will be) applied towards exploration programs at the Company's Pontax, Auclair and Sakami Projects. Intended use of remaining funds: As above.
29 Aug 2023	The Shares were issued to sophisticated and professional investors pursuant to a placement. The participants in the placement were identified through a bookbuild process which involved seeking expressions of interest to participate in the placement from existing Shareholders of the Company and clients of the Lead Manager, Canaccord Genuity (Australia) Limited.	2,404,798 Shares, representing ~1.12% of the total number of Shares on issue at the commencement of that 12-month period.	A\$0.225 each, representing an 18% premium to the closing price on the date of issue	Cash raised: \$541,079.55 Cash spent: Nil Intended use of funds: Funds raised from the placement will be applied towards: • exploration programs at the Company's Pontax, Auclair and Sakami Projects; and • general working capital.

(g) **Voting exclusion statement**

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

6.4 Additional information

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 3.

7. Resolution 4 – Ratification of agreement to issue Noranda Consideration Shares

7.1 Background

On 28 July 2023, the Company announced that it had entered into a binding agreement to acquire 22 mining claims (**Noranda Claims**) from Noranda Royalties Inc. and 6998046 Canada Inc. (together, the **Noranda Vendors**) via a wholly owned subsidiary of the Company, increasing the Company's Auclair Project to 417km² (**Noranda Acquisition Agreement**).

A summary of the material terms of the Noranda Acquisition Agreement is in Section 7.2 below.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the agreement to issue up to 500,000 Shares pursuant to the Noranda Acquisition Agreement (**Noranda Consideration Shares**).

7.2 Summary of material terms of the Noranda Acquisition Agreement

Pursuant to the terms of the Noranda Acquisition Agreement, the Company has agreed to acquire a 100% interest in the Noranda Claims, in consideration for the Company making the following payments to the Noranda Vendors (or their nominees):

- (a) a cash consideration of C\$100,000, paid upon execution of the Noranda Acquisition Agreement (**Completion**);
- (b) the issue of 1,000,000 Shares, with 500,000 Shares issued by the Company on 25 August 2023 and a further 500,000 Shares to be issued approximately 12 months from Completion (being the Noranda Consideration Shares the subject of this Resolution 4); and
- (c) the following deferred milestone payments, upon and subject to the Company defining a JORC 2012 compliant mineral resource estimate of inferred or greater category for the Noranda Claims with a delineation of:

- (i) at least 3 million metric tonne resources with a grade of at least 1.2% Li₂O (**Milestone 1**), at the election of the Company:
 - (A) a cash payment of C\$3,000,000; or
 - (B) the issue of that number of Shares equal to C\$3,000,000 at a deemed issue price equal to the 20-day volume weighted average price of the Company's Shares (**20-day VWAP**) over the trading days immediately prior to the date of Milestone 1 being met;
- (ii) at least 1 million oz of gold at a minimum grade of 3.0g/t Au (**Milestone 2**), at the election of the Company:
 - (A) a cash payment of C\$3,000,000; or
 - (B) the issue of that number of Shares equal to C\$3,000,000 at a deemed issue price equal to the 20-day VWAP over the trading days immediately prior to the date of Milestone 2 being met; and
- (iii) at least 10 million metric tonne resources with a grade of at least 1.2% Li₂O (**Milestone 3**), at the election of the Company:
 - (A) a cash payment of C\$3,000,000; or
 - (B) the issue of that number of Shares equal to C\$3,000,000 at a deemed issue price equal to the 20-day VWAP over the trading days immediately prior to the date of Milestone 3 being met,

(together, the **Milestone Consideration**).

Any Milestone Consideration payments that the Company elects to pay in Shares will be subject to receipt of prior Shareholder approval and must be issued within 5 years of the date of the Noranda Acquisition Agreement.

In addition to the above, the Company has also granted Noranda Royalties a 2% gross revenue royalty that will be payable on critical minerals and rare earth deposits extracted from the Noranda Claims.

The remaining terms of the Acquisition Agreement are considered commercially standard for an agreement of this nature, including the standard warranties relating to the Claims.

7.3 Listing Rules 7.1 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.

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

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, and the Company issues the 500,000 Noranda Consideration Shares under Listing Rule 7.1 no later than 3 months after the date of the Meeting, the agreement to issue (and the issue itself) will be excluded in calculating the Company's 15% limit on issuing Equity Securities without shareholder approval under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the agreement to issue those Noranda Consideration Shares..

If Resolution 4 is not passed or up to 500,000 Noranda Consideration Shares are issued under Listing Rule 7.1 later than 3 months after the date of the Meeting, the Company's ongoing capacity to issue or agree to issue Equity Securities under Listing Rule 7.1 without obtaining prior Shareholder approval will continue to be reduced to the extent of up to 500,000 Equity Securities for the 12 month period following the agreement to issue those Noranda Consideration Shares.

