

ASX Announcement

4 July 2024

Convertible Note and Conversion of Debt

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) advises that it has entered into a convertible note agreement with its largest shareholder European Lithium Ltd (ASX: EUR) for \$350,000. The Company will use proceeds from the convertible note financing to fund operating expenses at its flagship Block 103 / Iron Bear Magnetite Iron Ore Project (**Block 103 / Iron Bear**) in Canada.

The key components of the convertible note financing are as follows:

- \$350,000 (being the face value of the note) to be paid to the Company at the time of entering into the facility
- Interest rate of 10.0% per annum
- The repayment date is 31 December 2024
- Subject to receipt of shareholder approval by no later than 30 November 2024, EUR will have the right to convert the convertible loan note and associated capitalised interest into new ordinary shares, at a conversion price of \$0.0008 per share
- If shareholder approval is not received, Cyclone is required to repay the face value of the note, and associated capitalised interest on the repayment date

Conversion of Director Debt

Cyclone advises that it has come to an agreement with Okewood Pty Ltd to convert \$236,500 of current debt into equity (subject to regulatory approval) (**Debt Conversion**):

Creditor	Service of Description	Debt to be converted	Shares to be issued
Okewood Pty Ltd	Tony Sage director fees and office lease payments	\$236,500	236,499,960

The debt will be converted based on a share price of \$0.001 per share representing the Company's current share price. Given the Debt Conversion relates to amounts owing to a Director of the Company, the Debt Conversion is subject to shareholder approval at the Company's next general meeting or annual general meeting.

Announcement authorised for release to ASX by the Board of Cyclone Metals.

ENDS

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