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**22 November 2024**

# Doré Copper Mining Corp. Management Information Circular dispatched

Cygnus Metals Ltd (ASX: CY5) ("Cygnus") is pleased to announce that the management information circular ("Circular") in relation to the acquisition of 100% of the issued and outstanding common shares in Doré Copper Mining Corp. (TSXV:DCMC; OTCQB:DRCMF; FRA:DCM) ("Doré") by Cygnus, pursuant to a statutory plan of arrangement under the Canada Business Corporations Act (the "Arrangement"), was dispatched to Doré securityholders 21 November 2024 (Toronto time).

A copy of the Circular is attached to this announcement and can also be accessed at Doré's website https://www.dorecopper.com/en/investors/news-releases/ and under Doré's profile on SEDAR+ at www.sedarplus.ca.

The special meeting of Doré shareholders to approve the Arrangement will be held on 16 December 2024 at 12:00pm (Toronto time) and, subject to satisfaction or waiver of all conditions precedent to the Arrangement, including obtaining the requisite approval of the Doré shareholders, a final order from the Ontario Superior Court of Justice approving the Arrangement, and conditional acceptance of the TSXV, it is anticipated that the Arrangement will be completed in December 2024.

Sections 707(3) and 707(4) of the *Corporations Act 2001* (Cth) require Cygnus to make disclosure under Part 6D.2 of the Corporations Act if any Cygnus shares issued to Doré shareholders under the Arrangement are to be sold within 12 months of their issue. However, Cygnus has applied for relief from this requirement from the Australian Securities and Investments Commission ("ASIC") so that Doré shareholders who receive Cygnus shares under the Arrangement may freely trade their Cygnus shares within Australia (including on the ASX) without the need for such disclosure under Part 6D.2 ("Relief"). It is anticipated that the Relief, if granted, will be conditional on, amongst other things, the Circular being provided to ASX for release to the market prior to any on-sale of Cygnus shares issued under the Arrangement. It is intended that this condition will be satisfied by this announcement.

***Cautionary statement***

Cygnus cautions that the Circular was prepared by Doré in accordance with the requirements of applicable Canadian securities laws. The Circular includes, amongst other things, a summary of the outcomes of the Preliminary Economic Assessment ("PEA") prepared in respect of the Chibougamau Project in 2022.

Cygnus cautions that the PEA is a preliminary technical, conceptual and economic study undertaken by Doré of the initial evaluation and potential development of the Chibougamau Project. It is at scoping study level only, which is based on a lower level of technical assessment that is not sufficient to support the estimation of Ore Reserves and is inherently uncertain. The production targets and forecast financial information disclosed in the PEA are underpinned by Measured Mineral Resources (approximately 1.17%), Indicated Mineral Resources (approximately 32.10%) and Inferred Mineral Resources (approximately 66.73%). Cygnus is not able to itself disclose the outcomes of the PEA as the significant proportion of Inferred Resources included in the Life of Mine means that pursuant to ASX and ASIC guidance there is not considered to be sufficiently reasonable grounds for the production targets and forecast financial information disclosed in the PEA.

The Circular is disclosed solely for the purposes of satisfying the conditions of the Relief, on the assumption that the application will be granted by ASIC in due course. Cygnus cautions investors against making investment decisions based on the production targets and forecast financial information reported in the PEA.

This announcement has been authorised for release by the Board of Directors of Cygnus.

For and on behalf of the Board

**David Southam**
**Managing Director**
**T: +61 8 6118 1627**
**E: info@cygnusmetals.com**

**Media**
For further information, please contact:
**Paul Armstrong**
**Read Corporate**
**+61 8 9388 1474**

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*These materials are important and require your immediate attention. They require securityholders of Doré Copper Mining Corp. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor.*

*Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the transactions described in this information circular.*




**NOTICE OF MEETING**

**and**

**MANAGEMENT INFORMATION CIRCULAR**

**for the**

**SPECIAL MEETING OF SHAREHOLDERS**

**to be held on**

**DECEMBER 16, 2024**

**DATED AS OF NOVEMBER 13, 2024**

**The accompanying management information circular and proxy is first being mailed to shareholders of Doré Copper Mining Corp. on or about November 18, 2024.**

**The Board of Directors of Doré Copper Mining Corp.**
**UNANIMOUSLY recommends that shareholders vote <u>FOR</u> the Arrangement Resolution.**

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**DORÉ COPPER MINING CORP.**

130 King Street West, Suite 1900
Toronto, Ontario
M5X 1E3

November 13, 2024

Dear Doré Shareholder:

You are invited to attend a special meeting (the "**Meeting**") of the holders ("**Doré Shareholders**") of common shares ("**Doré Shares**") in the capital of Doré Copper Mining Corp. ("**Doré**" or the "**Corporation**"), to be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario M5X 1A4 on December 16, 2024 at 12:00 p.m. (Toronto time).

At the Meeting, Doré Shareholders will be asked to consider and vote on a special resolution (the "**Arrangement Resolution**") approving a statutory plan of arrangement (the "**Plan of Arrangement**") pursuant to Section 192 of the *Canada Business Corporations Act* (the "**Arrangement**"), subject to the terms and conditions of an arrangement agreement dated October 14, 2024 entered into among Doré, Cygnus Metals Limited ("**Cygnus**") and 1505901 B.C. Ltd., a wholly owned subsidiary of Cygnus (as may be amended, modified or supplemented from time to time, the "**Arrangement Agreement**").

The board of directors of the Corporation (the "**Doré Board**") believes that the Arrangement will deliver a premium and other benefits to Doré Shareholders. The Doré Board and the special committee established by the Doré Board (the "**Special Committee**") have unanimously determined that the Arrangement is in the best interests of the Corporation and that the Arrangement is fair to the Doré Shareholders. The Special Committee unanimously recommended that the Doré Board approve the Arrangement and that the Doré Board recommend to Doré Shareholders that they vote **FOR** the Arrangement Resolution.

However, the Arrangement can only proceed if, among other conditions, it receives the approval of not less than two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by Doré Shareholders in person or by proxy at the Meeting. **The Doré Board unanimously recommends that Doré Shareholders vote FOR the Arrangement Resolution to approve the Arrangement.**

Under the Arrangement Agreement, the parties have agreed to effect the Arrangement, pursuant to which Cygnus will indirectly acquire all of the issued and outstanding Doré Shares, and Doré Shareholders will be entitled to receive, for each Doré Share held immediately prior to the effective time of the Arrangement (the "**Effective Time**"), 1.8297 fully paid ordinary shares (the "**Consideration**") in the capital of Cygnus (each one whole share, a "**Cygnus Share**").

As a result of, and immediately following the completion of, the Arrangement, Doré will be an indirect wholly owned subsidiary of Cygnus and the former Doré Shareholders will be entitled to receive the Consideration for each Doré Share previously held by them immediately prior to the Effective Time (subject to rounding, as provided for in the Plan of Arrangement).

Under the Arrangement: (a) each outstanding deferred share unit of Doré (each, a "**Doré DSU**") issued under Doré's omnibus share incentive plan (as amended and supplemented, the "**Doré Plan**") will be vested then redeemed for one Doré Share, thereby entitling holders of Doré DSUs to receive the Consideration in exchange for their Doré Shares on the same basis as described above; and (b) each outstanding option to purchase Doré Shares granted under the Doré Plan (each, a "**Doré Option**") that is outstanding immediately prior to the Effective Time will be exchanged for an option to purchase from Cygnus 1.8297 Cygnus Shares per underlying Doré Share, at an exercise price per Cygnus Share equal to the quotient determined by dividing (i) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the Effective Time, by (ii) 1.8297, all as more particularly provided for in the Plan of Arrangement.

In addition, as a result of the Arrangement, each warrant to purchase Doré Shares (each, a "**Doré Warrant**") outstanding immediately prior to the Effective Time will, in accordance with the adjustment provisions of the certificates governing the Doré Warrants, entitle the holder to purchase from Cygnus 1.8297 Cygnus Shares per underlying Doré Share at an exercise price per Cygnus Share equal to the quotient determined by dividing (i) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the Effective Time, by (ii) 1.8297, as more particularly described in the Plan of Arrangement.

**The Doré Board unanimously recommends that Doré Shareholders vote FOR the Arrangement Resolution to approve the Arrangement. All of the directors and senior officers of the Corporation have entered into agreements with Cygnus to support the Arrangement. In addition, (a) Equinox Partners Investment Management, LLC, which exercises beneficial ownership, direction or control, directly or indirectly, over an aggregate of approximately 28.60% of the outstanding Doré Shares, and (b) Ocean Partners Holdings Limited, which exercises beneficial ownership, direction or control, directly or indirectly, over an aggregate of approximately 28.46% of the outstanding Doré Shares, have each entered into an agreement with Cygnus agreeing to vote, or causing to be voted, all of the Doré Shares that such shareholder exercises control over in favour of the Arrangement Resolution.** In reaching its conclusion that the Arrangement is fair to Doré Shareholders and that the Arrangement is in the best interests of the Corporation, the Doré Board and the Special Committee considered and relied upon a number of factors and reasons, including those described under the headings "*Part 7 – The Arrangement – Background to the Arrangement*", "*Part 7 – The Arrangement – Reasons for the Arrangement*", and "*Part 7 – The Arrangement – Fairness Opinion*" of the accompanying management information circular for the Meeting (the "**Circular**").

For the Arrangement to become effective, the Arrangement Resolution must first be approved at the Meeting by the affirmative vote of (i) at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by Doré Shareholders, and (ii) a majority (50% + 1) of the votes cast on the Arrangement Resolution by Doré Shareholders, excluding the votes cast in respect of Doré Shares held by certain interested or related parties or joint actors of Doré in accordance with the minority approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (collectively, the "**Doré Shareholder Approval**").

The Arrangement is also subject to certain other conditions, including the approval of the Ontario Superior Court of Justice.

The accompanying notice of special meeting and the Circular describe the Arrangement, and also include certain additional information to assist you in considering how to vote on the Arrangement Resolution. You are urged to read this information carefully and, if you require assistance, to consult your financial, legal, tax or other professional advisors.

Your vote is important regardless of the number of Doré Shares that you own. Even if you are a registered holder of Doré Shares and plan to attend the Meeting, the Doré Board encourages you to take the time to consider and follow the instructions on the enclosed forms of proxy so that your Doré Shares can be voted at the Meeting in accordance with your instructions. We encourage you to use the internet or telephone voting options to ensure your vote is received prior to the voting deadline. Alternatively, you can complete, sign, date and return the enclosed form of proxy by mail.

If you hold your Doré Shares through a broker, trustee, financial institution or other intermediary, you will receive instructions from such intermediary, or Computershare Investor Services Inc. on the intermediary's behalf, on how to vote your Doré Shares. We encourage non-registered Doré Shareholders to carefully follow such instructions so that your Doré Shares can be voted at the Meeting.

If you are a registered holder of Doré Shares, we encourage you to complete, sign, date and return the enclosed Letter of Transmittal, along with the share certificate(s) or Direct Registration System advice(s) representing your Doré Shares, to the depositary for the Arrangement, Computershare Investor Services Inc., at the address specified in the Letter of Transmittal. The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. It is recommended that you complete, sign and return the Letter of Transmittal (with accompanying Doré Share certificate(s) or Direct Registration System advice(s) if you are a registered holder of Doré Shares) to Computershare Investor Services Inc., the depositary for the Arrangement, as soon as possible.

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Subject to obtaining court approval and satisfying certain other conditions, including the Doré Shareholder Approval, it is anticipated that the Arrangement will be completed in December 2024, but no later than March 31, 2025, subject to an extension in accordance with the terms of the Arrangement Agreement, unless otherwise agreed to between Doré and Cygnus.

Sincerely,

On behalf of the Doré Board,

(*Signed*) "*Ernest Mast*"

Ernest Mast
President and Chief Executive Officer
Doré Copper Mining Corp.

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**DORÉ COPPER MINING CORP.**

130 King Street West, Suite 1900
Toronto, Ontario
M5X 1E3

## NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that a special meeting (the "**Meeting**") of the holders ("**Doré Shareholders**") of common shares ("**Doré Shares**") of Doré Copper Mining Corp. (the "**Corporation**" or "**Doré**") will be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario M5X 1A4 on December 16, 2024 at 12:00 p.m. (Toronto time), for the following purposes:

1. To consider, pursuant to an interim order of the Ontario Superior Court of Justice dated November 12, 2024 (the "**Interim Order**"), and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**") of Doré Shareholders, the full text of which is set forth in Appendix B to the accompanying management information circular (the "**Circular**"), to approve a statutory plan of arrangement (the "**Plan of Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") (the "**Arrangement**"), subject to the terms and conditions of an arrangement agreement dated October 14, 2024 entered into among Doré, Cygnus Metals Limited and 1505901 B.C. Ltd., as more particularly described in the Circular.

2. To transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The directors of the Corporation have fixed the close of business on November 13, 2024 as the record date (the "**Record Date**") for the determination of the Doré Shareholders entitled to receive this notice of the Meeting (this "**Notice of Meeting**"). A Doré Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Corporation's transfer agent, Computershare Investor Services Inc., by mail at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, Attention: Proxy Department, so as to arrive not later than 12:00 p.m. (Toronto time) on the second business day preceding the date of the Meeting or any postponement or adjournment thereof. The time limit for the deposit of proxies may be waived or extended by the chairman of the Meeting at his discretion, without notice. A registered Doré Shareholder may also vote by telephone or via the internet by following the instructions on the applicable form of proxy. If a Doré Shareholder votes by telephone or via the internet, completion or return of the form of proxies is not needed.

If you are a non-registered Doré Shareholder, please refer to "*Part 5 – General Proxy Information – Non-Registered Doré Shareholders"* of the Circular for information on how to vote your Doré Shares.

Take notice that, pursuant to the Interim Order, each registered Doré Shareholder as of the close of business on the Record Date has been granted the right to dissent in respect of the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the Doré Shares in respect of which such registered Doré Shareholder validly dissents, in accordance with the dissent procedures contained in Section 190 of the CBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order (as defined in the Circular). To exercise such right: (a) a written objection with respect to the Arrangement Resolution from the registered Doré Shareholder must be received by Doré at its address for such purpose, c/o Bennett Jones LLP at 3400 One First Canadian Place, P.O. Box 130, Toronto, Ontario, M5X 1A4, Attention: Abbas Ali Khan, by no later than 5:00 p.m. (Toronto time) on December 12, 2024, being two business days prior to the date of the Meeting; (b) the registered Doré Shareholder must not have voted in favour of the Arrangement Resolution; and (c) the registered Doré Shareholder must have otherwise complied with the dissent procedures in Section 190 of the CBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order. The right to dissent is described in the Circular, and the text of each of the Plan of Arrangement, the Interim Order and Section 190 of the CBCA is set forth in Appendix C, Appendix D and Appendix G, respectively, to the Circular.

**Failure to strictly comply with the provisions of the CBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order, may result in the loss of any right of dissent.**

**The Circular accompanying this Notice of Meeting is incorporated into, and shall be deemed to form part of, this Notice of Meeting.**

**DATED** as of the 13th day of November, 2024.

By Order of the Doré Board

(*signed*) "*Ernest Mast*"

Ernest Mast
President and Chief Executive Officer
Doré Copper Mining Corp.

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## FREQUENTLY ASKED QUESTIONS ABOUT THE ARRANGEMENT AND THE MEETING

*The following are some questions that you, as a Doré Shareholder, may have relating to the Meeting and answers to those questions. These questions and answers do not provide all of the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in, or incorporated by reference into, this Circular. You are urged to read this Circular in its entirety including the appendices to this Circular, any documents incorporated by reference herein and the forms of proxy before making a decision related to your Doré Shares. All capitalized terms used but not defined herein have the meanings ascribed to them in the "Glossary of Terms" at Appendix A of this Circular.*

**Q: What am I voting on?**

A: In connection with the Meeting, Doré Shareholders are being asked to consider and vote on the Arrangement Resolution which, if approved and if the Arrangement is completed, will result in (i) Doré Shareholders (other than Dissenting Shareholders) exchanging each of their Doré Shares held immediately prior to the Effective Time for the Consideration, consisting of 1.8297 Cygnus Shares per one Doré Share, and (ii) Doré becoming a wholly-owned subsidiary of AcquireCo and an indirect wholly owned subsidiary of Cygnus.

**Q: When and where is the Meeting?**

A: The Meeting will be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario M5X 1A4 on December 16, 2024 at 12:00 p.m. (Toronto time).

**Q: What is the recommendation of the Doré Board with respect to the Arrangement Resolution?**

A: After taking into consideration, among other things, the merits of the Arrangement and the Fairness Opinion, the Doré Board has concluded that the Arrangement is in the best interests of Doré and fair to the Doré Shareholders, and unanimously recommends that Doré Shareholders vote **FOR** the Arrangement Resolution to approve the Arrangement. The Special Committee unanimously recommended that the Doré Board approve the Arrangement and that the Doré Board recommend to Doré Shareholders that they vote **FOR** the Arrangement Resolution.

**Q: Why is the Doré Board making this recommendation?**

A: In reaching its conclusion that the Arrangement is fair to Doré Shareholders and that the Arrangement is in the best interests of Doré, the Doré Board considered and relied upon a number of factors and reasons, including:

1) the unanimous recommendation of the Special Committee that: (a) the Arrangement is in the best interests of Doré and is fair to the Doré Shareholders and accordingly, (b) the Doré Board vote in favour of approving the Arrangement and recommend to Doré Shareholders that they vote FOR the Arrangement Resolution;

2) the value of the Consideration to be received by Doré Shareholders represents a premium to the trading value of the Doré Shares prior to the announcement of the Arrangement;

3) Doré Shareholders, through their ownership of Cygnus Shares, will retain exposure to Doré core assets, including its hub-and-spoke operation model with multiple high-grade copper-gold assets feeding its centralized Copper Rand mill;

4) the completion of the Arrangement will create a Québec focused critical metals company and provide an opportunity to leverage potential geographical synergy between the lithium properties and Doré's processing facility near Chibougamau; and

5) the completion of the Arrangement has the potential to deliver key strategic synergies including the opportunity to leverage potential geographical synergy between Cygnus's lithium properties and Doré's processing facility near Chibougamau.

For a more detailed description of the various factors and reasons that the Doré Board considered and relied upon its recommendation, see "*Part 7 – The Arrangement – Background to the Arrangement*", "*Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 7 – The Arrangement – Fairness Opinion*" of this Circular.

**Q: Have the directors and officers of Doré entered into Doré Voting and Lock-up Agreements?**

A. Yes. Cygnus has entered into a Doré Voting and Lock-up Agreement with each of the directors and senior officers of Doré. Cygnus has entered into Doré Voting and Lock-up Agreements with each of Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland and Mario Stifano, pursuant to which each of the aforementioned individuals has agreed to, among other things, support the Arrangement and to vote any Doré Shares they own in favour of the Arrangement Resolution.

**Q: Have any significant shareholders entered into Doré Voting and Lock-up Agreements?**

A. Yes. Cygnus has entered into Doré Voting and Lock-up Agreements with two significant Doré Shareholders, Equinox Partners Investment Management LLC and Ocean Partners Holdings Limited. The Doré Voting and Lock-up Agreements entered into by such Doré Shareholders set forth, among other things, such shareholders' agreement to support the Arrangement and to vote any Doré Shares that such holders own or exercise control or direction over in favour of the Arrangement Resolution.

As of the Record Date, the Doré Shares subject to the Doré Voting and Lock-up Agreements, including those with the directors and the senior officers of Doré, collectively represent approximately 61.32% of the votes which may be cast by Doré Shareholders at the Meeting.

**Q: Who is soliciting my proxy?**

A: Your proxy is being solicited by senior management of Doré. This Circular is furnished in connection with that solicitation. While it is anticipated that solicitation of proxies for the Meeting will be made primarily by mail, proxies may be solicited personally or by telephone by the directors and regular employees of Doré. Such persons will not receive any extra compensation for such activities.

**Q: Who can participate in and vote at the Meeting?**

A: Only Registered Doré Shareholders as at the close of business on November 13, 2024, being the Record Date for the Meeting, are entitled to receive notice of, and to participate in and vote at, the Meeting or any adjournment(s) or postponement(s) of the Meeting.

**Q: What constitutes a quorum for the Meeting?**

A: A quorum for the transaction of business at the Meeting is the presence of two persons entitled to vote at the meeting and for not less than 5% of the outstanding Doré Shares that may be voted at the Meeting to be represented in person or by proxy or by a duly authorized representative of a Doré Shareholder.

**Q: How many Doré Shares are entitled to be voted?**

A: As of the Record Date, there were 169,313,863 Doré Shares entitled to be voted at the Meeting. Each Doré Shareholder is entitled to one vote for each Doré Share held by such holder in respect of all matters at the Meeting.

**Q: If I am a Registered Doré Shareholder, how do I vote prior to the Meeting?**

A: If you are a Registered Doré Shareholder, you can vote prior to the Meeting as follows:

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1) by signing and returning the applicable enclosed proxy form by mail appointing the named persons (or some other person you choose, who need not be a Doré Shareholder) to represent you as proxyholder and vote your Doré Shares at the Meeting;

2) via telephone at the toll-free number specified in the enclosed proxy form; or

3) via the internet at www.investorvote.com.

**Q: How do I vote if I am a duly appointed proxyholder?**

A: Duly appointed proxyholders, including Non-Registered Doré Shareholders who have been duly appointed by a Registered Doré Shareholder as proxyholder, can attend and vote in person at the Meeting.

**Q: How do I vote if I am a Non-Registered Doré Shareholder?**

A: Only Registered Doré Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. If you are a Non-Registered Doré Shareholder, you should receive a voting instruction form from your nominee. Non-Registered Doré Shareholders should follow the instructions on the forms they receive and contact their intermediaries promptly if they require assistance.

**Q: How do I vote if I am both a Registered Doré Shareholder and a Non-Registered Doré Shareholder?**

A: If you hold some Doré Shares as a Registered Doré Shareholder and others as a Non-Registered Doré Shareholder, you will have to use the separate voting methods described above, as applicable, for those of your Doré Shares for which you are a Registered Doré Shareholder and for those of your Doré Shares for which you are a Non-Registered Doré Shareholder.

**Q: What will I receive under the Arrangement if I am a Doré Shareholder?**

A: Upon the completion of the Arrangement, Doré Shareholders (other than Dissenting Shareholders) will be entitled to receive, for each Doré Share held by them immediately prior to the Effective Time, the Consideration consisting of 1.8297 Cygnus Shares.

To the extent the aggregate number of Cygnus Shares that a Doré Shareholder would otherwise be entitled to receive under the Arrangement includes a fractional share, the actual number of Cygnus Shares to be received by the Doré Shareholder will, without additional compensation, be rounded down to the nearest whole number of such shares.

See "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular for a more detailed description of the Arrangement steps, and Appendix C of this Circular for a copy of the Plan of Arrangement.

**Q: What will holders of Doré DSUs, Doré Options and Doré Warrants receive under the Arrangement?**

A: Under the Arrangement, at the time and in the sequence specified in the Plan of Arrangement:

1) Each Doré DSU outstanding immediately prior to the Effective Time (whether vested or unvested) will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been unconditionally vested, and each vested Doré DSU will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been immediately redeemed and cancelled, and in consideration Doré shall allot and issue from treasury to the holder of such Doré DSU such number of Doré Shares as are due to such holder under the terms of the Doré Plan (subject to withholding in accordance with the Plan of Arrangement). Each Doré Share issued to a holder of Doré DSUs in accordance with the foregoing will entitle the holder to receive the Consideration for such Doré Share to the same extent as a Doré Share held by a Doré Shareholder.

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2) Each Doré Option outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the terms of the Doré Plan, be cancelled and exchanged for a Replacement Option to acquire from Cygnus, such number of Cygnus Shares equal to (i) that number of Doré Shares that were issuable upon exercise of such Doré Option immediately prior to the Effective Time, multiplied by (ii) the Exchange Ratio (subject to rounding in accordance with the Plan of Arrangement), at an exercise price per Cygnus Share equal to the quotient determined by dividing (A) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the Effective Time, by (B) the Exchange Ratio (subject to rounding in accordance with the Plan of Arrangement).

In addition, as a result of the completion of the steps set out in the Plan of Arrangement, each Doré Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the Doré Warrants, following the Effective Time entitle the holder to such number of Cygnus Shares equal to (i) that number of Doré Shares that were issuable upon exercise of such Doré Warrant immediately prior to the Effective Time, multiplied by (ii) the Exchange Ratio (subject to rounding in accordance with the Plan of Arrangement), at an exercise price per Cygnus Share equal to the quotient determined by dividing (A) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the Effective Time, by (B) the Exchange Ratio (subject to rounding in accordance with the Plan of Arrangement), and all certificates governing the Doré Warrants shall be cancelled and replaced with replacement certificates representing such adjusted Doré Warrants.

See "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular for a more detailed description of the Arrangement steps, and Appendix C of this Circular for a copy of the Plan of Arrangement.

**Q: Who is Cygnus?**

A: Cygnus is a company registered in Western Australia. Cygnus' principal activities consist of exploration for and evaluation of lithium deposits in Québec, Canada and rare earth and base metals deposits in Western Australia. In Québec, Cygnus has an extensive package of prospective greenstone belts for a total of 696km$^2$, making it one of the largest landholders in the region. Cygnus' Australian exploration activities are focused on the Southwest Terrane, an underexplored region of highly prospective geology within the prolific Yilgarn Craton of Western Australia. Cygnus has approximately 1,310km$^2$ of 100% Cygnus-owned, granted tenements covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralization.

The head office and registered office of Cygnus is located at Level 2, 8 Richardson Street, West Perth, WA 6005. The Cygnus Shares are listed and posted for trading on the ASX under the symbol "CY5".

**Q: What vote is required at the Meeting to approve the Arrangement Resolution?**

A: Pursuant to the Interim Order, the Arrangement Resolution, in order to become effective, must be approved by the affirmative vote of (i) at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by Doré Shareholders, and (ii) a majority (50% + 1) of the votes cast on the Arrangement Resolution by Doré Shareholders, excluding the votes cast in respect of Doré Shares held by certain interested or related parties or joint actors of Doré in accordance with the minority approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

See "*Part 5 – General Proxy Information – Voting Matters*" of this Circular.

**Q: Should I send in my proxy now?**

A: Yes. Once you have carefully read and considered the information contained in this Circular, to ensure your vote is counted, you need to complete and submit the enclosed form of proxy or, if applicable, provide your intermediary with voting instructions. You are encouraged to vote well in advance of the proxy cut-off at 12:00 p.m. (Toronto time) on December 12, 2024 (or if the Meeting is postponed or adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the postponed or adjourned Meeting).

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**Q: What if I return my proxy but do not mark it to show how I wish to vote?**

A: If your proxy relating to your Doré Shares is signed and dated and returned without specifying your voting choice (or specifying both voting choices), then your Doré Shares will be voted **FOR** the Arrangement Resolution in accordance with the recommendation of the Doré Board and the transaction of such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof in accordance with the recommendation of the Doré Board.

**Q: When is the cut-off time for delivery of proxies?**

A: Proxies must be delivered to Doré's Transfer Agent, Computershare Investor Services Inc., by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, Attention: Proxy Department, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. In this case, assuming no adjournment or postponement, the proxy-cut off time is 12:00 p.m. (Toronto time) on December 12, 2024. The deadline for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion, without notice.

**Q: What are broker non-votes?**

A: A broker non-vote occurs when shares held by a broker for the account of a beneficial owner are not voted for or against a particular proposal because the broker has not received voting instructions from that beneficial owner and the broker does not have discretionary authority to vote those shares. Doré Shares constituting broker non-votes are not counted or deemed to be present in person or by proxy for the purpose of voting on a non-routine matter at the Meeting and, therefore, are not counted for the purpose of determining whether Doré Shareholders have approved any matter because all proposals at the Meeting are considered non-routine. If you do not provide voting instructions to your broker, your broker will not have discretion to vote your Doré Shares.

**Q: Can I abstain from voting?**

A: Under the CBCA, Doré Shareholders have the option to either vote "for" or "against" the Arrangement Resolution. A Registered Doré Shareholder present at the Meeting who has not provided a proxy may abstain from voting by not casting a vote. However, a proxyholder cannot abstain from voting and must vote in accordance with the direction of the Doré Shareholder completing the proxy. If no choice is specified in the form of proxy, the Doré Shares will be voted **FOR** the relevant proposal(s).

**Q: Can I revoke my proxy or change my vote after I submit a signed proxy?**

A: Yes. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Doré Shareholder or by his or her attorney authorized in writing deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, and upon such deposit, the proxy is revoked, or if you have followed the process for attending and voting at the Meeting, voting at the Meeting will revoke your previous proxy. If you revoke your proxy and do not replace it with another that is deposited with the Corporation before the deadline, then you can still vote your Doré Shares, but to do so, you must attend the Meeting.

**Q. In addition to the approval of the Doré Shareholders, are there any other approvals required for the Arrangement?**

A: Yes. The Arrangement requires the approval of the Court and also is subject to the receipt of certain regulatory approvals.

See "*Part 7 – The Arrangement – Court Approval of the Arrangemen*t" and "*Part 10 – Regulatory Matters*" of this Circular.

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**Q: Does Cygnus need to obtain approval from its shareholders for the Arrangement?**

A: No. Cygnus has obtained a waiver from ASX Listing Rule 7.1 to permit the issue of Cygnus Shares to Doré Shareholders pursuant to the Arrangement without the approval of Cygnus Shareholders.

**Q: Do any directors or executive officers of Doré have any interests in the Arrangement that are different from, or in addition to, those of the Doré Shareholders?**

A: In considering the unanimous recommendation of the Doré Board to vote in favour of the matters discussed in this Circular, Doré Shareholders should be aware that certain of the directors and executive officers of Doré have interests in the Arrangement that are different from, or in addition to, the interests of Doré Shareholders generally.

See "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*", "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions*", "*Part 9 – Securities Law Matters*" and "*Part 10 – Regulatory Matters*" of this Circular.

**Q: Will the Doré Shares continue to be listed on the TSXV after the Arrangement?**

A: No. The Doré Shares will be de-listed from the TSXV after the Arrangement is completed. The de-listing is anticipated to occur approximately 2-3 trading days following the completion of the Arrangement.

**Q: Will the Cygnus Shares be listed on a stock exchange?**

A: Yes. Cygnus Shares are currently listed and posted for trading on the ASX under the symbol "CY5". Cygnus has applied for its Cygnus Shares to be listed on the TSXV. It is a condition of closing that Cygnus shall have received conditional listing approval from the TSXV to list the Cygnus Shares on the TSXV. Listing of the Cygnus Shares on the TSXV will be subject to Cygnus receiving approval from, and fulfilling all of the minimum listing requirements of, the TSXV. Cygnus Shares will be listed for trading on the ASX both before and after the Arrangement.

**Q: When can I expect to receive the Consideration for my Doré Shares?**

A: If you are a holder of Doré Shares, then, provided that a duly completed Letter of Transmittal, along with the applicable Doré Share certificate(s) or DRS Advice(s) for such Doré Shares and all other required documents, have been received by the Depositary, you should receive the Consideration due to you under the Arrangement promptly after the Arrangement becomes effective.

See "*Part 14 – Procedure for Receipt of Consideration*" of this Circular.

**Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?**

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated and you will not be entitled to receive the Consideration under the Arrangement. In certain circumstances, including if Doré accepts a competing offer that the Doré Board concludes is superior to the Arrangement, Doré will be required to pay to Cygnus the Termination Fee (being C$900,000) in connection with such termination.

*See* "*Part 8 – The Arrangement Agreement – Termination – Termination Fee and Expense Reimbursement*" of this Circular.

**Q: How will I know when the Arrangement will be implemented?**

A: The Arrangement will only become effective on the Effective Date, following satisfaction or waiver of all of the conditions to the completion of the Arrangement and the filing of the required documents with the Director under

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the CBCA. If the Arrangement Resolution is approved at the Meeting and all other required approvals are obtained and conditions satisfied or waived, the Effective Date is expected to occur in December 2024. In no event shall the Effective Date be later than March 31, 2025, unless otherwise agreed to between Doré and Cygnus. On the Effective Date, upon completion of the Arrangement, Doré and Cygnus will publicly announce that the Arrangement has been implemented.

**Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?**

A: Yes. Doré Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to, the following: (a) the combination of Cygnus and Doré may not integrate successfully, including because the Combined Company will have a management and board of directors that will be geographically distant; (b) the Combined Company will own different types of assets, which may be technically more difficult to manage and require more oversight; (c) the unaudited pro forma financial information of the Combined Company are presented for illustrative purposes only and may not be an indication of the Combined Company's financial condition or results of operations following the Arrangement; (d) directors and executive officers of Doré may have interests in the Arrangement that are different from those of Doré Shareholders generally; (e) the issuance of a significant number of Cygnus Shares, or securities convertible into Cygnus Shares, could adversely affect the market price of the Cygnus Shares; (f) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Doré; (g) there can be no certainty that all conditions precedent to the Arrangement will be satisfied, which may also result in termination of the Arrangement Agreement; (h) the Consideration is fixed and will not be adjusted to reflect any change in the market value of the Cygnus Shares or Doré Shares prior to the closing of the Arrangement; (i) Doré will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee and/or the Expense Fee to Cygnus in certain circumstances; (j) if the Arrangement is not approved by the Doré Shareholders, or the Arrangement is otherwise not completed, then the market price for Doré Shares may decline; (k) owning Cygnus Shares will expose Doré Shareholders to different risks; (l) the value of the Cygnus Shares may fluctuate; and (m) the TSXV may not approve the listing of the Cygnus Shares. The foregoing list is not exhaustive. Please carefully read all of the risks disclosed elsewhere in this Circular, as well as risks disclosed in Doré's publicly disclosed documents available on SEDAR+.

See "*Part 13 – Risk Factors Relating to the Arrangement*" of this Circular.

**Q: What are the Canadian federal income tax consequences of the Arrangement?**

A: For a summary of certain Canadian federal income tax consequences of the Arrangement applicable to a Doré Shareholder, see "*Part 15 – Certain Canadian Federal Income Tax Considerations*". Such summary is not intended to be legal or tax advice to any particular Doré Shareholder. Doré Shareholders should consult their own tax advisors with respect to their particular circumstances.

**Q: What are the U.S. federal income tax consequences of the Arrangement?**

A: For a summary of certain material U.S. federal income tax consequences of the Arrangement applicable to a U.S. Holder, see "*Part 16 – Certain United States Federal Income Tax Considerations*". Such summary is not intended to be legal or tax advice to any particular Doré Shareholder. Doré Shareholders should consult their own tax advisors with respect to their particular circumstances.

**Q: Am I entitled to Dissent Rights?**

A: The Interim Order and Plan of Arrangement provide Registered Doré Shareholders as at the Record Date with Dissent Rights in connection with the Arrangement. Doré Shareholders considering exercising Dissent Rights should seek the advice of their own legal counsel and tax and investment advisors and should carefully review the description of such rights set forth in this Circular, the CBCA, the Interim Order and the Plan of Arrangement. The right to dissent is described in this Circular, and the texts of each of the Plan of Arrangement, the Interim Order and Section 190 of the CBCA are set forth in Appendix C, Appendix D and Appendix G, respectively, to this Circular. **Failure to strictly comply with the dissent procedures in Section 190 of the CBCA, as modified**

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**and supplemented by the Interim Order, the Plan of Arrangement and the Final Order, could result in a loss of Dissent Rights.**

See "*Part 12 – Dissent Rights*" in this Circular.

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**MANAGEMENT INFORMATION CIRCULAR**

This management information circular and accompanying form of proxy are furnished in connection with the solicitation of proxies by the management of Doré Copper Mining Corp. for use at the special meeting of Doré Shareholders to be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario M5X 1A4 on December 16, 2024 at 10:00 a.m. (Toronto time) and at any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of special meeting. All summaries of, and references to, the Arrangement Agreement, the Plan of Arrangement, the Arrangement Resolution, the Fairness Opinion, the Cygnus Technical Reports and the Doré Technical Reports in this Circular are qualified in their entirety by reference to the complete texts of those documents, each of which is either included as an appendix to this Circular or filed under the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca. Doré Shareholders are urged to carefully read the full text of these documents.

## PART 1. GENERAL MATTERS

### Defined Terms

In this Circular, unless otherwise indicated or the context otherwise requires, terms defined in Appendix A – *Glossary of Terms* shall have the meanings attributed thereto. Words importing the singular include the plural and vice versa, and words importing gender include all genders.

### Information Contained in this Circular

The information contained in this Circular, unless otherwise indicated, is given as of November 13, 2024.

No person has been authorized by the Corporation to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Circular. This Circular does not constitute an offer to buy, or a solicitation of an offer to acquire, any securities, or a solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or is unlawful. Information contained in this Circular should not be construed as legal, tax or financial advice, and Doré Shareholders should consult their own professional advisors concerning the consequences of the Arrangement in their own circumstances.

This Circular and the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement have not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of such transactions or upon the accuracy or adequacy of the information contained in this Circular. Any representation to the contrary is unlawful.

### Information Contained in this Circular Regarding Cygnus and AcquireCo

Certain information included in this Circular pertaining to Cygnus and AcquireCo, including, but not limited to, the information pertaining to Cygnus and AcquireCo set forth in Appendix I of this Circular, has been furnished by Cygnus. With respect to this information, the Corporation has relied exclusively upon Cygnus, without independent verification by the Corporation. Although the Corporation does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Corporation nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by Cygnus to disclose events or information that may affect the completeness or accuracy of such information.

For further information regarding Cygnus and AcquireCo, please refer to Appendix I of this Circular.