7.4 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 agreement to issue the Noranda Consideration Shares:

- (a) The Noranda Consideration Shares will be issued to the Noranda Vendors (or their respective nominees), none of whom are a related party or a Material Investor. The Noranda Consideration Shares will be issued in the following proportions:
 - (i) 250,000 Noranda Consideration Shares to Noranda Royalties Inc.; and
 - (ii) 250,000 Noranda Consideration Shares to the shareholders or nominees of 6998046 Canada Inc.
- (b) A maximum of 500,000 Noranda Consideration Shares were agreed to be issued using the Company's available placement capacity under Listing Rule 7.1, without the need for Shareholder approval.
- (c) The Noranda 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) The Noranda Consideration Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Noranda Consideration Shares will be issued for nil cash consideration, as part consideration for the acquisition of the Noranda Claims pursuant to the Noranda Acquisition Agreement. Accordingly, no funds will be raised from the issue of the Noranda Consideration Shares.
- (f) A summary of the material terms of the Noranda Acquisition Agreement is in Section 7.2 above.
- (g) A voting exclusion statement is included in the Notice.

7.5 Additional information

Resolution 4 is an ordinary resolution.

The Board recommend Shareholders vote in favour of Resolution 4.

8. Resolution 5 – Approval to issue Beryl Consideration Shares

8.1 General

On 28 March 2023, the Company announced that, amongst other things, it had entered into an option agreement with CMH, Anna Rosa Giglio and Steve Labranche (together, the **Beryl Vendors**) to acquire a 100% interest in the mineral claims comprising the Beryl Lake Project (being the claims surrounding the Company's Auclair Project), located in James Bay, Canada (**Beryl Option Agreement**).

A summary of the material terms of the Beryl Option Agreement is in Section 8.2 below.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 900,000 Shares pursuant to the Beryl Option Agreement (**Beryl Consideration Shares**).

8.2 Summary of material terms of Beryl Option Agreement

Under the terms of the Beryl Option Agreement, the Beryl Vendors granted the Company (through its wholly owned subsidiary Avenir Metals (Canada) Limited) the option acquire a 100% interest in the mineral claims comprising the Beryl Lake Project (being the claims surrounding the Company's Auclair Project), subject to the satisfaction of the following conditions precedent:

- (a) ASX confirming that Listing Rules 11.1.2 and 11.1.3 do not apply to the Beryl Option Agreement;
- (b) the Company obtaining Shareholder approval in respect to the Share consideration in Sections 8.2(a)(i)-(ii) below; and
- (c) the execution of a voluntary restriction deed in respect to the Share consideration in Section 8.2(a)(i) below.

ASX has confirmed that Listing Rules 11.1.2 and 11.1.3 do not apply to the Beryl Option Agreement.

In order to exercise the option and acquire an undivided 100% right, title and interest in the Beryl Lake Project, the Company must:

- (a) issue an aggregate of 4,000,000 Shares in the Company and pay an aggregate sum of C\$395,000 in cash to the Beryl Vendors. The consideration is payable in the following stages, at the election of Cygnus (other than Stages 1 and 2):
 - (i) Stage 1: C\$125,000 in cash and up to 1,500,000 Shares (which are subject to voluntary escrow for a period of 6 months from the date of issue) within 5 business days of the satisfaction of the last of the conditions precedent (**Beryl Approval Date**);
 - (ii) Stage 2: an additional C\$75,000 in cash and up to 900,000 Shares on the 12 month anniversary of the Beryl Approval Date;

- (iii) Stage 3: an additional C\$75,000 in cash and up to 1,000,000 Shares on the 24 month anniversary of the Beryl Approval Date; and
- (iv) Stage 4: an additional C\$120,000 in cash and up to 600,000 Shares on the 36 month anniversary of the Beryl Approval Date;
- (b) incur total exploration expenditure of C\$1,000,000 in the first 36 months of the Beryl Approval Date (which may also be satisfied by way of a cash payment to the Beryl Vendors in the event the Company fails to incur total exploration expenditure of C\$1,000,000 in the first 36 months of the Beryl Approval Date).

On 18 May 2023, the Company issued 1,500,000 Shares to the Beryl Vendors under Stage 1 of the Beryl Option Agreement, following receipt of Shareholder approval at the Company's annual general meeting held on 17 May 2023 for the Stage 1 and Stage 2 Beryl Consideration Shares. The Company is seeking a fresh approval pursuant to this Resolution 5 for the issue of the Stage 2 Beryl Consideration Shares as the previous approval expired 3 months after the date of the Shareholder meeting. If the Company elects to proceed with the option, the remaining Stage 3 and Stage 4 Beryl Consideration Shares are intended to be issued using the Company's available placement capacity under Listing Rule 7.1.

The Beryl Lake Project is also subject to a 2% net smelter return royalty in favour of CMH (1%) and Anna Rosa Giglio (1%). The Company has the right to buy back 1% of the royalty by way of a one-time payment of C\$1,000,000.

