

6 October 2021

Cyclone to consolidate Nickol River Tenements with further acquisitions

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) is pleased to announce the further acquisition and consolidation of Nickol River mining tenements from Kay Trinder that form the central part of the Nickol River Gold Project (**NRP**) area, located approximately 13km east of Karratha in the Pilbara region of Western Australia (see Figure 1).

The tenements are located to the West and East of the recent acquisition tenements from D & K Corps Investments Pty Ltd (see Figure 2) (announced on 23 August 2021 - Acquisition of Nickol River Mining Project):

- P47/1524 (184ha) expired on the 31 August 2021, and a 4-year Extension of Term (**EoT**) has been applied for at the Department of Mines, Industry Regulation and Safety (**DMIRS**);
- E47/3176 (1 block, ~2ha) is in good standing and expires on the 31 October 2023, when an EoT can be applied for;

together **New Acquisition Tenements**.

The NRP is within the Karratha Terrane on the north side of the Sholl Shear Zone, near the margin of the Karratha Granodiorite. The tenements are underlain by the Roebourne Group, dominantly the peridotitic komatiite Ruth Well Formation. In addition to komatiite, the Ruth Well Formation includes komatiitic basalt, tholeiite, chert and peridotite and dolerite sills.

The immediate area surrounding and including the NRP tenements has been explored for gold since 1889. Most recently the tenement M47/1527 which is partly surrounded by the NRP tenements (M47/127 and M47/401) has been drilled by a series of owners and alluvial gold mined by its present owners Artemis Resources Limited, who made ASX news releases on the alluvial mining.

No substantial modern exploration or drilling has been carried out on the two New Acquisition Tenements.

Proposed work programs

It is proposed that a geochemical sampling program be undertaken over the New Acquisition Tenements, as a first pass.

Based on successful results, a Sub Audio Magnetics (**SAM**) ground based geophysical survey will be considered by management

Acquisition Terms

The material terms of the acquisition are as follows:

- Consideration:** the Company will issue Kay Trinder (or nominee) a total of 11,666,667 fully paid ordinary shares in the capital of the Company, to be issued under the Company's existing placement capacity under Listing Rule 7.1
- Conditions precedent:** the terms sheet entered into is non-binding and subject to a 45-day due diligence period and conditional upon the Company paying a non-refundable deposit of \$30,000. Upon the successful completion of due diligence, the acquisition is conditional on the Company and Kay Trinder entering into an agreement pursuant to which the New Acquisition Tenements are transferred to Cyclone, as well as other conditions considered customary for a transaction of this nature.



Figure 1: Nickol River Project location and location of other significant resource projects in the area.

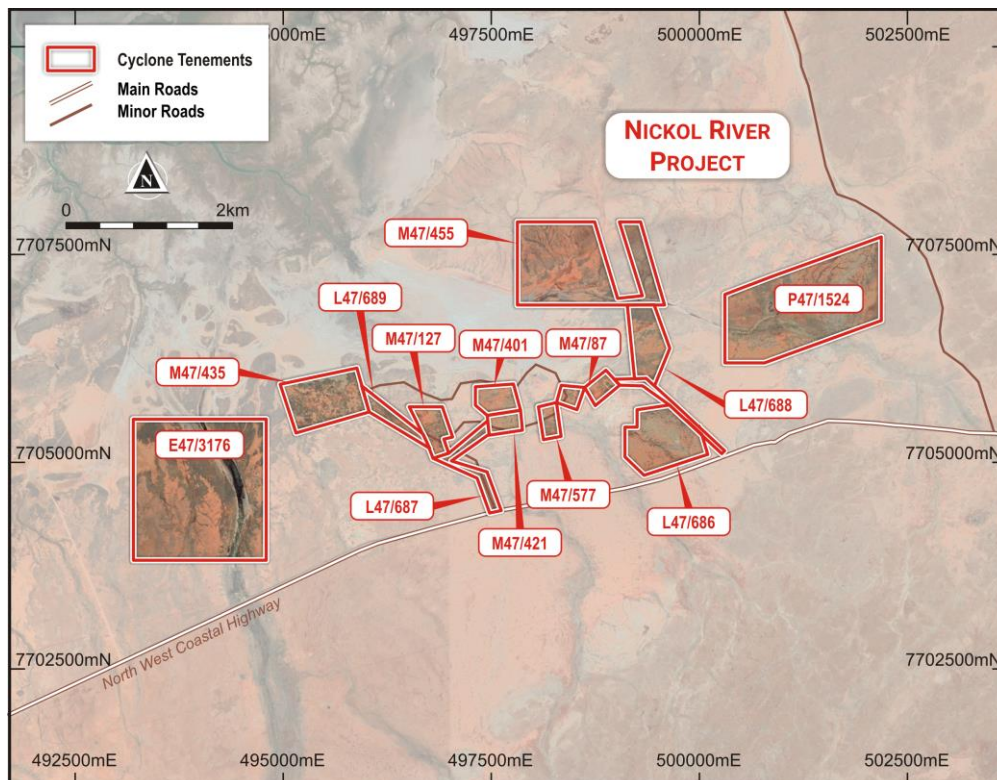


Figure 2: Nickol River Project and new acquisition tenements (E47/3176 and P47/1524).

This announcement has been approved by the Company's board of directors.

Yours faithfully
Cyclone Metals Limited

Terry Donnelly
Non-Executive Chairman

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Competent Persons Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Edward Mead, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Mead is a consultant to the company and employed by Doraleta Pty Ltd. Mr Mead has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Mead consents to the inclusion of this information in the form and context in which it appears in this report.