### Financial Information

Unless otherwise indicated, all historical financial statements included in this Circular relating to Cygnus are reported in Australian dollars and prepared in accordance with Australian Accounting Standards as issued by the AASB, which also comply with IFRS, and Cygnus's financial report for the half-year ended June 30, 2024 has been prepared in accordance with AASB 134 Interim Financial Reporting.

**Currency**

Unless otherwise indicated, all references to "$", "C$" or "dollars" set forth in this Circular are to Canadian dollars, all references to "A$" set forth in this Circular are to Australian dollars and all references to "US$" set forth in this Circular are to United States dollars.

## PART 2. NOTICE TO DORÉ SECURITYHOLDERS IN THE UNITED STATES

**THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.**

The Cygnus Shares, as well as the Replacement Options, to be issued to Doré Securityholders in connection with the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and such securities are being issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by the Section 3(a)(10) Exemption on the basis of the approval of the Court, which will consider, among other things, the substantive and procedural fairness of the Arrangement to Doré Securityholders as further described in "*Part 9 – Securities Law Matters – United States Securities Law Matters*" of this Circular, and in reliance on exemptions from or qualifications under the registration requirements under any applicable securities laws of any state of the United States. The Section 3(a)(10) Exemption provides for securities issued in exchange for one or more *bona fide* outstanding securities, or partly in such exchange and partly for cash, where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant such approval after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and have received adequate notice thereof. However, the Section 3(a)(10) Exemption is not available for the issuance of the Cygnus Shares issuable upon exercise of the Replacement Options. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act, pursuant to the Section 3(a)(10) Exemption, with respect to the issuance of the Cygnus Shares and the Replacement Options pursuant to the Arrangement.

All Doré Securityholders who will receive the Consideration in the Arrangement are entitled to appear and be heard at the fairness hearing to be held by the Court prior to granting the Final Order. For further information about how to appear and be heard at the fairness hearing, see "*Part 7 – The Arrangement – Court Approval of the Arrangement – Final Order*" in this Circular and Appendix D and Appendix E to this Circular. Prior to the hearing on the Final Order, the Court will be informed of the Parties' intended reliance on the Final Order as the basis for the Section 3(a)(10) Exemption.

The Cygnus Shares received by the Doré Securityholders pursuant to the Arrangement (which, for avoidance of doubt, does not include the Cygnus Shares issuable upon exercise of the Replacement Options or Doré Warrants) will be freely tradeable under the U.S. Securities Act after the completion of the Arrangement; however, the U.S. Securities Act imposes restrictions on the resale of Cygnus Shares received pursuant to the Arrangement by persons who will be "affiliates" of Cygnus after the Effective Time or who have been "affiliates" of Cygnus within 90 days of the Effective Time.

The solicitation of proxies hereby for the Meeting is being made by a Canadian issuer in accordance with Canadian corporate and securities laws and is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with disclosure requirements applicable in Canada, and the solicitations and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws. Doré Securityholders in the United States should be aware that such requirements are different from those applicable to registration statements under the U.S. Securities Act and proxy statements under the U.S. Exchange Act. Information included in this Circular or

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incorporated by reference herein concerning the business of Doré and Cygnus has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws.

Certain financial statements and information included or incorporated by reference herein have been prepared in accordance with IFRS and the Australian Accounting Standards as issued by the AASB, and are subject to auditing and auditor independence standards in Canada or Australia, as applicable, and thus may not be comparable to financial statements and information of U.S. companies prepared in accordance with U.S. generally accepted accounting principles and U.S. auditing and auditor independence standards.

As used in this Circular, as it relates to the Parties, the information concerning mineral properties has been prepared in accordance with NI 43-101 and the CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. These requirements differ in material respects from the requirements of the SEC set forth in Regulation S-K 1300. Accordingly, the disclosure in this Circular regarding mineral properties may differ from the information that would be disclosed by a U.S. company subject to Regulation S-K 1300.

Doré Securityholders in the United States should be aware that the Arrangement described in this Circular may have tax consequences in both the United States and Canada. For a general discussion of the Canadian federal income tax consequences to Doré Shareholders who are not resident in Canada, see "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*". Doré Securityholders in the United States are also advised to review the summary contained in this Circular under the heading "*Part 16 – Certain United States Federal Income Tax Considerations*" and to consult their own tax advisors to determine the particular Canadian and United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

The enforcement by Doré Securityholders of civil liabilities under applicable U.S. securities laws may be affected adversely by the fact that the Parties are incorporated or organized outside the United States, that some of their respective directors and officers and the experts named in this Circular are not residents of the United States and that all or a substantial portion of the assets of the Parties and of said persons are located outside the United States. As a result, Doré Securityholders in the United States may be unable to effect service of process within the United States upon certain officers and directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or any applicable securities laws of any state of the United States. In addition, Doré Securityholders in the United States should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or any applicable securities laws of any state of the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or any applicable securities laws of any state of the United States.

## PART 3. CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Circular and the documents incorporated into this Circular by reference contain "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian and U.S. securities legislation (forward-looking statements and forward-looking information being collectively referred to as "**forward-looking information**") that are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated by reference. Forward-looking information may include, without limitation, statements and information concerning: the Arrangement; the anticipated timing for completion of the Arrangement; the anticipated benefits of the Arrangement; the likelihood of the Arrangement being completed; the principal steps of the Arrangement; statements made in, and based upon, the Fairness Opinion; statements relating to the business and future activities of the Corporation and Cygnus after the date of this Circular and prior to the Effective Time; the completion of the second tranche of the Cygnus Equity Raise; statements relating to the business and future activities of the Combined Company after the Effective Time; Doré Shareholder and Court approval of the Arrangement; regulatory approval of the Arrangement; the listing of the Cygnus Shares on the TSXV and other statements that are not historical facts.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as



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"expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "believes", "budget", "scheduled", "forecasts" "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward- looking information and are intended to identify forward-looking information.

Forward-looking information is based on the beliefs, expectations and opinions of the management of Doré and Cygnus, as well as on assumptions and other factors, which management of Doré and Cygnus believe to be reasonable based on information available at the time such information was given. Such assumptions include, among other things, the satisfaction of the terms and conditions of the Arrangement, including the approval of the Arrangement and its fairness by the Court, the anticipated completion of the second tranche of the Cygnus Equity Raise, and the receipt of the required governmental and regulatory approvals and consents.

By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Doré and Cygnus to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation: the Arrangement Agreement may be terminated in certain circumstances; general economic conditions; industry conditions; volatility of commodity prices; currency fluctuations; environmental risks; competition from other industry participants; and stock market volatility. This list is not exhaustive of the factors that may affect any of the forward-looking information of Doré and Cygnus.

Forward-looking information is information about the future and is inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. Actual results could differ materially from those reflected in the forward-looking information as a result of, among other things, the matters set out or incorporated by reference in this Circular generally and economic and business factors, some of which may be beyond the control of Doré and Cygnus. Some of the more important risks and uncertainties that could affect forward-looking information are described further under the heading "*Part 13 – Risk Factors Relating to the Arrangement*". Additional risks are discussed (a) in respect of Doré, in filings by Doré with Canadian regulatory authorities on SEDAR+, and (b) in respect of Cygnus, in Appendix I of this Circular. Doré and Cygnus expressly disclaim any intention or obligation to update or revise any information contained in this Circular (including forward-looking information) except as required by applicable laws, and Doré Shareholders should not assume that any lack of update to information contained in this Circular means that there has been no change in that information since the date of this Circular and should not place undue reliance on forward-looking information.

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## PART 4. SUMMARY

*The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information contained elsewhere in this Circular, including the appendices hereto, or incorporated by reference in this Circular. Capitalized terms have the meanings ascribed to such terms in the "Glossary of Terms" included in Appendix A of this Circular. This summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein.*

### The Meeting and Record Date

The Meeting will be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario M5X 1A4 on December 16, 2024 at 12:00 p.m. (Toronto time).

The Doré Board has fixed the close of business on November 13, 2024 as the Record Date for the determination of the Doré Shareholders entitled to receive notice of, and vote at, the Meeting. Only Doré Shareholders whose names have been entered in the applicable register of the Corporation as of the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting.

### Purpose of the Meeting

The purpose of the Meeting is for Doré Shareholders to consider and vote upon the Arrangement Resolution.

For the Arrangement to become effective, the Arrangement Resolution must first be approved at the Meeting by the affirmative vote of (i) at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by Doré Shareholders and (ii) a majority (more than 50%) of the votes cast on the Arrangement Resolution by Doré Shareholders, excluding the votes cast in respect of Doré Shares held by certain interested or related parties or joint actors of Doré in accordance with the minority approval requirements of MI 61-101.

See "*Part 7 – The Arrangement – Approval of Arrangement Resolution*" and "*Part 5 – General Proxy Information – Voting Matters*" of this Circular.

### The Arrangement

If completed, as a result of the Arrangement: (i) Cygnus will indirectly acquire all of the issued and outstanding Doré Shares and Doré will become an indirect wholly owned subsidiary of Cygnus; and (ii) Doré Shareholders (other than Dissenting Shareholders) will be entitled to receive the Consideration consisting of 1.8297 Cygnus Shares for each Doré Share held immediately prior to the Effective Time.

Pursuant to the Plan of Arrangement, each vested Doré DSU outstanding immediately prior to the steps in Section 3.1(c) of the Plan of Arrangement will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been immediately redeemed and cancelled, and in consideration Doré shall allot and issue from treasury to the holder of such Doré DSU such number of Doré Shares as are due to such holder under the terms of the Doré Plan (subject to withholding in accordance with the Plan of Arrangement), following which the former holders of Doré DSUs will be entitled to participate in the Arrangement on the same terms as the other Doré Shareholders.

Pursuant to the Plan of Arrangement, each Doré Option outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the terms of the Doré Plan, be cancelled and exchanged for a Replacement Option to acquire from Cygnus, such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Replacement Options in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option

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immediately following the exchange does not exceed the In-the-Money Amount (if any) of such Doré Option immediately before the exchange.

As a result of the completion of the steps set out in the Plan of Arrangement, each Doré Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the Doré Warrants, following the Effective Time entitle the holder to such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Doré Warrants in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Doré Warrants shall be rounded up to the nearest whole cent), and all certificates governing the Doré Warrants shall be cancelled and replaced with replacement certificates representing such adjusted Doré Warrants.

A Dissenting Shareholder who validly exercises Dissent Rights in respect of his, her or its Doré Shares and who has not withdrawn, or been deemed to have withdrawn, such exercise of Dissent Rights is entitled, upon the Arrangement becoming effective, to be paid the fair value of such Doré Shares.

Based on the number of Doré Shares and Doré DSUs outstanding as at the date hereof, pursuant to the Plan of Arrangement, the holders of Doré Shares are expected to receive, in the aggregate, approximately 311,074,365 Cygnus Shares at an implied value of C$0.141 per Doré Share.[1]

See "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular for a more detailed description of the Arrangement steps and Appendix C to this Circular for a copy of the Plan of Arrangement.

**Background to the Arrangement**

The execution of the Arrangement Agreement was the result of arm's length negotiations among representatives of Doré and Cygnus and their respective legal and financial advisors. A summary of the material events which led to the negotiation of the Arrangement Agreement and the material meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the Arrangement Agreement is set out under the heading "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

**Fairness Opinion**

Pursuant to the Paradigm Engagement Letter, Paradigm was engaged to evaluate the fairness, from a financial point of view, of the Consideration to be received by Doré Shareholders pursuant to the Arrangement and provide the Fairness Opinion. On October 14, 2024, Paradigm provided its Fairness Opinion orally, which was subsequently confirmed in writing, to the effect that, as of the date of such Fairness Opinion, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the Doré Shareholders pursuant to the Arrangement, is fair, from a financial point of view, to the Doré Shareholders. The full text of the Fairness Opinion, which sets forth, among other things, the scope of review undertaken, the assumptions made, matters considered, procedures followed and limitations and qualifications thereof, is attached as Appendix F to this Circular. Doré Shareholders are urged to, and should, read the Fairness Opinion in its entirety. This summary is qualified in its entirety by reference to the full text of the Fairness Opinion. See "*Part 7 – The Arrangement – Fairness Opinion*" of this Circular.

Subject to the terms of its engagement, Paradigm has consented to the inclusion in this Circular of its Fairness Opinion in its entirety, and the references to the Fairness Opinion herein. The Fairness Opinion was provided to the Doré Board and the Special Committee for their exclusive use only in considering the Arrangement and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, relied upon by any other person or used for any other purpose without the express written consent of Paradigm. The Fairness Opinion is not, and should not be construed as, valuations of Cygnus or Doré (or any of their respective affiliates) or their respective

[1] Based on the Exchange Ratio multiplied by the closing price of Cygnus Shares on the ASX of A$0.083 on October 11, 2024, and converted to C$0.077 using AUD/CAD exchange rate of 0.9277.



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assets, liabilities or securities or as a recommendation to any Doré Shareholder as to how to vote with respect to the Arrangement Resolution or any other matter at the Meeting.

**Recommendation of the Special Committee with Respect to the Arrangement**

The Special Committee, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*", has unanimously determined that the Arrangement is in the best interests of Doré and is fair to the Doré Shareholders. Accordingly, the Special Committee unanimously recommended that the Doré Board approve the Arrangement and that the Doré Board recommend to Doré Shareholders that they vote **FOR** the Arrangement Resolution.

**Recommendation of the Doré Board with Respect to the Arrangement**

The Doré Board, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*" and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of Doré and is fair to the Doré Shareholders. **Accordingly, the Doré Board unanimously recommends that Doré Shareholders vote FOR the Arrangement Resolution.**

Cygnus has entered into Doré Voting and Lock-up Agreements with each of Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland and Mario Stifano, pursuant to which each of the aforementioned individuals has agreed to, among other things, support the Arrangement and to vote any Doré Shares they own in favour of the Arrangement Resolution. All of the directors and senior officers of Doré intend to vote all of their Doré Shares in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the Doré Voting and Lock-up Agreements. In addition, key institutional Doré Shareholders, who exercise beneficial ownership or control over an aggregate of approximately 57% of the outstanding Doré Shares, have entered into Doré Voting and Lock-up Agreements with Cygnus to support the Arrangement.

See "*Part 7 – The Arrangement – Recommendation of the Doré Board*", "*Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 7 – The Arrangement – Doré Voting and Lock-up Agreements*" of this Circular.

**Reasons for the Arrangement**

The Special Committee and the Doré Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from Doré's management, and the financial and legal advisors of the Special Committee and the Doré Board. The following is a summary of the principal reasons for the unanimous recommendations of the Special Committee and the Doré Board:

- **Diversified Asset Base and Geographical Synergies.** The addition of Cygnus' quality lithium projects in James Bay, Québec, including Pontax, Auclair and Sakami, to Doré's high-grade copper assets, expands the asset portfolio of the Combined Company and provides an opportunity to leverage potential geographical synergy between the lithium properties and Doré's processing facility near Chibougamau. Doré Shareholders, through their ownership of Cygnus Shares, will retain exposure to Doré's Chibougamau high-grade copper assets and Doré's exploration portfolio. It is expected that upon completion of the Arrangement (but prior to giving effect to the Cygnus Equity Raise), existing Cygnus Shareholders and former Doré Shareholders will own approximately 55% and 45%, respectively, of the outstanding Cygnus Shares.

- **Strong Combined Management.** The Arrangement integrates the board and management of Cygnus and Doré, and the Combined Company is expected to benefit from the unique combination of Cygnus' and Doré's management teams providing for strong capital markets experience and proven exploration success, project development and operational expertise. The Cygnus team has been involved in certain transactions which returned shareholder value over time, such as Bellevue Gold, Mincor Resources, Firefly Metals Limited, Andean Silver Limited, Ramelius Resources and Kidman Resources. The Combined Company's board of directors will be comprised of three board members nominated by Cygnus and three board members nominated by Doré.

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- **Enhanced Capital Markets Presence and Trading Liquidity.** Upon completion of the Arrangement, it is proposed that the Combined Company will be listed on both the ASX and the TSXV, providing it with greater exposure to capital markets than is currently available to Doré. The Combined Company, being a larger, ASX and TSXV dual-listed company, will enjoy an enhanced profile with an elevated capital markets presence and value proposition to a wider range of global investors. Additionally, the increased size of the Combined Company and the anticipated ASX and TSXV dual listing of the Cygnus Shares is expected to provide for greater liquidity and access to additional capital markets for shareholders of the Combined Company.

- **Pathway for Accelerated Exploration to Enhance Hub-and Spoke Operation Model.** It is expected that the Combined Company will systematically explore the Chibougamau mining camp using modern exploration techniques and geophysics with the objective of growing the resource inventory.

- **Fairness Opinion.** Paradigm has provided the Fairness Opinion to the effect that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the Doré Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Doré Shareholders.

- **Support by Directors and Officers of Doré.** All of the directors and senior officers of Doré have entered into Doré Voting and Lock-up Agreements with Cygnus. Under the Doré Voting and Lock-up Agreements, each of the following individuals has agreed to, among other things, support the Arrangement and to vote any Doré Shares they own in favour of the Arrangement Resolution: Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland and Mario Stifano.

- **Support by Key Doré Shareholders.** Pursuant to Doré Voting and Lock-up Agreements, two of Doré's significant shareholders, Equinox Partners Investment Management, LLC and Ocean Partners Holdings Limited have agreed, among other things, to vote, or cause to be voted, all of the Doré Shares that they exercise control or direction over, representing in aggregate approximately 57% of the issued and outstanding Doré Shares as of the Record Date, in favour of the Arrangement Resolution.

- **Reasonable Termination Payment.** The Termination Fee equal to approximately 3.75% of the undiluted equity value,[2] which is payable in certain circumstances by Doré, is reasonable. In the view of the Special Committee and the Doré Board, the Termination Fee would not preclude a third party from potentially making a Superior Proposal to Doré.

In making their respective determinations and recommendations, the Special Committee and the Doré Board also observed that a number of procedural safeguards were in place and present to protect the interests of Doré, Doré Shareholders and other Doré stakeholders. These procedural safeguards include, among others:

- **Ability to Respond to Unsolicited Superior Proposals.** Under the terms of the Arrangement Agreement, the Doré Board is able to respond to any unsolicited *bona fide* written proposal that, having regard to all of the terms and conditions of such proposal, constitutes or would reasonably be expected to constitute a Superior Proposal.

- **Negotiated Transaction.** The Arrangement Agreement is the result of an arm's length negotiation process, with Doré having retained and received advice from its financial and legal advisors.

- **Shareholder Approval.** In order to become effective, the Arrangement must first have received the Doré Shareholder Approval at the Meeting.

- **Court Approval.** In order to become effective, the Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement

[2] Based on AUD:CAD exchange rate of 0.9277. Based on 169,258,863 issued and outstanding Doré Shares and Cygnus' closing price of $0.077 (A$0.083) as at October 11, 2024.



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to Doré Shareholders. The court approval will also constitute the basis for an exemption from registration under the U.S. Securities Act for the Cygnus Shares and Replacement Options to be issued under the Arrangement pursuant to Section 3(a)(10) of the U.S. Securities Act. See "*Part 9 – Securities Law Matters – United States Securities Laws Matters*".

- **Dissent Rights.** The Interim Order provides that a Registered Doré Shareholder as at the Record Date may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their Doré Shares in accordance with the Plan of Arrangement.

In making their respective determinations and recommendations with respect to the Arrangement, the Special Committee and the Doré Board also considered a number of potential risks and potential negative factors, which the Special Committee and the Doré Board concluded were outweighed by the positive substantive and procedural factors of the Arrangement described above, including the following:

- **Integration Challenges.** The challenges inherent in combining two businesses of the diversity and complexity of Doré and Cygnus.

- **Diversion of Management Attention.** The potential risk of diverting management's attention and resources from the operation of Doré's business, including other strategic opportunities and operational matters, in the short-term, while working toward the completion of the Arrangement.

- **Impact on Doré's Relationships.** The potential negative effect of the Arrangement on Doré's business, including its relationships with employees, suppliers, and communities in which it operates.

- **Limitations on Operation of Business during Interim Period.** The restrictions on the conduct of Doré's business prior to the completion of the Arrangement, which could delay or prevent Doré from undertaking business opportunities that may arise pending completion of the Arrangement.

- **Retention of Key Personnel.** The potential adverse impact that business uncertainty pending the completion of the Arrangement could have on Doré's ability to attract, retain and motivate key personnel until the completion of the Arrangement.

- **Risk of Non-Completion.** The risk that the Arrangement may not be completed despite Doré's and Cygnus' efforts or that completion of the Arrangement may be unduly delayed, even if the Doré Shareholder Approval is obtained, including the possibility that conditions to Doré's and Cygnus' obligations to complete the Arrangement may not be satisfied, and the potential resulting negative impact this could have upon Doré's business.

- **Limitations on Solicitation of Alternative Transactions.** The limitations contained in the Arrangement Agreement on Doré's ability to solicit additional interest from third parties, given the deal protections in the Arrangement Agreement, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances, Doré will be required to pay the Termination Fee to Cygnus.

- **Difficulty of Negotiating an Alternative Transaction if the Arrangement Agreement is Terminated.** The fact that if the Arrangement Agreement is terminated and Doré decides to seek another transaction or business combination, it may be unable to find a party willing to pay greater or equivalent value compared to the Consideration being provided to the Doré Shareholders under the Arrangement.

- **Risks Related to Regulatory Approvals.** The risk that the Court and regulatory agencies may not approve the Arrangement or may impose terms and conditions on their approvals that may adversely affect the business and financial results of the Combined Company.

- **Transaction Costs.** The fact that Doré has incurred and will continue to incur significant transaction costs and expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

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- **Enforcement Risk.** Judgment against Cygnus in Canada for breach of the Arrangement Agreement may be difficult to enforce against Cygnus' assets outside of Canada.

The foregoing summary of the information considered by the Special Committee and the Doré Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Special Committee and the Doré Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*", "*Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 13 – Risk Factors Relating to the Arrangement*" of this Circular.

**Doré Voting and Lock-up Agreements**

Effective October 14, 2024, Cygnus entered into Doré Voting and Lock-up Agreements with each of the following individuals: Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland, and Mario Stifano. In addition, Cygnus has entered into a Doré Voting and Lock-Up Agreement with Doré's two largest shareholders, Equinox Partners Investment Management, LLC and Ocean Partners Holdings Limited.

The Doré Voting and Lock-up Agreements set forth, among other things, the agreement to vote the Doré Shares covered by such Doré Voting and Lock-up Agreements in favour of the Arrangement Resolution.

See "*Part 7 – The Arrangement – Doré Voting and Lock-Up Agreements*" of this Circular.

**Information Concerning Doré**

Doré is engaged in the acquisition, exploration, evaluation and development of mineral properties. It was incorporated under the laws of Canada on April 11, 2017, and on December 13, 2019, the Corporation completed a reverse takeover transaction, pursuant to which AmAuCu Mining Corporation amalgamated with a wholly owned subsidiary of ChaiNode Opportunities Corporation and was subsequently renamed Doré Copper Mining Corp. The Doré Shares were subsequently listed on the TSXV and began trading under the symbol "DCMC" on December 17, 2019. The Corporation's office is located at 130 King St. W., Suite 1900, Toronto, Ontario, M5X 1E3.

The Corporation's main assets, all located in the Chibougamau area of Québec, are held through its 100% owned subsidiary CBay Minerals Inc. and include the Corner Bay copper deposit, the Joe Mann past producing gold mine, the Cedar Bay past producing copper mine, the Copper Rand past producing copper mine, the Devlin copper deposit, the Copper Rand mill and tailings management facility.

Doré's focus is to implement a hub-and-spoke operation model with multiple high-grade copper-gold assets feeding its centralized Copper Rand mill.

For further information regarding Doré, see "*Part 18 – Information Concerning the Corporation*" of this Circular.

**Information Concerning Cygnus and AcquireCo**

Cygnus is a company registered in Western Australia. Cygnus' principal activities consist of exploration for and evaluation of lithium deposits in Québec, Canada and rare earth and base metals deposits in Western Australia. In Québec, Cygnus has an extensive package of prospective greenstone belts for a total of 696km$^2$, making it one of the largest landholders in the region. Cygnus' Australian exploration activities are focused on the Southwest Terrane, an underexplored region of highly prospective geology within the prolific Yilgarn Craton of Western Australia. Cygnus has approximately 1,310km$^2$ of 100% Cygnus-owned, granted tenements covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralization.

The head office and registered office of Cygnus is located at Level 2, 8 Richardson Street, West Perth, WA 6005. The Cygnus Shares are listed and posted for trading on the ASX under the symbol "CY5".

AcquireCo, being a direct wholly owned subsidiary of Cygnus, is a corporation incorporated under the laws of the Province of British Columbia. AcquireCo was incorporated on October 8, 2024 as 1505901 B.C. Ltd. To date, AcquireCo has not carried on any business except in connection with its role in the Arrangement.

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For more information on Cygnus and AcquireCo, see "*Part 19 – Information Concerning Cygnus and AcquireCo*" and Appendix I of this Circular.

**Information Concerning the Combined Company**

On completion of the Arrangement, AcquireCo will directly own, and Cygnus will indirectly own, all of the issued and outstanding shares in the capital of Doré. After completion of the Arrangement, the business and operations of Doré will be managed and operated as an indirect subsidiary of Cygnus. Cygnus expects that the business and operations of Cygnus and Doré will be consolidated and the principal executive office of the Combined Company will be located at Cygnus's current principal executive office, being Level 2, 8 Richardson Street, West Perth, WA 6005.

For more information on the Combined Company, see "*Part 20 – Information Concerning the Combined Company*" of this Circular and Appendix J of this Circular. For certain unaudited pro forma financial information of the Combined Company, see Appendix K of this Circular.

**Cygnus Equity Raise**

On October 15, 2024, Cygnus announced to the ASX the Cygnus Equity Raise to raise up to A$11,000,000 (before costs) through the issue of 152,777,778 Cygnus Shares at an issue price of A$0.072 each. The first tranche of the Cygnus Equity Raise was completed on October 23, 2024 by the issue of 94,864,785 Cygnus Shares. The second tranche of the Cygnus Equity Raise, whereby a total of 57,912,993 Cygnus Shares are to be issued, is subject to and conditional on the receipt of the approval of Cygnus Shareholders, which is expected to be sought at a general meeting to be held in mid-December 2024. The second tranche of the Cygnus Equity Raise is also conditional on the receipt of the Doré Shareholder Approval being obtained at the Meeting. A fee of 5% of the proceeds of the Cygnus Equity Raise less amounts subscribed under the chair's list is payable to the joint lead managers, Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited.

The net proceeds from the Cygnus Equity Raise, which is expected to be approximately A$10,405,000, will be applied to accelerate resource growth, both brownfields and greenfields exploration, pathway to production at the Chibougamau Project (including continuing permitting and studies), advancing the lithium exploration pipeline in James Bay and general working capital, including costs of the Arrangement and capital raising.

**Court Approval of the Arrangement**

Under the CBCA, the Arrangement requires Court approval.

***Interim Order***

On November 12, 2024, Doré obtained the Interim Order providing for the calling and holding of the Meeting, the grant of Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix D of this Circular.

***Final Order***

Subject to the terms of the Arrangement Agreement, provided the Arrangement Resolution is approved by Doré Shareholders at the Meeting in the manner required by the Interim Order, Doré intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for December 19, 2024 at 10:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard, or at any other date and time as the Court may direct. Any Doré Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must serve and file a Notice of Appearance and any evidence upon which they intend to rely forthwith and by no later than December 13, 2024, along with any other documents required, all as set out in the Interim Order and the Notice of Application, the text of which are set out in Appendix D and Appendix E to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned,

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then, subject to further order of the Court, only those persons having previously served and filed a Notice of Appearance will be given notice of the adjournment.

For a copy of the Interim Order, see Appendix D of this Circular and for a copy of the Notice of Application in respect of the Final Order, see Appendix E of this Circular. See also "*Part 9 – Securities Law Matters – United States Securities Law Matters*" of this Circular.

**The Arrangement Agreement**

A description of certain provisions of the Arrangement Agreement is included in this Circular under the heading "*Part 8 – The Arrangement Agreement*". The description is not comprehensive and is qualified in its entirety by the full text of the Arrangement Agreement, which has been filed under the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca.

**Conditions to the Arrangement Becoming Effective**

Under the Arrangement Agreement, certain conditions, which are summarized below, must first have been satisfied or waived in order for the Arrangement to become effective. See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

***Mutual Conditions***

The obligations of the Parties to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent, each of which is for the mutual benefit of the Parties and which may only be waived with the mutual consent of the Parties at any time, in whole or in part:

(a) the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, in form and substance satisfactory to each of Doré and Cygnus, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to Doré or Cygnus, acting reasonably, on appeal or otherwise;

(b) the Doré Shareholder Approval shall have been obtained at the Meeting in accordance with the Interim Order and applicable Laws;

(c) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, against Cygnus or Doré which prevents the consummation of the Arrangement;

(d) no Proceeding shall be pending or threatened by any Governmental Entity in any jurisdiction that is reasonably likely to (i) cease trade, enjoin, prohibit, or impose any limitations, damages, or conditions on Cygnus' ability to acquire, hold, or exercise full rights of ownership over any Doré Shares, including the right to vote the Doré Shares, or (ii) prohibit or enjoin Doré or Cygnus from consummating the Arrangement;

(e) the Arrangement Agreement shall not have been terminated in accordance with its terms;

(f) the distribution of the securities pursuant to the Arrangement shall either: (i) be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief granted from the securities regulatory authorities of Australia (including in respect of the on-sale disclosure obligations imposed by subsections 707(3) and (4) of the Corporations Act for the on-sale of Cygnus Shares following implementation of the Arrangement) and each of the provinces and territories of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale or on-sale restrictions or disclosure obligations under applicable Securities Laws (other than as applicable to control persons or pursuant to Section 2.6 of NI 45-102); or (ii) if exemptive relief from the prospectus and registration requirements under applicable Australian

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Securities Laws is not granted by the securities regulatory authorities of Australia, Cygnus shall have filed a prospectus in connection with the issuance of the Cygnus Shares to be issued pursuant to the Arrangement;

(g) conditional approval (or equivalent approval) of the listing or official quotation of the Cygnus Shares issuable pursuant to the Arrangement on the ASX and of the Cygnus Shares on the TSXV shall have been obtained by Cygnus and, in respect of the listing of the Cygnus Shares on the TSXV, the conditions set out in the conditional approval letter of the TSXV (other than consummation of the Arrangement) shall have been satisfied;

(h) the Key Regulatory Approvals and Key Third Party Consents required to be obtained by each of Doré and Cygnus shall have been obtained; and

(i) the distribution of the Consideration and the Replacement Options pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and applicable securities laws of any state of the United States.

***Cygnus and AcquireCo Conditions***

The obligations of Cygnus and AcquireCo to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Cygnus and AcquireCo and may be waived by Cygnus on behalf of itself and AcquireCo at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Cygnus and AcquireCo may have):

(a) all covenants of Doré under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Cygnus shall have been duly performed by Doré in all material respects, and Cygnus shall have received a certificate of Doré addressed to Cygnus and dated the Effective Date, signed on behalf of Doré by an executive officer (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Doré set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Doré in the Arrangement Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by the Arrangement Agreement, and Cygnus shall have received a certificate of Doré addressed to Cygnus and dated the Effective Date, signed on behalf of Doré by an executive officer of Doré (without personal liability), confirming the same as at the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Doré which is continuing, and Cygnus shall have received a certificate of Doré addressed to Cygnus and dated the Effective Date, signed on behalf of Doré by an executive officer of Doré (without personal liability), confirming the same as at the Effective Date;

(d) holders of no more than 5% of the Doré Shares shall have exercised Dissent Rights; and

(e) Doré has received effective resignations and mutual releases (in a form satisfactory to Cygnus, acting reasonably) of each member of the Doré Board and each member of the board of directors of

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CBAY, effective as of the Effective Date, as designated by Cygnus to Doré prior to the Effective Date.

***Doré Conditions***

The obligation of Doré to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Doré and may be waived by Doré at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Doré may have):

(a) all covenants of Cygnus and AcquireCo under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Doré shall have been duly performed by Cygnus and AcquireCo in all material respects, and Doré shall have received a certificate of Cygnus, addressed to Doré and dated the Effective Date, signed on behalf of Cygnus by an executive officer of Cygnus (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Cygnus and AcquireCo set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Cygnus and AcquireCo in the Arrangement Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by the Arrangement Agreement; and Doré shall have received a certificate of Cygnus, addressed to Doré and dated the Effective Date, signed on behalf of Cygnus by an executive officer of Cygnus (without personal liability), confirming the same as at the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Cygnus which is continuing, and Doré shall have received a certificate of Cygnus, addressed to Doré and dated the Effective Date, signed by an executive officer of Cygnus (without personal liability), confirming the same as at the Effective Date; and

(d) Cygnus shall have complied with its obligations under Section 2.8 of the Arrangement Agreement and the Depositary shall have confirmed receipt of the Cygnus Shares contemplated thereby.

**Non-Solicitation Covenants**

Pursuant to the Arrangement Agreement, Doré has agreed not to, directly or indirectly, make, solicit, initiate, entertain, encourage, promote or facilitate any Acquisition Proposals. However, the Doré Board does have the right to consider and accept a Superior Proposal under certain conditions. Cygnus has the right to offer to amend the terms of the Arrangement Agreement in response to any Acquisition Proposal that the Doré Board has determined is a Superior Proposal in accordance with the Arrangement Agreement. If Doré accepts a Superior Proposal and either party terminates the Arrangement Agreement, then Doré must pay Cygnus the Termination Fee.

See "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

**Termination of Arrangement Agreement and Termination Fee**

Under the Arrangement Agreement, Cygnus is entitled to be paid a Termination Fee in the amount of C$900,000 upon the occurrence of certain events.

See "*Part 8 – The Arrangement Agreement – Termination*" of this Circular.

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**Regulatory Matters**

It is a condition of the Arrangement that the TSXV shall have approved for listing and posted for trading, subject only to satisfaction of the standard listing conditions, the Cygnus Shares at the Effective Time. It is also a condition of the Arrangement that the ASX shall have approved for listing or official quotation the Cygnus Shares forming part of the Consideration. The Cygnus Shares are currently listed on the ASX. Cygnus has applied for the Cygnus Shares to be listed on the TSXV. In the case of the TSXV, listing is subject to the approval of the TSXV in accordance with its minimum listing requirements, and there is no assurance that the TSXV will approve the listing application.

The Arrangement is an "Arm's Length Transaction" within the meaning of TSXV Policy 1.1 – *Interpretation*.

**Securities Law Matters**

Doré Shareholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances. Each Doré Shareholder is urged to consult his or her professional advisors to determine the conditions and restrictions applicable to trades in Cygnus Shares.

The issuance of the Cygnus Shares pursuant to the Arrangement will constitute a distribution of securities under Canadian securities laws that is exempt from the prospectus requirements of applicable Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable Canadian securities legislation. The Cygnus Shares received pursuant to the Arrangement will not be legended and may be resold in Canada provided that: (i) the trade is not a "control distribution" (as defined in NI 45-102); (ii) no unusual effort is made to prepare the market or to create a demand for Cygnus Shares; (iii) no extraordinary commission or consideration is paid to a person in respect of such sale; and (iv) if the selling securityholder is an insider or officer of Cygnus, the selling securityholder has no reasonable grounds to believe that Cygnus is in default of applicable Canadian securities laws.

For more information, see "*Part 9 – Securities Law Matters – Canadian Securities Law Matters*", "*Part 9 – Securities Law Matters – United States Securities Law Matters*" and "*Part 9 – Securities Law Matters – Australian Securities Law Matters*" of this Circular.

**Dissent Rights**

The Interim Order provides that Registered Doré Shareholders entitled to vote on the Arrangement Resolution may exercise Dissent Rights with respect to their Doré Shares in connection with the Arrangement, pursuant to and in the manner set forth in section 190 of the CBCA as modified by the Interim Order, the Final Order and the Plan of Arrangement. A Dissenting Shareholder who validly exercises Dissent Rights in respect of his, her or its Doré Shares and who has not withdrawn, or been deemed to have withdrawn, such exercise of Dissent Rights is entitled, upon the Arrangement becoming effective, to be paid the fair value of such Doré Shares.

It is a condition of the Arrangement that holders of no more than 5% of the issued and outstanding Doré Shares shall have exercised Dissent Rights, or have instituted proceedings to exercise Dissent Rights, in connection with the Arrangement.

See "*Part 12 – Dissent Rights*" of this Circular.

**Risk Factors Relating to the Arrangement**

Doré Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to, the following: (a) the combination of Cygnus and Doré may not integrate successfully, including because the Combined Company will have a management and board of directors that will be geographically distant; (b) the Combined Company will own different types of assets, which may be technically more difficult to manage and require more oversight; (c) the unaudited pro forma financial information of the Combined Company are presented for illustrative purposes only and may not be an indication of the Combined Company's financial condition or results of operations following the Arrangement; (d) directors and executive officers of Doré may have interests in the Arrangement that are different from those of Doré Shareholders generally; (e) the issuance of a significant number of Cygnus Shares, or securities convertible into Cygnus Shares, could adversely affect the market price of the Cygnus Shares; (f) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Doré; (g) there can be no certainty that all conditions precedent to the Arrangement will be satisfied, which may also result in termination of the Arrangement Agreement; (h) the

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Consideration is fixed and will not be adjusted to reflect any change in the market value of the Cygnus Shares or Doré Shares prior to the closing of the Arrangement; (i) Doré will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee and/or the Expense Fee to Cygnus in certain circumstances; (j) if the Arrangement is not approved by the Doré Shareholders, or the Arrangement is otherwise not completed, then the market price for Doré Shares may decline; (k) owning Cygnus Shares will expose Doré Shareholders to different risks; (l) the value of the Cygnus Shares may fluctuate; and (m) the TSXV may not approve the listing of the Cygnus Shares. The foregoing list is not exhaustive. Please carefully read all of the risks disclosed elsewhere in this Circular, as well as risks disclosed in Doré's publicly disclosed documents available on SEDAR+.