If the Company is in default in making any payments and exploration expenditures within the times required as noted above, the Beryl Vendors shall have the right to terminate the Beryl Option Agreement if written notice of such default has been provided by the Beryl Vendors 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 of the Beryl Option Agreement by the Beryl Vendors includes, but is not limited to:

- (a) leaving the claims comprising the Beryl Lake Project in good standing under the applicable mineral claims legislation of the Province of Quebec at the time of termination of the Beryl Option Agreement, with a minimum of C\$500,000 in exploration expenditures incurred on the Beryl Lake Project so the Beryl Lake Project will remain in good standing for a period of at least one year from the date of termination of the Beryl Option Agreement; and
- (b) issuing to the Beryl Vendors a minimum aggregate of 2,400,000 Shares and paying a minimum aggregate of C\$200,000 in cash, notwithstanding if the Beryl Option Agreement is validity terminated before the 12-month anniversary of the Beryl Approval Date.

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

8.3 Listing Rule 7.1

A summary of Listing Rule 7.1 is in Section 7.3 above.

The issue of the Beryl Consideration Shares does not fit within any of the exceptions to Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing

Rule 7.1. Additionally, the Beryl Consideration Shares are subject to Shareholder approval in accordance with the terms of the Beryl Option Agreement.

The effect of Shareholders passing Resolution 6 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 6 is passed, the Company can proceed to issue the Beryl Consideration Shares in satisfaction of the condition precedent in Section 8.2(b) above, without using up any of the Company's 15% limit on issuing Equity Securities without shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will be unable to proceed with the issue of the Beryl Consideration Shares, exercise the option under the Beryl Option Agreement and, in this regard, the Company will not acquire any interest in the claims comprising the Beryl Lake Project.

8.4 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 Beryl Consideration Shares:

- (a) The Beryl Consideration Shares will be issued to the Beryl Vendors (or their respective nominees), none of whom are related parties or a Material Investors. The Beryl Consideration Shares will be issued in the following proportions:
 - (i) up to 297,000 Beryl Consideration Shares to CMH;
 - (ii) up to 297,000 Beryl Consideration Shares to Anna Rosa Giglio; and
 - (iii) up to 306,000 Beryl Consideration Shares to Steve Labranche.
- (b) A maximum of 900,000 Beryl Consideration Shares will be issued.
- (c) The Beryl 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) The Beryl Consideration Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Beryl Consideration Shares will be issued for nil cash consideration, as part consideration payable for the acquisition of the Beryl Lake Project. Accordingly, no funds will be raised from the issue of the Beryl Consideration Shares.
- (f) A summary of the material terms of the Beryl Option Agreement is in Section 8.2.
- (g) A voting exclusion statement is included in the Notice.

8.5 Additional information

Resolution 5 is an ordinary Resolution.

The Board recommend Shareholders vote in favour of Resolution 5.

9. Resolution 6 – Ratification of agreement to issue Sakami Consideration Shares

9.1 General

On 28 March 2023, the Company announced that, amongst other things, it had entered into an option agreement with CMH, Anna Rosa Giglio and Steve Labranche (together, the **Sakami Vendors**) to acquire a 100% interest in the mineral claims comprising the Sakami Project, located in James Bay, Canada (**Sakami Option Agreement**).

A summary of the material terms of the Sakami Option Agreement is in Section 9.2 below.

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the agreement to issue up to 900,000 Shares pursuant to the Sakami Option Agreement (**Sakami Consideration Shares**).

9.2 Summary of material terms of Sakami Option Agreement

Under the terms of the Sakami Option Agreement, the Sakami Vendors granted the Company (through its wholly owned subsidiary Avenir Metals (Canada) Limited) the option acquire a 100% interest in the mineral claims comprising the Sakami Project, subject to the satisfaction of the following conditions precedent:

- (a) ASX confirming that Listing Rules 11.1.2 and 11.1.3 do not apply to the Sakami Option Agreement;
- (b) the Company obtaining Shareholder approval in respect to the Share consideration in Section 9.2(a)(i) below; and
- (c) the execution of a voluntary restriction deed in respect to the Share consideration in Section 9.2(a)(i) below.

ASX has confirmed that Listing Rules 11.1.2 and 11.1.3 do not apply to the Sakami Option Agreement.

In order to exercise the option and acquire an undivided 100% right, title and interest in the Sakami Project, the Company must:

- (a) issue an aggregate of 3,450,000 fully paid ordinary Shares in the Company and pay an aggregate sum of C\$300,000 in cash to the Sakami Vendors. The consideration is payable in the following stages, at the election of the Company (other than Stage 1):
 - (i) Stage 1: C\$75,000 in cash and 1,500,000 Shares (issued by the Company on 18 May 2023 and subject to voluntary escrow for a period of 6 months from the date of issue) within 5 business days of the satisfaction of the last of the conditions precedent (**Sakami Approval Date**);
 - (ii) Stage 2: an additional C\$75,000 in cash and up to 900,000 Shares on the 12-month anniversary of the Sakami Approval Date (being the Sakami Consideration Shares the subject of this Resolution);
 - (iii) Stage 3: an additional C\$75,000 in cash and up to 600,000 Shares on the 24-month anniversary of the Sakami Approval Date; and
 - (iv) Stage 4: an additional C\$75,000 in cash and up to 450,000 Shares on the 36-month anniversary of the Sakami Approval Date; and

- (b) incur total exploration expenditure of C\$1,000,000 in the first 36 months of the Sakami Approval Date (which may also be satisfied by way of a cash payment to the Sakami Vendors in the event the Company fails to incur total exploration expenditure of C\$1,000,000 in the first 36 months of the Sakami Approval Date).