In addition to the risk factors relating to the Arrangement, Doré Shareholders should also carefully consider the risk factors associated with the businesses of Doré and Cygnus included in this Circular and in the documents incorporated by reference herein, including the risks found in Appendix I of this Circular. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" and "*Part 13 – Risks Factors Relating to the Arrangement*" of this Circular.

**Procedure for Receipt of Consideration**

Each person who is a Registered Doré Shareholder immediately prior to the Effective Time must forward a properly completed and signed Letter of Transmittal, along with the accompanying Doré Share certificates or a DRS Advice representing Doré Shares, if applicable, and such other documents as the Depositary may require, to the Depositary in order to receive the aggregate Consideration to which such Doré Shareholder is entitled under the Arrangement.

A Letter of Transmittal is being mailed, together with this Circular, to each person who was a Registered Doré Shareholder on the Record Date. It is recommended that Registered Doré Shareholders complete, sign and return the Letter of Transmittal, along with the accompanying Doré Share certificates or a DRS Advice representing Doré Shares, if applicable, to the Depositary as soon as possible.

Doré Shareholders whose Doré Shares are registered in the name of a nominee (bank, trust company, securities broker or other nominee) should contact that nominee for assistance in depositing their Doré Shares.

**To the extent a Doré Shareholder has not deposited the Transmittal Documents with the Depositary on or before the date that is six years after the Effective Date, then the Consideration that such Doré Shareholder was otherwise entitled to receive under the Arrangement may be cancelled without any repayment of capital in respect thereof, and the interest of such Doré Shareholder in such Consideration will be terminated.**

See "*Part 14 – Procedure for Receipt of Consideration*" of this Circular.

**Fractional Shares**

No fractional Cygnus Shares shall be issued to Former Doré Shareholders. Where the aggregate number of Cygnus Shares to be issued to a Former Doré Shareholder under the Arrangement would otherwise result in a fraction of a Cygnus Share being issuable, the number of Cygnus Shares to be issued to such Former Doré Shareholder shall be rounded down to the nearest whole Cygnus Share, and such Former Doré Shareholder shall not be entitled to any compensation in respect of such fractional Cygnus Share.

**Withholding Rights**

Cygnus, Doré, AcquireCo, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any Doré Shareholder or any other person under the Plan of Arrangement (including any payment to Dissenting Shareholders and holders of Doré Options, Doré DSUs and Doré Warrants) such Taxes or other amounts as Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are timely remitted to the appropriate Governmental Entity by or on behalf of Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to

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a Doré Shareholder or holder of Doré Options, Doré DSUs or Doré Warrants exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of Cygnus, any of Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, are hereby authorized to sell or otherwise dispose of such portion of the Consideration or other Cygnus securities, as applicable, issuable as is necessary to provide sufficient funds to Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such Doré Shareholder or holder of a Doré Option, Doré DSU or Doré Warrant any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and none of Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any Doré Shareholder or holder of a Doré Option, Doré DSU or Doré Warrant in respect of a particular price, for the portion of the Consideration or other Cygnus securities, as applicable, so sold.

**Effects of the Arrangement on Doré Shareholders' Rights**

The rights of Doré Shareholders are governed by the CBCA and by Doré's articles and by-laws. Following the Arrangement, Doré Shareholders who receive Cygnus Shares as part of the Arrangement will become Cygnus Shareholders and as such their rights will be governed by the Corporations Act, the ASX Listing Rules, and by the Cygnus Constitution. **The rights of a shareholder of an Australian corporation differ from the rights of a shareholder of a CBCA corporation. See Appendix H of this Circular for a summary comparison of the rights of Doré Shareholders and Cygnus Shareholders.** Doré Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

**Certain Canadian Federal Income Tax Considerations**

For a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to Doré Shareholders in connection with the Arrangement, see "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

**The summary at "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular is not intended to be legal or tax advice to any particular Doré Shareholder. Accordingly, Doré Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.**

**Certain United States Federal Income Tax Considerations**

For a summary of certain material U.S. federal income tax consequences of the Arrangement applicable to a U.S. Holder, see "*Part 16 – Certain United States Federal Income Tax Considerations*" of this Circular. Such summary is not intended to be legal or tax advice to any particular Doré Shareholder. Doré Shareholders should consult their own tax advisors with respect to their particular circumstances.

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## PART 5. GENERAL PROXY INFORMATION

### Solicitation of Proxies

**This Circular is furnished in connection with the solicitation by management of the Corporation of proxies to be used at the Meeting on December 16, 2024 at 12:00 p.m. (Toronto time) at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario M5X 1A4, and at all postponements or adjournments thereof, for the purposes set forth in the Notice of Meeting.** It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited personally by directors, officers or regular employees of the Corporation. Such persons will not receive any extra compensation for such activities. The Corporation may also pay brokers or other persons holding Doré Shares in their own names, or in the names of nominees, for their reasonable expenses for sending forms of proxy and this Circular to beneficial owners of Doré Shares and obtaining proxies therefrom. The total cost of the solicitation will be borne directly by the Corporation.

No person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

### Appointment of Proxies

**Only Registered Doré Shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Voting instructions for Non-Registered Doré Shareholders are set forth below under the heading "*Non-Registered Doré Shareholders*".

The purpose of a proxy is to designate persons who will vote the proxy on a Registered Doré Shareholder's behalf in accordance with the instructions given by the Registered Doré Shareholder in the proxy. The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Registered Doré Shareholder has the right to appoint a person (who need not be a Doré Shareholder) other than the persons specified in such form of proxy to attend and act on behalf of such Registered Doré Shareholder at the Meeting.** Such right may be exercised by striking out the names of the persons specified in the form of proxy, inserting the name of the person to be appointed in the blank space provided in the form of proxy, signing the form of proxy and returning it in the manner set forth in the form of proxy. Such Registered Doré Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy, and should provide instruction to the nominee on how the Registered Doré Shareholder's Doré Shares should be voted. The nominee should bring personal identification to the Meeting.

If you are a Registered Doré Shareholder, desiring to be represented at the Meeting by proxy, you must deposit your form of proxy with the Corporation's registrar and transfer agent, Computershare Investor Services Inc. as follows:

1) by signing and returning the applicable enclosed proxy form by mail appointing the named persons (or some other person you choose, who need not be a Doré Shareholder) to represent you as proxyholder and vote your Doré Shares at the Meeting;

2) via telephone at the toll-free number specified in the enclosed proxy form; or

3) via the internet at www.investorvote.com.

**Proxies must be received by 12:00 p.m. (Toronto time) on December 12, 2024. The Corporation may refuse to recognize any instrument of proxy deposited in writing, by telephone or by the internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in Ontario) prior to the Meeting or any adjournment thereof.** The deadline for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion, without notice.

### Revocation of Proxies

A Doré Shareholder who has given a proxy may revoke it (i) by depositing an instrument in writing, including another completed form of proxy, executed by such Doré Shareholder or Doré Shareholder's attorney authorized in writing at

the registered office of the Corporation at any time up to and including the last business day preceding the date of the Meeting or any adjournment or postponement thereof, or (ii) in any other manner permitted by law.

**Exercise of Discretion by Proxies**

Doré Shares represented by a properly executed proxy will be voted on the Arrangement Resolution in accordance with the instructions of the Registered Doré Shareholder on any ballot that may be called for.

If the Doré Shareholder specifies a choice with respect to any matter to be acted upon, the Doré Shares will be voted accordingly. **In the absence of any such specifications, such Doré Shares will be voted FOR the Arrangement Resolution.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters, if any, which may properly come before the Meeting. At the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxy.

The time limit for the deposit of proxies may be waived or extended by the Chair at his discretion, without notice.

**Execution of Proxy**

The form of proxy must be executed by the Doré Shareholder or by the Doré Shareholder's personal representative authorized in writing. A form of proxy executed by the Doré Shareholder's personal representative or by a person acting in some other representative capacity, including an officer of a corporation which is a Doré Shareholder, should indicate the capacity in which such person is signing. A Doré Shareholder or the Doré Shareholder's personal representative may execute the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such Doré Shareholder or by or on behalf of the Doré Shareholder's personal representative, as the case may be.

**Non-Registered Doré Shareholders**

**The information set forth in this section is of significant importance to many holders of Doré Shares, as a substantial number of Doré Shareholders do not hold Doré Shares in their own name.** Beneficial owners of Doré Shares who are not Registered Doré Shareholders ("**Non-Registered Doré Shareholders**") should note that only proxies deposited by Registered Doré Shareholders can be recognized and acted upon at the Meeting. If Doré Shares are listed in an account statement provided to a Doré Shareholder by a broker, then, in almost all cases, those Doré Shares will not be registered in the Doré Shareholder's name on the records of the Corporation. Such Doré Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. More particularly, a person is a Non-Registered Doré Shareholders in respect of Doré Shares which are held on behalf of that person but which are registered either: (i) in the name of an intermediary that the Non-Registered Doré Shareholders deals with in respect of the Doré Shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")), of which the intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS, which acts as nominee for many Canadian brokerage firms. Doré Shares held by brokers or their nominees can only be voted upon the instructions of the Non-Registered Doré Shareholder. Without specific voting instructions, brokers and their nominees are prohibited from voting Doré Shares held for Non-Registered Doré Shareholders. **Therefore, Non-Registered Doré Shareholders should ensure that instructions respecting the voting of their Doré Shares are communicated to the appropriate person or that the Doré Shares are duly registered in their name.**

Applicable Canadian securities regulatory policy requires intermediaries/brokers to seek voting instructions from Non-Registered Doré Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered Doré Shareholders in order to ensure that their Doré Shares are voted at the Meeting.

In Canada, the majority of brokers now delegate responsibility for obtaining voting instructions from Non-Registered Doré Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**"). Broadridge typically supplies

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a voting instruction form ("**VIF**") and asks Non-Registered Doré Shareholders to return the completed forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Doré Shares to be represented at the Meeting. **A Non-Registered Doré Shareholder receiving such a form from Broadridge cannot use that form to vote Doré Shares directly at the Meeting. The form must be returned to Broadridge well in advance of the Meeting in order to have the Doré Shares voted.**

A Non-Registered Doré Shareholder who wishes to attend the Meeting and vote in person may write the name of the Non-Registered Doré Shareholder in the place provided for that purpose on the VIF. **A Non-Registered Doré Shareholder also has the right to appoint a person or company other than the persons designated in the Proxy, who need not be a Doré Shareholder, to attend the Meeting and act on behalf of the Non-Registered Doré Shareholder.** Unless prohibited by law, the person whose name is written in the space provided in the VIF will be appointed as proxy holder for the Non-Registered Doré Shareholder and will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the VIF or this Circular. A Non-Registered Doré Shareholder should consult a legal advisor if the Non-Registered Doré Shareholder wishes to modify the authority of the person to be appointed as proxy holder in any way.

**Voting Matters**

The following chart describes the proposals to be considered at the Meeting, the voting options and the vote required for each matter:

| Matter | Voting Options | Required Vote |
|---|---|---|
| Arrangement Resolution | For; Against | (a) at least two-thirds (66⅔%) of the votes cast at the Meeting by Doré Shareholders; and<br>(b) at least a majority (50% + 1) of the votes cast at the Meeting by Doré Shareholders, after excluding the votes cast by persons whose votes may not be included in determining minority approval pursuant to MI 61-101. |

## PART 6. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

**Record Date and Voting Securities**

The record date for the determination of Doré Shareholders entitled to receive the Notice of Meeting has been fixed as November 13, 2024 (the "**Record Date**"). Only Doré Shareholders of record at the close of business on the Record Date who either attend the Meeting in person or complete, sign and deliver a VIF or applicable form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Doré Shares voted at the Meeting. A quorum for the transaction of business at the Meeting is the presence of two persons entitled to vote at the meeting and for not less than 5% of the outstanding Doré Shares that may be voted at the Meeting to be represented in person or by proxy or by a duly authorized representative of a Doré Shareholder.

The authorized capital of the Corporation consists of an unlimited number of Doré Shares and an unlimited number of preferred shares, issuable in series. As of the Record Date, the Corporation had an aggregate of 169,313,863 Doré Shares outstanding, and no preferred shares outstanding. Each Doré Share carries the right to one vote per Doré Share with respect to all matters to be voted on at the Meeting.

**Principal Holders of Doré Shares**

To the knowledge of the directors and executive officers of the Corporation, except as listed below, as at the Record Date, no person or company beneficially owned or controlled or directed, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

| Shareholder | Shareholding Percentage |
|---|---|
| Equinox Partners Investment Management LLC | 28.60% |

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| | |
|---|---|
| Ocean Partners Holdings Limited | 28.46% |

## PART 7. THE ARRANGEMENT

At the Meeting, Doré Shareholders will be asked to consider, and, if determined advisable, to pass, the Arrangement Resolution to approve the Arrangement under the CBCA pursuant to the terms of the Arrangement Agreement and the Plan of Arrangement. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed under Doré's issuer profile on SEDAR+ at www.sedarplus.ca, and the Plan of Arrangement, which is attached to this Circular as Appendix C.

A copy of the Arrangement Resolution is set out in Appendix B of this Circular. The Arrangement is also subject to certain other conditions, including the approval of the Court.

Unless otherwise directed, it is Doré management's intention to vote FOR the Arrangement Resolution. If you do not specify how you want your Doré Shares voted, the persons named as proxyholders in the proxy forms that accompany this Circular will cast the votes represented by your proxy at the Meeting FOR the Arrangement Resolution.

The Arrangement will take effect commencing at the Effective Time, which will be at 12:01 a.m. (Toronto time) on the Effective Date. If the Arrangement Resolution is approved at the Meeting and all other required approvals (including the Final Order) and conditions to the completion of the Arrangement are satisfied or waived, the Effective Date is expected to occur in December of 2024. In no event shall the Effective Date be later than March 31, 2025, unless otherwise agreed to between Doré and Cygnus. On the Effective Date, upon completion of the Arrangement, Doré and Cygnus will publicly announce that the Arrangement has been implemented.

### Background to the Arrangement

The execution of the Arrangement Agreement was the result of arm's length negotiations among representatives of Doré and Cygnus and their respective legal and financial advisors. The following is a summary of the material events which led to the negotiation of the Arrangement Agreement and the material meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the Arrangement Agreement.

Both Doré's and Cygnus' management teams regularly consider and investigate opportunities to enhance value for their respective shareholders, including monitoring the activities and assets of various industry participants in order to identify possible strategic transactions.

Although Doré did not conduct a formal sales process, Doré has from time to time been in dialogue with a number of counterparties over the past 12 months with respect to a range of possible value enhancing transactions, including financings, acquisitions and mergers.

In early June 2024, Ernest Mast, the President and Chief Executive Officer of Doré, attended The Mining Investment Event of the North Conference where he participated in a number of meetings and discussions with various industry participants. Mr. Mast was subsequently introduced to Michael Naylor, a non-executive director of Cygnus at the time. Thereafter, on June 19, 2024, Mr. Mast, together with Mario Stifano, the Executive Chair of Doré, participated in a call with Mr. Naylor to discuss potential strategic opportunities. Following this call, on June 25, 2024, the parties executed a confidentiality agreement and shortly thereafter each party provided the other with access to an electronic data room containing its due diligence materials.

On June 27, 2024, certain members of senior management of each of Doré and Cygnus held a meeting to deliver a presentation on their respective businesses.

On July 3, 2024, Mr. Mast, Mr. Stifano and David Southam, the Executive Chair of Cygnus, held a follow-up discussion on the merits of a potential merger of equals transaction between Doré and Cygnus given the complementary attributes of each company's standalone projects, development strategy and team members. As a next

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step, the parties agreed to continue their review of the due diligence materials and to organize a site visit to Doré's Chibougamau Project.

Mr. Mast and Mr. Southam subsequently held various meetings with each other in July and early August 2024 to provide an update on their operations, to discuss ongoing due diligence and to discuss the upcoming site visit. During this time, Doré also engaged a third-party geological consultant to review Cygnus' lithium exploration properties, and a report was delivered to management of Doré on July 30, 2024 following a meeting with Cygnus' technical team held on July 25, 2024. The Doré Board was provided with an update on ongoing discussions with Cygnus on several occasions.

Over the period of August 12, 2024 to August 14, 2024, representatives from Doré and Cygnus conducted a site visit of Doré's Chibougamau Project and met with community stakeholders.

On August 15, 2024, the Doré Board met to review the site visit and to discuss a potential transaction with Cygnus. The Doré Board also discussed the immediate financing needs of Doré to continue its current operations.

Following the site visit by the parties, discussions continued to advance regarding a potential business combination between Doré and Cygnus and further meetings were held. On August 22, 2024, Mr. Mast and Mr. Stifano met with Mr. Southam wherein it was proposed that Doré and Cygnus merge based on a volume weighted average price to be determined at a later date. Based on the then current market price of the Doré Shares and the Cygnus Shares, Cygnus Shareholders would hold more than 50% of the Cygnus Shares following completion of the transaction. Mr. Mast and Mr. Stifano communicated to Mr. Southam that, due to the immediate financing needs of Doré to fund its current operations as described above, it would be focusing on and pursuing a private placement offering. The private placement was subsequently announced by Doré on September 4, 2024.

Management of Cygnus and the Cygnus Board, along with its financial advisor, Canaccord Genuity Australia Limited, and its Canadian legal counsel, Osler Hoskin & Harcourt LLP, and its Australian legal counsel, Hamilton Locke, continued to conduct various discussions regarding the prospect of a transaction, structuring and valuation over the course of August and September 2024.

On September 10, 2024, Canaccord Genuity Australia Limited, on behalf of Cygnus, delivered to Doré a draft non-binding proposal letter (the "**Cygnus Proposal Letter**") that set forth proposed non-binding terms pursuant to which Cygnus would acquire, by way of a merger of equals transaction, all of the issued outstanding Doré Shares in exchange for Cygnus Shares. Meetings were subsequently held among representatives of Doré and Cygnus to discuss some of the terms set forth in the Cygnus Proposal Letter, including transaction structure.

Management of Doré reviewed the Cygnus Proposal Letter with its legal counsel, Bennett Jones LLP, and on September 23, 2024, Doré provided Canaccord Genuity Australia Limited and Cygnus a revised draft version of the Cygnus Proposal Letter reflecting comments relating to the proposed transaction. The Cygnus Proposal Letter was not executed but discussions continued among the parties without any exclusivity arrangement between Doré and Cygnus.

On September 26, 2024, Doré completed its previously announced non-brokered private placement offering.

On the afternoon of September 27, 2024, on behalf of Cygnus, Osler, Hoskin and Harcourt LLP delivered a draft arrangement agreement to Doré and Bennett Jones LLP. A draft form of voting and support agreement was subsequently delivered on September 30, 2024. It was agreed that each party would continue to complete its due diligence of the other party.

Following receipt of the draft arrangement agreement, a meeting of the Doré Board was held on October 1, 2024. At such meeting of the Doré Board, senior management of Doré provided an analysis of the proposed transaction with Cygnus. The Doré Board determined that it would be in the best interests of Doré to establish a committee of the Doré Board comprised of independent directors Mr. Frank Balint, Mr. Joseph de la Plante, Ms. Sara Heston and Ms. Martha Manuel (the "**Special Committee**"). The Doré Board resolved to establish the Special Committee at such meeting. The mandate of the Special Committee included review and evaluation of potential strategic options of Doré, initiation of a process that may include obtaining a fairness opinion or valuation of Doré, carrying out and/or supervising

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negotiations regarding the proposed transaction with Cygnus and any other proposed transaction, review of the terms of the proposed transaction with Cygnus and any other proposed transaction, and reporting and making recommendations to the Doré Board in respect of the proposed transaction with Cygnus and any other proposed transaction. The Special Committee was empowered to retain its own advisors.

On October 7, 2024, a meeting of the Doré Board was held to consider, among other things, the engagement of Paradigm as an independent financial advisor to provide its opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Doré Shareholders pursuant to the Arrangement. The Doré Board approved Paradigm's engagement by written resolution on October 7, 2024. A formal engagement letter was executed by Doré and Paradigm on October 7, 2024.

Over the period from October 1, 2024 to October 14, 2024, Doré and Cygnus undertook detailed due diligence regarding the other party, undertook structuring work, negotiated the terms of the Arrangement, prepared and negotiated the relevant transaction documentation, including the Arrangement Agreement, disclosure letters, the Plan of Arrangement and the Doré Voting and Lock-up Agreements, and held continuing discussions, orally and by email, regarding, among other things, price and relative valuations, governance matters and other matters relating to the draft arrangement agreement. The parties ultimately agreed upon a 55:45 split of the outstanding Cygnus Shares between existing Cygnus Shareholders and former Doré Shareholders upon completion of the Arrangement (prior to giving effect to the Cygnus Equity Raise). Throughout this period, the parties also provided each other follow-up information in response to follow-up due diligence requests and there were various discussions between Doré and Cygnus and their respective advisors to complete the diligence process and address such follow-up items.

Throughout this period, Doré's management met several times with the Special Committee, along with Doré's external financial and legal advisors, to discuss and obtain directions regarding negotiations and other transaction-related matters and to receive preliminary advice from Doré's financial advisors regarding the terms of the draft arrangement agreement, relative valuations, fairness to Doré Shareholders of the Consideration from a financial point of view and other matters. At these meetings, the Special Committee also discussed other strategic alternatives available to Doré, including pursuing its existing strategy as a standalone entity. On the basis of the directions and advice received, Doré's management and legal advisors went back to Cygnus with counter proposals on key terms of the proposed transaction.

On October 14, 2024, the Doré Board, including the members of the Special Committee, held a meeting, which was attended by the legal counsel and financial advisors to the Doré Board at the invitation of the Doré Board, to consider the terms of the Arrangement Agreement. Prior to the meeting, final presentation materials concerning the proposed transaction, including a financial presentation from Paradigm, a summary of the legal due diligence investigation completed on behalf of Doré, together with drafts of the Arrangement Agreement, the form of Doré Voting and Lock-up Agreement and other related documentation, had been circulated to members of the Doré Board. At this meeting, Doré's management and legal counsel provided an update regarding certain outstanding items that would need to be resolved prior to settling the definitive Arrangement Agreement with Cygnus, including receipt of definitive Doré Voting and Lock-up Agreements from all of the Doré directors and senior officers and certain other significant Doré Shareholders. Additionally, Paradigm provided a presentation with respect to the Fairness Opinion, including a description of the Arrangement, the work undertaken by Paradigm, an outline of Paradigm's approach to assessing fairness, the analyses performed, other transaction considerations, as well as the overall scope of review. Following discussion on the presentation, Paradigm verbally delivered its Fairness Opinion, which was subsequently confirmed in writing, to the effect that, as of the date of such Fairness Opinion, and subject to the assumptions, limitations and qualifications set out in the written Fairness Opinion, the Consideration to be received by the Doré Shareholders pursuant to the Arrangement, is fair, from a financial point of view, to the Doré Shareholders. The members of the Doré Board (including the members of the Special Committee) were given the opportunity to ask Paradigm and Doré's legal advisors questions. The Special Committee then held an *in camera* meeting and, following consideration of a number of factors, including the terms of the transaction with Cygnus, the advice of their financial and legal advisors and discussions with management and their review of the Fairness Opinion, the Special Committee approved a unanimous recommendation to the Doré Board that Doré enter into the Arrangement Agreement with Cygnus and AcquireCo and, in particular, made the following determinations and recommendations to the Doré Board:

- that the Arrangement was in the best interests of Doré and fair to the Doré Shareholders;

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- that the Doré Board authorize Doré to enter into the Arrangement Agreement (including the Plan of Arrangement appended thereto), execute and deliver the Arrangement Agreement and approve the Arrangement and the transactions contemplated thereby; and

- that the Arrangement be submitted to Doré Shareholders for approval and that the Doré Board unanimously recommend that the Doré Shareholders vote in favour of the Arrangement Resolution.

The factors considered by the Special Committee in determining that the Arrangement was fair to the Doré Shareholders are set out below under the heading "*The Arrangement – Reasons for the Arrangement*".

Immediately following the *in camera* meeting of the Special Committee, the Doré Board reconvened, including attendance by the legal counsel of Doré at the invitation of the Doré Board. At the meeting, the Special Committee provided its unanimous recommendation to the Doré Board that Doré enter into the Arrangement Agreement.

In light of the recommendation of the Special Committee and those factors discussed under the heading "*The Arrangement – Reasons for the Arrangement*", and following further discussion, the Doré Board resolved and determined: (i) that the Arrangement was in the best interest of Doré and fair to the Doré Shareholders; (ii) that Doré enter into, executed, deliver and perform its obligations under the Arrangement Agreement (including the Plan of Arrangement appended thereto); (iii) to unanimously recommend that the Arrangement be submitted to the Doré Shareholders for approval; and (iv) to unanimously recommend that the Doré Shareholders vote in favour of the Arrangement Resolution.

In the hours following the meetings held on October 14, 2024, representatives of Doré and Cygnus, along with their respective legal advisors, engaged in continued discussions and negotiations regarding the terms of the Arrangement Agreement, and were able to resolve the outstanding matters on acceptable terms (including the receipt of definitive Doré Voting and Lock-up Agreements from all of the Doré directors and senior officers and certain Doré Shareholders), which ultimately resulted in Doré and Cygnus executing the Arrangement Agreement on the evening of October 14, 2024 (being the morning of October 15, 2024 in Australia). On the evening of October 14, 2024, Cygnus issued an announcement announcing that the parties had entered into the Arrangement Agreement and, on the morning of October 15, 2024, Doré's shares were halted on the TSXV and it subsequently issued a news release announcing that the parties had entered into the Arrangement Agreement.

**Fairness Opinion**

Pursuant to the Paradigm Engagement Letter, Doré retained Paradigm to evaluate the fairness, from a financial point of view, of the Consideration to be received by Doré Shareholders pursuant to the Arrangement and provide the Fairness Opinion.

Under the Paradigm Engagement Letter, a fee was paid to Paradigm by the Corporation, which was contingent upon delivery of the Fairness Opinion (orally). The fee for the Fairness Opinion was not conditioned on whether or not the Fairness Opinion was favourable or that the Arrangement is completed. Doré has also agreed to reimburse Paradigm for its reasonable out-of-pocket expenses, whether or not the Arrangement is completed, and to indemnify Paradigm, its affiliates and subsidiaries, and their respective officers, directors, employees, consultants, partners and shareholders against certain potential liabilities and expenses arising from its engagement. The fees paid to Paradigm in connection with the Paradigm Engagement Letter are not financially material to Paradigm.

On October 14, 2024, the Doré Board held a meeting to evaluate the Arrangement, at which Paradigm rendered its Fairness Opinion (orally) to the effect that, as of the date of the Fairness Opinion, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the Doré Shareholders pursuant to the Arrangement, is fair, from a financial point of view, to the Doré Shareholders. The oral Fairness Opinion was subsequently confirmed by delivery of the written Fairness Opinion. The Doré Board and the Special Committee reviewed and accepted the Fairness Opinion.

**In preparing the Fairness Opinion, Paradigm performed a variety of financial and comparative analyses. The full text of the Fairness Opinion, which also describes the assumptions made, procedures followed, matters considered and qualifications and limitations on the review undertaken, is attached as Appendix F to this Circular. The description of the Fairness Opinion set forth in this Circular is qualified in its entirety by**

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**reference to the full text of the Fairness Opinion, which is incorporated by reference herein in its entirety. The Fairness Opinion was for the benefit of the Doré Board and the Special Committee in connection with their evaluation of the Arrangement and did not address any terms or other aspects of the Arrangement other than the Consideration to be received by Doré Shareholders to the extent expressly specified in the Fairness Opinion. The Fairness Opinion did not address the relative merits of the Arrangement as compared to any other transaction or business strategy in which Doré might engage or the merits of the underlying decision by Doré to engage in the Arrangement. The Fairness Opinion is not intended to and does not constitute a recommendation to any Doré Shareholder as to how any such Doré Shareholder should vote or act with respect to the Arrangement or any matter relating thereto.**

Subject to the terms of its engagement, Paradigm has consented to the inclusion in this Circular of the Fairness Opinion, in its entirety, and the references to the Fairness Opinion herein. The Fairness Opinion was provided to the Doré Board and the Special Committee for their exclusive use only in considering the Arrangement and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, without the express written consent of Paradigm. The Fairness Opinion does not address the relative merits of the Arrangement as compared to any other transaction or business strategy in which Doré might engage or the merits of the underlying decision by Doré to engage in the Arrangement. The Fairness Opinion does not and should not be construed as a recommendation to the Doré Board to approve the Arrangement or the Special Committee to recommend the Arrangement, nor is it a recommendation to any Doré Shareholder as to how to vote or act at the Meeting or as advice as to the price at which the Doré Shares or the Cygnus Shares may trade or the value of Doré or Cygnus (or any of their respective affiliates) or their respective assets, liabilities or securities at any future date.

**Recommendation of the Special Committee**

The Special Committee, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*", has unanimously determined that the Arrangement is in the best interests of Doré and is fair to the Doré Shareholders. Accordingly, the Special Committee unanimously recommended that the Doré Board approve the Arrangement and that the Doré Board recommend to Doré Shareholders that they vote **FOR** the Arrangement Resolution.

**Recommendation of the Doré Board**

The Doré Board, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*" and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of Doré and is fair to the Doré Shareholders. **Accordingly, the Doré Board unanimously recommends that Doré Shareholders vote FOR the Arrangement Resolution.**

Cygnus has entered into Doré Voting and Lock-up Agreements with each of Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland and Mario Stifano, pursuant to which each of the aforementioned individuals has agreed to, among other things, support the Arrangement and to vote any Doré Shares they own in favour of the Arrangement Resolution. All of the directors and senior officers of Doré intend to vote all of their Doré Shares in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the Doré Voting and Lock-up Agreements. In addition, key institutional shareholders, who exercise beneficial ownership or control over an aggregate of approximately 57% of the outstanding Doré Shares, have entered into Doré Voting and Lock-up Agreements with Cygnus to support the Arrangement.

**Reasons for the Arrangement**

The Special Committee and the Doré Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from Doré's management, and the financial advisors and legal advisors of the Special Committee and the Doré Board. **The following is a summary of the principal reasons for the unanimous recommendations of the Special Committee and the Doré Board.**

- **Diversified Asset Base and Geographical Synergies.** The addition of Cygnus' quality lithium projects in James Bay, Québec, including Pontax, Auclair and Sakami, to Doré's high-grade copper assets, expands the asset portfolio of the Combined Company and provides an opportunity to leverage potential geographical



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synergy between the lithium properties and Doré's processing facility near Chibougamau. Doré Shareholders, through their ownership of Cygnus Shares, will retain exposure to Doré's Chibougamau high-grade copper assets and Doré's exploration portfolio. It is expected that upon completion of the Arrangement (but prior to giving effect to the Cygnus Equity Raise), existing Cygnus Shareholders and former Doré Shareholders will own approximately 55% and 45%, respectively, of the outstanding Cygnus Shares.

- **Strong Combined Management.** The Arrangement integrates the board and management of Cygnus and Doré, and the Combined Company is expected to benefit from the unique combination of Cygnus' and Doré's management teams providing for strong capital markets experience and proven exploration success, project development and operational expertise. The Cygnus team has been involved in certain transactions which returned shareholder value over time, such as Bellevue Gold, Mincor Resources, Firefly Metals Limited, Andean Silver Limited, Ramelius Resources and Kidman Resources. The Combined Company's board of directors will be comprised of three board members nominated by Cygnus and three board members nominated by Doré.

- **Enhanced Capital Markets Presence and Trading Liquidity.** Upon completion of the Arrangement, it is proposed that the Combined Company will be listed on both the ASX and the TSXV, providing it with greater exposure to capital markets than is currently available to Doré. The Combined Company, being a larger, ASX and TSXV dual-listed company, will enjoy an enhanced profile with an elevated capital markets presence and value proposition to a wider range of global investors. Additionally, the increased size of the Combined Company and the anticipated ASX and TSXV dual listing of the Cygnus Shares is expected to provide for greater liquidity and access to additional capital markets for shareholders of the Combined Company.

- **Pathway for Accelerated Exploration to Enhance Hub-and Spoke Operation Model.** It is expected that the Combined Company will systematically explore the Chibougamau mining camp using modern exploration techniques and geophysics with the objective of growing the resource inventory.

- **Fairness Opinion.** Paradigm has provided the Fairness Opinion to the effect that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the Doré Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Doré Shareholders.

- **Support by Directors and Officers of Doré.** All of the directors and senior officers of Doré have entered into Doré Voting and Lock-up Agreements with Cygnus. Under the Doré Voting and Lock-up Agreements, each of the following individuals has agreed to, among other things, support the Arrangement and to vote any Doré Shares they own in favour of the Arrangement Resolution: Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland and Mario Stifano.

- **Support by Key Doré Shareholders**. Pursuant to Doré Voting and Lock-up Agreements, two of Doré's significant shareholders, Equinox Partners Investment Management, LLC and Ocean Partners Holdings Limited have agreed, among other things, to vote, or cause to be voted, all of the Doré Shares that they exercise control or direction over, representing in aggregate approximately 57% of the issued and outstanding Doré Shares as of the Record Date, in favour of the Arrangement Resolution.

- **Reasonable Termination Payment.** The Termination Fee equal to approximately 3.75% of the undiluted equity value,[3] which is payable in certain circumstances by Doré, is reasonable. In the view of the Special Committee and the Doré Board, the Termination Fee would not preclude a third party from potentially making a Superior Proposal to Doré.

[3] Based on AUD:CAD exchange rate of 0.9277. Based on 169,258,863 issued and outstanding Doré Shares and Cygnus's closing price of $0.077 (A$0.083) as at October 11, 2024.



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In making their respective determinations and recommendations, the Special Committee and the Doré Board also observed that a number of procedural safeguards were in place and present to protect the interests of Doré, Doré Shareholders and other Doré stakeholders. These procedural safeguards include, among others:

- **Ability to Respond to Unsolicited Superior Proposals.** Under the terms of the Arrangement Agreement, the Doré Board is able to respond to any unsolicited *bona fide* written proposal that, having regard to all of the terms and conditions of such proposal, constitutes or would reasonably be expected to constitute a Superior Proposal.

- **Negotiated Transaction.** The Arrangement Agreement is the result of an arm's length negotiation process, with Doré having retained and received advice from its financial and legal advisors.

- **Shareholder Approval.** In order to become effective, the Arrangement must first have received the Doré Shareholder Approval at the Meeting.

- **Court Approval.** In order to become effective, the Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to Doré Shareholders. The court approval will also constitute the basis for an exemption from registration under the U.S. Securities Act for the Cygnus Shares and Replacement Options to be issued under the Arrangement pursuant to Section 3(a)(10) of the U.S. Securities Act. See "*Part 9 – Securities Law Matters – United States Securities Laws Matters*".

- **Dissent Rights.** The Interim Order provides that a Registered Doré Shareholder as at the Record Date may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their Doré Shares in accordance with the Plan of Arrangement.

In making their respective determinations and recommendations with respect to the Arrangement, the Special Committee and the Doré Board also considered a number of potential risks and potential negative factors, which the Special Committee and the Doré Board concluded were outweighed by the positive substantive and procedural factors of the Arrangement described above, including the following:

- **Integration Challenges.** The challenges inherent in combining two businesses of the diversity and complexity of Doré and Cygnus.

- **Diversion of Management Attention.** The potential risk of diverting management's attention and resources from the operation of Doré's business, including other strategic opportunities and operational matters, in the short-term, while working toward the completion of the Arrangement.

- **Impact on Doré's Relationships.** The potential negative effect of the Arrangement on Doré's business, including its relationships with employees, suppliers, and communities in which it operates.

- **Limitations on Operation of Business during Interim Period.** The restrictions on the conduct of Doré's business prior to the completion of the Arrangement, which could delay or prevent Doré from undertaking business opportunities that may arise pending completion of the Arrangement.

- **Retention of Key Personnel.** The potential adverse impact that business uncertainty pending the completion of the Arrangement could have on Doré's ability to attract, retain and motivate key personnel until the completion of the Arrangement.

- **Risk of Non-Completion.** The risk that the Arrangement may not be completed despite Doré's and Cygnus' efforts or that completion of the Arrangement may be unduly delayed, even if the Doré Shareholder Approval is obtained, including the possibility that conditions to Doré's and Cygnus' obligations to complete the Arrangement may not be satisfied, and the potential resulting negative impact this could have upon Doré's business.

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- **Limitations on Solicitation of Alternative Transactions.** The limitations contained in the Arrangement Agreement on Doré's ability to solicit additional interest from third parties, given the deal protections in the Arrangement Agreement, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances, Doré will be required to pay the Termination Fee to Cygnus.

- **Difficulty of Negotiating an Alternative Transaction if the Arrangement Agreement is Terminated.** The fact that if the Arrangement Agreement is terminated and Doré decides to seek another transaction or business combination, it may be unable to find a party willing to pay greater or equivalent value compared to the Consideration being provided to the Doré Shareholders under the Arrangement.

- **Risks Related to Regulatory Approvals.** The risk that the Court and regulatory agencies may not approve the Arrangement or may impose terms and conditions on their approvals that may adversely affect the business and financial results of the Combined Company.

- **Transaction Costs.** The fact that Doré has incurred and will continue to incur significant transaction costs and expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

- **Enforcement Risk.** Judgment against Cygnus in Canada for breach of the Arrangement Agreement may be difficult to enforce against Cygnus' assets outside of Canada.

The foregoing summary of the information considered by the Special Committee and the Doré Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Special Committee and the Doré Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

The Special Committee and the Doré Board's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" and "*Part 13 – Risk Factors Relating to the Arrangement*" of this Circular.

**Arrangement Mechanics**

Under the Plan of Arrangement, the following steps or transactions shall, unless specifically provided otherwise in the Plan of Arrangement, occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality, in each case at one-minute intervals starting at the Effective Time:

(a) each Doré DSU outstanding immediately prior to the Effective Time (whether vested or unvested) will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been unconditionally vested;

(b) each holder of a Doré DSU shall resign from, and shall be deemed to have immediately resigned from, the board of directors of Doré and of any affiliate of Doré;

(c) each vested Doré DSU outstanding immediately prior to the steps in this paragraph (c) will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been immediately redeemed and cancelled, and in consideration Doré shall allot and issue from treasury to the holder of such Doré DSU such number of Doré Shares as are due to such holder under the terms of the Doré Plan (subject to withholding in accordance with the Plan of Arrangement) and the name of each such former holder of a redeemed and cancelled Doré DSU shall be entered in Doré's central securities register of holders of Doré Shares as a holder of Doré Shares but no such former holder shall be entitled to a certificate or DRS representing the Doré Shares issued upon the redemption and cancellation of such holder's Doré DSUs;

(d) each Doré Share outstanding immediately prior to the Effective Time held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of



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all liens, claims and encumbrances, to AcquireCo and AcquireCo shall thereupon be obliged to pay the amount therefor determined and payable in accordance with the Plan of Arrangement, and:

1. the name of such registered holder shall be removed from the central securities register of Doré as a holder of Doré Shares;

2. such Dissenting Shareholders will cease to have any rights as Doré Shareholders other than the right to be paid the fair value for their Doré Shares; and

3. AcquireCo shall be entered in Doré's central securities register of holders of Doré Shares as the legal and beneficial owner of such Doré Shares, free of all liens, claims and encumbrances;

(e) each Doré Share outstanding immediately prior to the effective time of the transfer under this paragraph (e) (other than a Doré Share held immediately before the Effective Time by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised and a Doré Share held by Cygnus, AcquireCo or any of their affiliates, but including, for the avoidance of doubt, any Doré Shares issued to holders of Doré DSUs pursuant to paragraph (c) above) shall be deemed to be transferred by the holder thereof, without any further act or formality by such Doré Shareholder, free and clear of all liens, claims and encumbrances, to AcquireCo in exchange for the Consideration, and each of Cygnus and AcquireCo shall be deemed to have directed the Depositary to issue and to deliver to such holder the Consideration to which such holder is entitled pursuant to this paragraph (e), and upon such exchange:

1. each holder of such Doré Shares shall cease to be the holder thereof and to have any rights as a Doré Shareholder other than the right to be paid the Consideration pursuant to this paragraph (e) and in accordance with the Plan of Arrangement;

2. each Former Doré Shareholder shall be removed from Doré's central securities register of holders of Doré Shares;

3. AcquireCo shall be entered in Doré's central securities register of holders of Doré Shares as the legal and beneficial owner of such Doré Shares, free of all liens, claims and encumbrances; and

4. each Former Doré Shareholder shall be entered in Cygnus' register of holders of Cygnus Shares in respect of Cygnus Shares deliverable to such Former Doré Shareholder pursuant to this paragraph (e);

(f) concurrently with the transfer in paragraph (e), AcquireCo will issue to Cygnus as consideration for the Consideration issued to Doré Shareholders pursuant to paragraph (e), an equal number of AcquireCo Common Shares and add to its stated capital an amount equal to the fair market value of the Consideration; and

(g) each Doré Option outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the terms of the Doré Plan, be cancelled and exchanged for a Replacement Option to acquire from Cygnus, such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Replacement Options in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement



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Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such Doré Option immediately before the exchange.

As a result of the completion of the steps set out in the Plan of Arrangement, each Doré Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the Doré Warrants, following the Effective Time entitle the holder to such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Doré Warrants in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Doré Warrants shall be rounded up to the nearest whole cent), and all certificates governing the Doré Warrants shall be cancelled and replaced with replacement certificates representing such adjusted Doré Warrants.

At such time following the completion of those transactions described in the foregoing paragraphs, as promptly as possible after all conditions therefor have been met, Doré will file or cause to be filed the prescribed form of election under the Tax Act with the Canada Revenue Agency electing to cease being a public corporation for the purposes of the Tax Act.

See Appendix C of this Circular for a copy of the Plan of Arrangement.

**Fractional Shares**

No fractional Cygnus Shares shall be issued to Former Doré Shareholders. Where the aggregate number of Cygnus Shares to be issued to a Former Doré Shareholder under the Arrangement would otherwise result in a fraction of a Cygnus Share being issuable, the number of Cygnus Shares to be issued to such Former Doré Shareholder shall be rounded down to the nearest whole Cygnus Share, and such Former Doré Shareholder shall not be entitled to any compensation in respect of such fractional Cygnus Share.

**Withholding Rights**

Cygnus, Doré, AcquireCo, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any Doré Shareholder or any other person under the Plan of Arrangement (including any payment to Dissenting Shareholders and holders of Doré Options, Doré DSUs and Doré Warrants) such Taxes or other amounts as Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are timely remitted to the appropriate Governmental Entity by or on behalf of Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to a Doré Shareholder or holder of Doré Options, Doré DSUs or Doré Warrants exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of Cygnus, any of Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, are hereby authorized to sell or otherwise dispose of such portion of the Consideration or other Cygnus securities, as applicable, issuable as is necessary to provide sufficient funds to Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such Doré Shareholder or holder of a Doré Option, Doré DSU or Doré Warrant any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and

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none of Cygnus, Doré, AcquireCo, the Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any Doré Shareholder or holder of a Doré Option, Doré DSU or Doré Warrant in respect of a particular price, for the portion of the Consideration or other Cygnus securities, as applicable, so sold.

**Approval of Arrangement Resolution**

At the Meeting, Doré Shareholders will be asked to consider, and if thought advisable, to approve the Arrangement Resolution, the full text of which is set out in Appendix B of this Circular.

In order for the Arrangement to become effective, the Arrangement Resolution must be approved at the Meeting by the affirmative vote of (i) at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by Doré Shareholders, and (ii) a majority (50% + 1) of the votes cast on the Arrangement Resolution by Doré Shareholders, excluding the votes cast in respect of Doré Shares held by certain interested or related parties or joint actors of Doré in accordance with the minority approval requirements of MI 61-101 (collectively, the "**Doré Shareholder Approval**"). If the Doré Shareholder Approval is not obtained at the Meeting, the Arrangement will not be completed.

The Doré Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement, and unanimously recommends that Doré Shareholders vote **FOR** the Arrangement Resolution.

See "*Part 7 – The Arrangement – Recommendation of the Doré Board*" of this Circular.

**Doré Voting and Lock-up Agreements**

Cygnus has entered into a Doré Voting and Lock-up Agreement with each of the following individuals: Frank Balint, Joseph de la Plante, Laurie Gaborit, Sara Heston, Nicholas Kwong, Martha Manuel, Ernest Mast, Gavin Nelson, Brent Omland, and Mario Stifano. In addition, Cygnus has entered into a Doré Voting and Lock-up Agreement with Doré's two largest shareholders, Equinox Partners Investment Management, LLC and Ocean Partners Holdings Limited.

Under the Doré Voting and Lock-up Agreements, each of the Doré Locked-up Shareholders has agreed to, among other things, support the Arrangement and to vote their Doré Shares (including any Doré Shares issued upon the exercise or exchange of Doré Options and Doré DSUs) in favour of the Arrangement Resolution and against any Acquisition Proposal or other proposal or transaction involving the Corporation or any of its subsidiaries which would reasonably be regarded as being directed towards or likely to prevent or delay the Meeting or the successful completion of the Arrangement or which would reasonably be expected to result in a Material Adverse Effect.

Under the terms of the Doré Voting and Lock-up Agreements, Cygnus has acknowledged that any Doré Locked-up Shareholder who is also a director or a senior officer of Doré is bound under the Doré Voting and Lock-up Agreements only in such person's capacity as a Doré Shareholder (and not in his or her capacity as a director or officer of Doré).

The Doré Voting and Lock-up Agreements terminate upon, among other things: (a) mutual agreement; (b) if, without the prior written consent of the Doré Locked-up Shareholder, the Arrangement Agreement is amended in a manner that (i) decreases the amount of consideration payable to such securityholder, (ii) changes the form of consideration payable in a manner that is material and adverse to the securityholder, or (iii) is otherwise material and adverse to the securityholder; (c) a party's election following a breach of the other party's covenant, representation or warranty; (d) the completion of the Arrangement; and (e) the date of termination of the Arrangement Agreement in accordance with the terms thereof.

**Interests of Certain Persons in the Arrangement**

In considering the unanimous recommendation of the Doré Board with respect to the Arrangement, Doré Shareholders are advised that certain members of Doré's management and the Doré Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. The Doré Board is aware of these interests and considered them along with other matters described under "*Part 7 – The Arrangement – Reasons for the Arrangement*" of this Circular above.

***Ownership of Securities of Doré***

As of the Record Date, directors and senior officers of Doré beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, 7,197,766 Doré Shares, as well as an aggregate of 7,472,500 Doré Shares issuable

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upon the exercise of 6,772,500 Doré Options and 700,000 Doré DSUs, representing, on a partially diluted basis, approximately 8.3% of the Doré Shares outstanding as of the close of business on the Record Date.

As of the Record Date, Equinox Partners Investment Management, LLC beneficially owns, directly or indirectly, or exercises control or direction over, in the aggregate, 48,429,455 Doré Shares, representing approximately 28.60% of the outstanding Doré Shares as of the close of business on the Record Date.

As of the Record Date, Ocean Partners Holdings Limited beneficially owns, directly or indirectly, or exercises control or direction over, in the aggregate, 48,188,299 Doré Shares, representing approximately 28.46% of the outstanding Doré Shares as of the close of business on the Record Date.

All of the Doré Shares held by Equinox Partners Investment Management, LLC, Ocean Partners Holdings Limited and directors and senior officers of Doré will be treated in the same fashion under the Arrangement as Doré Shares held by any other Doré Shareholder.

***Deferred Share Units, Stock Options and Warrants***

Pursuant to the Plan of Arrangement, each vested Doré DSU outstanding immediately prior to the steps in Section 3.1(c) of the Plan of Arrangement will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been immediately redeemed and cancelled, and in consideration Doré shall allot and issue from treasury to the holder of such Doré DSU such number of Doré Shares as are due to such holder under the terms of the Doré Plan (subject to withholding in accordance with the Plan of Arrangement), following which the former holders of Doré DSUs will be entitled to participate in the Arrangement on the same terms as the other Doré Shareholders.

Pursuant to the Plan of Arrangement, each Doré Option outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the terms of the Doré Plan, be cancelled and exchanged for a Replacement Option to acquire from Cygnus, such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Replacement Options in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such Doré Option immediately before the exchange.

As a result of the completion of the steps set out in the Plan of Arrangement, each Doré Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the Doré Warrants, following the Effective Time entitle the holder to such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Doré Warrants in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Doré Warrants shall be rounded up to the nearest whole cent), and all certificates governing the Doré Warrants shall be cancelled and replaced with replacement certificates representing such adjusted Doré Warrants.

See "*Part 7 – The Arrangement – Arrangement Mechanics*".

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As at the date of this Circular, there are an aggregate of: (i) 700,000 Doré DSUs, (ii) 8,744,000 Doré Options, and (iii) 115,500 Doré Warrants outstanding.

The Doré DSUs, Doré Options and Doré Warrants do not have votes attached to them for the purposes of the matters before the Meeting.

***Termination and Change of Control Benefits***

Certain officers of the Corporation have double-trigger "change of control" provisions (also referred to as "change-in-control" provisions) as part of their employment or consulting agreements with the Corporation. Upon completion of the Arrangement, such officers will be entitled to change of control payments pursuant to their respective employment or consulting agreements, as applicable, assuming such individuals' employment is terminated with effect as of the Effective Time. As at the date of this Circular, it is not certain which, if any, members of Doré's management will be terminated in connection with the Arrangement. Listed below is a summary of the estimated lump sum change of control payments applicable to the officers of Doré assuming an Effective Date of December 31, 2024:

| **Name and Position** | **Estimated Change of Control Payment[(1)]** |
|---|---|
| Mario Stifano, Executive Chairman and Director | $100,000 |
| Ernest Mast, President, Chief Executive Officer and Director | $200,000 |
| Gavin Nelson, Chief Financial Officer | $18,000 |
| Nicholas Kwong, Chief Operating Officer | $250,000 |
| Laurie Gaborit, Vice President, Investor Relations | $120,000 |
| Jean Tanguay, General Manager | $150,000 |

**Notes:**

(1): Represents cash payments based on base salary (or service fees) and short-term incentive bonus amount, in each case as modified by the severance or service term set out in each respective officer's employment or consulting agreement with the Corporation.

***Indemnification and Insurance***

In order to ensure that Doré's directors do not lose or forfeit their protection under liability insurance policies maintained by Doré, the Arrangement Agreement provides for the customary maintenance of such protection for six years.

Pursuant to the Arrangement Agreement, prior to the Effective Time, Doré shall purchase customary "tail" directors' and officers' liability insurance providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts, circumstances or events which occur on or prior to the Effective Date, provided that the total cost of such run-off directors' and officers' liability insurance shall not exceed 300% of Doré's and its subsidiaries' current annual aggregate premium for directors' and officers' liability insurance currently maintained by the Corporation or its subsidiaries.

**Cygnus Equity Raise**

On October 15, 2024, Cygnus announced to the ASX the Cygnus Equity Raise to raise up to A$11,000,000 (before costs) through the issue of 152,777,778 Cygnus Shares at an issue price of A$0.072 each. The first tranche of the Cygnus Equity Raise was completed on October 23, 2024 by the issue of 94,864,785 Cygnus Shares. The second tranche of the Cygnus Equity Raise, whereby a total of 57,912,993 Cygnus Shares are to be issued, is subject to and conditional on the receipt of the approval of Cygnus Shareholders, which is expected to be sought at a general meeting to be held in mid-December 2024. The second tranche of the Cygnus Equity Raise is also conditional on the receipt of the Doré Shareholder Approval being obtained at the Meeting. A fee of 5% of the proceeds of the Cygnus Equity



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Raise less amounts subscribed under the chair's list is payable to the joint lead managers, Canaccord Genuity (Australia) Limited and Euroz Hartleys Limited.

The net proceeds from the Cygnus Equity Raise, which is expected to be approximately A$10,405,000, will be applied to accelerate resource growth, both brownfields and greenfields exploration, pathway to production at the Chibougamau Project (including continuing permitting and studies), advancing the lithium exploration pipeline in James Bay and general working capital, including costs of the Arrangement and capital raising.

**MI 61-101 Protection of Minority Security Holders in Special Transactions**

***Business Combination***

Doré is subject to the requirements of MI 61-101. MI 61-101 establishes a securities regulatory framework that mitigates risks to minority security holders when a related party of the issuer, who may have superior access to information or significant influence, is involved in certain transactions. MI 61-101 does this generally by requiring enhanced disclosure, approval by a majority of securityholders excluding interested or related parties and/or, in certain instances, independent valuations. The protections of MI 61-101 generally apply to "business combinations" (as defined in MI 61-101) that terminate the interests of certain securityholders without their consent.

MI 61-101 provides that, in certain circumstances, where a "related party" (as defined in MI 61-101) of an issuer (i) is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with certain transactions (such as the Arrangement), or (ii) is party to a "connected transaction" (as defined in MI 61-101) to certain transactions (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and may be subject to minority approval requirements.

***Collateral Benefits***

A "collateral benefit", as defined under MI 61-101, includes any benefit that a "related party" of Doré (which includes the directors and executive officers of Doré) is entitled to receive as a consequence of the Arrangement including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to past or future services as an employee, trustee or consultant of Doré. However, MI 61-101 excludes from the meaning of "collateral benefit" certain benefits to a related party received solely in connection with the related party's services as an employee, trustee or consultant of an issuer or an affiliated entity of the issuer or a successor to the business of the issuer where, among other things (i) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction, (ii) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner, (iii) full particulars of the benefit are disclosed in the disclosure document for the transaction, and, either: (x) at the time the transaction was agreed to, the related party and its associated entities beneficially own or exercise control or direction over less than one percent (1%) of the outstanding shares of the issuer; or (y) if the transaction is a "business combination", (I) the related party discloses to an independent committee of the issuer the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities beneficially owned by the related party, (II) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the related party, is less than five percent (5%) of the value referred to in subclause (I), and (III) the independent committee's determination is disclosed in the disclosure document for the transaction.

If a "related party" receives a "collateral benefit" in connection with the Arrangement, the Arrangement Resolution will require "minority approval" (as defined in MI 61-101) in accordance with MI 61-101. If "minority approval" is required, the Arrangement Resolution must be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by any "related party" of Doré who will receive a "collateral benefit" in connection with the Arrangement. This approval is in addition to the requirement that the Arrangement Resolution must be approved by two-thirds of the votes cast by Doré Shareholders present in person or represented by proxy at the Meeting and entitled to vote.

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Refer to the table above under the heading *"Interests of Certain Persons in the Transactions – Termination and Change of Control Benefits"* for a description of the "collateral benefits" that the executive officers of Doré may be entitled to receive in connection with the Arrangement. These "collateral benefits" include cash severance payments (which include payments for base salary and short-term incentives).

In addition, directors of the Corporation hold Doré DSUs. If the Arrangement is completed, all Doré DSUs will become vested on an accelerated basis, and the directors holding such Doré DSUs will receive the Consideration therefor to which such holders are entitled pursuant to the Plan of Arrangement, less applicable withholdings.

The accelerated vesting of Doré DSUs and the consideration paid for such accelerated Doré DSUs under the Arrangement, and any change of control payments, may be considered a "collateral benefit" received by directors and senior officers of the Corporation for purposes of MI 61-101.

Following disclosure by each of the directors and executive officers of Doré of the number of securities of Doré held by them and the total consideration that they expect to receive pursuant to the Arrangement, the only directors or senior officers of Doré who are receiving a benefit in connection with the Arrangement and beneficially owns or exercises control or direction over more than one percent (1%) of the Doré Shares are Mr. Ernest Mast and Mr. Mario Stifano.

The Special Committee has determined that the value of any benefits to be received by each of Mr. Mast and Mr. Stifano, net of any offsetting costs, is more than 5% of the value of consideration that Mr. Mast and Mr. Stifano, respectively, expect they will be beneficially entitled to receive under the terms of the Arrangement, in exchange for the equity securities beneficially owned by them. As a result of the foregoing, (i) the Doré Shares that Mr. Ernest Mast beneficially owns, directly or indirectly, or over which he has control or direction (being 3,448,816 Doré Shares or approximately 2.04% of the issued and outstanding Doré Shares as of the Record Date), and (ii) the Doré Shares that Mr. Mario Stifano beneficially owns, directly or indirectly, or over which he has control or direction (being 3,263,950 Doré Shares or approximately 1.93% of the issued and outstanding Doré Shares as of the Record Date) will be excluded for the purpose of determining if minority approval of the Arrangement is obtained.

***Connected Transaction***

"Connected transactions", as defined in MI 61-101, are two or more transactions that have at least one party in common, directly or indirectly, other than transactions related solely to services as an employee, director or consultant, and (i) are negotiated or completed at approximately the same time, or (ii) the completion of at least one of the transactions is conditional on the completion of each of the other transactions.

If a "related party" is party to a "connected transaction" to the Arrangement, the Arrangement Resolution will require "minority approval" (as defined in MI 61-101) in accordance with MI 61-101. If "minority approval" is required, the Arrangement Resolution must be approved by a majority of the votes cast, excluding those votes beneficially owned, or over which control or direction is exercised, by any "related party" of Doré who is party to a "connected transaction" to the Arrangement. This approval is in addition to the requirement that the Arrangement Resolution must be approved by two-thirds of the votes cast by Doré Shareholders present in person or represented by proxy at the Meeting and entitled to vote.

On October 10, 2024, CBAY entered into a limited waiver (the "**Ocean Partners Waiver**") with an affiliate of Ocean Partners Holdings Limited (the "**Ocean Partners Lender**") pursuant to which, among other things, the Ocean Partners Lender has agreed to waive the accrual of interest on certain promissory notes issued by CBAY in favour of the Ocean Partners Lender for a period of time commencing on October 1, 2024 and ending on December 31, 2026. The effectiveness of the Ocean Partners Waiver is conditional upon, among other things, the completion of the Arrangement.

The Ocean Partners Lender is a "related party" of Doré given that the Ocean Partners Lender is an affiliated entity (within the meaning of MI 61-101) of Ocean Partners Holdings Limited, which, to Doré's knowledge, has beneficial ownership of, or control or direction over, directly or indirectly, including through the Ocean Partners Lender, more than 10% of the outstanding Doré Shares.

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The Doré Board has determined that, to the extent that the Ocean Partners Waiver constitutes a transaction, for the purposes of MI 61-101, the Ocean Partners Waiver is a "connected transaction" to the Arrangement, given that: (i) the Ocean Partners Waiver has at least one party in common, indirectly, with the Arrangement, being Doré through CBAY; (ii) the Ocean Partners Waiver was negotiated at approximately the same time as the Arrangement Agreement; and (iii) the Ocean Partners Waiver is conditional on completion of the Arrangement.

As a result of the determination of the Doré Board that the Ocean Partners Lender is a "related party" which is a party to the Ocean Partners Waiver or a "connected transaction" to the Arrangement, the Doré Shares that Ocean Partners Holdings Limited beneficially owns, directly or indirectly, or over which it has control or direction (being 48,188,299 Doré Shares or approximately 28.46% of the issued and outstanding Doré Shares as of the Record Date), will be excluded for the purpose of determining if minority approval of the Arrangement is obtained.

Accordingly, the Interim Order provides that in order to be effective, the Arrangement Resolution must, in addition to being approved by at least 66⅔% of the votes cast at the Meeting on the Arrangement Resolution by Doré Shareholders, also be approved by at least a majority (50% + 1) of the votes cast on the Arrangement Resolution at the Meeting by the Doré Shareholders present in person or represented by proxy, after excluding the votes cast by Mr. Ernest Mast, Mr. Mario Stifano and Ocean Partners Holdings Limited, being an aggregate of 54,901,065 Doré Shares or approximately 32.43% of the issued and outstanding Doré Shares as of the Record Date.

***Formal Valuation***

Doré is not required to obtain a formal valuation under MI 61-101 in connection with the Arrangement, as (i) no "interested party" would, as a consequence of the Arrangement, directly or indirectly acquire Doré or the business of Doré, or combine with Doré, through an amalgamation, arrangement or otherwise, whether alone or with joint actors and (ii) there is no "connected transaction" involving an "interested party" that would qualify as a "related party transaction" (as defined in MI 61-101) for which Doré would be required to obtain a formal valuation.

***Prior Valuations***

To the knowledge of the directors and senior officers of the Corporation, there have been no "prior valuations" (as defined in MI 61-101) prepared in respect of the Corporation within the 24 months preceding the date of this Circular.

***Prior Offers***

Except as described in this Circular under the heading "*Part 7 – The Arrangement – Background to the Arrangement*", the Corporation has not received any *bona fide* prior offer relating to the subject matter of, or otherwise relevant to, the Arrangement in the past 24 months preceding the entry into the Arrangement Agreement. See "*Part 7 – The Arrangement – Background to the Arrangement*".

***Other***

The Corporation confirms that during the process of review and approval of the Arrangement, there was no materially contrary view or abstention by a director or any material disagreement between the Doré Board and the Special Committee.

**Court Approval of the Arrangement**

An arrangement under the CBCA requires Court approval.

***Interim Order***

On November 12, 2024, Doré obtained the Interim Order providing for the calling and holding of the Meeting, the grant of Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix D to this Circular.

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***Final Order***

Subject to the terms of the Arrangement Agreement, provided the Arrangement Resolution is approved by Doré Shareholders at the Meeting in the manner required by the Interim Order, Doré intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for December 19, 2024 at 10:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard, or at any other date and time as the Court may direct. Any Doré Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must file and serve a Notice of Appearance and any evidence upon which they intend to rely forthwith and by no later than December 13, 2024, along with any other documents required, all as set out in the Interim Order and the Notice of Application, the text of which are set out in Appendix D and Appendix E to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously filed and served a Notice of Appearance will be given notice of the adjournment.

The Court has broad discretion under the CBCA when making orders with respect to the Arrangement. The Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Doré and/or Cygnus may determine not to proceed with the Arrangement.

The Cygnus Shares to be issued pursuant to the Arrangement, as well as the Replacement Options to be issued pursuant to the Arrangement, have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will be issued and exchanged in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and exemptions provided from or qualifications under the registration requirements of any applicable securities laws of any state of the United States in which Doré Shareholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities, or partly in such exchange and partly for cash, from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court will be advised prior to the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Cygnus Shares to be received by Doré Shareholders pursuant to the Arrangement and the Replacement Options to be received by holders of Doré Options pursuant to the Arrangement will not require registration under the U.S. Securities Act. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the Section 3(a)(10) Exemption with respect to the issuance and exchange of the Cygnus Shares to be issued to Doré Shareholders pursuant to the Arrangement and the Replacement Options to be granted to holders of Doré Options pursuant to the Arrangement. However, the Section 3(a)(10) Exemption will not be available for the issuance of any Cygnus Shares that are issuable upon exercise of the Replacement Options. Therefore, the Cygnus Shares issuable upon the exercise of the Replacement Options will be "restricted securities" within the meaning of Rule 144 and may be issued only pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws or following registration under such Laws.

See "*Part 9 – Securities Law Matters – United States Securities Law Matters*" of this Circular. For a copy of the Interim Order, see Appendix D of this Circular.

**Completion of the Arrangement**

Subject to the satisfaction or waiver of the conditions in the Arrangement Agreement, and subject to any Order of the Court, the Arrangement will, upon filing of the Articles of Arrangement with the Director under the CBCA, become effective on the Effective Date commencing at the Effective Time. The Effective Date will not occur until all of the conditions to completion of the Arrangement set out in the Arrangement Agreement have been satisfied or waived in

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accordance with the Arrangement Agreement. If the Arrangement Resolution is approved at the Meeting and all other required approvals (including the Final Order) and conditions to the completion of the Arrangement are satisfied or waived, the Effective Date is expected to occur in December of 2024. In no event shall the Effective Date be later than March 31, 2025, unless otherwise agreed to between Doré and Cygnus. On the Effective Date, upon completion of the Arrangement, Doré and Cygnus will publicly announce that the Arrangement has been implemented.

**Effects of the Arrangement on Doré Shareholders' Rights**

Doré Shareholders receiving Cygnus Shares under the Arrangement will become Cygnus Shareholders. Cygnus is incorporated under the Laws of Western Australia.

**The rights of a shareholder of an Australian corporation differ from the rights of a shareholder of a CBCA corporation. See Appendix H of this Circular for a summary comparison of the rights of Doré Shareholders and Cygnus Shareholders.** The rights of Doré Shareholders are governed by the CBCA and by Doré's articles and by-laws. Following the Arrangement, Doré Shareholders who receive Cygnus Shares as part of the Arrangement will become Cygnus Shareholders, and as such their rights will be governed by the Corporations Act, the ASX Listing Rules, and by the Cygnus Constitution. Doré Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

## PART 8. THE ARRANGEMENT AGREEMENT

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive, is not intended as a substitute for reviewing the Arrangement Agreement and is qualified in its entirety by reference to the full text of the Arrangement Agreement, which can be found under the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca.

The description of the Arrangement Agreement has been included in this Circular to provide Doré Shareholders with information regarding terms of the Arrangement. It is not intended to provide any other factual information about the Parties to the Arrangement Agreement or their respective subsidiaries or affiliates. See "*Part 8 – The Arrangement Agreement – Representations and Warranties*" below for additional detail.

**Effective Date and Conditions of Arrangement**

If the Arrangement Resolution is passed, the Final Order approving the Arrangement is obtained, every requirement of the CBCA relating to the Arrangement has been complied with and all other conditions to the Arrangement Agreement as summarized under "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" are satisfied or waived, the Arrangement will become effective on the Effective Date commencing at the Effective Time.

**Representations and Warranties**

The Arrangement Agreement contains representations and warranties made by Doré to Cygnus and representations and warranties made by each of Cygnus and AcquireCo to Doré. The representations and warranties were made solely for purposes of the Arrangement Agreement and are subject to important qualifications, limitations and exceptions agreed to by the Parties in connection with negotiating its terms. In particular, some of the representations and warranties are subject to a contractual standard of materiality or Material Adverse Effect standard, which is different from that generally applicable to public disclosure to Doré Shareholders or may have been used for the purpose of allocating risk between the Parties to the Arrangement Agreement.

Doré Shareholders are not third-party beneficiaries under the Arrangement Agreement and should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

***Representations and Warranties of Doré***

The representations and warranties provided by Doré in favour of Cygnus relate to, among other things: "Organization"; "Authorization; Validity of Agreement"; "Execution and Binding Obligations"; "Consents and Approvals; No Violations"; "Required Approvals"; "Subsidiaries"; "Compliance with Laws and Constating

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Documents"; "Permits"; "Capitalization"; "Shareholders' and Similar Agreements"; "Reporting Issuer Status and Stock Exchange Compliance"; "Reports"; "Comments, Review, Audits, Etc."; "Financial Statements"; "Undisclosed Liabilities"; "No Hedging"; "Environmental Matters"; "Indigenous Matters"; "Employment Matters"; "Absence of Certain Changes or Events"; "Litigation; Orders"; "Taxes"; "Books and Records"; "Minute Books"; "Insurance"; "Non-Arm's Length Transactions"; "Benefit Plans"; "Restrictions on Business Activities"; "Material Contracts"; "Real Property and Personal Property"; "Title to the Assets"; "Sufficiency of Assets"; "No Options, etc. to Purchase Assets"; "Condition of Tangible Assets"; "Accounts Receivable"; "Inventories"; "Interest in Properties and Doré Mineral Rights"; "Mineral Resources"; "Operational Matters"; "Corrupt Practices Legislation"; "Compliance with Sanction Legislation"; "Intellectual Property; Data Protection; Cybersecurity"; "Brokers; Expenses"; and "Opinion of Paradigm".

***Representations and Warranties of Cygnus and AcquireCo***

The representations and warranties provided by Cygnus and AcquireCo in favour of Doré relate to, among other things: "Organization"; "Authorization; Validity of Agreement"; "Execution and Binding Obligations"; "Consents and Approvals; No Violations"; "Required Approvals"; "Subsidiaries"; "Compliance with Laws and Constating Documents"; "Permits"; "Capitalization"; "Shareholders' and Similar Agreements"; "Securities Law Matters"; "Financial Statements"; "No Undisclosed Liabilities"; "No Hedging"; "Environmental Matters"; "Indigenous Matters"; "Employment Matters"; "Absence of Certain Changes or Events"; "Litigation; Orders"; "Taxes"; "Books and Records"; "Minute Books"; "Insurance"; "Non-Arm's Length Transactions"; "Benefit Plans"; "Restrictions on Business Activities"; "Material Contracts"; "Real Property and Personal Property"; "Title to the Assets"; "Sufficiency of Assets"; "No Options, etc. to Purchase Assets"; "Condition of Tangible Assets"; "Accounts Receivable"; "Inventories"; "Interest in Cygnus Mineral Rights"; "Mineral Resources"; "Operational Matters"; "Corrupt Practices Legislation"; "Compliance with Sanction Legislation"; "Intellectual Property; Data Protection; Cybersecurity"; "Investment Canada Act"; and "Brokers; Expenses".

**Conditions to the Arrangement Becoming Effective**

In order for the Arrangement to become effective, certain conditions precedent must have been satisfied or waived, which conditions are summarized below.

***Mutual Conditions Precedent***

The obligations of the Parties to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent, each of which is for the mutual benefit of the Parties and which may only be waived with the mutual consent of the Parties at any time, in whole or in part:

(a) the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, in form and substance satisfactory to each of Doré and Cygnus, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to Doré or Cygnus, acting reasonably, on appeal or otherwise;

(b) the Doré Shareholder Approval shall have been obtained at the Meeting in accordance with the Interim Order and applicable Laws;

(c) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, against Cygnus or Doré which prevents the consummation of the Arrangement;

(d) no Proceeding shall be pending or threatened by any Governmental Entity in any jurisdiction that is reasonably likely to (i) cease trade, enjoin, prohibit, or impose any limitations, damages, or conditions on Cygnus' ability to acquire, hold, or exercise full rights of ownership over any Doré Shares, including the right to vote the Doré Shares, or (ii) prohibit or enjoin Doré or Cygnus from consummating the Arrangement;

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(e) the Arrangement Agreement shall not have been terminated in accordance with its terms;

(f) the distribution of the securities pursuant to the Arrangement shall either: (i) be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief granted from the securities regulatory authorities of Australia (including in respect of the on-sale disclosure obligations imposed by subsections 707(3) and (4) of the Corporations Act for the on-sale of Cygnus Shares following implementation of the Arrangement) and each of the provinces and territories of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale or on-sale restrictions or disclosure obligations under applicable Securities Laws (other than as applicable to control persons or pursuant to Section 2.6 of NI 45-102); or (ii) if exemptive relief from the prospectus and registration requirements under applicable Australian Securities Laws is not granted by the securities regulatory authorities of Australia, Cygnus shall have filed a prospectus in connection with the issuance of the Cygnus Shares to be issued pursuant to the Arrangement;

(g) conditional approval (or equivalent approval) of the listing or official quotation of the Cygnus Shares issuable pursuant to the Arrangement on the ASX and of the Cygnus Shares on the TSXV shall have been obtained by Cygnus and, in respect of the listing of the Cygnus Shares on the TSXV, the conditions set out in the conditional approval letter of the TSXV (other than consummation of the Arrangement) shall have been satisfied;

(h) the Key Regulatory Approvals and Key Third Party Consents required to be obtained by each of Doré and Cygnus shall have been obtained; and

(i) the distribution of the Consideration and the Replacement Options pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and applicable securities laws of any state of the United States.

***Additional Conditions Precedent for the Benefit of Cygnus and AcquireCo***

The obligations of Cygnus and AcquireCo to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Cygnus and AcquireCo and may be waived by Cygnus on behalf of itself and AcquireCo at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Cygnus and AcquireCo may have):

(a) all covenants of Doré under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Cygnus shall have been duly performed by Doré in all material respects, and Cygnus shall have received a certificate of Doré addressed to Cygnus and dated the Effective Date, signed on behalf of Doré by an executive officer (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Doré set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Doré in the Arrangement Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by the Arrangement Agreement, and Cygnus shall have received a certificate of Doré addressed to Cygnus and dated the Effective Date, signed on behalf of Doré by an executive officer of Doré (without personal liability), confirming the same as at the Effective Date;

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(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Doré which is continuing, and Cygnus shall have received a certificate of Doré addressed to Cygnus and dated the Effective Date, signed on behalf of Doré by an executive officer of Doré (without personal liability), confirming the same as at the Effective Date;

(d) holders of no more than 5% of the Doré Shares shall have exercised Dissent Rights; and

(e) Doré has received effective resignations and mutual releases (in a form satisfactory to Cygnus, acting reasonably) of each member of the Doré Board and each member of the board of directors of CBAY, effective as of the Effective Date, as designated by Cygnus to Doré prior to the Effective Date.

***Additional Conditions Precedent for the Benefit of Doré***

The obligation of Doré to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Doré and may be waived by Doré at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Doré may have):

(a) all covenants of Cygnus and AcquireCo under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Doré shall have been duly performed by Cygnus and AcquireCo in all material respects, and Doré shall have received a certificate of Cygnus, addressed to Doré and dated the Effective Date, signed on behalf of Cygnus by an executive officer of Cygnus (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Cygnus and AcquireCo set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Cygnus and AcquireCo in the Arrangement Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by the Arrangement Agreement; and Doré shall have received a certificate of Cygnus, addressed to Doré and dated the Effective Date, signed on behalf of Cygnus by an executive officer of Cygnus (without personal liability), confirming the same as at the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Cygnus which is continuing, and Doré shall have received a certificate of Cygnus, addressed to Doré and dated the Effective Date, signed by an executive officer of Cygnus (without personal liability), confirming the same as at the Effective Date; and

(d) Cygnus shall have complied with its obligations under Section 2.8 of the Arrangement Agreement and the Depositary shall have confirmed receipt of the Cygnus Shares contemplated thereby.

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**Covenants of Doré**

***Covenants Relating to Conduct of Business***

Doré has made certain covenants to Cygnus, including that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required or permitted by the Arrangement Agreement or the Plan of Arrangement, or as set out in the Doré Disclosure Letter (which, for greater certainty, do not require the consent of Cygnus or AcquireCo), as required by applicable Laws or any Governmental Entities and subject to certain exceptions set out in the Arrangement Agreement or as consented to by Cygnus in writing (such consent not to be unreasonably withheld or delayed), Doré shall, and shall cause CBAY to:

(a) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the ordinary course of business consistent with past practice;

(b) use commercially reasonable efforts to preserve intact its present business organization, assets (including Intellectual Property), Permits and goodwill, maintain the Doré Mineral Rights and its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;

(c) comply in all material respects with all applicable Laws, including Securities Laws and Tax Laws;

(d) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated by the Arrangement Agreement; and

(e) keep Cygnus fully informed as to material decisions or actions made or required to be made with respect to, and material developments relating to, the operation of its businesses and consult with Cygnus, as Cygnus may reasonably request, to allow Cygnus to monitor and provide input with respect to the direction and control of, any such material decisions or actions or developments.