On 18 May 2023, the Company issued 1,500,000 Shares to the Sakami Vendors under Stage 1 of the Sakami Option Agreement, following receipt of Shareholder approval at the Company's annual general meeting held on 17 May 2023. The Company is seeking approval pursuant to this Resolution 6 for the issue of the Stage 2 Sakami Consideration Shares. If the Company elects to proceed with the option, the remaining Stage 3 and Stage 4 Sakami Consideration Shares are intended to be issued using the Company's available placement capacity under Listing Rule 7.1.

The Sakami Project is subject to a 2% net smelter return royalty in favour of CMH (1%) and Anna Rosa Giglio (1%). The Company has the right to buy back 1% of the royalty by way of a one-time payment of C\$1,000,000.

If the Company is in default in making any payments and exploration expenditures within the times required as noted above, the Sakami Vendors shall have the right to terminate the Sakami Option Agreement if written notice of such default has been provided by the Sakami Vendors 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 Sakami Vendors include, amongst other things, leaving the claims comprising the Sakami Project in good standing under the applicable mineral claims legislation of the Province of Quebec at the time of termination of the Sakami Option Agreement, with a minimum of C\$150,000 in exploration expenditures incurred on the Sakami Project so the Sakami Project will remain in good standing for a period of at least one year from the date of termination of the Sakami Option Agreement.

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

9.3 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 are in Section 7.3 above.

The effect of Shareholders passing Resolution 6 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 6 is passed and the Company issues the 900,000 Sakami Consideration Shares under Listing Rule 7.1 no later than 3 months after the date of the Meeting, the agreement to issue (and the issue itself), 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 agreement to issue those Sakami Consideration Shares.

If Resolution 6 is not passed or up to 900,000 Sakami Consideration Shares are issued under Listing Rule 7.1 later than 3 months after the date of the Meeting, the Company's ongoing capacity to issue or agree to issue Equity Securities under Listing Rule 7.1 without obtaining prior Shareholder approval will continue to be reduced to the extent of up to 900,000 Equity Securities for the 12 month period following the agreement to issue those Sakami Consideration Shares.

9.4 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 agreement to issue the Sakami Consideration Shares:

- (a) The Sakami Consideration Shares will be issued to the Sakami Vendors (or their respective nominees), none of whom are a related party or a Material Investor. The Sakami Consideration Shares will be issued in the following proportions:
 - (i) up to 300,000 Sakami Consideration Shares to CMH;
 - (ii) up to 300,000 Sakami Consideration Shares to Anna Rosa Giglio; and
 - (iii) up to 300,000 Sakami Consideration Shares to Steve Labranche.
- (b) A maximum of 900,000 Sakami Consideration Shares were agreed to be issued using the Company's available placement capacity under Listing Rule 7.1, without the need for Shareholder approval..
- (c) The Sakami 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) The Sakami Consideration Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Sakami Consideration Shares will be issued for nil cash consideration, as part consideration payable for the acquisition of the Sakami Project. Accordingly, no funds will be raised from the issue of the Sakami Consideration Shares.
- (f) A summary of the material terms of the Sakami Option Agreement is in Section 9.2 above.
- (g) A voting exclusion statement is included in the Notice.

9.5 Additional information

Resolution 6 is an ordinary Resolution.

The Board recommend Shareholders vote in favour of Resolution 6.

10. Resolution 7 – Approval to issue STI Bonus to David Southam

10.1 General and rationale

The Company is proposing, subject to obtaining Shareholder approval, to issue up to 1,333,334 rights to acquire Shares to the Company's Executive Chair, Mr David Southam (or his nominee/s) (**STI Share Rights**), as a short-term bonus for the financial year ended 31 December 2023 (**FY23**) following the achievement of key short-term strategic milestones, including expansion of the Company's business and operations, and satisfaction of key safety objectives.

Under the terms of his executive services agreement, Mr Southam is entitled to earn an annual short-term incentive bonus of up to 25% of his total fixed remuneration, payable in cash. The Board sets the short-term performance milestones to be achieved in order to reward and incentivise the Executive Chair to drive significant share price growth and

sustainable shareholder value, and has the discretion to determine whether those milestones have been met.

For FY23, Company-specific performance targets were chosen to reflect the core drivers of short-term performance and to provide a framework for delivering sustainable value to the Company and its Shareholders. Any award was subject to the expansion of the Company's tenure outside the primary Pontax trend in the James Bay area, implementation of health and safety standards in Quebec, establishment of positive relations with Canadian communities (particularly Canadian First Nation groups), and the formation of a competent team to implement the Company's Canadian exploration strategy. These performance-based outcomes are considered to be an appropriate link between executive remuneration and the potential for creation of shareholder wealth.