Without limiting the generality of the foregoing, Doré has also covenanted to Cygnus and agreed that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required by Law, required or permitted by the Arrangement Agreement or the Plan of Arrangement, or as set out in the Doré Disclosure Letter (which, for greater certainty, do not require the consent of Cygnus or AcquireCo), Doré shall not, nor shall it permit CBAY to, directly or indirectly, without the prior written consent of Cygnus (which consent shall not be unreasonably withheld or delayed):

(a) amend, restate, rescind, alter, enact, or adopt all or any portion of any of the Constating Documents of Doré or CBAY;

(b) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any securities of or any securities convertible into securities of Doré (other than in connection with the exercise or conversion, in accordance with their respective terms, of outstanding Doré Options, Doré DSUs or Doré Warrants) or except as provided for in the Arrangement Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any outstanding securities of Doré or right that is linked in any way to the price of any securities of Doré;

(c) reduce the stated capital of any of its securities;

(d) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) on, or purchase, redeem, repurchase or otherwise acquire, any securities of Doré or CBAY;

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(e) create any subsidiary;

(f) adopt a plan of complete or partial liquidation, arrangement, dissolution, amalgamation, merger, consolidation, restructuring, recapitalization, winding-up or other reorganization of Doré or CBAY (other than pursuant to the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement), or file a petition in bankruptcy under any applicable Law on behalf of Doré or CBAY, or consent to the filing of any bankruptcy petition against Doré or CBAY under any applicable Law;

(g) sell, sell and lease back, pledge, licence, lease, sublease, alienate, dispose, swap, transfer or voluntarily lose the right to use, in whole or in part, or otherwise dispose of, or subject to any Lien (other than Permitted Liens), any asset or any interest in any asset, or waive, cancel, release or assign to any person (other than Doré or CBAY) any material right or claim (including indebtedness owed to Doré or CBAY), in either case having a value greater than A$250,000, except for (i) assets sold, leased, disposed of or otherwise transferred in the ordinary course and that are not, individually or in the aggregate, material to Doré or CBAY, (ii) obsolete, damaged or destroyed assets in the ordinary course of business and that are not, individually or in the aggregate, material to Doré or CBAY, (iii) returns of leased assets at the end of the lease term, (iv) transfers of assets between Doré and a subsidiary of Doré, and (v) as required pursuant to the terms of any Material Contract in effect on the date of the Arrangement Agreement and set out in the Doré Disclosure Letter;

(h) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization having a value greater than A$250,000 in the aggregate;

(i) except as contemplated by the Arrangement Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;

(j) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;

(k) make any capital expenditures or commitments other than (i) capital expenditures that are included in the Doré Budget, or (ii) any other capital expenditures that do not exceed A$250,000 in the aggregate;

(l) make, rescind or amend any material Tax election, information schedule, return or designation, settle or compromise any material Tax claim, assessment, reassessment or liability, or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

(m) take any action inconsistent with past practice relating to the filing of any Tax Return or the withholding, collecting, remitting and payment of any Tax;

(n) enter into any Tax sharing, Tax allocation, Tax related waiver or Tax indemnification agreement, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes;

(o) fail to pay or cause to be paid all accounts when due or invoices promptly upon receipt, in any way related to the business, operations and assets of Doré or CBAY, in each case in the ordinary course of business, consistent with past practice;

(p) pay, discharge or satisfy any material claims, liabilities or obligations other than (i) the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of



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liabilities reflected or reserved against in the Doré Financial Statements, (ii) as reflected in the Doré Budget, (iii) any other claims, liabilities, obligations or expenditures that do not exceed A$250,000 in the aggregate, or (iv) incurred in the ordinary course of business consistent with past practice;

(q) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing material licence, lease, Permit, Material Contract or other material document, without first advising Cygnus and obtaining Cygnus's consent and direction, acting reasonably, as to any action to be taken in that regard, and forthwith taking any action directed by Cygnus, acting reasonably;

(r) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of the Arrangement Agreement provided, however, that: (i) Doré shall take such action as may be required in order to ensure that the provisions of Section 2.11 of the Arrangement Agreement are complied with; and (ii) Doré will abide by the terms and conditions of any employment agreements and consulting agreements in respect of any person who will no longer be employed or retained by Cygnus or Doré, as the case may be, after the Arrangement, including with respect to the payments of any severance amounts or change of control payments, if applicable, or if amendments or revisions are to made to the terms and conditions of any employment agreements and consulting agreements, such amendments and revisions will be made with the prior written consent of Cygnus;

(s) hire any new employees or full-time consultants of Doré or CBAY other than to replace any employee who has voluntarily resigned or has been terminated for poor performance, for just cause or with a serious reason since the date of the Arrangement Agreement, provided that the terms of the employment, consulting or similar agreement with the new employee or full-time consultant are substantially the same as the employment agreement previously entered into with the employee being replaced, or as set out in the Doré Budget;

(t) (i) incur, create, assume or otherwise become liable for any indebtedness, other than: (A) indebtedness under credit cards incurred in the ordinary course of business and lines of credit and factoring agreements incurred in the ordinary course of business which for the purpose of this provision shall include any such debt which funds operations of the business not in excess of A$250,000; (B) as contemplated in the Doré Budget; or (C) any other loans or, advances guarantees or other obligations, individually or in the aggregate, in an amount not to exceed A$250,000 or (ii) incur, create, assume or otherwise become liable for any other material liability or obligation, other than in the ordinary course of business or (iii) issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other person; or make any loans or advances to any other person, other than loans or advances made by Doré to a subsidiary of Doré, or by a subsidiary to Doré, or pursuant to transactions contemplated in the Arrangement Agreement;

(u) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts, off-take, royalty or similar financial instruments including any streaming transactions;

(v) commence, pay, discharge, settle, satisfy, compromise, waive, assign or release any claims, rights, liabilities or obligations relating to any Proceeding or threatened Proceeding (i) by any Governmental Entity; or (ii) the settlement of which would result in any relief, other than the payment by Doré or CBAY of an amount in cash, including debarment, corporate integrity agreements, any undertaking restricting the operations of Doré or CBAY's business or the granting of licenses, deferred prosecution agreements, consent decrees, plea agreements or mandatory or permissive exclusion, seizure or detention of product, or notification, repair or replacement; other than the payment, discharge, settlement, or satisfaction of liabilities reflected or reserved against in Doré's consolidated annual financial statements, or payment of any fees related to the Arrangement;

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(w) enter into or adopt any shareholder rights plan or similar agreement or arrangement;

(x) enter into, modify or terminate or cancel any Collective Agreement, or enter into any Contract that would be a Collective Agreement if in effect on the date hereof or grant recognition to any labour union or similar labour organization for purposes of collective bargaining;

(y) engage in any transaction with any senior management Employee, vice-president, director or any of their immediate family members (including spouses) or any related party (within the meaning of MI 61-101), other than (i) expense reimbursements and advances in the ordinary course of business, (ii) employment Contracts with Employees hired in accordance with Section 5.1(b)(xix) of the Arrangement Agreement, or (iii) transactions between Doré and a subsidiary of Doré;

(z) prepay any long-term indebtedness before its scheduled maturity;

(aa) enter into any agreement or arrangement that would limit or restrict in any material respect Doré and CBAY from competing or carrying on any business in any manner;

(bb) materially change the business carried on by Doré and CBAY, taken as a whole;

(cc) enter into or amend any Contract with any broker, finder or investment banker, including any amendment to any Contracts listed in the Doré Disclosure Letter;

(dd) disclose any material trade secrets or material confidential information pertaining to Doré or CBAY to any person, other than in the ordinary course of business to persons who are under a contractual, legal, or ethical obligation to maintain the confidentiality of such information or as otherwise required by Law;

(ee) amend any existing material Permit of Doré or CBAY, or abandon or fail to diligently pursue any application for or renewal of any required material Permit, or take or omit to take any action that would reasonably be expected to lead to the termination of, or imposition of conditions on, any such material Permit of Doré or CBAY;

(ff) conduct any write-off, capitalisation or other action in respect of any intercompany loans and balances between Doré and/or between any other wholly owned subsidiary of Doré except in the ordinary course of business consistent with past practice or in connection with the Arrangement Agreement or the transactions contemplated thereby;

(gg) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the Arrangement or the transactions contemplated in the Arrangement Agreement; or

(hh) authorize, agree, resolve or otherwise commit, whether or not in writing, directly or indirectly, to do any of the foregoing.

Doré shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by Doré or CBAY, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect; provided that, subject to certain exceptions set forth in the Arrangement Agreement, neither Doré nor CBAY shall obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months.

Doré shall promptly notify Cygnus in writing of any circumstance or development that, to the knowledge of Doré, has or could reasonably be expected to have a Material Adverse Effect on Doré.

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Doré has also agreed with Cygnus that, prior to the Effective Time, Doré shall exercise, consistent with the terms of the Arrangement Agreement, control and supervision over its business and operations.

***Covenants Relating to the Arrangement***

Doré has covenanted to Cygnus and agreed that it shall, and shall cause its subsidiaries to, perform all obligations required to be performed by Doré or any of its subsidiaries under the Arrangement Agreement, cooperate with Cygnus in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in the Arrangement Agreement and, without limiting the generality of the foregoing, Doré shall and, where applicable, shall cause its subsidiaries to:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law applicable to it or its subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) apply for and use its commercially reasonable efforts to, as soon as reasonably practicable, obtain and maintain all Regulatory Approvals, third party notices or other notices and consents, waivers, Permits, exemptions, orders, approvals, agreements, amendments or confirmations that are reasonably required or reasonably requested by Cygnus relating to Doré or any of its subsidiaries in connection with the Arrangement or the other transactions contemplated by the Arrangement Agreement (including the Key Third Party Consents and those reasonably required under any Contract to which Doré or a subsidiary of Doré is a party or those needed to maintain in full force and effect any Permit held by the Doré or a subsidiary of Doré) provided, that the Parties agree that it shall not be a condition to closing of the Arrangement that such waivers, consents and approvals are obtained other than as set out in Article 6 of the Arrangement Agreement, in each case on terms that are reasonably satisfactory to Cygnus and without paying, and without committing itself or Cygnus to pay, any consideration or incur any liability or obligation without the prior written consent of Cygnus and, in doing so, keep Cygnus reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Cygnus with copies of all related applications, notices and notifications, in draft form, in order for Cygnus to provide its reasonable comments thereon, which shall be given due and reasonable consideration;

(c) ensure that, with effect as and from the Effective Time, the directors and officers of Doré and CBAY will be David Southam as Chairman and director and Ernest Mast as President and Managing Director, provided all such members consent to act as director of Doré and CBAY and are eligible under applicable Law to serve as a director of Doré and CBAY;

(d) defend all lawsuits or other legal, regulatory or other Proceedings against Doré challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated thereby;

(e) until the earlier of the Effective Time and termination of the Arrangement Agreement, subject to applicable Law, make available and cause to be made available to Cygnus, information reasonably requested by Cygnus for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of Cygnus and Doré following the Effective Date and confirming the representations and warranties of Doré set out in the Arrangement Agreement; and

(f) promptly notify Cygnus of:

1. any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or may be required in connection with the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby;

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2. unless prohibited by Law, any notice or other communication from any person in connection with the transactions contemplated by the Arrangement Agreement (and Doré shall contemporaneously provide a copy of any such written notice or communication to Cygnus);

3. any breach or default, or any notice of alleged breach or default, by Doré or its subsidiaries of any Material Contract or Permit to which it is a party or by which it is bound;

4. any written notice or other communication from any Governmental Entity in connection with the Arrangement Agreement (and Doré shall contemporaneously provide a copy of any such written notice or communication to Cygnus); and

5. any (A) Proceedings commenced or, to the knowledge of Doré, threatened against, relating to or involving or otherwise affecting the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby, and (B) material Proceedings commenced or, to the knowledge of Doré, threatened against, relating to or involving or otherwise affecting Doré or its subsidiaries.

**Covenants of Cygnus**

***Covenants Relating to Conduct of Business***

Cygnus has made certain covenants to Doré, including that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required or permitted by the Arrangement Agreement or the Plan of Arrangement, as required in connection with the Cygnus Equity Raise, as set out in the Cygnus Disclosure Letter (which, for greater certainty, do not require the consent of Doré), as required by applicable Laws or any Governmental Entities and subject to certain exceptions set out in the Arrangement Agreement or as consented to by Doré in writing (such consent not to be unreasonably withheld or delayed), Cygnus shall, and shall cause each of its subsidiaries to:

(a) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the ordinary course of business consistent with past practice;

(b) use commercially reasonable efforts to preserve intact its present business organization, assets (including Intellectual Property), Permits and goodwill, maintain the Cygnus Mineral Rights and its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;

(c) comply in all material respects with all applicable Laws, including Securities Laws and Tax Laws;

(d) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated by the Arrangement Agreement; and

(e) keep Doré fully informed as to material decisions or actions made or required to be made with respect to, and material developments relating to, the operation of its businesses and consult with Doré, as Doré may reasonably request, to allow Doré to monitor and provide input with respect to the direction and control of, any such material decisions or actions or developments.

Without limiting the generality of the foregoing, Doré has also covenanted to Cygnus and agreed that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required by Law, required or permitted by the Arrangement Agreement or the Plan of Arrangement, as required in connection with the Cygnus Equity Raise, or as set out in the Cygnus Disclosure Letter (which, for greater certainty,

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do not require the consent of Doré), Cygnus shall not, nor shall it permit any of its subsidiaries to, directly or indirectly, without the prior written consent of Doré (which consent shall not be unreasonably withheld or delayed):

(a) amend, restate, rescind, alter, enact or adopt all or any portion of any of the Constating Documents of Cygnus or any of its subsidiaries;

(b) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any securities of or any securities convertible into securities of Cygnus (other than in connection with the exercise or conversion, in accordance with their respective terms, of outstanding options, warrants or other convertible securities or right that is linked in any way to the price of any securities of Cygnus) or except as provided for in the Arrangement Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any outstanding securities of Cygnus or right that is linked in any way to the price of any securities of Cygnus; split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of its shares or undertake or propose to undertake any other capital reorganization or change in its common shares, any other of its securities or its share capital;

(c) reduce the stated capital of any of its securities;

(d) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) on, or purchase, redeem, repurchase or otherwise acquire, any securities of Cygnus or a subsidiary of Cygnus;

(e) create any subsidiary;

(f) adopt a plan of complete or partial liquidation, arrangement, dissolution, amalgamation, merger, consolidation, restructuring, recapitalization, winding-up or other reorganization of Cygnus or any of its subsidiaries (other than pursuant to the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement), or file a petition in bankruptcy under any applicable Law on behalf of Cygnus or any of its subsidiaries, or consent to the filing of any bankruptcy petition against Cygnus or any of its subsidiaries under any applicable Law;

(g) sell, sell and lease back, pledge, licence, lease, sublease, alienate, dispose, swap, transfer or voluntarily lose the right to use, in whole or in part, or otherwise dispose of, or subject to any Lien (other than Permitted Liens), any asset or any interest in any asset, or waive, cancel, release or assign to any person (other than Cygnus or a subsidiary of Cygnus) any material right or claim (including indebtedness owed to Cygnus or a subsidiary of Cygnus) in either case having a value greater than A$250,000, except for (i) assets sold, leased, disposed of or otherwise transferred in the ordinary course of business and that are not, individually or in the aggregate, material to Cygnus or a subsidiary of Cygnus, (ii) obsolete, damaged or destroyed assets in the ordinary course of business and that are not, individually or in the aggregate material to Cygnus or a subsidiary of Cygnus, (iii) returns of leased assets at the end of the lease term, (iv) transfers of assets between Cygnus and a subsidiary of Cygnus, and (v) as required pursuant to the terms of any Material Contract in effect on the date of the Arrangement Agreement as set out in the Cygnus Disclosure Letter;

(h) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization having a value greater than A$250,000 in the aggregate;

(i) except as contemplated by the Arrangement Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;

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(j) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;

(k) make any capital expenditures or commitments other than (i) capital expenditures that are included in the Cygnus Budget, or (ii) any other capital expenditures that do not exceed A$250,000 in the aggregate;

(l) make, rescind or amend any material Tax election, information schedule, return or designation, settle or compromise any material Tax claim, assessment, reassessment or liability, or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

(m) take any action inconsistent with past practice relating to the filing of any Tax Return or the withholding, collecting, remitting and payment of any Tax;

(n) enter into any Tax sharing, Tax allocation, Tax related waiver or Tax indemnification agreement, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes;

(o) fail to pay or cause to be paid all accounts when due or invoices promptly upon receipt, in any way related to the business, operations and assets of Cygnus or a subsidiary of Cygnus, in each case in the ordinary course of business, consistent with past practice;

(p) pay, discharge or satisfy any material claims, liabilities or obligations other than (i) the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in the Cygnus Financial Statements, (ii) as reflected in the Cygnus Budget, (iii) any other claims, liabilities, obligations or expenditures that do not exceed A$250,000 in the aggregate, or (iv) incurred in the ordinary course of business consistent with past practice;

(q) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing material licence, lease, Permit, Material Contract or other material document, without first advising Doré and obtaining Doré's consent and direction, acting reasonably, as to any action to be taken in that regard, and forthwith taking any action directed by Doré, acting reasonably;

(r) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of the Arrangement Agreement provided, however, that Cygnus will abide by the terms and conditions of any employment agreements and consulting agreements in respect of any person who will no longer be employed or retained by Doré or Cygnus, as the case may be, after the Arrangement, including with respect to the payments of any severance amounts or change of control payments, if applicable;

(s) hire any new employees or full-time consultants of Cygnus or any of its subsidiaries other than to replace any employee who has voluntarily resigned or has been terminated for poor performance, for just cause or with a serious reason since the date of the Arrangement Agreement, provided that the terms of the employment, consulting or similar agreement with the new employee or full-time consultant are substantially the same as the employment agreement previously entered into with the employee being replaced;

(t) (i) incur, create, assume or otherwise become liable for any indebtedness, other than: (A) indebtedness under credit cards incurred in the ordinary course of business and lines of credit and factoring agreements incurred in the ordinary course of business which for the purpose of this



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provision shall include any such debt which funds operations of the business not in excess of A$250,000; (B) as contemplated in the Cygnus Budget; or (C) any other loans or, advances guarantees or other obligations, individually or in the aggregate, in an amount not to exceed A$250,000 or (ii) incur, create, assume or otherwise become liable for any other material liability or obligation, other than in the ordinary course of business or (iii) issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other person; or make any loans or advances to any other person, other than loans or advances made by Cygnus to a subsidiary of Cygnus, or by a subsidiary to Cygnus, or pursuant to transactions contemplated in the Arrangement Agreement;

(u) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts, off-take, royalty or similar financial instruments including any streaming transactions;

(v) commence, pay, discharge, settle, satisfy, compromise, waive, assign or release any claims, rights, liabilities or obligations, relating to any Proceeding or threatened Proceeding (i) by any Governmental Entity; or (ii) the settlement of which would result in any relief, other than the payment by Cygnus or a subsidiary of Cygnus of an amount in cash, including debarment, corporate integrity agreements, any undertaking restricting the operations of Cygnus or a subsidiary of Cygnus's business or the granting of licenses, deferred prosecution agreements, consent decrees, plea agreements or mandatory or permissive exclusion, seizure or detention of product, or notification, repair or replacement; other than the payment, discharge, settlement, or satisfaction of liabilities reflected or reserved against in Cygnus's consolidated annual financial statements, or payment of any fees related to the Arrangement;

(w) enter into or adopt any shareholder rights plan or similar agreement or arrangement;

(x) enter into, modify or terminate or cancel any Collective Agreement, or enter into any Contract that would be a Collective Agreement if in effect on the date hereof or grant recognition to any labour union or similar labour organization for purposes of collective bargaining;

(y) engage in any transaction with any senior management Employee, vice-president, director or any of their immediate family members (including spouses) or any related party (within the meaning of MI 61-101), other than (i) expense reimbursements and advances in the ordinary course of business, (ii) employment Contracts with Employees hired in accordance with Section 5.2(b)(xix) of the Arrangement Agreement, or (iii) transactions between Cygnus and a subsidiary of Cygnus;

(z) prepay any long-term indebtedness before its scheduled maturity;

(aa) enter into any agreement or arrangement that would limit or restrict in any material respect Cygnus and the subsidiaries of Cygnus from competing or carrying on any business in any manner;

(bb) materially change the business carried on by Cygnus and the subsidiaries of Cygnus, taken as a whole;

(cc) enter into or amend any Contract with any broker, finder or investment banker, including any amendment to any Contracts listed in the Cygnus Disclosure Letter;

(dd) disclose any material trade secrets or material confidential information pertaining to Cygnus or a subsidiary of Cygnus to any person, other than in the ordinary course of business to persons who are under a contractual, legal, or ethical obligation to maintain the confidentiality of such information or as otherwise required by Law;

(ee) amend any existing material Permit of Cygnus or a subsidiary of Cygnus, or abandon or fail to diligently pursue any application for or renewal of any required material Permit, or take or omit to

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take any action that would reasonably be expected to lead to the termination of, or imposition of conditions on, any such material Permit of Cygnus or a subsidiary of Cygnus;

(ff) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the Arrangement or the transactions contemplated in the Arrangement Agreement; or

(gg) authorize, agree, resolve or otherwise commit, whether or not in writing, directly or indirectly, to do any of the foregoing.

Cygnus shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by Cygnus or any of its subsidiaries, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect.

Cygnus shall promptly notify Doré in writing of any circumstance or development that, to the knowledge of Cygnus, has or could reasonably be expected to have a Material Adverse Effect on Cygnus.

Cygnus has also agreed with Doré that, prior to the Effective Time, Cygnus shall exercise, consistent with the terms of the Arrangement Agreement, control and supervision over its business and operations.

***Covenants Relating to the Arrangement***

Cygnus has covenanted to Doré and agreed that it shall, and shall cause its subsidiaries to, perform all obligations required to be performed by Cygnus or any of its subsidiaries under the Arrangement Agreement, cooperate with Doré in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in the Arrangement Agreement and, without limiting the generality of the foregoing, Cygnus shall and, where applicable, shall cause its subsidiaries to:

(a) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law applicable to it or its subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) apply for and use its commercially reasonable efforts to, as soon as reasonably practicable following the date hereof, obtain and maintain all Regulatory Approvals, third party notices or other notices and consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are reasonably required or reasonably requested by Doré relating to Cygnus or any of its subsidiaries in connection with the Arrangement or the other transactions contemplated thereby (including the Key Third Party Consents and those reasonably required under any Contract to which Cygnus or a subsidiary of Cygnus is a party or those needed to maintain in full force and effect any Permit held by the Cygnus or a subsidiary of Cygnus) provided, that the Parties agree that it shall not be a condition to closing of the Arrangement that such waivers, consents and approvals are obtained other than as set out in Article 6 of the Arrangement Agreement, in each case on terms that are reasonably satisfactory to Doré and without paying, and without committing itself or Doré to pay, any consideration or incur any liability or obligation without the prior written consent of Doré and, in doing so, keep Doré reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Doré with copies of all related applications, notices and notifications, in draft form, in order for Doré to provide its reasonable comments thereon, which shall be given due and reasonable consideration;

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(c) subject to the terms and conditions of the Arrangement Agreement and of the Plan of Arrangement and applicable Laws, issue the Cygnus Shares to be issued pursuant to the Arrangement at the time provided therein;

(d) ensure that, with effect as and from the Effective Time, Ernest Mast shall be appointed President and Managing Director of Cygnus and the Cygnus Board will be constituted of David Southam, as Executive Chair, Ernest Mast, as President and Managing Director, two current non-executive directors of Cygnus and two other non-executive directors nominated by Doré, provided all such members of the Cygnus Board consent to act as director on the Cygnus Board, meet the qualification requirements to serve as a director under the rules and policies of the Exchange and shall be eligible under applicable Law to serve as a director;

(e) defend all lawsuits or other legal, regulatory or other Proceedings against Cygnus challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated thereby;

(f) until the earlier of the Effective Time and termination of the Arrangement Agreement, subject to applicable Law, make available and cause to be made available to Doré, information reasonably requested by Doré for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of Cygnus and Doré following the Effective Date and confirming the representations and warranties of Cygnus set out in the Arrangement Agreement; and

(g) promptly notify Doré of:

1. any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or may be required in connection with the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby;

2. unless prohibited by Law, any notice or other communication from any person in connection with the transactions contemplated by the Arrangement Agreement (and Cygnus shall contemporaneously provide a copy of any such written notice or communication to Doré);

3. any breach or default, or any notice of alleged breach or default, by Cygnus or a subsidiary of Cygnus of any Material Contract or Permit to which it is a party or by which it is bound;

4. any written notice or other communication from any Governmental Entity in connection with the Arrangement Agreement (and Cygnus shall contemporaneously provide a copy of any such written notice or communication to Doré); and

5. any (A) Proceedings commenced or, to the knowledge of Cygnus, threatened against, relating to or involving or otherwise affecting the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby, and (B) material Proceedings commenced or, to the knowledge of Cygnus, threatened against, relating to or involving or otherwise affecting Cygnus, its subsidiaries.

**Mutual Covenants**

Each of the Parties have also agreed that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as contemplated in the Arrangement Agreement:

(a) it shall, and shall cause its subsidiaries to, use commercially reasonable efforts to take, or cause to be taken, as promptly as practicable, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Plan of Arrangement,

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including using its commercially reasonable efforts to cooperate with the other Parties in connection with the performance by it and its subsidiaries of their obligations under the Arrangement Agreement, including giving the other Parties a reasonable opportunity to review and comment on any filing or submission being made to a Governmental Entity in connection with the Regulatory Approvals, which comments the receiving Party shall give due consideration to, and providing the other Parties with a final copy of any filing or submission made to a Governmental Entity (where a Party regards any information in a filing or submission to be both confidential and competitively sensitive, the supplying Party may restrict the supply of such information to the receiving Party's outside legal counsel only and such receiving Party shall not request or receive such information from its outside legal counsel without the supplying Party's written consent); provided that for greater certainty, no Party shall make any filing with a Governmental Entity relating to the transactions contemplated by the Arrangement Agreement unless the Parties have mutually agreed such filing shall be made;

(b) it shall not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to significantly impede the making or completion of the Plan of Arrangement except as permitted by the Arrangement Agreement; and

(c) it shall use its commercially reasonable efforts to ensure that the Section 3(a)(10) Exemption is available for the issuance of the Consideration to the Doré Shareholders in exchange for their Doré Shares and the Replacement Options pursuant to the Plan of Arrangement.

**Non-Solicitation Covenant**

Each Party has covenanted and agreed that, except as permitted in accordance with the Arrangement Agreement, it shall not, and shall not authorize or permit any of its Representatives or its subsidiaries, directly or indirectly, to:

(a) knowingly make, solicit, initiate, entertain, encourage, promote or facilitate, including by way of furnishing information, permitting any visit to its facilities or properties or entering into any form of agreement, arrangement or understanding (other than a confidentiality agreement permitted pursuant to Section 7.2 of the Arrangement Agreement), any inquiries or the making of any proposals regarding an Acquisition Proposal or that would reasonably be expected to constitute or lead to an Acquisition Proposal;

(b) enter into, engage in or participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to any person any information or otherwise cooperate with, respond to, assist or participate in any Acquisition Proposal or potential Acquisition Proposal, provided however that a Party may communicate and participate in discussions with a third party for the purpose of (i) advising such third party of the non-solicitation restrictions set forth in the Arrangement Agreement, (ii) in respect of Doré only, clarifying the terms of any proposal in order to determine if it would reasonably be expected to result in a Superior Proposal, and (iii) in respect of Doré only, advising such third party that an Acquisition Proposal does not constitute a Superior Proposal or is not reasonably expected to constitute or lead to a Superior Proposal;

(c) remain neutral with respect to, or agree to, approve or recommend any Acquisition Proposal or potential Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly disclosed Acquisition Proposal until five (5) Business Days following public disclosure of such Acquisition Proposal, or, in the event the Meeting is scheduled to occur within such five (5) Business Day period, prior to the third (3rd) Business Day before the date of the Meeting (or, if the public announcement were made less than three (3) Business Days prior to the Meeting, prior to the first (1st) Business Day before the date of the Meeting) shall not be considered to be a violation of this provision, provided that the board of directors of the Solicited Party has rejected such Acquisition Proposal and, as applicable, affirmed its recommendation by press release before the end of such period);

(d) fail to unanimously recommend or withdraw, modify, qualify or change in a manner adverse to any other Party, or publicly propose to or publicly state that it intends to withdraw, modify, qualify or change in a manner adverse to the other Party the approval, recommendation or declaration of advisability of its board of directors of the Arrangement and the transaction contemplated in the Arrangement Agreement other than following the occurrence of a Material Adverse Effect on the other Party, as applicable (a "**Change in Recommendation**") (it being understood that failing to publicly affirm the approval or recommendation of its board of directors of the Arrangement and the transactions contemplated in the Arrangement Agreement (without qualification) within five (5) Business Days after an Acquisition Proposal relating to such Party has been publicly announced (or, in the event the Meeting is scheduled to occur within such five (5) Business Day period, prior to the third (3rd) Business Day before the date of the Meeting (or, if the public announcement were made less than three (3) Business Days prior to the Meeting, prior to the first (1st) Business Day before the date of the Meeting)) shall be considered an adverse modification);

(e) accept or enter into any agreement, arrangement, letter of intent or understanding related to any Acquisition Proposal (other than a confidentiality agreement permitted pursuant to the Arrangement Agreement); or

(f) make any public announcement to do any of the foregoing.

Each Party shall, and shall direct and cause its respective officers, directors, employees, representatives, advisors and agents and its subsidiaries and their representatives, advisors, agents, officers, directors and employees (collectively, the "**Representatives**") to, immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation with any parties (other than the other Parties, their respective subsidiaries and their respective Representatives) that may be ongoing with respect to an Acquisition Proposal whether or not initiated by such Party, and each Party shall immediately discontinue access to, and disclosure of, all information regarding such Party and such Party's subsidiaries (including access to the Cygnus Data Room or the Doré Data Room, as applicable) and promptly, and in any event within two Business Days after the date of the Arrangement Agreement, request the return or destruction of information regarding such Party and its respective subsidiaries previously provided to such parties and shall request the destruction of all materials including or incorporating any confidential information regarding such Party and its subsidiaries.

Each Party has further covenanted and agreed that (a) it shall use commercially reasonable best efforts to enforce each confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant to which it or a subsidiary is a party, and (b) neither it, nor its subsidiary nor any of their respective Representatives have released or shall, without the prior written consent of the other Party (which may be withheld or delayed at the other Party's sole and absolute discretion), release any person from, or waive, amend, suspend or otherwise modify, such person's obligations under any confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant to which it or its subsidiary is a party (it being acknowledged that the automatic termination or release of any such agreement, restriction or covenant, including as a result of entering into the Arrangement Agreement shall not be a violation).

If a Party or any subsidiary of a Party or any of their respective Representatives (the "**Solicited Party**") receives any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to such Solicited Party, including information, access or disclosure relating to the properties, facilities, books and records of such Solicited Party or any discussions or negotiations are sought to be initiated or continued with such Solicited Party in connection with an actual or potential Acquisition Proposal, the Solicited Party shall: (a) promptly notify the other Party, at first orally within 24 hours, and then promptly and in any event within 48 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all persons making the Acquisition Proposal, inquiry, proposal, offer or request, and copies of all written documents, material correspondence or other material received in respect of, from or on behalf of any such person; and (b) keep the other Party fully informed, on a prompt basis, of the status of all material developments with respect to such Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall promptly provide to the other Party copies of all material correspondence if in writing or electronic form, and if not in writing or electronic

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form, a description of the material or substantive terms of such correspondence communicated to the Solicited Party by or on behalf of any person making such Acquisition Proposal, inquiry, proposal, offer or request.

The Doré Board may, prior to the Doré Shareholder Approval having been obtained, consider, participate in any discussions or negotiations with and provide information to, any person who has delivered a written Acquisition Proposal which was not solicited or encouraged by Doré after the date of the Arrangement Agreement, if and only if:

(a) the Doré Board first determines in good faith, after consultation with its financial advisor and outside legal counsel, such Acquisition Proposal constitutes or would reasonably be expected to constitute a Superior Proposal;

(b) such person making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant contained in any Contract entered into with Doré;

(c) Doré has been and continues to be in compliance in all material respects with its obligations under the non-solicitation provisions of the Arrangement Agreement, other than an immaterial breach of Doré's obligation to provide notice of an Acquisition Proposal to Cygnus within a prescribed period;

(d) if Doré provides confidential non-public information to such person, prior to doing so, Doré obtains a confidentiality and standstill agreement from the person making such Acquisition Proposal that is substantively the same as the confidentiality agreement between the Parties, and otherwise on terms no more favourable to such person than such confidentiality agreement, including a standstill provision at least as stringent as contained in such confidentiality agreement, provided, however, that such agreement shall not preclude such person from making an Acquisition Proposal or related communications to Doré and such agreement shall not restrict or prohibit Doré from disclosing to Cygnus any details concerning the Acquisition Proposal or any Superior Proposal made by such person; and

(e) prior to engaging in or participating in discussions or negotiations with such person regarding such Acquisition Proposal (excluding, for certainty, negotiations regarding the confidentiality agreement that do not relate to the terms and conditions of the Acquisition Proposal) or providing any such copies, access or disclosure, Doré provides the Cygnus with: (i) written notice stating Doré's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure and that the Doré Board has determined that failure to take such action would be inconsistent with its fiduciary duties; (ii) promptly, a copy of any such confidentiality agreement referred to in Section 7.2(d)(i) of the Arrangement Agreement upon its execution; and (iii) a list of the information provided to such person and is immediately provided with access to similar information to which such person was provided (to the extent that such information had not previously been provided or otherwise made available to Cygnus).

Each Party has covenanted that it shall ensure that its officers, directors and employees and its subsidiaries and their officers, directors, employees and any financial advisors or other advisors or Representatives retained by it are aware of the prohibitions set out in the non-solicitation provisions of the Arrangement Agreement and it shall be responsible for any breach of the non-solicitation provisions of the Arrangement Agreement by such officers, directors, employees, financial advisors or other advisors or Representatives. However, nothing contained in the Arrangement Agreement shall prohibit the Doré Board or the Cygnus Board, as applicable, from:

(a) responding through a directors' circular or otherwise making disclosure to Doré Shareholders or Cygnus Shareholders as required by Law to an Acquisition Proposal, provided that to the extent practicable the applicable Party shall provide the other Party and its outside legal counsel with a reasonable opportunity to review the form and content of such circular or other disclosure and shall consider all reasonable amendments as requested by the other Party and its counsel; or

(b) calling and/or holding a meeting of Doré Shareholders or Cygnus Shareholders, requisitioned in accordance with applicable Laws or taking any other action with respect to an Acquisition Proposal

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to the extent ordered or otherwise mandated by a Governmental Entity or court of competent jurisdiction in accordance with Law.

***Right to Accept Superior Proposal and Right to Match***

If Doré receives an Acquisition Proposal that constitutes a Superior Proposal prior to the Doré Shareholder Approval having been obtained, Doré may make a Change in Recommendation in respect of such Superior Proposal, may approve, recommend or enter into a definitive agreement with respect to such Superior Proposal and terminate the Arrangement Agreement if, and only if:

(a) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant contained in any Contract entered into with Doré or CBAY;

(b) Doré has been, and continues to be, in compliance with its obligations under Section 7.2 of the Arrangement Agreement, other than an immaterial breach of Doré's obligation to provide notice of an Acquisition Proposal to Cygnus within a prescribed period;

(c) Doré has provided Cygnus with a copy of all documentation required pursuant to Sections 7.2(c) and 7.2(d) of the Arrangement Agreement and a summary of all material terms and conditions of the definitive agreement for the Superior Proposal (including a summary of the material terms and conditions of any supporting agreements);

(d) Doré has delivered to Cygnus a written notice advising it that the Doré Board has resolved to make a Change in Recommendation or to terminate the Arrangement Agreement or to accept, approve, recommend or enter into an agreement in respect of such Superior Proposal subject only to Section 7.3 of the Arrangement Agreement (including a notice as to the value in financial terms that the Doré Board has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal) (a "**Superior Proposal Notice**");

(e) at least five (5) full Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which Cygnus received the Superior Proposal Notice and the date on which Cygnus received all of the materials referred to in Section 7.3(a)(iii) of the Arrangement Agreement;

(f) during any Matching Period, Cygnus has had the opportunity (but not the obligation) to offer to amend the Arrangement Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Doré Board has determined in good faith, after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (if applicable, compared to the terms of the Arrangement as proposed to be amended under Section 7.3(a)(vi) of the Arrangement Agreement), and determined in good faith, after consultation with its outside legal counsel that the failure by the Doré Board to approve, recommend or enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties; and

(h) prior to or concurrently with entering into such definitive agreement or making a Change in Recommendation, Doré shall terminate the Arrangement Agreement pursuant to Section 8.2 thereof and pay the Termination Fee pursuant to Section 7.4 thereof, as applicable.

During any Matching Period, or such longer period as Doré may approve, in its sole discretion: (a) Cygnus has the opportunity (but not the obligation) to offer to amend the Arrangement Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal and the Doré Board will review any written proposal to amend the terms of the Arrangement Agreement in good faith in order to determine, in the exercise of its fiduciary duties, whether the amended proposal would, upon acceptance by Doré, result in such Superior Proposal ceasing to be a Superior Proposal;

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and (b) Doré shall, and shall cause its Representatives to, negotiate in good faith with Cygnus to make such mutually agreed amendments to the terms of the Arrangement Agreement and the Plan of Arrangement as would enable Cygnus to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Doré Board so determines, Doré will enter into an amended agreement with Cygnus reflecting the amended proposal as mutually agreed and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing. If the Doré Board does not so determine, Doré may accept, approve, recommend or enter into an agreement, understanding or arrangement in respect of such Superior Proposal.

Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by Doré's securityholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal, and Cygnus shall be afforded a new full five (5) Business Day Matching Period from the later of the date on which Cygnus received the Superior Proposal Notice and the date on which Cygnus received a copy of the proposed definitive agreement and all supporting materials with respect to each new Acquisition Proposal from Doré.

The Doré Board shall promptly reaffirm its recommendation of the Arrangement (being the Doré Board Recommendation) by news release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or Doré determines that a proposed amendment to the terms of the Arrangement Agreement would result in an Acquisition Proposal constituting a Superior Proposal no longer being a Superior Proposal. Doré shall provide Cygnus and its outside legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by Cygnus and its outside legal counsel.

If the Meeting is to be held during a Matching Period, Doré may, and shall at the request of Cygnus, postpone or adjourn the Meeting to a date that is not more than fifteen (15) days after the scheduled date of the Meeting, but in any event the Meeting shall not be postponed or adjourned to a date that would prevent the Effective Date from occurring prior to the Outside Date.

**Other Covenants**

***Alternative Transaction***

If Cygnus concludes that it is necessary or desirable to proceed with another form of transaction (such as a formal take-over bid or amalgamation) or amend the Arrangement (an "**Alternative Transaction**") whereby Cygnus or its affiliates would continue to effectively acquire all of the Doré Shares within approximately the same time periods and on economic terms and other terms and conditions (including tax treatment) that are no less favourable to Doré Shareholders (and other securityholders of Doré) than those contemplated by the Arrangement Agreement ("**Alternative Transaction Conditions**"), Doré has agreed to consider such Alternative Transaction in good faith and if Doré determines, acting reasonably, that the Alternative Transaction Conditions are satisfied, it will support the completion of such Alternative Transaction in the same manner as the Arrangement and shall otherwise fulfill its covenants contained in the Arrangement Agreement in respect of such Alternative Transaction.

***Pre-Closing Reorganization***

Doré has agreed that, upon request of Cygnus, Doré shall (i) perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Cygnus may request, acting reasonably (each a "**Pre-Closing Reorganization**"), and (ii) cooperate with Cygnus and its advisors to determine the nature of the Pre-Closing Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken; and (iii) cooperate with Cygnus and its advisors to seek to obtain any consents, approvals, waivers or similar authorizations which are reasonably required by Cygnus (based on the terms of any Contract or Permit) in connection with the Pre-Closing Reorganizations, if any.

However, Doré will not be obligated to participate in any Pre-Closing Reorganization unless such Pre-Closing Reorganization:

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(a) can be completed as close as reasonably practicable prior to the Effective Date, and can be unwound in the event the Arrangement is not consummated without adversely affecting Doré or any of its securityholders or subsidiaries in any material manner;

(b) is not prejudicial to Doré, any of its subsidiaries or the Doré Shareholders or the holders of Doré Options, Doré DSUs or Doré Warrants in any material respect (including any Taxes being imposed or adverse Tax consequences); and

(c) does not impair the ability of Doré to consummate, and will not materially delay the consummation of, the Arrangement.

Cygnus must provide written notice to Doré of any proposed Pre-Closing Reorganization at least ten (10) Business Days prior to the Effective Date. Upon receipt of such notice, Doré and Cygnus shall work cooperatively and use their commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Closing Reorganization, including any amendment to the Arrangement Agreement or the Plan of Arrangement and shall seek to have any such Pre-Closing Reorganization made effective as of the last moment of the Business Day ending immediately prior to the Effective Date (but after Cygnus has waived or confirmed that all of the conditions set out in Section 6.1 and Section 6.2 of the Arrangement Agreement have been satisfied).

Cygnus has agreed that it will be responsible for all costs and expenses associated with any Pre-Closing Reorganization to be carried out at its request and shall indemnify and save harmless Doré and its affiliates and Representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Closing Reorganization (including in respect of any reversal, modification or termination of a Pre-Closing Reorganization) and that any Pre-Closing Reorganization will not be considered in determining whether a representation or warranty of Doré under the Arrangement Agreement has been breached (including where any such Pre-Closing Reorganization requires the consent of any third party under a Contract).

***Public Communications***

Except as required by applicable Law, no Party shall issue any news release, make any filing with any Governmental Entity or Exchange, or make any other public statement or disclosure with respect to the Arrangement Agreement or the transactions contemplated thereby without the prior written consent of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed); provided that, any Party that, in the opinion of outside legal counsel, is required to make disclosure by applicable Law shall use commercially reasonable efforts to give the other Parties prior oral or written notice and a reasonable opportunity to review or comment on such disclosure (other than with respect to confidential information contained in such disclosure) and if such prior notice is not permitted by applicable Law, shall give such notice immediately following the making of such disclosure. The Party making such disclosure shall give reasonable consideration to any comments made by the other Parties or their counsel.

***Insurance and Indemnification***

Prior to the Effective Date, Doré shall, in consultation with Cygnus, purchase customary "tail" or "run off" directors' and officers' liability insurance from an insurance company of nationally recognized standing providing protection no less favourable in the aggregate to the protection provided by the policies maintained by Doré and its subsidiaries which are in effect immediately prior to the Effective Time and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Time and Cygnus shall, or shall cause Doré and its subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six years after the Effective Date; provided that Cygnus shall not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 300% of Doré's and its subsidiaries' current annual aggregate premium for directors' and officers' liability insurance policies currently maintained by Doré or its subsidiaries.

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Cygnus has acknowledged that the rights to indemnification or exculpation now existing in favour of present and former Employees, officers and directors of Doré and its subsidiaries under applicable Law, Contracts that are disclosed in the Doré Disclosure Letter or set forth in Doré's Constating Documents, shall, in accordance with their terms, survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six years after the Effective Date.

***Exchange Delisting and Listing of Cygnus Shares***

Subject to applicable Law, each of Doré and Cygnus have agreed to use its commercially reasonable efforts and cooperate with the other Party in taking, or causing to be taken, all actions necessary to enable (a) the delisting of the Doré Shares from the Exchange (including, if requested by Cygnus, such items as may be necessary to delist the Doré Shares on or promptly following the Effective Date), (b) Doré to cease being a reporting issuer under applicable Canadian Securities Laws, as promptly as practicable following the Effective Time; and (c) the listing of Cygnus and the Cygnus Shares on the TSXV on or promptly following the Effective Date of the Arrangement.

***Cygnus Equity Raise***

Cygnus has agreed to use commercially reasonable best efforts to complete the Cygnus Equity Raise as soon as reasonably practicable following the date of the Arrangement Agreement.

***Cygnus Guarantee***

Cygnus has unconditionally and irrevocably guaranteed the due and punctual performance by AcquireCo of each and every covenant and obligation of AcquireCo arising under the Arrangement Agreement. Cygnus has agreed that Doré shall not have to proceed first against AcquireCo before exercising its rights under the guarantee against Cygnus, and Cygnus agreed to be jointly and severally liable with AcquireCo for all guaranteed obligations as if it were the principal obligor of such obligations.

**Termination**

The Arrangement Agreement may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding any approval of the Arrangement Agreement or the Arrangement Resolution by the Doré Shareholders, or the approval of the Arrangement by the Court):

(a) by mutual written agreement of Doré and Cygnus; or

(b) by either Doré or Cygnus, if:

1. the Effective Time has not occurred on or before the Outside Date, except that such right to terminate the Arrangement Agreement will not be available to any Party whose failure to fulfill any of its obligations or whose breach of any of its representations and warranties set forth in the Arrangement Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date; or

2. after the date of the Arrangement Agreement, there shall be enacted, enforced, amended or made any applicable Law that makes consummation of the Arrangement illegal or otherwise prohibited or enjoins Doré or Cygnus from consummating the Arrangement and such Law (if applicable) or enjoinment shall have become final and non-appealable provided that the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts, to, as applicable, prevent, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or

3. the Doré Shareholder Approval is not obtained at the Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order provided that a Party may not terminate the Arrangement Agreement if the failure to obtain the approval of the Doré Shareholders has been caused by, or is a result of, a breach by such Party of any of its

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representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;

(c) by Cygnus, if:

1. the Doré Board makes a Change in Recommendation; or

2. subject to the notice and cure provisions of the Arrangement Agreement, Doré breaches any representation or warranty or fails to perform any covenant or agreement set forth in the Arrangement Agreement (other than as set forth in the non-solicitation provisions of the Arrangement Agreement), which breach would cause the mutual conditions precedent or the conditions precedent to the obligations of Cygnus in the Arrangement Agreement not to be satisfied, and such conditions are incapable of being cured or satisfied by the Outside Date; provided that any Willful Breach shall be deemed to be incapable of being cured and provided further that Cygnus is not then in breach of the Arrangement Agreement so as to directly or indirectly cause any of the mutual conditions precedent or the conditions precedent to the obligations of Doré set forth in the Arrangement Agreement not to be satisfied; or

3. Doré is in breach of any of its obligations or covenants set forth in the non-solicitation provisions of the Arrangement Agreement, other than an immaterial breach of Doré's obligation to provide notice of an Acquisition Proposal to Cygnus within a prescribed period; or

4. the Meeting has not occurred on or before January 31, 2025, provided that such right to terminate the Arrangement Agreement will not be available to Cygnus if the failure by Cygnus to fulfill any obligation under the Arrangement Agreement is the cause of, or results in, the failure of the Meeting to occur on or before such date; or

5. Doré enters into a legally binding agreement relating to a Superior Proposal (other than a confidentiality agreement permitted by and accordance with Section 7.2(d) of the Arrangement Agreement); or

6. there has occurred a Material Adverse Effect on Doré which is incapable of being cured on or prior to the Outside Date;

(d) by Doré, if:

1. prior to the approval of the Arrangement Resolution at the Meeting, Doré enters into a legally binding agreement with respect to a Superior Proposal (other than a confidentiality agreement permitted by and accordance with Section 7.2(d) of the Arrangement Agreement), provided that concurrently with such termination, Doré pays the Termination Fee payable to Cygnus; or

2. subject to the notice and cure provisions of the Arrangement Agreement, Cygnus breaches any representation or warranty or fails to perform any covenant or agreement set forth in the Arrangement Agreement (other than as set forth in the non-solicitation provisions of the Arrangement Agreement), which breach would cause the mutual conditions precedent or the conditions precedent to the obligations of Doré in the Arrangement Agreement not to be satisfied, and such conditions are incapable of being cured or satisfied by the Outside Date; provided that any Willful Breach shall be deemed to be incapable of being cured and provided further that Doré is not then in breach of the Arrangement Agreement so as to cause any of the mutual conditions precedent or the conditions precedent to the obligations of Cygnus set forth in the Arrangement Agreement not to be satisfied; or

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3. Cygnus is in breach or in default of any of its non-solicitation obligations or covenants, other than an immaterial breach of Cygnus's obligation to provide notice of an Acquisition Proposal to Doré within a prescribed period; or

4. there has occurred a Material Adverse Effect on Cygnus which is incapable of being cured on or prior to the Outside Date.

The Party desiring to terminate the Arrangement Agreement must give notice of such termination to the other Parties.

***Termination Fee and Expense Reimbursement***

If any of the following events occur, Doré shall pay Cygnus as consideration for the disposition by Doré of its rights under the Arrangement Agreement and the Plan of Arrangement (by wire transfer of immediately available funds) the Termination Fee of C$900,000:

(a) the Arrangement Agreement has been terminated by Cygnus as a result of a Change in Recommendation by the Doré Board;

(b) the Arrangement Agreement has been terminated by Cygnus as a result of a breach or default on the part of Doré of any of its obligations or covenants set forth in the non-solicitation provisions of the Arrangement Agreement other than an immaterial breach of Doré's obligation to provide notice of an Acquisition Proposal to Cygnus within a prescribed period;

(c) the Arrangement Agreement has been terminated by Cygnus as a result of Doré entering into a legally binding agreement relating to a Superior Proposal;

(d) the Arrangement Agreement has been terminated by Doré as a result of Doré entering into a legally binding agreement with respect to a Superior Proposal (other than a confidentiality agreement permitted by and in accordance with Section 7.2(d) of the Arrangement Agreement), provided that Doré pays the Termination Fee;

(e) the Arrangement Agreement has been terminated by either Party in the event the Doré Shareholder Approval is not obtained at the Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order (unless failure to obtain the approval of the Doré Shareholders has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement), if at such time Cygnus is entitled to terminate the Arrangement Agreement as a result of a Change in Recommendation by the Doré Board;

(f) each of the following has occurred:

1. the Arrangement Agreement has been terminated by:

   (a) either Doré or Cygnus as a result of the failure to complete the Arrangement by the Outside Date or the failure to obtain the Doré Shareholder Approval at the Meeting, or

   (b) Cygnus as a result of a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Doré under the Arrangement Agreement (other than as set forth in the non-solicitation provisions of the Arrangement Agreement), which breach would cause the mutual conditions precedent or the conditions precedent to the obligations of Cygnus in the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the notice and cure provisions of the Arrangement Agreement; provided that any Willful Breach shall be deemed to be incapable of being cured and provided further that Cygnus is not



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then in breach of the Arrangement Agreement so as to directly or indirectly cause any of the mutual conditions precedent or the conditions precedent to the obligations of Doré set forth in the Arrangement Agreement not to be satisfied;

2. prior to the earlier of the termination of the Arrangement Agreement or the holding of the Meeting, a *bona fide* Acquisition Proposal with respect to Doré shall have been made to Doré or publicly announced by any person (other than Cygnus or any of its affiliates); and

3. within 12 months following the date of such termination (including on the date of such termination) Doré or one or more of its subsidiaries, directly or indirectly, in one or more transactions, enters into an agreement in respect of any Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to above) and such Acquisition Proposal is later consummated (whether or not within 12 months after such termination);

provided that, for the purposes of this paragraph, all references to "**20%**" in the definition of "Acquisition Proposal" shall be deemed to be references to "**50%**" and Doré shall be entitled to deduct from the Termination Fee an amount equal to the Expense Fee paid to Cygnus, if any.

Doré shall pay to Cygnus an expense reimbursement fee in the amount of $250,000 in the event that the Arrangement Agreement is terminated by Cygnus as a result of the failure to obtain the Doré Shareholder Approval at the Meeting.

**Amendment**

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties without, subject to applicable Laws, further notice to or authorization on the part of the Doré Shareholders, and any such amendment may, subject to the terms of the Interim Order, the Final Order, the Plan of Arrangement and applicable Law, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants in the Arrangement Agreement contained and waive or modify performance of any of the obligations of the Parties; and/or

(d) waive compliance with or modify any mutual conditions precedent contained in the Arrangement Agreement.

**Waiver**

Any Party may:

(a) extend the time for the performance of any of the obligations or acts of the other Party;

(b) except as otherwise provided in the Arrangement Agreement, waive compliance with any of the other Party's agreements or the fulfilment of any conditions precedent to its own obligations contained in the Arrangement Agreement; or

(c) waive inaccuracies in any of the other Party's representations or warranties contained in the Arrangement Agreement or in any document delivered by any other Party;

provided that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition

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waived. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

## PART 9. SECURITIES LAW MATTERS

The following is a brief summary of the securities law considerations applicable to the Arrangement and transactions contemplated thereby. This summary is of a general nature only and is not intended to be, and should not be construed to be, legal or business advice to any particular Doré Shareholder. This summary does not include any information regarding securities law considerations for jurisdictions other than Canada, the United States and Australia. Doré Shareholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances.

### Canadian Securities Law Matters

Each Doré Shareholder is urged to consult his, her or its professional advisors to determine the Canadian conditions and restrictions applicable to trades in Cygnus Shares.

### Status under Canadian Securities Laws

Doré is a reporting issuer in the provinces of Alberta, British Columbia, Ontario and Saskatchewan. The Doré Shares currently trade on the TSXV. Following the completion of the Arrangement, the Doré Shares will be delisted from the TSXV (anticipated to be effective two or three Business Days following the Effective Date) and Cygnus expects to apply to the applicable Canadian securities regulators to have Doré cease to be a reporting issuer.

Cygnus is an Australian listed public company. Cygnus Shares are listed and posted for trading on the ASX under the symbol "CY5". Cygnus Shares are currently tradeable on the ASX. Cygnus has applied for its Cygnus Shares to be listed on the TSXV. It is a condition to the completion of the Arrangement that both the TSXV and ASX shall have conditionally approved (or provided equivalent approval for) the listing thereon of the Cygnus Shares issuable under the Arrangement, subject only to satisfying the customary listing conditions of the TSXV and the ASX as applicable. Cygnus will, upon completion of the Arrangement, be required to comply with Canadian statutory financial and other continuous and timely reporting requirements, including the requirement for insiders of Cygnus to file reports with respect to trades of Cygnus securities.

#### *Distribution and Resale of Cygnus Shares under Canadian Securities Laws*

The distribution of the Cygnus Shares pursuant to the Arrangement will constitute a distribution of securities that is exempt from the prospectus requirements of applicable Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable Canadian securities legislation. The Cygnus Shares received pursuant to the Arrangement will not be legended and may be resold in Canada provided that: (i) the trade is not a "control distribution" (as defined in NI 45-102); (ii) no unusual effort is made to prepare the market or to create a demand for Cygnus Shares; (iii) no extraordinary commission or consideration is paid to a person in respect of such sale; and (iv) if the selling securityholder is an insider or officer of Cygnus, the selling securityholder has no reasonable grounds to believe that Cygnus is in default of applicable Canadian securities laws.

#### *MI 61-101 Protection of Minority Security Holders in Special Transactions*

In considering the unanimous recommendation of the Doré Board with respect to the Arrangement, Doré Shareholders are advised that certain members of Doré's management and the Doré Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. In particular, certain officers and other employees or consultants of the Corporation have double trigger "change of control" provisions (also referred to as "change-in-control" provisions) as part of their employment or consulting agreements with the Corporation. Upon completion of the Arrangement, such officers, employees and consultants will be entitled to change of control payments pursuant to their respective employment or consulting agreements, as applicable, in the event the officer's employment is terminated during the six-month period following such change of control (including by constructive dismissal). These payments may be considered "collateral benefits"

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for the purposes of MI 61-101. See "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*" and "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions*" of this Circular.

**United States Securities Laws Matters**

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to Doré Shareholders. All Doré Shareholders or holders of Doré Options are urged to consult with their own legal counsel to ensure that any subsequent transfer, distribution or resale of Cygnus Shares to be received in exchange for their Doré Shares, or Replacement Options to be received in exchange for their Doré Options, pursuant to the Arrangement complies with applicable securities legislation.

Further information applicable to Doré Shareholders in the United States is disclosed under the heading "*Part 2 – Notice to Doré Securityholders in the United States*" of this Circular.

The following discussion does not address the Canadian securities laws that will apply to the issue of Cygnus Shares or the transfer, distribution or resale of these securities within Canada by Doré Shareholders in the United States. Doré Shareholders in the United States reselling their Cygnus Shares in Canada must, in addition to complying with U.S. securities laws, comply with all applicable Canadian securities laws. See "*Part 9 – Securities Law Matters – Canadian Securities Law Matters – Distribution and Resale of Cygnus Shares under Canadian Securities Laws*" of this Circular.

***Exemption from the Registration Requirements of the U.S. Securities Act***

The Cygnus Shares forming the Consideration to be received by Doré Shareholders pursuant to the Arrangement, as well as the Replacement Options to be issued pursuant to the Arrangement, will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, subject to the grant of the Final Order, will be issued and exchanged in reliance upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act and exemptions from or qualifications under the registration requirements under the securities laws of applicable states of the United States.

Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities, or partly in such exchange and partly for cash, from the registration requirements of the U.S. Securities Act, where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by Law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and have received timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the procedural and substantive fairness of the terms and conditions of the Arrangement will be considered. Prior to the mailing of this Circular, the Court issued the Interim Order, and, subject to the approval of the Arrangement by the Doré Shareholders, a hearing for a Final Order approving the Arrangement is currently anticipated to take place on December 19, 2024, 2024 at 10:00 a.m. (Toronto time) or as soon after that time as the application may be heard. Any Doré Shareholder or holder of Doré Options to be issued Cygnus Shares or Replacement Options, or any other interested party is entitled to appear and be heard at this hearing, provided that they satisfy the applicable conditions set forth in the Interim Order. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Consideration to be received by Doré Shareholders in exchange for their Doré Shares pursuant to the Arrangement, as well as the Replacement Options to be issued to holders of Doré Options pursuant to the Arrangement.

Section 3(a)(10) of the U.S. Securities Act does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) of the U.S. Securities Act. As a result, the Section 3(a)(10) Exemption will not be available for the issuance of any Cygnus Shares that are issuable upon exercise of the Replacement Options or the Doré Warrants. Therefore, unless and until Cygnus files a registration statement registering the issuance and resale of the Cygnus Shares that are issuable upon exercise of the Replacement Options or the Doré Warrants, the Cygnus Shares issuable upon the exercise of the Replacement Options or Doré Warrants will be "restricted securities" within the meaning of Rule 144, and may be issued to a person in the United States only pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities

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laws or following registration under such Laws. Cygnus has no current intention to file, or take effective steps to file, such registration statements in the future. Prior to the issuance of Cygnus Shares to a person in the United States pursuant to any such exercise, Cygnus may require the delivery of an opinion of counsel or other evidence reasonably satisfactory to such issuer to the effect that the issuance of such Cygnus Shares does not require registration under the U.S. Securities Act or applicable state securities laws.

***Resales of Cygnus Shares After the Effective Date***

The Cygnus Shares to be received by Doré Securityholders as the Consideration pursuant to the Arrangement will be freely transferable under U.S. federal securities laws, except by persons who are, or were within 90 days of the Effective Date, "affiliates" of Cygnus. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Resale of Cygnus Shares by such affiliate (or, if applicable, former affiliates) may be subject to additional restrictions under applicable U.S. securities laws absent an exemption such as Rule 144 or Rule 904 of Regulation S.

***Resales by Affiliates after the Completion of the Arrangement***

Affiliates – Rule 144

In general, under Rule 144, persons who are, or were within 90 days of the Effective Date, "affiliates" of Cygnus will be entitled to sell the Cygnus Shares that they receive in connection with the Arrangement, provided that the number of such securities sold during any three-month period does not exceed the greater of 1% of the then outstanding securities of such class or, if such securities are listed on a United States national securities exchange, the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on the manner of sale, notice requirements, aggregation rules and the availability of current public information about Cygnus. Persons who are "affiliates" of Cygnus after the Arrangement will continue to be subject to the resale restrictions described in this paragraph for so long as they are, or have been within the preceding three months been, "affiliates" of such entity.

Affiliates – Regulation S

In general, under Rule 904 of Regulation S, persons who are not "affiliates" of Cygnus following the Effective Date, or who are such "affiliates" solely by virtue of their status as an officer or director of Cygnus, may sell their the Cygnus Shares outside the United States in an "offshore transaction" as defined in Regulation S (which would generally include a sale through the TSXV or the ASX, if applicable, that was not prearranged with a United States buyer) if neither the seller, an affiliate of the seller nor any person acting on any of their behalf engages in "directed selling efforts" in the United States and provided that no selling commission, fee or other remuneration is paid in connection with such sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, "directed selling efforts" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered. Certain additional restrictions, set forth in Rule 903 of Regulation S, are applicable to sales outside the United States by a holder of Cygnus Shares who is an "affiliate" of Cygnus other than solely by virtue of his or her status as an officer or director of Cygnus.

***United States Reporting Obligations and Trading Market of Doré***

The Doré Shares currently trade on the TSXV but are not listed on a U.S. stock exchange, and Doré does not have any reporting obligations under the U.S. Exchange Act. The Doré Shares are currently quoted in the United States on the OTCQX under the trading symbol "DRCMF". It is expected that such quotation will be terminated in connection with the completion of the Arrangement.

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*United States Reporting Obligations and Trading Market of Cygnus*

The Cygnus Shares currently trade on the ASX but are not listed on a U.S. stock exchange, and Cygnus does not have any reporting obligations under the U.S. Exchange Act.

The foregoing discussion is only a general overview of certain requirements of the U.S. Securities Act applicable to the resale of the Cygnus Shares and Replacement Options receivable by Doré Securityholders, respectively, upon completion of the Arrangement. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

**Australian Securities Law Matters**

Sections 707(3) and 707(4) of the Corporations Act require Cygnus to make disclosure under Part 6D.2 of the Corporations Act if any Cygnus Shares issued to Doré Shareholders under the Arrangement are to be sold within 12 months of their issue. However, Cygnus has applied for in-principle relief from this requirement from ASIC so that Doré Shareholders who receive Cygnus Shares under the Arrangement may freely trade their Cygnus Shares within Australia (including on the ASX) without the need for such disclosure under Part 6D.2.

***Listing on the ASX***

Cygnus Shares are listed and posted for trading on the ASX under the symbol "CY5". Cygnus will apply for quotation of the Cygnus Shares issuable by Cygnus under the Arrangement on the ASX. Cygnus has obtained a waiver from ASX Listing Rule 7.1 to permit the issue of Cygnus Shares to Doré Shareholders pursuant to the Arrangement without approval from Cygnus Shareholders. Cygnus has applied for in-principle relief from ASIC to permit the on-sale of the Cygnus Shares issued under the Arrangement within 12 months from their date of issue without requiring a disclosure document to be lodged in accordance with sections 707(3) and (4) of the Corporations Act.

## PART 10. REGULATORY MATTERS

It is a condition to the completion of the Arrangement that each of the Key Regulatory Approvals will have been received by the Parties.

**Listing of the Cygnus Shares**

It is a condition of the Arrangement that the TSXV shall have approved for listing and posted for trading, subject only to satisfaction of the standard listing conditions, the Cygnus Shares at the Effective Time. It is also a condition of the Arrangement that the ASX shall have approved for listing or official quotation the Cygnus Shares forming part of the Consideration. The Cygnus Shares are currently listed on the ASX. Cygnus has applied for the Cygnus Shares to be listed on the TSXV. In the case of the TSXV, listing is subject to the approval of the TSXV in accordance with its minimum listing requirements, and there is no assurance that the TSXV will approve the listing application.

**Other Regulatory Approvals**

Other than the necessary approvals and/or waivers of the TSXV, ASIC and the ASX, and the need to obtain the Final Order from the Court prior to the completion of the Arrangement, Doré is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Doré currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to approval of the Arrangement Resolution at the Meeting in accordance with the Interim Order, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, the Effective Date is expected to occur in December 2024. In no event shall the Effective

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Date be later than March 31, 2025, unless otherwise agreed to between Doré and Cygnus. On the Effective Date, upon completion of the Arrangement, Doré and Cygnus will publicly announce that the Arrangement has been implemented.

## PART 11. STOCK EXCHANGE DE-LISTING AND REPORTING ISSUER STATUS

The Doré Shares are currently listed and posted for trading on the TSXV under the symbol "DCMC". It is expected that following the completion of the Arrangement the Doré Shares will be de-listed from the TSXV, subject to the rules of the TSXV.

Doré will also seek a ruling of applicable Canadian securities regulators that upon the completion of the Arrangement Doré will cease to be a reporting issuer under applicable Canadian Securities Laws.

## PART 12. DISSENT RIGHTS

The Interim Order provides that Registered Doré Shareholders as at the Record Date who are entitled to vote on the Arrangement Resolution may exercise Dissent Rights with respect to their Doré Shares in connection with the Arrangement, pursuant to and in the manner set forth in section 190 of the CBCA as modified by the Interim Order, the Final Order and the Plan of Arrangement. A Dissenting Shareholder who validly exercises Dissent Rights in respect of his, her or its Doré Shares and who has not withdrawn, or been deemed to have withdrawn, such exercise of Dissent Rights is entitled, upon the Arrangement becoming effective, to be paid the fair value of such Doré Shares.

Holders of Doré DSUs will not be entitled to exercise Dissent Rights in respect of the Doré Shares to be issued to them under the Arrangement upon the redemption of their Doré DSUs.

The following is a summary of a Registered Doré Shareholder's Dissent Rights in respect of the Arrangement Resolution. Such summary is not a comprehensive statement of the procedures to be followed by a Doré Shareholder who wishes to exercise Dissent Rights, and is qualified in its entirety by reference to the full text of Section 190 of the CBCA (which is attached to this Circular as Appendix G), as modified and supplemented by the Plan of Arrangement (which is attached to this Circular as Appendix C), the Interim Order (which is attached to this Circular as Appendix D) and the Final Order. The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

The following summary does not purport to constitute a comprehensive summary of the procedures to be followed by a Dissenting Shareholder seeking to exercise Dissent Rights. The statutory provisions dealing with the right of dissent are technical and complex. A Doré Shareholder whose wishes to exercise Dissent Rights should seek independent legal advice, as failure to comply strictly with the provisions of Section 190 of the CBCA, as modified and supplemented by the Plan of Arrangement, the Interim Order and the Final Order, may result in the loss of all Dissent Rights.

Pursuant to the Interim Order, a Registered Doré Shareholder as at the Record Date may exercise Dissent Rights in connection with the Arrangement. To exercise Dissent Rights, a Doré Shareholder must dissent with respect to all Doré Shares of which he, she or it is the registered and beneficial owner.

Dissent Rights may only be exercised by Registered Doré Shareholders. Accordingly, a Non-Registered Doré Shareholder who wishes to dissent with respect to his, her or its Doré Shares will need to rely on and cause the intermediary who holds such Doré Shares as nominee for the Non-Registered Doré Shareholder to exercise the Dissent Rights on behalf of the Non-Registered Doré Shareholder.

A Registered Doré Shareholder who wishes to dissent must deliver a written objection to Doré, which must strictly comply with the requirements of Section 190 of the CBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order. **Voting against the Arrangement Resolution or abstaining from voting on the Arrangement Resolution does not satisfy the objection requirements under Section 190 of the CBCA.** Notwithstanding Section 190(5) of the CBCA, the Plan of Arrangement provides that the written objection to the Arrangement Resolution must be received by Doré, c/o Bennett Jones LLP at 3400 One First Canadian Place, P.O. Box 130, Toronto, Ontario, M5X 1A4, Attention: Abbas Ali Khan, not later than 5:00 p.m. (Toronto time) on

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December 12, 2024, being the Business Day that is two Business Days preceding the date of the Meeting. A Non-Registered Doré Shareholder who wishes to exercise Dissent Rights must cause each Registered Doré Shareholder holding their Doré Shares to deliver the written objection referred to above to Doré on their behalf, in accordance with the foregoing.

Doré Shareholders who exercise Dissent Rights and who:

(a) are ultimately entitled to be paid fair value for their Doré Shares, which fair value shall be determined as of the close of business on the day before the Arrangement Resolution is approved by the Doré Shareholders at the Meeting, shall be paid an amount equal to such fair value by AcquireCo and shall be deemed to have transferred their Doré Shares to AcquireCo for cancellation in accordance with the Plan of Arrangement; or

(b) are ultimately not entitled, for any reason, to be paid fair value for their Doré Shares shall be deemed to have participated in the Arrangement as of the Effective Time, on the same basis as non-Dissenting Shareholders and shall be entitled to receive only the consideration that such holders would have received pursuant to the Arrangement if such holders had not exercised Dissent Rights,

but in no case shall Doré, Cygnus, AcquireCo or any other person be required to recognize Doré Shareholders who exercise Dissent Rights as Doré Shareholders after the Effective Time, and the names of such Doré Shareholders who exercise Dissent Rights shall be removed from the applicable register of shareholders as at the Effective Time. **There can be no assurance that a Dissenting Shareholder will receive consideration for its Doré Shares of equal or greater value to the consideration that such Dissenting Shareholder would have received under the Arrangement if such holder had not exercised Dissent Rights.**

***Section 190 of the CBCA***

Section 190 of the CBCA, as modified by the Interim Order, the Plan of Arrangement and the Final Order, provides that Registered Doré Shareholders as at the Record Date who dissent to the Arrangement may exercise a right of dissent and require AcquireCo to purchase the Doré Shares held by such shareholders at the fair value of such shares.

The exercise of Dissent Rights does not deprive a Registered Doré Shareholder of the right to vote at the Meeting. However, a Doré Shareholder is not entitled to exercise Dissent Rights in respect of the Arrangement Resolution if such holder votes any of the Doré Shares beneficially held by such holder in favour of the Arrangement Resolution.

A Dissenting Shareholder is required to send a written objection to the Arrangement Resolution to Doré prior to the Meeting. A vote against the Arrangement Resolution or not voting on the Arrangement Resolution does not constitute a written objection for purposes of the right to dissent under Section 190 of the CBCA.

Within 10 days after the Arrangement Resolution is approved by the Doré Shareholders, Doré must send to each Dissenting Shareholder a notice that the Arrangement Resolution has been adopted, setting out the rights of the Dissenting Shareholder and the procedures to be followed on exercise of those rights. The Dissenting Shareholder is then required, within 20 days after receipt of such notice (or if such Doré Shareholder does not receive such notice, within 20 days after learning of the adoption of the applicable Arrangement Resolution), to send to Doré a written notice containing the Dissenting Shareholder's name and address, the number of Doré Shares in respect of which the Dissenting Shareholder dissents and a demand for payment of the fair value of such Doré Shares and, within 30 days after sending such written notice, to send to Doré or its Transfer Agent the appropriate share certificate or certificates representing the Doré Shares in respect of which the Dissenting Shareholder has exercised Dissent Rights. A Dissenting Shareholder who fails to send to Doré, within the required periods of time, the required notices or the certificates representing the Doré Shares in respect of which the Dissenting Shareholder has dissented may forfeit his, her or its Dissent Rights.

If the Arrangement becomes effective, then AcquireCo will be required to send, not later than the seventh day after the later of (i) the Effective Date, and (ii) the day the demand for payment is received, to each Dissenting Shareholder whose demand for payment has been received, a written offer to pay for the Doré Shares of such Dissenting

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Shareholder in such amount as the directors of AcquireCo consider to be the fair value thereof, accompanied by a statement showing how the fair value was determined, unless there are reasonable grounds for believing that AcquireCo is, or after the payment would be, unable to pay its liabilities as they become due or the realizable value of AcquireCo assets, as applicable, would thereby be less than the aggregate of its liabilities. AcquireCo must pay for the Doré Shares of a Dissenting Shareholder within 10 days after an offer made as described above has been accepted by a Dissenting Shareholder, but any such offer lapses if AcquireCo does not receive an acceptance thereof within 30 days after such offer has been made.

If such offer is not made or accepted within 50 days after the Effective Date, Doré may apply to a court of competent jurisdiction to fix the fair value of such Doré Shares. There is no obligation of Doré to apply to the Court. If Doré fails to make such an application, a Dissenting Shareholder has the right to so apply within a further 20 days.

***Address for Notice***

All written objections to the Arrangement Resolution required to be sent to Doré pursuant to Section 190 of the CBCA, which must be received not later than 5:00 p.m. (Toronto time) on December 12, 2024, being the date that is two Business Days immediately prior to the Meeting, should be addressed to the attention of the individual set out below:

(i) by mail to:

Doré Copper Mining Corp.
c/o Bennett Jones LLP
3400 One First Canadian Place, P.O. Box 130,
Toronto, Ontario M5X 1A4

Attention: Abbas Ali Khan

(ii) by facsimile transmission to:

Attention: Abbas Ali Khan
Facsimile: 416-863-1716

***Condition Regarding Exercise of Dissent Rights***

Under the Arrangement Agreement, it is a condition that in order for the Arrangement to become effective, holders of no more than 5% of the issued and outstanding Doré Shares shall have exercised Dissent Rights, or have instituted proceedings to exercise Dissent Rights, in connection with the Arrangement.

See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

## PART 13. RISK FACTORS RELATING TO THE ARRANGEMENT

In evaluating the Arrangement, Doré Shareholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Doré, may also adversely affect the trading price of the Doré Shares, the Cygnus Shares, and/or the businesses of Doré and Cygnus following the Arrangement.

In addition to the risk factors relating to the Arrangement set out below, Doré Shareholders should also carefully consider the risk factors associated with the businesses of Doré and Cygnus included in this Circular and in the documents incorporated by reference herein, including the risks found in Appendix I of this Circular. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

The risks associated with the Arrangement include:

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***Cygnus and Doré may not integrate successfully.***

If approved, the Arrangement will involve the integration of companies that previously operated independently. As a result, the Arrangement will present challenges to management, including the integration of the operations, systems and personnel of the two companies (including geographically dispersed management and directors), and special risks, including possible unanticipated liabilities, unanticipated costs, diversion of management's attention and the loss of key employees.

The difficulties management encounters in the transition and integration process could have an adverse effect on the revenues, level of expenses and operating results of the Combined Company. As a result of these factors, it is possible that any benefits expected from the Arrangement will not be realized.

***There can be no certainty that all conditions precedent to the Arrangement will be satisfied.***

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Doré, including receipt of the Final Order, approval by the Doré Shareholders of the Arrangement Resolution and receipt of other regulatory approvals, including the listing of the Cygnus Shares on the TSXV. There can be no certainty, nor can Doré provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied or waived. If the Arrangement is not completed, the market price of the Doré Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Doré Board decides to seek another merger or arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or greater price than the Consideration to be paid pursuant to the Arrangement.

***The Combined Company will own different types of assets, which may be technically more difficult to manage and require more oversight.***

Doré's and Cygnus' deposits are different in metal type, geometry, origination and other technical factors. The exploration and eventual resource determination, mining, processing and marketing are different. As a result, the Combined Company will require more technical and business expertise to manage all the properties than would be required for just one type of deposit.

***Directors and executive officers of Doré may have interests in the Arrangement that are different from those of Doré Shareholders generally.***

Certain executive officers and directors of Doré may have interests in the Arrangement that may be different from, or in addition to, the interests of Doré Shareholders generally, including, but not limited to, the receipt of certain change of control payments as discussed under the heading "*Part 7 – The Arrangement – Termination and Change of Control Benefits*" of this Circular. The Special Committee and the Doré Board retained their own financial advisor in respect of the Arrangement. Nevertheless, Doré Shareholders should consider these interests in connection with their vote on the Arrangement Resolution, including whether these interests may have influenced Doré's executive officers and directors to recommend or support the Arrangement.

***The issuance of a significant number of Cygnus Shares, or securities convertible into Cygnus Shares, could adversely affect the market price of the Cygnus Shares.***

If the Arrangement is completed, a significant number of additional Cygnus Shares will be issued and will become available for trading in the public market. Any increase in the number of Cygnus Shares, or any new offering of Cygnus securities, may lead to sales of such shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Cygnus Shares. See the risk factors in Appendix I of this Circular.

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***The Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Doré.***

Each of Doré and Cygnus has the right to terminate the Arrangement Agreement and Arrangement in certain circumstances. Accordingly, there is no certainty, nor can Doré provide any assurance, that the Arrangement Agreement will not be terminated by either Doré or Cygnus before the completion of the Arrangement. For example, Cygnus has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that, in the aggregate, have a Material Adverse Effect on Doré. There is no assurance that a change having a Material Adverse Effect on Doré will not occur before the Effective Date, in which case Cygnus could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

***The Consideration is fixed and will not be adjusted to reflect any change in the market value of the Cygnus Shares or Doré Shares prior to the closing of the Arrangement.***

Under the Arrangement, Former Doré Shareholders will be entitled to receive as the Consideration under the Arrangement 1.8297 Cygnus Shares for every Doré Share held. Because the number of Cygnus Shares to be received as the Consideration is fixed and will not be adjusted to reflect any change in the market price of the Cygnus Shares or the Doré Shares, the value of the Consideration received under the Arrangement may vary significantly from the closing price of the Cygnus Shares and the Doré Shares on October 11, 2024, the last trading day before the Arrangement Agreement was entered into. If the market price of the Cygnus Shares increases or decreases, the value of the Cygnus Shares issued as the Consideration that Doré Shareholders are entitled to receive pursuant to the Arrangement will correspondingly increase or decrease. There can be no assurance that the market price of the Cygnus Shares on the Effective Date will not be lower than the price used to calculate the Consideration. Many of the factors that affect the market price of the Cygnus Shares and the Doré Shares are beyond the control of Cygnus and Doré, respectively. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

***Doré will incur costs even if the Arrangement is not completed and has agreed to pay the Termination Fee to Cygnus in certain circumstances.***

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Doré even if the Arrangement is not completed. Doré and Cygnus are each liable for their own costs incurred in connection with the Arrangement. If the Arrangement Agreement is terminated and the Arrangement is not completed, Doré may, in certain circumstances, be required to pay Cygnus a C$250,000 million expense reimbursement or a C$900,000 Termination Fee. See "*Part 8 – The Arrangement Agreement –Termination*" of this Circular.

The Termination Fee may discourage other parties from attempting to acquire Doré Shares or otherwise making an Acquisition Proposal to Doré, even if those parties would otherwise be willing to offer greater value to Doré Shareholders than that offered by Cygnus under the Arrangement.

***If the Arrangement is not approved by the Doré Shareholders, or the Arrangement is otherwise not completed, then the market price for the Doré Shares may decline.***

If the Arrangement is not approved by the Doré Shareholders, or the Arrangement is otherwise not completed, then the market price of the Doré Shares may decline, to the extent the current market price of the Doré Shares reflects an assumption by the market that the Arrangement will be completed. If the Arrangement Resolution is not approved and the Doré Board decides to seek another merger or Arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total Consideration to be paid pursuant to the Arrangement.

***Owning Cygnus Shares will expose Doré Shareholders to different risks.***

Cygnus is subject to different risks than those to which Doré is subject; for a full description of such risks please see the section entitled "*Risk Factors*" in Appendix I of this Circular. Cygnus conducts a portion of its operations in

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Australia, and as such Cygnus's operations are exposed to various risks normally associated with the conduct of business in foreign countries, including various levels of political and economic risk and other risks and uncertainties. The existence or occurrence of one or more of the circumstances or events described in the section entitled "*Risk Factors*" in Appendix I of this Circular could have a material adverse impact on Cygnus's profitability or the viability of Cygnus's affected foreign operations, which could have a Material Adverse Effect on Cygnus's future cash flows earnings, results of operations and financial condition.

***While the Arrangement is pending, Doré is restricted from taking certain actions***

The Arrangement Agreement restricts Doré from taking certain specified actions until the Arrangement is completed without the consent of Cygnus. These restrictions may prevent Doré from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

## PART 14. PROCEDURE FOR RECEIPT OF CONSIDERATION

Under the Arrangement, Former Doré Shareholders will, upon completion of the Arrangement, be entitled to receive, for each Doré Share held by them immediately prior to the Effective Time, the Consideration, comprised of 1.8297 Cygnus Shares. The aggregate number of Cygnus Shares that a Former Doré Shareholders is entitled to receive pursuant to the Arrangement will be rounded down to the nearest whole number of shares, without any payment or compensation to the Former Doré Shareholders for any cancelled fraction of a share. In calculating such fractional interests, all Cygnus Shares registered in the name of, or beneficially held by, a holder of Cygnus Shares, or their respective nominee, shall be aggregated.

After the Effective Time and until surrendered for cancellation, each certificate or DRS Advice that immediately prior to the Effective Time represented one or more Doré Shares (other than Doré Shares in respect of which Dissent Rights have been validly exercised and not withdrawn or Doré Shares held by Cygnus, AcquireCo or any of their affiliates) will be deemed at all times to represent only the right to receive in exchange therefor, DRS Advices, certificates or holdings statements representing the Consideration that the holder of such certificate or DRS Advice is entitled to receive in accordance with the Plan of Arrangement.

**Former Doré Shareholders**

In order to receive the Consideration that they are entitled to receive under the Arrangement, Former Doré Shareholders must comply with the exchange procedures contained in the Plan of Arrangement, which are summarized below.

A Non-Registered Doré Shareholder who holds Doré Shares that are registered in the name of an intermediary such as a broker, investment dealer, bank or trust company should contact the intermediary for instructions and assistance in depositing their Doré Shares with the Depositary, in order to ensure they receive the Consideration that they are entitled to receive under the Arrangement.

***Deposit of Transmittal Documents with Depositary***

In order to receive the Consideration that they are entitled to receive under the Arrangement, a Former Doré Shareholder must deliver to the Depositary a duly completed and signed Letter of Transmittal in respect of the Doré Shares held by such shareholder, together with the applicable Doré Share certificate(s) or DRS Advice(s), if any, and such other documents or instruments as the Depositary may reasonably require (collectively, the "**Transmittal Documents**"). Upon receipt by the Depositary of such Transmittal Documents, the Depositary shall, following the Effective Time, deliver to such Former Doré Shareholder a DRS Advice representing the Cygnus Shares forming the Consideration which such holder is entitled to receive in accordance with the Plan of Arrangement, less any amounts that the Depositary is entitled to withhold in accordance with the Plan of Arrangement.

A Letter of Transmittal (printed on white paper) is being mailed, together with this Circular, to each person who was a Registered Doré Shareholder on the Record Date. A copy of the Letter of Transmittal may also be obtained by contacting the Depositary. The Letter of Transmittal will also be available under Doré's issuer profile on SEDAR+ at

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www.sedarplus.ca. In order to receive the Consideration to which such Registered Doré Shareholder is entitled under the Arrangement, it is recommended that Registered Doré Shareholders complete, sign and return the Letter of Transmittal (with accompanying Doré Share certificate(s) or DRS Advice(s)) to the Depositary as soon as possible.

The method used by a Doré Shareholder to deliver the Transmittal Documents to the Depositary is at the option and risk of the Doré Shareholder, and delivery will be deemed effective only when such documents are actually received by the Depositary. Doré recommends that the Transmittal Documents be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Cygnus reserves the right to waive, or not to waive, any and all errors or other deficiencies in any Letter of Transmittal or other Transmittal Document, and any such waiver or non-waiver will be binding upon the Doré Shareholder submitting such documentation. The granting of a waiver to one or more Doré Shareholders does not constitute a waiver for any other Doré Shareholder, and Doré and Cygnus reserve the right to demand strict compliance with the terms of the Letter of Transmittal.

***Lost Certificates***

If any certificate that, immediately prior to the Effective Time, represented one or more outstanding Doré Shares has been lost, stolen or destroyed, then, upon the making of an affidavit of that fact by the person claiming such Doré Share certificate to be lost, stolen or destroyed, together with a Letter of Transmittal completed as fully as possible, the Depositary will, in exchange for such lost, stolen or destroyed Doré Share certificate, issue a DRS Advice representing the Cygnus Shares that such holder is entitled to receive for such Doré Shares in accordance with the terms of the Arrangement. As a condition precedent to the delivery by the Depositary of such DRS Advices, the person to whom such DRS Advices are to be issued shall first give a bond satisfactory to Cygnus and the Depositary in such amount as Cygnus and the Depositary may direct, or otherwise indemnify Cygnus and the Depositary in a manner satisfactory to each of them, against any claim that may be made them with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the constating documents of Doré.

***Limitation and Proscription After Six Years***

To the extent that a Former Doré Shareholder has not complied with the provisions of the Plan of Arrangement described above under the heading "*Deposit of Transmittal Documents with Depositary*" on or before the date that is six years after the Effective Date, then the Consideration that such Former Doré Shareholder was entitled to receive, in each case together with all entitlements to dividends and distributions thereon held for such Former Doré Shareholder, may be cancelled without any repayment of capital in respect thereof and the certificates, holding statements or DRS advice-statements representing Cygnus Shares shall be delivered to Cygnus by the Depositary and the certificates, holding statements and DRS Advices representing such Cygnus Shares shall be cancelled by Cygnus, and the interest of the Former Doré Shareholder in the Consideration (and dividends and distributions thereon) shall be terminated as of such date.

**Holders of Doré DSUs**

Under the Arrangement, holders of Doré DSUs will be entitled: (i) to receive Doré Shares upon the redemption (or deemed redemption) of their Doré DSUs; and (ii) to receive the Consideration for each such Doré Share to the same extent as a Doré Shareholder.

However, under the Arrangement, no Doré Share certificates or DRS Advices will be issued in respect of the Doré Shares to be received by holders of Doré DSUs upon the redemption (or deemed redemption) of the Doré DSUs. Holders of Doré DSUs will not be required to deliver a Letter of Transmittal to the Depositary in respect of the Doré Shares issued upon the redemption (or deemed redemption) of such Doré DSUs in order to receive the Consideration to which they are entitled under the Plan of Arrangement.

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## PART 15. CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date of this Circular, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to Doré Shareholders who beneficially own Doré Shares immediately prior to the Effective Time and exchange their Doré Shares pursuant to the Arrangement, and who at all relevant times, for purposes of the Tax Act, (i) hold their Doré Shares, and will hold any Cygnus Shares acquired pursuant to the Arrangement, as capital property, and (ii) deal at arm's length with all of, and are not affiliated with any of, Doré, AcquireCo and Cygnus (each such Doré Shareholder, a "**Holder**").

Generally, Doré Shares and Cygnus Shares will be considered to be capital property to the holder thereof provided that they are not used or held in the course of carrying on a business of trading or dealing in securities and have not been acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not apply to a Holder: (i) that is a partnership; (ii) that beneficially owns their Doré Shares through a partnership; (iii) that is a "financial institution" (as defined in the Tax Act) for the purposes of the mark-to-market rules; (iv) that is a "specified financial institution" (as defined in the Tax Act); (v) an interest in which is a "tax shelter investment" (as defined in the Tax Act); (vi) that has made a "functional currency" election under section 261 of the Tax Act; (vii) that has acquired, or acquires, Doré Shares upon the exercise or settlement (or deemed exercise or settlement) of a Doré Option, Doré DSU or Doré Warrant or pursuant to any employee compensation plan (including pursuant to the Arrangement); (viii) that is a corporation resident in Canada that is, or becomes (or does not deal at "arm's length", within the meaning of the Tax Act, with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the Arrangement, controlled by a non-resident corporation, a non-resident individual, a non-resident trust or a group of persons (comprising any combination of non-resident corporations, non-resident individuals and non-resident trusts) that do not deal with each other at arm's length, for purposes of section 212.3 of the Tax Act; (ix) that has entered into, or enters into, a "derivative forward agreement" or "synthetic disposition arrangement" (each as defined in the Tax Act) with respect to its Doré Shares or Cygnus Shares; (x) that receives dividends on its Doré Shares or Cygnus Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act); (xi) that is exempt from tax under Part I of the Tax Act; or (xii) with respect to whom Cygnus is or will be a "foreign affiliate" within the meaning of the Tax Act. **Such Holders should consult their own tax advisors.**

In addition, this summary does not address the Canadian federal income tax considerations applicable to holders of Doré Options, Doré DSUs or Doré Warrants in connection with the Arrangement. **Such holders should consult their own tax advisors.**

This summary is based upon the provisions of the Tax Act in force on the date of this Circular and an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") made publicly available prior to the date of this Circular. This summary takes into account all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted in their current form; however no assurance can be given that any of the Proposed Amendments will be enacted in the form proposed, or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in the administrative or assessing practices and policies of the CRA, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

**This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to a Holder in respect of the transactions described herein. The income or other tax consequences to a Holder will vary depending on the particular circumstances of the Holder, including the country, province or territory in which the Holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Moreover, no advance income tax ruling has been applied for or obtained from the CRA to confirm the tax consequences of any of the transactions described herein. Holders should consult their own legal and**

**tax advisors with respect to the tax consequences of the transactions described in this Circular based on their own particular circumstances.**

**Currency Conversion**

Subject to certain exceptions that are not discussed herein, for the purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of securities (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars. Amounts denominated in a foreign currency must generally be converted into Canadian dollars based on the rate quoted by the Bank of Canada for the exchange of the foreign currency for Canadian dollars on the date such amounts arise, or such other rate of exchange as is acceptable to the Minister of National Revenue.

**Holders Resident in Canada**

The following summary under this heading "*Holders Resident in Canada*" is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**").

The following portion of this summary, other than the portion under the heading "*Holders Resident in Canada – Dissenting Resident Holders*", applies to Resident Holders that are not Dissenting Shareholders.

***Disposition of Doré Shares in Exchange for Cygnus Shares***

A Resident Holder who disposes of Doré Shares to AcquireCo in exchange for Cygnus Shares under the Arrangement will be considered to have disposed of such Doré Shares for proceeds of disposition equal to the aggregate fair market value, at the effective time of the exchange, of the Cygnus Shares received by the Resident Holder in exchange for such Doré Shares. As a result, a Resident Holder will realize a capital gain (or capital loss) to the extent that the Resident Holder's proceeds of disposition for such Doré Shares, net of any reasonable costs of disposition, exceed (or are less than) the Resident Holder's adjusted cost base of such Doré Shares immediately before the exchange.

A Resident Holder's cost of the Cygnus Shares received by the Resident Holder on the exchange will be equal to the fair market value of the Cygnus Shares at the time of the exchange. The adjusted cost base to a Resident Holder of such Resident Holder's Cygnus Shares will be determined by averaging the cost of the Cygnus Shares acquired by the Resident Holder pursuant to the Arrangement with the adjusted cost base of any other Cygnus Shares held by the Resident Holder as capital property determined immediately prior to the exchange.

See "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act.

***Disposition of Cygnus Shares Following the Arrangement***

A Resident Holder who disposes, or is deemed to dispose, of a Cygnus Share following the completion of the Arrangement generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such share to the Resident Holder immediately before the disposition.

See "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act.

***Taxation of Capital Gains and Capital Losses***

For capital gains and capital losses realized on or after June 25, 2024, under Proposed Amendments released on September 23, 2024 in a Notice of Ways and Means Motion (the "**Capital Gains Tax Proposals**"), and subject to certain transitional rules discussed below, generally, a Resident Holder is required to include in computing its income for a taxation year two-thirds of the amount of any such capital gain (a "**taxable capital gain**") realized in the year, and is required to deduct two-thirds of the amount of any such capital loss (an "**allowable capital loss**") sustained in

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a taxation year from taxable capital gains realized in the year by such Resident Holder. However, under the Capital Gains Tax Proposals, a Resident Holder that is an individual (excluding most types of trusts) is effectively required to include in income only one-half of net capital gains realized (including net capital gains realized indirectly through a trust or partnership) in a taxation year up to a maximum of $250,000, with the two-thirds inclusion rate applying to the portion of net capital gains realized in the year (and on or after June 25, 2024) that exceed $250,000. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act (as proposed to be amended by the Capital Gains Tax Proposals).

Subject to transitional rules in the Capital Gains Tax Proposals, for a capital gain or capital loss realized prior to June 25, 2024, only one-half of such capital gain would be included in income as a taxable capital gain and one-half of such capital loss would constitute an allowable capital loss.

Under the Capital Gains Tax Proposals, two different inclusion and deduction rates (or a blended rate) would apply for taxation years that begin before and end on or after June 25, 2024 (the "**Transitional Year**"). As a result, for its Transitional Year, a Resident Holder would be required to separately identify capital gains and capital losses realized before June 25, 2024 ("**Period 1**") and those realized on or after June 25, 2024 ("**Period 2**"). Capital gains and capital losses from the same period would first be netted against each other. A net capital gain (or net capital loss) would arise if capital gains (or capital losses) from one period exceed capital losses (or capital gains) from that same period. A Resident Holder would effectively be subject to the higher inclusion and deduction rate of two-thirds in respect of its net capital gains (or net capital losses) arising in Period 2, to the extent that these net capital gains (or net capital losses) exceed any net capital losses (or net capital gains) incurred in Period 1. Conversely, a Resident Holder would effectively be subject to the lower inclusion and deduction rate of one-half in respect of its net capital gains (or net capital losses) arising in Period 1, to the extent that these net capital gains (or net capital losses) exceed any net capital losses (or net capital gains) incurred in Period 2.

The annual $250,000 threshold for a Resident Holder that is an individual (other than most types of trusts) would be fully available in 2024 without proration and would apply only in respect of net capital gains realized in Period 2 less any net capital loss from Period 1. Certain other limitations to the $250,000 threshold may apply.

The Capital Gains Tax Proposals also contemplate adjustments of carried forward or carried back allowable capital losses to account for changes in the relevant inclusion and deduction rates.

**The foregoing summary only generally describes the considerations applicable under the Capital Gains Tax Proposals, and is not an exhaustive summary of the considerations that could arise in respect of the Capital Gains Tax Proposals. Furthermore, the Capital Gains Tax Proposals could be subject to further changes. Resident Holders should consult their own tax advisors with regard to the Capital Gains Tax Proposals.**

The amount of any capital loss otherwise realized by a Resident Holder that is a corporation on a disposition or deemed disposition of Doré Shares may be reduced by the amount of certain dividends received or deemed to be received by it on such share (and, in certain circumstances, a share for which such share was exchanged), in each case to the extent and under the circumstances specified by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns such shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns such shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" or, at any time in the year, a "substantive CCPC", each as defined in the Tax Act, may be liable to pay an additional tax on its "aggregate investment income", as defined in the Tax Act, which includes certain amounts in respect of taxable capital gains and interest income. Such additional tax may be refundable in certain circumstances.

Capital gains realized by individuals and certain trusts may, in certain circumstances, give rise to the alternative minimum tax under the Tax Act. Recent amendments to the Tax Act enacted on June 20, 2024 may affect the liability of a Resident Holder for alternative minimum tax. **Resident Holders should consult their own tax advisors with respect to the minimum tax provisions**.

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Foreign tax, if any, levied on any gain realized on a disposition of Cygnus Shares may be eligible for a foreign tax credit under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors with respect to the availability of a foreign tax credit, having regard to their particular circumstances.

***Dividends on Cygnus Shares***

A Resident Holder generally will be required to include in computing its income for a taxation year any dividends received or deemed to be received on such Resident Holder's Cygnus Shares during such taxation year.

Foreign withholding tax on dividends received or deemed to be received on Cygnus Shares generally may be eligible for foreign tax credits or deductions under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors regarding the availability of a foreign tax credit or deduction, having regard to their particular circumstances.

Taxable dividends received or deemed to be received by individuals and certain trusts may, in certain circumstances, give rise to the alternative minimum tax under the Tax Act. Recent amendments to the Tax Act enacted on June 20, 2024 may affect the liability of a Resident Holder for alternative minimum tax. **Resident Holders should consult their own tax advisors with respect to the minimum tax provisions.**

***Foreign Property Information Reporting***

A Resident Holder that is a "specified Canadian entity" (as defined in the Tax Act) for a taxation year or a fiscal period and whose total "cost amount" of "specified foreign property" (as such terms are defined in the Tax Act), including Cygnus Shares, at any time in the year or fiscal period exceeds $100,000 will be required to file an information return for the year or period disclosing prescribed information. Subject to certain exceptions, a taxpayer resident in Canada, other than a corporation or trust exempt from tax under Part I of the Tax Act, will be a "specified Canadian entity", as will certain partnerships. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Holder's "specified foreign property" on a timely basis in accordance with the Tax Act.

The reporting rules in the Tax Act relating to "specified foreign property" are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. **Resident Holders should consult their own tax advisors regarding the reporting rules contained in the Tax Act.**

***Dissenting Resident Holders***

The following portion of this summary is generally applicable to a Resident Holder that is a Dissenting Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Resident Holder**").

A Dissenting Resident Holder who, as a result of the valid exercise of Dissent Rights, is entitled to be paid the fair value of their Doré Shares by AcquireCo, will be considered to have disposed of such Doré Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court). The Dissenting Resident Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Doré Shares immediately before their disposition to AcquireCo pursuant to the Arrangement. Any such capital gain or capital loss will be subject to the same tax treatment as described above under the heading "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Interest, if any, awarded by the Court to a Dissenting Resident Holder will be included in the Dissenting Resident Holder's income for the purposes of the Tax Act.

**Dissenting Resident Holders should consult their own tax advisors with respect to the tax implications to them of the exercise of Dissent Rights.**

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**Holders Not Resident in Canada**

The following summary under this heading "*Holders Not Resident in Canada*" is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, (i) is not resident in Canada and is not deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its Doré Shares (or any Cygnus Shares) in, or in the course of carrying on, a business in Canada, (iii) is not a person who carries on an insurance business in Canada and elsewhere, (iv) is not an "authorized foreign bank" (as defined in the Tax Act), and (v) is not a "foreign affiliate" (as defined in the Tax Act) of a person resident in Canada (a "**Non-Resident Holder**").

The following portion of this summary, other than the portion under the heading "*Holders Not Resident in Canada – Dissenting Non-Resident Holders*", applies to Non-Resident Holders that are not Dissenting Shareholders.

***Disposition of Doré Shares in Exchange for Cygnus Shares***

A Non-Resident Holder who disposes of Doré Shares to AcquireCo in exchange for Cygnus Shares under the Arrangement will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on the exchange unless such Doré Shares are (or are deemed to be) "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder at the time of such exchange and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided that the Doré Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes Tiers 1 and 2 of the TSXV) at the time of disposition, the Doré Shares disposed of by a Non-Resident Holder pursuant to the Arrangement generally will only be "taxable Canadian property" of the Non-Resident Holder at such time if, at any time during the 60-month period immediately preceding the disposition, both of the following conditions are satisfied concurrently: (i) one or any combination of (A) the Non-Resident Holder, (B) persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, and (C) partnerships in which the Non-Resident Holder or a person described in (B) holds a membership interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class or series of the capital stock of Doré, and (ii) more than 50% of the fair market value of the Doré Shares at such time was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), or options in respect of, or interests in, or for civil law rights in, any such properties. Notwithstanding the foregoing, a Doré Share may also be deemed to be "taxable Canadian property" in certain circumstances, subject to the detailed rules in the Tax Act. Non-Resident Holders should consult their own tax advisors in this regard.

Even if the Doré Shares are "taxable Canadian property" to a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the exchange of its Doré Shares pursuant to the Arrangement by virtue of an applicable income tax treaty or convention to which Canada is a signatory. Non-Resident Holders whose Doré Shares may constitute "taxable Canadian property" should consult their own tax advisors in this regard.

If the Doré Shares are or are deemed to be "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention to which Canada is a signatory, then the exchange of such Non-Resident Holder's Doré Shares pursuant to the Arrangement will generally be subject to the same Canadian tax consequences applicable to a Resident Holder as discussed above under the heading "*Holders Resident in Canada – Disposition of Doré Shares in Exchange for Cygnus Shares*".

The cost to a Non-Resident Holder of the Cygnus Shares acquired on the exchange of Doré Shares pursuant to the Arrangement will be computed in the same manner as described above with respect to a Resident Holder under the heading "*Holders Resident in Canada – Disposition of Doré Shares in Exchange for Cygnus Shares*".

***Dividends on Cygnus Shares***

Dividends paid on Cygnus Shares to a Non-Resident Holder will not be subject to Canadian withholding tax or other income tax under the Tax Act.

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***Disposition of Cygnus Shares Following the Arrangement***

A Non-Resident Holder who, following the completion of the Arrangement, disposes, or is deemed to dispose, of a Cygnus Share will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on such disposition unless, at the time of disposition, such share is or is deemed to be "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

The determination of whether Cygnus Shares constitute "taxable Canadian property" of a Non-Resident Holder is similar to the determination of whether Doré Shares constitute "taxable Canadian property" of a Non-Resident Holder as described above under the heading "*Holders Not Resident in Canada – Disposition of Doré Shares in Exchange for Cygnus Shares*".

***Dissenting Non-Resident Holders***

The following portion of this summary applies to a Non-Resident Holder that is a Dissenting Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Non-Resident Holder**").

A Dissenting Non-Resident Holder who, as a result of the valid exercise of Dissent Rights, is entitled to be paid the fair value of their Doré Shares by AcquireCo will be considered to have disposed of such Doré Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court). A Dissenting Non-Resident Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the Doré Shares immediately before their disposition to AcquireCo pursuant to the Arrangement. A Non-Resident Dissenting Holder will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on the disposition of its Doré Shares unless such Doré Shares are "taxable Canadian property" of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Interest, if any, awarded by the Court to a Dissenting Non-Resident Holder will not be subject to Canadian withholding tax, provided that such interest does not constitute "participating debt interest" as defined in the Tax Act.

**Dissenting Non-Resident Holders should consult their own tax advisors with respect to the tax implications to them of the exercise of their Dissent Rights.**

**Eligibility for Investment**

The Cygnus Shares received by Doré Shareholders pursuant to the Arrangement will be "qualified investments" under the Tax Act at a particular time for a trust governed by a "registered retirement savings plan", "registered retirement income fund", "registered education savings plan", "registered disability savings plan", "first home savings account" or "tax-free savings account" (collectively, "**Registered Plans**") or a trust governed by a "deferred profit sharing plan" (each as defined in the Tax Act) if, at the particular time, such Cygnus Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes the ASX and Tiers 1 and 2 of the TSXV).

Notwithstanding that the Cygnus Shares may be "qualified investments" under the Tax Act for Registered Plans as described above, the holder of, or annuitant or subscriber under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of any Cygnus Shares held in a Registered Plan if such shares are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. A Cygnus Share generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with Cygnus for purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in Cygnus.

Notwithstanding the foregoing, a Cygnus Share generally will not be a "prohibited investment" for a Registered Plan if such share is "excluded property" as defined in subsection 207.01(1) of the Tax Act for a Registered Plan.

**Resident Holders that intend to hold their Cygnus Shares through a Registered Plan should consult their own tax advisors as to whether any Cygnus Shares receivable pursuant to the Arrangement will be a "prohibited investment" in their particular circumstances.**

## PART 16. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of certain U.S. federal income tax considerations applicable to a U.S. Holder with respect to the Arrangement and the ownership and disposition of Cygnus Shares received pursuant to the Arrangement. This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a U.S. Holder as a result of the Arrangement or as a result of the ownership and disposition of Cygnus Shares received pursuant to the Arrangement. In addition, this summary does not take into account the individual facts and circumstances of any particular U.S. Holder that may affect the U.S. federal income tax consequences to such U.S. Holder, including specific tax consequences to a U.S. Holder under an applicable tax treaty. Accordingly, this summary is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any U.S. Holder. This summary does not address the U.S. federal alternative minimum, U.S. federal net investment income, U.S. federal estate and gift, U.S. state or local, or non-U.S. tax consequences to U.S. Holders of the Arrangement or the ownership and disposition of Cygnus Shares received pursuant to the Arrangement. Except as specifically set forth below, this summary does not discuss applicable tax filing and reporting requirements. Each U.S. Holder should consult its own tax advisor regarding the tax consequences of the Arrangement and the ownership and disposition of Cygnus Shares received pursuant to the Arrangement. This summary does not address any tax consequences of the Arrangement to holders of Doré DSUs, Doré Options, Doré Warrants, or other rights to acquire Doré Shares. Holders of Doré DSUs, Doré Options, Doré Warrants, or other rights to acquire Doré Shares should consult their own tax advisor regarding the tax consequences of the Arrangement to them in light of their own personal circumstances.

No legal opinion from U.S. legal counsel or ruling from the IRS has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement or the ownership and disposition of Cygnus Shares received pursuant to the Arrangement. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

### Scope of This Disclosure

#### *Authorities*

This summary is based on the U.S. Tax Code, U.S. Treasury Regulations (whether final, temporary or proposed), published rulings of the IRS, published administrative positions of the IRS, and U.S. court decisions, in each case, as in effect and available, as of the date of this summary. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive or prospective basis, which could affect the U.S. federal income tax consequences described in this summary. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

#### *U.S. Holders*

For purposes of this summary, the term "**U.S. Holder**" means a beneficial owner of Doré Shares (or after the Arrangement, Cygnus Shares) participating in the Arrangement that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) organized under the laws of the United States (including any state thereof or the District of Columbia);



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- an estate whose income is subject to U.S. federal income taxation regardless of its source; or

- a trust that (a) is subject to the primary supervision of a court within the United States and with respect to which one or more U.S. Persons have the authority to control all substantial decisions of such trust, or (b) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. Person.

***Non-U.S. Holders***

For purposes of this summary, a "**non-U.S. Holder**" is a beneficial owner of Doré Shares participating in the Arrangement that is not a U.S. Holder or a partnership. This summary does not address the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the Arrangement or the ownership and disposition of Cygnus Shares received pursuant to the Arrangement. Accordingly, a non-U.S. Holder should consult its own tax advisor regarding the tax consequences (including the potential application of and operation of any income tax treaties) related to the Arrangement and the ownership and disposition of Cygnus Shares received pursuant to the Arrangement.

***Transactions Not Addressed and Assumptions***

This summary does not address the U.S. federal income tax consequences of transactions effected prior or subsequent to, or concurrently with, the Arrangement (whether or not any such transactions are undertaken in connection with the Arrangement), including, without limitation, the following:

- any conversion into Doré Shares or Cygnus Shares of any notes, debentures or other debt instruments;

- any vesting, conversion, assumption, disposition, exercise, exchange or other transaction involving any rights to acquire Doré Shares or Cygnus Shares including, without limitation, Doré DSUs, Doré Options, Doré Warrants or other rights to acquire Doré Shares; and

- any transaction, other than the Arrangement, in which Doré Shares or Cygnus Shares are acquired.

In addition, this summary assumes that neither Doré nor Cygnus is a "controlled foreign corporation" for U.S. federal income tax purposes.

***U.S. Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed***

This summary does not address the U.S. federal income tax considerations of the Arrangement to U.S. Holders that are subject to special provisions under the U.S. Tax Code, including U.S. Holders that: (a) are tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) are financial institutions, underwriters, insurance companies, real estate investment trusts or regulated investment companies; (c) are broker-dealers, dealers or traders in securities or currencies that elect to apply a mark-to-market accounting method; (d) have a "functional currency" other than the U.S. dollar; (e) own Doré Shares (or after the Arrangement, Cygnus Shares) as part of a straddle, hedging transaction, conversion transaction, constructive sale or other integrated transaction; (f) acquired Doré Shares (or after the Arrangement, Cygnus Shares) in connection with the exercise of employee stock options or otherwise as compensation for services; (g) hold Doré Shares (or after the Arrangement, Cygnus Shares) other than as a capital asset within the meaning of Section 1221 of the U.S. Tax Code (generally, property held for investment purposes); (h) are subject to the alternative minimum tax; (i) are subject to special tax accounting rules with respect to Doré Shares (or after the Arrangement, Cygnus Shares); (j) are partnerships or other "pass-through" entities (and partners or other owners thereof); (k) are S corporations (and shareholders thereof); (l) are U.S. expatriates or former long-term residents of the United States subject to Section 877 or 877A of the U.S. Tax Code; (m) hold Doré Shares (or after the Arrangement, Cygnus Shares) in connection with a trade or business, permanent establishment or fixed base outside the United States; or (n) own, or have owned, or will own, directly, indirectly, or by attribution, 5% or more, by voting power or value, of the outstanding Doré Shares (or after the Arrangement, Cygnus Shares). U.S. Holders that are subject to special provisions under the U.S. Tax Code, including U.S. Holders described above, should consult their own tax advisor regarding the U.S. federal income, U.S.

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federal alternative minimum, U.S. net investment income, U.S. federal estate and gift, U.S. state or local, and non-U.S. tax consequences related to the Arrangement and the ownership and disposition of Cygnus Shares received pursuant to the Arrangement.

If an entity that is classified as a partnership (or other "pass-through" entity) for U.S. federal income tax purposes holds Doré Shares (or after the Arrangement, Cygnus Shares), the U.S. federal income tax consequences to such partnership and the partners of such partnership of participating in the Arrangement and the ownership and disposition of Cygnus Shares received pursuant to the Arrangement generally will depend in part on the activities of the partnership and the status of such partners. Partners of entities that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of Cygnus Shares received pursuant to the Arrangement.

**Certain U.S. Federal Income Tax Consequences of the Arrangement**

***Characterization of the Arrangement***

The exchange of Doré Shares for Cygnus Shares pursuant to the Arrangement may qualify as a tax-deferred "reorganization" within the meaning of Section 368(a) of the U.S. Tax Code (a "**Reorganization**"). Because the determination of whether the Arrangement will qualify as a Reorganization depends on the resolution of complex issues and facts, some of which will not be known until the closing of the Arrangement, there can be no assurance that the Arrangement will qualify as a Reorganization. The qualification of a transaction such as the Arrangement as a Reorganization is subject to numerous requirements, among them, that AcquireCo must acquire at least 80 percent of the Doré Shares outstanding and that the acquisition of such Doré Shares must be solely for Cygnus Shares. Thus, qualification of the Arrangement as a Reorganization will depend, among other things, on the absence of any payment of non-qualifying consideration (e.g., cash) to Doré Shareholders by AcquireCo, Cygnus or their affiliates. If there are Dissenting Shareholders and a portion of the consideration paid to Dissenting Shareholders is received directly or indirectly from AcquireCo, Cygnus or their affiliates, the consideration paid to Doré Shareholders will not consist solely of Cygnus Shares, and the Arrangement will not qualify as a Reorganization.

Neither Doré nor Cygnus has sought or obtained either a ruling from the IRS or an opinion of legal counsel regarding any of the tax consequences of the Arrangement. Accordingly, there can be no assurance that the IRS will not challenge the treatment of the Arrangement as a Reorganization or that the U.S. courts will uphold the status of the Arrangement as a Reorganization in the event of an IRS challenge. The tax consequences of the Arrangement qualifying as a Reorganization or as a taxable transaction are discussed below. U.S. Holders should consult their own tax advisors regarding the proper tax reporting of the Arrangement.

***Tax Consequences if the Arrangement Qualifies as a Reorganization***

If the Arrangement qualifies as a Reorganization, and subject to the PFIC rules discussed below, the following U.S. federal income tax consequences should result for U.S. Holders who receive Cygnus Shares pursuant to the Arrangement:

(a) a U.S. Holder should not recognize gain or loss on the exchange of Doré Shares for Cygnus Shares pursuant to the Arrangement;

(b) the aggregate tax basis of a U.S. Holder in the Cygnus Shares acquired in the Arrangement should be equal to such U.S. Holder's aggregate tax basis in the Doré Shares surrendered in exchange therefor;

(c) the holding period of a U.S. Holder for the Cygnus Shares acquired in the Arrangement should include such U.S. Holder's holding period for the Doré Shares surrendered in exchange therefor; and

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(d) a U.S. Holder who is a "significant transferor" within the meaning of U.S. Treasury Regulations will be required to file with such U.S. Holder's U.S. federal income tax return for the year in which the Arrangement takes place a statement setting forth certain facts relating to the Arrangement.

If a U.S. Holder holds different blocks of Doré Shares (generally as a result of having acquired different blocks of shares at different times or at different costs), such U.S. Holder's tax basis and holding period in its Cygnus Shares may be determined with reference to each block of the Doré Shares surrendered in exchange therefor.

U.S. Holders that will own more than 5% of the Cygnus Shares after the Arrangement should consult their own tax advisors as to the treatment of the Arrangement to them, including the requirement that they enter into a "gain recognition agreement" with the IRS under Section 367 of the U.S. Tax Code and the U.S. Treasury Regulations thereunder, as well as other information reporting requirements.

The IRS could challenge a U.S. Holder's treatment of the Arrangement as a Reorganization. If this treatment were to be successfully challenged, then the Arrangement would be treated as a taxable transaction, with the consequences discussed immediately below (including the recognition of any realized gain).