The Board has determined that Mr Southam is entitled to a short-term incentive bonus for FY23 of \$120,000 (including superannuation) (**STI Bonus**). The Board has elected to award the STI Bonus wholly in STI Share Rights, in lieu of a cash payment and subject to Shareholder approval, in order to conserve the Company's available cash reserves.

The grant of the STI Share Rights is considered a reasonable and appropriate method to provide cost-effective remuneration, as it allows the Company to spend a greater proportion of its cash reserves on its operations than it would if cash was awarded, and further aligns the interests of the Executive Chair with those of Shareholders.

The maximum number of STI Share Rights to be granted equates to 25% of Mr Southam's total fixed remuneration for the year ended 31 December 2023 (being \$480,000 inclusive of superannuation) and has been calculated based on a deemed issued price of \$0.09 per Share (being the 30-day VWAP of Shares up to and including 19 February 2024). Further details on the valuation of the STI Share Rights can be found in Section 10.3(h).

The STI Share Rights are to be issued under the Cygnus Metals Limited Employee Securities Incentive Plan (**Plan**). A summary of the material terms of the Plan is in Schedule 3.

The STI Share Rights will vest immediately on the date of issue and will expire on 31 July 2029. Refer to Schedule 2 for a summary of the terms and conditions of the STI Share Rights.

The STI Share Rights are designed to ensure short-term shareholder alignment, while also seeking to conserve available cash reserves at this critical phase of Cygnus's growth. This has resulted in a total remuneration mix for Mr Southam that is comprised of lower total fixed remuneration (**TFR**) and is heavily orientated towards at-risk pay in the form of long-term equity only.

Resolution 7 seeks Shareholder approval pursuant to Listing Rule 10.14 to issue up to 1,333,334 Share Rights under the Plan to Mr David Southam (or his nominee/s) in satisfaction of his FY23 STI Bonus.

10.2 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme, unless Shareholder approval is provided:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director the company (Listing Rule 10.14.2); or

- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3).

The proposed issue of STI Share Rights falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if a Director elects for the STI Share Rights to be issued to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14. As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

The effect of Shareholders passing Resolution 7 will be to allow the Company to issue the STI Share Rights to David Southam (and/or his nominee).

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of those STI Share Rights to David Southam (and/or his nominee) and the STI Bonus will be paid to Mr Southam in cash.

10.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the STI Share Rights:

- (a) The STI Share Rights will be issued under the Plan to the David Southam (and/or his nominee).
- (b) Mr Southam will fall into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company. In the event the STI Share Rights are issued to a nominee of Mr Southam, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) A maximum of 1,333,334 STI Share Rights will be issued to Mr Southam (and/or his nominee).
- (d) The current total remuneration package for Mr Southam, as at the date of this Notice is set out below:

Director	Salary and fees (inclusive of superannuation)	2024 STI Bonus (inclusive of superannuation)
David Southam	364,125	91,031

- (e) The Company has issued the Equity Securities under the Plan to Mr Southam (or his nominee) following Shareholder approval as follows:

Date	Securities	Acquisition price
8 September 2023	3,178,809 Performance Rights	Nil
14 February 2023	18,000,000 Performance Rights	Nil

- (f) The STI Share Rights will be issued on the terms and conditions set out in Schedule 2.
- (g) The rationale for the proposed issue of the STI Share Rights is set out in Section 10.1 above.

- (h) The total value attributed to the STI Share Rights is \$120,000.
- (i) The STI Share Rights will be issued to Mr Southam (and/or his respective nominee/s) as soon as practicable following the Meeting and in any event not later than three years after the Meeting.
- (j) The STI Share Rights will be issued for nil cash consideration as they will be issued as an incentive component to Mr Southam's remuneration packages.
- (k) A summary of the material terms of the Plan is provided in Schedule 3.
- (l) No loan will be provided to Mr Southam in relation to the issue of the STI Share Rights.
- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

10.4 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 STI Share Rights constitutes giving a financial benefit to related parties of the Company.

The Board (other than Mr Southam who has a personal interest in the outcome of this Resolution) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the STI Share Rights because the STI Share Rights are considered by the Board to be reasonable remuneration and therefore fall within the exception stipulated by section 211 of the Corporations Act.

10.5 Additional information

Resolution 7 is an ordinary resolution.

The Board (other than Mr Southam who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of Resolution 7 for the reasons set out at Section 10.1 above.

11. Resolution 8 – Approval to issue Share Rights to Directors in lieu of Directors fees

11.1 General

The Company has, subject to Shareholder approval, invited Directors David Southam, Raymond Shorrocks, Kevin Tomlinson, Michael Bohm and Michael Naylor (**Directors**) to participate in a discretionary salary reduction arrangement in return for rights to acquire Shares (**Salary Share Rights**) to be granted under the Plan (**Salary Reduction**). Under the Salary Reduction, the Non-Executive Directors may elect to accrue up to 50% of their director fees (excluding superannuation), and the Executive Chair (Mr Southam) may elect to accrue up to 33.33% of his base salary (excluding superannuation) from 1 April 2024 to 31 March 2025 (**Salary Reduction Period**). Mr Southam has recently reduced his pro-rata remunerated days from 4 to 3 days, with one of those 3 days proposed to be paid in Salary Share Rights. Shareholders should review the ASX Announcement on 27 March 2024 for more details.

At the end of each calendar month during the Salary Reduction Period, the number of Salary Share Rights that the Directors will be entitled to receive for that calendar month will be the lesser of the total amount of the Salary Reduction for that month of the Salary Reduction Period (being from the first calendar day of that month up to and including the last calendar of that month) divided by the lesser of:

- (a) \$0.02 (**Floor Price**); and
- (b) the VWAP of Shares over the days on which Shares are actually traded on ASX starting on the first day of the relevant month and ending on the last day of the relevant month of the Salary Reduction Period (**Monthly VWAP**) (i.e. the Monthly VWAP for the Salary Share Rights to be issued for the month of April 2024 will be based on the trading days on and from 1 April 2024 up to and including 30 April 2024),

(**Deemed Issue Price**).

Accordingly, the *maximum* number of Salary Share Rights to be issued to the Directors is as follows (based on the Floor Price):

Director	Salary Reduction (pa)	Maximum Salary Share Rights
David Southam	\$112,197	5,609,856
Kevin Tomlinson	\$47,500	2,375,000
Raymond Shorrocks	\$24,887	1,244,350
Michael Bohm	\$24,887	1,244,350
Michael Naylor	\$24,887	1,244,350
Total	\$234,358	11,717,906

The actual number of Salary Share Rights to be issued is likely to be a much lesser amount, due to the Monthly VWAP being based on Share price movements from month to month and assuming the Share price remains higher than the Floor Price. For example, if the Deemed Issue Price were equal to the Share price on 11 April 2024 (\$0.064), the total number of Salary Share Rights the Directors would be entitled to would be:

Director	Salary Reduction (pa)	Example total Salary Share Rights
David Southam	\$112,197	1,753,080
Kevin Tomlinson	\$47,500	742,188
Raymond Shorrocks	\$24,887	388,859
Michael Bohm	\$24,887	388,859
Michael Naylor	\$24,887	388,859
Total	\$234,358	3,661,846

In return for their agreement to reduce the amount of their salary paid by way of cash, the Company has agreed to grant each of the Directors (or their respective nominees) Salary Share Rights under the Plan (refer to Schedule 3 for a summary of the terms of the Plan). Each Salary Share Right will entitle the holder to acquire one Share in the Company. The Salary Share Rights immediately vest on the grant date and expire on 31 July 2029. Refer to Schedule 2 for a summary of the terms and conditions of the Salary Share Rights.

The rationale for inviting the Directors to participate in a discretionary salary reduction in return for Salary Share Rights is to preserve cash within the Company, strengthen the Company's balance sheet, align Directors' remuneration with the Company's and Shareholders' objectives, and to provide Directors with an incentive to enhance Shareholder value.

Resolution 8(a) – (e) (inclusive) seek Shareholder approval pursuant to Listing Rule 10.14 to issue up to a maximum of 11,717,906 Share Rights under the Plan to the Directors (or their respective nominee/s) in lieu of the cash payment of a portion of their Director fees.

11.2 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme, unless Shareholder approval is provided:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director the company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3).

The proposed issue of Salary Share Rights falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if a Director elects for the Salary Share Rights to be issued to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14. As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

The effect of Shareholders passing Resolution 8(a) – (e) (inclusive) will be to allow the Company to issue the Salary Share Rights to the Directors (and/or their respective nominee/s).

If Resolution 8(a) – (e) (inclusive) are not passed, the Company will not be able to proceed with the issue of those Salary Share Rights to the Directors (and/or their respective nominee/s) and the Company will proceed with the cash payment equal to the Salary Reduction.

11.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Salary Share Rights:

- (a) The Salary Share Rights will be issued under the Plan to the Directors (and/or their respective nominees).
- (b) The Directors will fall into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company. In the event the Salary Share Rights are issued to a nominee of the Directors, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) Based on the Floor Price, a maximum of 11,717,906 Salary Share Rights will be issued to the Directors (and/or their respective nominee/s) in the proportions set out in Section 11.1 above.
- (d) The current total annual remuneration package each of the Directors as at the date of this Notice is set out below:

Director	Salary and fees (inclusive of superannuation)	2024 STI Bonus (inclusive of superannuation)
David Southam	\$364,125	\$91,031
Kevin Tomlinson	\$95,000	-
Ray Shorrocks	\$55,249	-
Michael Bohm	\$55,249	-
Michael Naylor	\$55,249	-

- (e) The Company has issued Equity Securities under the Plan to the Directors (or their respective nominee/s) following Shareholder approval as follows:

Director	Securities	Date	Acquisition price
David Southam	3,178,809 Performance Rights	8 September 2023	Nil
	18,000,000 Performance Rights	14 February 2023	Nil
Ray Shorrocks	Nil	N/A	N/A
Kevin Tomlinson	Nil	N/A	N/A
Michael Bohm	Nil	N/A	N/A
Michael Naylor	Nil	N/A	N/A

- (f) The Salary Share Rights will be issued on the terms and conditions set out in Schedule 2.
- (g) The rationale for the proposed issue of the Salary Share Rights is set out in Section 11.1 above.
- (h) The total value attributed to the Salary Share Rights is \$234,358, being the total Salary Reduction as set out at Section 11.1.

- (i) The Salary Share Rights will be issued to the Directors (and/or their respective nominee/s) at the end of each quarter and in any event not later than three years after the Meeting.
- (j) The Salary Share Rights will be issued for nil cash consideration as they will be issued as part of the Directors' remuneration packages.
- (k) A summary of the material terms of the Plan is provided in Schedule 3.
- (l) No loan will be provided to the Directors in relation to the issue of the Salary Share Rights.
- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

11.4 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a meeting of directors from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

The Directors have a personal interest in the outcome of each of their respective Resolutions under Resolution 8(a) – (e) (inclusive) and have exercised their right under section 195(4) of the Corporations Act to put the issue of the Salary Share Rights to the Directors to Shareholders to resolve upon.

11.5 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 Salary Share Rights to the Directors constitutes giving a financial benefit to related parties of the Company. The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Salary Share Rights because the Salary Share Rights are considered by the Board to be reasonable remuneration and therefore fall within the exception stipulated by section 211 of the Corporations Act.

11.6 Additional information

Resolution 8(a) – (e) (inclusive) are each separate ordinary resolutions.

The Board declines to make a recommendation to Shareholders in relation to Resolution 8(a) – (e) (inclusive) due to their personal interests in the outcome of the Resolutions.

Schedule 1 Definitions

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

\$	means Australian dollars.
10% Placement Facility	has the meaning in Section 6.1.
10% Placement Period	has the meaning in Section 6.2(f).
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 31 December 2023.
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.
Beryl Approval Date	has the meaning given in Section 8.2(a)(i).
Beryl Consideration Shares	has the meaning given in Section 8.1.
Beryl Option Agreement	has the meaning given in Section 8.1.
Beryl Vendors	has the meaning given in Section 8.1.
Board	means the board of Directors.
C\$	means Canadian dollars.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Closely Related Party	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
CMH	means 9219-8845 QC. Inc. (Canadian Mining House).
Company	means Cygnus Metals Limited (ACN 609 094 653).
Constitution	means the Constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Equity Security	has the same meaning as in the Listing Rules.

Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
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: (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.
Minimum Issue Price	has the meaning in Section 6.2(e).
Notice	means this notice of annual general meeting.
Noranda Acquisition Agreement	has the meaning given in Section 7.1.
Noranda Claims	has the meaning given in Section 7.1.
Noranda Consideration Shares	has the meaning given in Section 7.1.
Noranda Vendors	has the meaning given in Section 7.1.
Plan	means the 'Cygnus Metals Employee Securities Incentive Plan' approved by Shareholders at the Company's general meeting held on 31 January 2023.
Proxy Form	means the proxy form made available with the Notice.
Remuneration Report	means the remuneration report of the Company contained in the Directors' Report.
Resolution	means a resolution referred to in the Notice.
Sakami Approval Date	has the meaning given in Section 9.2(a)(i).

Sakami Consideration Shares	has the meaning given in Section 9.1.
Sakami Option Agreement	has the meaning given in Section 9.1.
Sakami Vendors	has the meaning given in Section 9.1.
Salary Share Rights	has the meaning given in Section 11.1.
Salary Reduction	has the meaning given in Section 11.1.
Salary Reduction Period	has the meaning given in Section 11.1.
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.
STI Bonus	has the meaning given in Section 10.1.
STI Share Rights	has the meaning given in Section 10.1.
Strike	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
VWAP	means volume-weighted average market price of fully paid ordinary shares, as that term is defined in the Listing Rules.

Schedule 2 Terms and conditions of STI Share Rights and Salary Share Rights

The terms and conditions of the STI Share Rights and the Salary Share Rights (referred to herein after as “**Share Rights**” unless specified otherwise) are as follows:

1. **(Entitlement)**: Subject to the terms and conditions set out below, each Share Right, once vested, entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (Share).
2. **(Vesting)**: The Share Rights will immediately vest on the date of issue.
3. **(Expiry Date)**: The Share Rights will expire and lapse at 5.00pm (AWST) on 31 July 2029
(Expiry Date).
4. **(Exercise)**: At any time after the date of issue and before the Expiry Date (as defined in paragraph 3 above), the holder may apply to exercise Share Rights by delivering a signed notice of exercise to a Company Secretary. The holder is not required to pay a fee to exercise the Share Rights.
5. **(Issue of Shares)**: As soon as practicable after the valid exercise of a vested Share Right, the Company will:
 - (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
 - (b) issue a substitute Certificate for any remaining unexercised Share Rights held by the holder;
 - (c) if required, and subject to paragraph 6, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
6. **(Restrictions on transfer of Shares)**: If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Share Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.
7. **(Ranking)**: All Shares issued upon the conversion of Share Rights will upon issue rank equally in all respects with other Shares.
8. **(Transferability of the Share Rights)**: The Share Rights are not transferable, except with the prior written approval of the Board in exceptional circumstances at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.
9. **(Dividend rights)**: A Share Right does not entitle the holder to any dividends.
10. **(Voting rights)**: A Share Right does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the

Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.

11. **(Quotation of the Share Rights):** The Company will not apply for quotation of the Share Rights on any securities exchange.
12. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Share Rights holder will be varied in accordance with the Listing Rules.
13. **(Entitlements and bonus issues):** Subject to the rights under paragraph 14, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues. There will be no change to the number of Shares over which the Share Rights are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
14. **(Bonus issues):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a vested Share Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Share Right before the record date for the bonus issue.
15. **(Return of capital rights):** The Share Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
16. **(Rights on winding up):** The Share Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
17. **(Takeovers prohibition):**
 - (a) the issue of Shares on exercise of the Share Rights is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Share Rights.
18. **(No other rights):** A Share Right does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
19. **(Amendments required by ASX):** The terms of the Share Rights may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.
20. **(Plan):** The Share Rights are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.
21. **(Constitution):** Upon the issue of the Shares on exercise of the Share Rights, the holder will be bound by the Company's Constitution.

Schedule 3 Summary of material terms of the Plan

The following is a summary of the material terms and conditions of the employee in **(Plan)**:

1. **(Eligible Participant)**: Eligible Participant means a person that has been determined by the Board to be eligible to participate in the Plan from time to time and is an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:
 - (a) an employee or director of the Company or an individual who provides services to the Company;
 - (b) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
 - (c) a prospective person to whom paragraphs (a) or (b) apply;
 - (d) a person prescribed by the relevant regulations for such purposes; or
 - (e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).
2. **(Maximum allocation)** The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (a) the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (b) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company’s Constitution from time to time.

The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 will be as approved by Shareholders from time to time **(ASX Limit)**. This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.

The Company will require prior Shareholder approval for the acquisition of equity securities under the Plan to Directors, their associates and any other person whose relationship with the Company or a Director or a Director’s associate is such that, in ASX’s opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.

3. **(Purpose)**: The purpose of the Plan is to:
 - (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and

- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
4. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.
5. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

6. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
7. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

8. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
9. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

10. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
11. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
12. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
13. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
14. **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a

Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

15. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

16. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
17. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

18. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

16 April 2024

Dear Shareholder

Annual General Meeting – Notice of Meeting and Proxies

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

Time and date: 2:00pm (Perth time) on Thursday, 16 May 2024
Location: Offices of Cygnus Metals Limited
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/investors/> 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: 183669) 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

For Intermediary Online subscribers only (custodians): please visit www.intermediaryonline.com to submit your voting intentions.

Your proxy voting instruction must be received by 2:00pm (Perth time) on Tuesday, 14 May 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

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 **2:00pm (AWST) on Tuesday, 14 May 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: 183669

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

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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 Annual 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 Thursday, 16 May 2024 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 7, 8a, 8b, 8c, 8d and 8e (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 7, 8a, 8b, 8c, 8d and 8e are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 7, 8a, 8b, 8c, 8d and 8e by marking the appropriate box in step 2.

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			For	Against	Abstain
Resolution 1	Remuneration Report	☐	☐	☐			☐	☐	☐
Resolution 2	Re-election of Director – Michael Bohm	☐	☐	☐	Resolution 8a	Approval to issue Share Rights to David Southam in lieu of Directors fees	☐	☐	☐
Resolution 3	Approval of 10% Placement Facility	☐	☐	☐	Resolution 8b	Approval to issue Share Rights to Kevin Tomlinson in lieu of Directors fees	☐	☐	☐
Resolution 4	Ratification of agreement to issue Noranda Consideration Shares	☐	☐	☐	Resolution 8c	Approval to issue Share Rights to Raymond Shorrocks in lieu of Directors fees	☐	☐	☐
Resolution 5	Approval to issue Beryl Consideration Shares	☐	☐	☐	Resolution 8d	Approval to issue Share Rights to Michael Bohm in lieu of Directors fees	☐	☐	☐
Resolution 6	Ratification of agreement to issue Sakami Consideration Shares	☐	☐	☐	Resolution 8e	Approval to issue Share Rights to Michael Naylor in lieu of Directors fees	☐	☐	☐
Resolution 7	Approval to issue STI Bonus to David Southam	☐	☐	☐					

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	Securityholder 2	Securityholder 3	/ /
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	Email Address		