***Tax Consequences if the Arrangement is a Taxable Transaction***

In general, if the Arrangement does not qualify as a Reorganization, and subject to the PFIC rules discussed below, the following U.S. federal income tax consequences will result for U.S. Holders:

(a) a U.S. Holder will recognize gain or loss on the exchange of Doré Shares for Cygnus Shares pursuant to the Arrangement in an amount equal to the difference, if any, between (a) the fair market value of the Cygnus Shares received in exchange for the Doré Shares and (b) the adjusted tax basis of such U.S. Holder in the Doré Shares surrendered;

(b) the aggregate tax basis of a U.S. Holder in the Cygnus Shares acquired in the Arrangement will be equal to the fair market value of such Cygnus Shares on the date of receipt; and

(c) the holding period of a U.S. Holder for the Cygnus Shares acquired in the Arrangement will begin on the day after the date of receipt.

Subject to the PFIC rules discussed below, any gain or loss described in clause (a) immediately above would be capital gain or loss, which would be long-term capital gain or loss if such Doré Shares are held for more than one year on the date of the exchange. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate or trust. There are no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code. Any capital gain or loss recognized by a U.S. Holder will generally be treated as "U.S. source" gain or loss for U.S. foreign tax credit purposes.

For these purposes, U.S. Holders must calculate gain or loss separately for each identified block of Doré Shares (that is, the Doré Shares acquired at the same cost in a single transaction) surrendered in exchange for Cygnus Shares pursuant to the Arrangement.

***Passive Foreign Investment Company Rules Applicable to the Arrangement***

A U.S. Holder of Doré Shares would be subject to special, adverse tax rules in respect of the Arrangement if Doré were classified as a "passive foreign investment company" under the meaning of Section 1297 of the U.S. Tax Code (a "**PFIC**") for any tax year during which such U.S. Holder holds or held Doré Shares.

A non-U.S. corporation is classified as a PFIC for each tax year in which (i) 75% or more of its gross income is passive income (as defined for U.S. federal income tax purposes) ("**PFIC Income Test**") or (ii) on average for such tax year, 50% or more (by value) of its assets either produce or are held for the production of passive income ("**PFIC Asset Test**"). For purposes of the PFIC provisions, "gross income" generally includes sales revenues less cost of goods sold,

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plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes dividends, interest, certain royalties and rents, and gains from commodities or securities transactions.

For purposes of the PFIC Income Test and PFIC Asset Test, if Doré owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, Doré will be treated as if it (a) held a proportionate share of the assets of such other corporation; and (b) received directly a proportionate share of the income of such other corporation. In addition, for purposes of the PFIC Income Test and PFIC Asset Test, "passive income" does not include certain interest, dividends, rents or royalties that are received or accrued by Doré from certain "related persons" (as defined in Section 954(d)(3) of the U.S. Tax Code), to the extent such items are properly allocable to the income of such related person that is not passive income.

Doré believes that it was a PFIC during certain prior tax years and based on current business plans and financial expectations, expects that it should be a PFIC during its current taxable year. No opinion of legal counsel or ruling from the IRS concerning the status of Doré as a PFIC has been obtained or is currently planned to be requested. However, PFIC classification is factual in nature, generally cannot be determined until the close of the tax year in question and is determined annually. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Consequently, there can be no assurances regarding the PFIC status of Doré during the current tax year which includes the Effective Date or any prior tax year. U.S. Holders should consult their own tax advisors regarding the classification of Doré as a PFIC for each tax year in such U.S. Holder's holding period for its Doré Shares.

Section 1291(f) of the U.S. Tax Code provides that, to the extent provided in U.S. Treasury Regulations, any gain on the transfer of stock in a PFIC shall be recognized notwithstanding any other provision of the U.S. Tax Code. Under proposed U.S. Treasury Regulations, absent application of the PFIC-for-PFIC Exception discussed below, if Doré is classified as a PFIC for any tax year during which a U.S. Holder has held Doré Shares, special rules may increase such U.S. Holder's U.S. federal income tax liability with respect to the Arrangement. Under these default PFIC rules:

(a) the Arrangement would be treated as a taxable exchange in which gain (but not loss) would be recognized by a U.S. Holder even if such transaction qualifies as a Reorganization;

(b) any gain on the exchange of Doré Shares would be allocated ratably over such U.S. Holder's holding period;

(c) the amount allocated to the current tax year and any year prior to the first year in which Doré was classified as a PFIC would be taxed as ordinary income in the current year;

(d) the amount allocated to each of the other tax years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year; and

(e) an interest charge for a deemed deferral benefit would be imposed with respect to the resulting tax attributable to each of the other tax years referred to in (d) above, which interest charge would generally not be deductible by non-corporate U.S. Holders.

There are certain U.S. federal income tax elections that sometimes can be made to generally mitigate or avoid these PFIC tax consequences if Doré were to be classified as a PFIC for any tax year during which a U.S. Holder has held Doré Shares, including a ("**Mark-to-Market Election**") under Section 1296 of the U.S. Tax Code or an election to treat Doré as a "qualified electing fund" (a "**QEF**") under Section 1295 of the U.S. Tax Code (a "**QEF Election**"). However, such QEF Elections are available in limited circumstances, generally would require Doré to provide certain tax-related information to U.S. Holders and must be made in a timely manner. U.S. Holders should be aware that there can be no assurances that Doré has satisfied the record keeping requirements that apply to a QEF, or that Doré has supplied or would supply U.S. Holders with tax-related information such U.S. Holders require to report under the QEF rules. Thus, U.S. Holders may not be able to make a QEF Election with respect to their Doré Shares. The rules regarding the availability of, and procedure for making, a QEF Election or a Mark-to-Market Election are complex, and U.S. Holders should consult their own tax advisors regarding the availability of, and procedure for making, such elections.

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Notwithstanding the foregoing, if (a) the Arrangement qualifies as a Reorganization, (b) Doré was classified as a PFIC for any tax year during which a U.S. Holder holds or held Doré Shares, and (c) Cygnus is classified as a PFIC for the tax year that includes the day after the Effective Date, then proposed U.S. Treasury Regulations generally provide for Reorganization treatment to apply to such U.S. Holder's exchange of Doré Shares for Cygnus Shares pursuant to the Arrangement (for a discussion of the general non-recognition treatment of a Reorganization, see the discussion above under the heading "*Tax Consequences if the Arrangement Qualifies as a Reorganization*"). For purposes of this summary, this exception will be referred to as the "**PFIC-for-PFIC Exception**". In addition, in order to qualify for the PFIC-for-PFIC Exception, proposed U.S. Treasury Regulations require a U.S. Holder to report certain information to the IRS on IRS Form 8621 filed with such U.S. Holder's U.S. federal income tax return for the tax year in which the Arrangement occurs.

Doré understands that Cygnus believes that it was a PFIC during certain prior tax years and based on current business plans and financial expectations, expects that it should be a PFIC during its current taxable year. No opinion of legal counsel or ruling from the IRS concerning the status of Cygnus as a PFIC has been obtained or is currently planned to be requested. If the proposed U.S. Treasury Regulations are finalized in their current form and made applicable to the Arrangement (even if this occurs after the Effective Date), and Doré is classified as a PFIC for any tax year during a U.S. Holder's holding period for its Doré Shares, and Cygnus is classified as a PFIC for the tax year that includes the day after the Effective Date, then the PFIC-for-PFIC Exception could be available to U.S. Holders with respect to the Arrangement. PFIC classification is factual in nature, and generally cannot be determined until the close of the tax year in question. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Consequently, there can be no assurances regarding the applicability of the PFIC-for-PFIC Exception to the Arrangement.

In addition, the proposed U.S. Treasury Regulations discussed above were proposed in 1992 and have not been adopted in final form. The proposed U.S. Treasury Regulations state that they are to be effective for transactions occurring on or after April 1, 1992. However, because the proposed U.S. Treasury Regulations have not yet been adopted in final form, they are not currently effective and there is no assurance they will be finally adopted in the form and with the effective date proposed. Nevertheless, the IRS has announced that, in the absence of final U.S. Treasury Regulations, taxpayers may apply reasonable interpretations of the U.S. Tax Code provisions applicable to PFICs and that it considers the rules set forth in the proposed U.S. Treasury Regulations to be reasonable interpretations of those U.S. Tax Code provisions.

The application of the PFIC rules is complex and subject to differing interpretations. Each U.S. Holder should consult its own tax advisor regarding the potential application of the PFIC rules to the exchange of Doré Shares for Cygnus Shares pursuant to the Arrangement and the information reporting responsibilities in connection with the Arrangement.

Additional information regarding the PFIC rules is discussed below under "*Ownership and Disposition of Cygnus Shares – Passive Foreign Investment Company Rules Related to the Ownership and Disposition of Cygnus Shares*".

***Dissent Rights***

Regardless of whether the Arrangement qualifies as a Reorganization, a U.S. Holder that properly exercises Dissent Rights with respect to Doré Shares will recognize taxable gain or loss based upon the difference between the amount of cash received by such U.S. Holder and the U.S. Holder's tax basis in the Doré Shares. Subject to the discussion under "*Passive Foreign Investment Company Rules Applicable to the Arrangement*" above related to the possible application of the PFIC rules, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period for the Doré Shares exceeds the applicable holding period (currently one year). Long-term capital gains of non-corporate U.S. Holders, including individuals, currently are subject to reduced rates of U.S. federal income taxation. The deductibility of capital losses is subject to complex limitations under the U.S. Tax Code. Any capital gain or loss recognized by a U.S. Holder will generally be treated as "U.S. source" gain or loss for U.S. foreign tax credit purposes.

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**Ownership and Disposition of Cygnus Shares**

***Passive Foreign Investment Company Rules Related to the Ownership and Disposition of Cygnus Shares***

If Cygnus is classified as a PFIC for any year during a U.S. Holder's holding period, certain potentially adverse rules may affect the U.S. federal income tax consequences to a U.S. Holder as a result of the ownership and disposition of Cygnus Shares. Doré understands that Cygnus believes that it was a PFIC during certain prior tax years and based on current business plans and financial expectations, expects that it should be a PFIC during its current taxable year. No opinion of legal counsel or ruling from the IRS concerning the status of Cygnus as a PFIC has been obtained or is currently planned to be requested. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this Circular. Accordingly, there can be no assurance that the IRS will not challenge any determination made by Cygnus (or any subsidiary of Cygnus) concerning its PFIC status. Each U.S. Holder should consult its own tax advisor regarding the PFIC status of Cygnus and each subsidiary of Cygnus.

In any year in which Cygnus is classified as a PFIC, a U.S. Holder will generally be required to file an annual report with the IRS containing such information as U.S. Treasury Regulations and/or other IRS guidance may require. In addition to penalties, a failure to satisfy such reporting requirements may result in an extension of the time period during which the IRS can assess tax. U.S. Holders should consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621.

Under certain attribution rules, if Cygnus is a PFIC, U.S. Holders will generally be deemed to own their proportionate share of Cygnus's direct or indirect equity interest in any company that is also a PFIC (a "**Subsidiary PFIC**"), and will generally be subject to U.S. federal income tax on their proportionate shares of (a) any "excess distributions", as described below, on the stock of a Subsidiary PFIC and (b) a disposition or deemed disposition of the stock of a Subsidiary PFIC by Cygnus or another Subsidiary PFIC, both as if such U.S. Holders directly held the shares of such Subsidiary PFIC. In addition, U.S. Holders may be subject to U.S. federal income tax on any indirect gain realized on the stock of a Subsidiary PFIC on the sale or disposition of Cygnus Shares. Accordingly, U.S. Holders could be subject to tax under the PFIC rules even if no distributions are received and no redemptions or other dispositions of Cygnus Shares are made.

*Default PFIC Rules Under Section 1291 of the U.S. Tax Code*

If Cygnus is a PFIC for any tax year during which a U.S. Holder owns Cygnus Shares, the U.S. federal income tax consequences to such U.S. Holder of the ownership and disposition of Cygnus Shares will depend on whether and when such U.S. Holder makes a QEF Election or a Mark-to-Market Election. A U.S. Holder that does not make either a QEF Election or a Mark-to-Market Election will be referred to in this summary as a "**Non-Electing U.S. Holder**".

A Non-Electing U.S. Holder will be subject to the rules of Section 1291 of the U.S. Tax Code (described below) with respect to (a) any gain recognized on the sale or other taxable disposition of Cygnus Shares and (b) any "excess distribution" received on the Cygnus Shares. A distribution generally will be an "excess distribution" to the extent that such distribution (together with all other distributions received in the current tax year) exceeds 125% of the average distributions received during the three preceding tax years (or during a U.S. Holder's holding period for the Cygnus Shares, if shorter).

Any gain recognized on the sale or other taxable disposition of Cygnus Shares (including an indirect disposition of the stock of any Subsidiary PFIC), and any "excess distribution" received on Cygnus Shares or with respect to the stock of a Subsidiary PFIC, must be ratably allocated to each day in a Non-Electing U.S. Holder's holding period for the respective Cygnus Shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or excess distribution and to years before the entity became a PFIC, if any, would be taxed as ordinary income (and not eligible for certain preferred tax rates). The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each

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such year. A Non-Electing U.S. Holder that is not a corporation must generally treat any such interest paid as "personal interest", which is not deductible.

If Cygnus is classified as a PFIC for any tax year during which a Non-Electing U.S. Holder holds Cygnus Shares, Cygnus will continue to be treated as a PFIC with respect to such Non-Electing U.S. Holder, regardless of whether Cygnus ceases to be a PFIC in one or more subsequent tax years. A Non-Electing U.S. Holder may terminate this deemed PFIC status by electing to recognize gain (which would be taxed under the rules of Section 1291 of the U.S. Tax Code discussed above), but not loss, as if such Cygnus Shares were sold on the last day of the last tax year for which Cygnus was a PFIC.

*QEF Election*

A U.S. Holder that makes a timely and effective QEF Election for the first tax year in which the holding period of its Cygnus Shares begins generally will not be subject to the rules of Section 1291 of the U.S. Tax Code discussed above with respect to its Cygnus Shares. A U.S. Holder that makes a timely and effective QEF Election will be subject to U.S. federal income tax on such U.S. Holder's pro rata share of (a) the net capital gain of Cygnus, which will be taxed as long-term capital gain to such U.S. Holder, and (b) the ordinary earnings of Cygnus, which will be taxed as ordinary income to such U.S. Holder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short-term capital loss, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Holder that makes a QEF Election will be subject to U.S. federal income tax on such amounts for each tax year in which Cygnus is a PFIC, regardless of whether such amounts are actually distributed to the U.S. Holder by Cygnus. However, for any tax year in which Cygnus is a PFIC and has no net income or gain, U.S. Holders that have made a QEF Election would not have any income inclusions as a result of the QEF Election. If a U.S. Holder that made a QEF Election has an income inclusion, the U.S. Holder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge. If the U.S. Holder is not a corporation, any such interest paid will generally be treated as "personal interest," which is not deductible.

A U.S. Holder that makes a timely and effective QEF Election with respect to Cygnus generally (a) may receive a tax-free distribution from Cygnus to the extent that such distribution represents "earnings and profits" of Cygnus that were previously included in income by the U.S. Holder because of such QEF Election and (b) will adjust such U.S. Holder's tax basis in the Cygnus Shares to reflect the amount included in income or allowed as a tax-free distribution because of such QEF Election. In addition, a U.S. Holder that makes a QEF Election generally will recognize capital gain or loss on the sale or other taxable disposition of Cygnus Shares.

The procedure for making a QEF Election, and the U.S. federal income tax consequences of making a QEF Election, will depend on whether such QEF Election is timely. A QEF Election will be treated as "timely" if such QEF Election is made for the first year in the U.S. Holder's holding period for the Cygnus Shares in which Cygnus was a PFIC. If a U.S. Holder does not make a timely and effective QEF Election for the first year in the U.S. Holder's holding period for the Cygnus Shares, the U.S. Holder may still be able to make a timely and effective QEF Election in a subsequent year if such U.S. Holder meets certain requirements and makes a "purging" election to recognize gain (which will be taxed under the rules of Section 1291 of the U.S. Tax Code discussed above) as if such Cygnus Shares were sold for their fair market value on the day the QEF Election is effective. If a U.S. Holder makes an untimely or ineffective QEF Election, then such U.S. Holder will not be subject to the QEF Election rules and will be subject to tax under the rules of Section 1291 of the U.S. Tax Code discussed above with respect to its Cygnus Shares. If a U.S. Holder owns PFIC stock indirectly through another PFIC, separate QEF Elections must be made for the PFIC in which the U.S. Holder is a direct shareholder and the Subsidiary PFIC for the QEF rules to apply to both PFICs.

A QEF Election will apply to the tax year for which such QEF Election is timely made and to all subsequent tax years, unless such QEF Election is invalidated or terminated or the IRS consents to revocation of such QEF Election. If a U.S. Holder makes a QEF Election and, in a subsequent tax year, Cygnus ceases to be a PFIC, the QEF Election will remain in effect (although it will not be applicable) during those tax years in which Cygnus is not a PFIC. Accordingly, if Cygnus becomes a PFIC in another subsequent tax year, the QEF Election will be effective and the U.S. Holder will be subject to the QEF rules described above during any subsequent tax year in which Cygnus qualifies as a PFIC.

U.S. Holders should be aware that there can be no assurances that Cygnus will satisfy the record keeping requirements that apply to a QEF, or that Cygnus will supply U.S. Holders with information that such U.S. Holders are required to

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report under the QEF rules, in the event that Cygnus is a PFIC. Thus, U.S. Holders may not be able to make a QEF Election with respect to their Cygnus Shares. Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a QEF Election with respect to Cygnus and any Subsidiary PFIC.

A U.S. Holder makes a QEF Election by attaching a completed IRS Form 8621, including a PFIC Annual Information Statement, to a timely filed United States federal income tax return. However, if Cygnus does not provide the required information with regard to Cygnus or any of its Subsidiary PFICs, U.S. Holders will not be able to make a QEF Election for such entity and will continue to be subject to the rules of Section 1291 of the U.S. Tax Code discussed above that apply to Non-Electing U.S. Holders with respect to the taxation of gains and excess distributions.

*Mark-to-Market Election*

A U.S. Holder may make a Mark-to-Market Election only if the Cygnus Shares are marketable stock. The Cygnus Shares generally will be "marketable stock" if the Cygnus Shares are regularly traded on (a) a national securities exchange that is registered with the SEC, (b) the national market system established pursuant to Section 11A of the U.S. Exchange Act, or (c) a foreign securities exchange that is regulated or supervised by a governmental authority of the country in which the market is located, provided that (i) such foreign exchange has trading volume, listing, financial disclosure and surveillance requirements, and meets other requirements and the laws of the country in which such foreign exchange is located, together with the rules of such foreign exchange, ensure that such requirements are actually enforced and (ii) the rules of such foreign exchange effectively promote active trading of listed stocks. If such stock is traded on such a qualified exchange or other market, such stock generally will be "regularly traded" for any calendar year during which such stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Each U.S. Holder should consult its own tax advisor in this matter.

A U.S. Holder that makes a Mark-to-Market Election with respect to its Cygnus Shares generally will not be subject to the rules of Section 1291 of the U.S. Tax Code discussed above with respect to such Cygnus Shares. However, if a U.S. Holder does not make a Mark-to-Market Election beginning in the first tax year of such U.S. Holder's holding period for the Cygnus Shares for which Cygnus is a PFIC and such U.S. Holder has not made a timely QEF Election, the rules of Section 1291 of the U.S. Tax Code discussed above will apply to certain dispositions of, and distributions on, the Cygnus Shares.

A U.S. Holder that makes a Mark-to-Market Election will include in ordinary income, for each tax year in which Cygnus is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the Cygnus Shares, as of the close of such tax year over (b) such U.S. Holder's adjusted tax basis in such Cygnus Shares. A U.S. Holder that makes a Mark-to-Market Election will be allowed a deduction in an amount equal to the excess, if any, of (a) such U.S. Holder's adjusted tax basis in the Cygnus Shares, over (b) the fair market value of such Cygnus Shares (but only to the extent of the net amount of previously included income as a result of the Mark-to-Market Election for prior tax years).

A U.S. Holder that makes a Mark-to-Market Election generally will adjust such U.S. Holder's tax basis in the Cygnus Shares to reflect the amount included in gross income or allowed as a deduction because of such Mark-to-Market Election. In addition, upon a sale or other taxable disposition of Cygnus Shares, a U.S. Holder that makes a Mark-to-Market Election will recognize ordinary income or ordinary loss (not to exceed the excess, if any, of (a) the amount included in ordinary income because of such Mark-to-Market Election for prior tax years over (b) the amount allowed as a deduction because of such Mark-to-Market Election for prior tax years). Losses that exceed this limitation are subject to the rules generally applicable to losses provided in the U.S. Tax Code and U.S. Treasury Regulations.

A U.S. Holder makes a Mark-to-Market Election by attaching a properly completed IRS Form 8621 to a timely filed United States federal income tax return. A Mark-to-Market Election applies to the tax year in which such Mark-to-Market Election is made and to each subsequent tax year, unless the Cygnus Shares cease to be "marketable stock" or the IRS consents to revocation of such election. Each U.S. Holder should consult its own tax advisor regarding the availability of, and procedure for making, a Mark-to-Market Election.

Although a U.S. Holder may be eligible to make a Mark-to-Market Election with respect to the Cygnus Shares, no such election may be made with respect to the stock of any Subsidiary PFIC that a U.S. Holder is treated as owning, because such stock is not marketable. Hence, the Mark-to-Market Election will not be effective to avoid the application

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of the default rules of Section 1291 of the U.S. Tax Code described above with respect to deemed dispositions of Subsidiary PFIC stock or excess distributions from a Subsidiary PFIC to its shareholder.

*Other PFIC Rules*

Under Section 1291(f) of the U.S. Tax Code, the IRS has issued proposed U.S. Treasury Regulations that, subject to certain exceptions, would cause a U.S. Holder that had not made a timely QEF Election to recognize gain (but not loss) upon certain transfers of Cygnus Shares that would otherwise be tax-deferred (e.g., gifts and exchanges pursuant to corporate reorganizations). However, the specific U.S. federal income tax consequences to a U.S. Holder may vary based on the manner in which Cygnus Shares are transferred.

Certain additional adverse rules may apply with respect to a U.S. Holder if Cygnus is a PFIC, regardless of whether such U.S. Holder makes a QEF Election. For example, under Section 1298(b)(6) of the U.S. Tax Code, a U.S. Holder that uses Cygnus Shares as security for a loan will, except as may be provided in U.S. Treasury Regulations, be treated as having made a taxable disposition of such Cygnus Shares.

In addition, a U.S. Holder who acquires Cygnus Shares from a decedent will not receive a "step up" in tax basis of such Cygnus Shares to fair market value unless such decedent had a timely and effective QEF Election in place.

Special rules also apply to the amount of foreign tax credit that a U.S. Holder may claim on a distribution from a PFIC. Subject to such special rules, foreign taxes paid with respect to any distribution in respect of stock in a PFIC are generally eligible for the foreign tax credit. The rules related to distributions by a PFIC and their eligibility for the foreign tax credit are complicated.

The PFIC rules are complex, and each U.S. Holder should consult its own tax advisor regarding the PFIC rules and how the PFIC rules may affect the U.S. federal income tax consequences of the ownership and disposition of Cygnus Shares.

***Taxation of Distributions***

A U.S. Holder that receives a distribution, including a constructive distribution, with respect to a Cygnus Share will be required to include the amount of such distribution in gross income as a dividend (without reduction for any Australian income tax withheld from such distribution) to the extent of the current or accumulated "earnings and profits" of the distributing company, as computed for U.S. federal income tax purposes. A dividend generally will be taxed to a U.S. Holder at ordinary income tax rates if the distributing company is a PFIC. To the extent that a distribution exceeds the current and accumulated "earnings and profits" of the distributing company, such distribution will be treated first as a tax-free return of capital to the extent of a U.S. Holder's tax basis in the shares of the distributing company and thereafter as gain from the sale or exchange of such shares. See the discussion below under the heading "*Sale or Other Taxable Disposition of Cygnus Shares*." However, the distributing company may not maintain the calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution with respect to the Cygnus Shares will constitute ordinary dividend income. Dividends received on Cygnus Shares generally will not be eligible for the "dividends received deduction". In addition, distributions from Cygnus on Cygnus Shares will not constitute qualified dividend income eligible for the preferential tax rates applicable to long-term capital gains if the distributing company were a PFIC either in the year of the distribution or in the immediately preceding year, or if the distributing company is not eligible for the benefits of the applicable U.S. tax treaty and its shares are not readily tradable on an established securities market in the United States. The dividend rules are complex, and each U.S. Holder should consult its own tax adviser regarding the application of such rules.

***Sale or Other Taxable Disposition of Cygnus Shares***

Upon the sale or other taxable disposition of Cygnus Shares, a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between the U.S. dollar value of cash received plus the fair market value of any property received and such U.S. Holder's adjusted tax basis in such shares sold or otherwise disposed of. A U.S. Holder's tax basis in Cygnus Shares generally will be such holder's U.S. dollar cost for such shares. Gain or loss

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recognized on such sale or other disposition generally will be long-term capital gain or loss if, at the time of the sale or other disposition, the shares have been held for more than one year.

Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate or trust. There are no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to significant limitations under the U.S. Tax Code.

**Additional Considerations**

***Foreign Tax Credit***

Dividends paid on the Cygnus Shares will be treated as foreign-source income, and generally will be treated as "passive category income" or "general category income" for U.S. foreign tax credit purposes. Any capital gain or loss recognized by a U.S. Holder will generally be treated as "U.S. source" gain or loss for U.S. foreign tax credit purposes. The U.S. Tax Code applies various complex limitations on the amount of foreign taxes that may be claimed as a result by U.S. taxpayers. In addition, U.S. Treasury Regulations that apply to taxes paid or accrued (the "**Foreign Tax Credit Regulations**") impose additional requirements for Australian withholding taxes to be eligible for a foreign tax credit, and there can be no assurance that those requirements will be satisfied.

Subject to the PFIC rules and the Foreign Tax Credit Regulations discussed above, a U.S. Holder that pays (whether directly or through withholding) Australian income tax with respect to dividends paid on Cygnus Shares generally will be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Australian income tax. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income that is subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a year. The foreign tax credit rules are complex, and involve the application of rules that depend on a U.S. Holder's particular circumstances. Accordingly, each U.S. Holder should consult its own U.S. tax advisors regarding the foreign tax credit rules.

***Receipt of Foreign Currency***

The amount of any distribution paid to a U.S. Holder in foreign currency, or on the sale, exchange or other taxable disposition of Cygnus Shares, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a tax basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method of tax accounting. Each U.S. Holder should consult its own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning and disposing of foreign currency.

***Information Reporting; Backup Withholding Tax***

Under U.S. federal income tax law and U.S. Treasury Regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. For example, U.S. return disclosure obligations (and related penalties) are imposed on individuals who are U.S. Holders that hold certain specified foreign financial assets in excess of certain threshold amounts. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. Person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. Person and any interest in a non-U.S. entity. U.S. Holders may be subject to these reporting requirements unless their Cygnus Shares are held in an account at certain financial institutions. Penalties for failure to file certain of these information returns are substantial. U.S. Holders should consult their own tax advisors regarding the requirements of filing information returns, including the requirement to file an IRS Form 8938.

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Payments made within the U.S. or by a U.S. payor or U.S. middleman of (a) distributions on the Cygnus Shares, (b) proceeds arising from the sale or other taxable disposition of Cygnus Shares, or (c) any payments received in connection with the Arrangement (including, but not limited to, U.S. Holders exercising Dissent Rights under the Arrangement) will generally be subject to information reporting and backup withholding tax, currently, at the rate of 24%, if a U.S. Holder (a) fails to furnish such U.S. Holder's correct U.S. taxpayer identification number (generally on IRS Form W-9), (b) furnishes an incorrect U.S. taxpayer identification number, (c) is notified by the IRS that such U.S. Holder has previously failed to properly report items subject to backup withholding tax, or (d) fails to certify, under penalty of perjury, that such U.S. Holder has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Holder that it is subject to backup withholding tax. However, certain exempt persons generally are excluded from these information reporting and backup withholding rules. Backup withholding is not an additional tax. Any amounts withheld under the U.S. backup withholding tax rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Holder furnishes required information to the IRS in a timely manner.

The discussion of reporting requirements set forth above is not intended to constitute a complete description of all reporting requirements that may apply to a U.S. Holder. A failure to satisfy certain reporting requirements may result in an extension of the time period during which the IRS can assess a tax, and under certain circumstances, such an extension may apply to assessments of amounts unrelated to any unsatisfied reporting requirement. Each U.S. Holder should consult its own tax advisors regarding the information reporting and backup withholding rules.

**THE ABOVE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS APPLICABLE TO U.S. HOLDERS WITH RESPECT TO THE ARRANGEMENT AND THE OWNERSHIP AND DISPOSITION OF CYGNUS SHARES RECEIVED PURSUANT TO THE ARRANGEMENT. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSIDERATIONS APPLICABLE TO THEM IN LIGHT OF THEIR OWN PARTICULAR CIRCUMSTANCES.**

## PART 17. MANAGEMENT CONTRACTS

Management services for the Corporation are not, to any material degree, performed by persons other than the directors and executive officers of the Corporation.

## PART 18. INFORMATION CONCERNING DORÉ

Doré is engaged in the acquisition, exploration, evaluation and development of mineral properties. It was incorporated under the laws of Canada on April 11, 2017, and on December 13, 2019, the Corporation completed a reverse takeover transaction, pursuant to which AmAuCu Mining Corporation amalgamated with a wholly owned subsidiary of ChaiNode Opportunities Corporation and was subsequently renamed Doré Copper Mining Corp. The Doré Shares were subsequently listed on the TSXV and began trading under the symbol "DCMC" on December 17, 2019. The Corporation's office is located at 130 King Street West, Suite 1900, Toronto, Ontario, M5X 1E3.

The Corporation's main assets, all located in the Chibougamau area of Québec, are held through its 100% owned subsidiary, CBAY Minerals Inc., and include the Corner Bay copper deposit, the Joe Mann past producing gold mine, the Cedar Bay past producing copper mine, the Copper Rand past producing copper mine, the Devlin copper deposit and the Copper Rand mill and tailings management facility.

Doré's focus is to implement a hub-and-spoke operation model with multiple high-grade copper-gold assets feeding its centralized Copper Rand mill.

### General Development of the Business

The following is a description of the general development of Doré's business over the last two completed financial years and the subsequent period up to the date of this Circular, with a focus on acquisitions and dispositions that have influenced the general development of Doré's business.

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On February 21, 2023, the Corporation announced that it had exercised the option to acquire a 100% interest in the Joe Mann property, which covers the former high-grade Joe Mann gold mine, pursuant to an earn-in option agreement (the "**Option Agreement**") dated January 2, 2020, as amended October 28, 2022, between the Corporation and Ressources Jessie Inc. ("**Ressources Jessie**"). In accordance with the terms of the Option Agreement, Ressources Jessie transferred the Joe Mann property to the Corporation and the Corporation granted to Ressources Jessie a 2% net smelter return royalty ("**NSR**") on production from the property. The Corporation is entitled to buy back a 1% NSR in consideration for a payment to Ressources Jessie of C$2 million and to buy back an additional 0.5% NSR in consideration for a payment to Ressources Jessie of C$4 million. Pursuant to the terms of the Option Agreement, upon the commencement of commercial production at the Joe Mann property, Doré will make an additional C$1 million cash payment to Ressources Jessie and issue C$1.5 million in Doré Shares to Legault Metals Inc.

On January 22, 2024, the Corporation announced that, pursuant to the Option Agreement, it had exercised its right to acquire a 65% interest in certain claims subject to a joint venture with SOQUEM Inc. (the "**SOQUEM JV Property**"), which surround and are adjacent to the Corporation's 100% owned Joe Mann property. SOQUEM holds the remaining 35% interest in the Joe Mann SOQUEM JV Property. In accordance with the terms of the Option Agreement, Ressources Jessie transferred its 65% interest in the SOQUEM JV Property to the Corporation for C$300,000 in cash and 3,333,333 Doré Shares.

On July 2, 2024, the Corporation completed an agreement with SOQUEM Inc. to acquire a 56.41% interest in a group of contiguous claims (the "**Claim Group**") located immediately north and east of its Corner Bay copper project in the Chibougamau mining camp. The Claim Group totals 17 claims covering an area of 446 hectares within Doré's 100% owned Corner Bay-Devlin property. Upon execution of the agreement, SOQUEM Inc. received (i) a cash payment of C$20,000 and (ii) 1,190,476 Doré Shares, as consideration for the purchase of a 56.41% interest in the Claim Group. In addition, in the event that the Corporation completes a mineral resource estimate in accordance with NI 43-101 on the Claim Group, the Corporation will pay SOQUEM the sum of C$100,000. On commencement of commercial production (defined as greater than 200 tonnes per day for a consecutive period of seven days), the Corporation will pay SOQUEM the sum of C$250,000 and a 1% NSR on the production of copper and gold. The Corporation has the right, at any time prior to the commencement of commercial production, to purchase 50% of the NSR for C$500,000 and the other 50% for C$1,000,000.

**Description of Capital Structure**

Doré is authorized to issue an unlimited number of Doré Shares and an unlimited number of preferred shares, issuable in series.

***Common Shares***

The holders of Doré Shares are entitled to: (i) receive notice of and to vote at every meeting of Doré Shareholders and shall have one vote thereat for each such Doré Share so held; (ii) receive such dividend as the directors may from time to time, by resolution, declare on the Doré Shares, subject to the rights, privileges, restrictions and conditions attached to the preferred shares of Doré; and (iii) subject to the rights, privileges, restrictions and conditions attached to the preferred shares of Doré, in the event of liquidation, dissolution or winding up of Doré or upon any distribution of the assets of Doré (other than by way of dividend out of monies properly applicable to the payment of dividends) to share *pro rata*.

***Preferred Shares***

The preferred shares may be issued in one or more series, and the directors of Doré are authorized to fix the number of shares in each series, and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The preferred shares are entitled to preference over the Doré Shares with respect to the payment of dividends, if any, and in the distribution of assets in the event of liquidation, dissolution or winding up of Doré.

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**Market Price and Trading Volume Data**

The Doré Shares are listed and posted for trading on the TSXV under the symbol "DCMC". The following table sets out the price ranges and volume of the Doré Shares that were traded on the TSXV for the twelve-month period preceding the date of this Circular (source: Bloomberg).

| Month | Price Range (C$) | | Monthly Trading Volume (Shares) |
|---|---|---|---|
| | High | Low | |
| November 2023 | 0.1626 | 0.11 | 2,406,585 |
| December 2023 | 0.15 | 0.10 | 3,795,876 |
| January 2024 | 0.12 | 0.10 | 1,705,264 |
| February 2024 | 0.11 | 0.085 | 1,663,092 |
| March 2024 | 0.11 | 0.075 | 2,079,072 |
| April 2024 | 0.12 | 0.10 | 3,046,419 |
| May 2024 | 0.14 | 0.105 | 1,148,663 |
| June 2024 | 0.115 | 0.10 | 668,687 |
| July 2024 | 0.12 | 0.105 | 651,698 |
| August 2024 | 0.115 | 0.095 | 941,157 |
| September 2024 | 0.12 | 0.10 | 820,377 |
| October 2024 | 0.20 | 0.10 | 4,955,982 |
| November 1-12, 2024 | 0.20 | 0.165 | 403,757 |

On October 11, 2024, being the last trading day on which the Doré Shares traded prior to the announcement of the entering into of the Arrangement Agreement, the closing price of the Doré Shares on the TSXV was $0.185 per Doré Share. As of the close of markets on November 12, 2024, the last trading day prior to the date of this Circular, the closing price of the Doré Shares on the TSXV was $0.165 per Doré Share.

Following the completion of the Arrangement, it is expected that the Doré Shares will be delisted from the TSXV with effect as promptly as practicable following the Effective Date.

**Previous Purchases and Sales**

The following Doré Shares and other securities of Doré have been issued by Doré during the 12-month period preceding the date of this Circular.

| Date of Issue | Type of Security | Description | Number Issued | Issue / Exercise Price | Gross Proceeds |
|---|---|---|---|---|---|
| November 28, 2023 | Rights | Offering of Rights | 33,000,000 | N/A[1] | N/A[1] |
| December 29, 2023 | Doré Shares | Exercise of Rights | 33,000,000 | $0.12 | $3,960,000 |
| January 22, 2024 | Doré Shares | Property Option Payment | 3,333,333 | $0.12[2] | N/A[2] |
| April 19, 2024 | Doré DSUs | Grant of Doré DSUs to independent directors | 400,000 | N/A | N/A |
| April 19, 2024 | Doré Options | Grant of Doré Options to management, consultants and advisors | 4,215,000 | $0.10 | N/A |
| July 2, 2024 | Doré Shares | Property Acquisition | 1,190,476 | $0.105[2] | N/A[2] |
| September 19, 2024 | Doré Options | Grant of Doré Options to employee | 75,000 | $0.105 | N/A |

| Date of Issue | Type of Security | Description | Number Issued | Issue / Exercise Price | Gross Proceeds |
|---|---|---|---|---|---|
| September 26, 2024 | Doré Shares | Private Placement of Doré Shares | 20,960,955 | $0.105 | $2,200,900.28 |
| September 26, 2024 | Doré Shares | Private Placement of Flow-Through Shares | 1,400,000 | $0.125 | $175,000 |
| September 26, 2024 | Doré Shares | Private Placement of Charity Flow-Through Shares | 11,500,000 | $0.20 | $2,300,000 |
| September 26, 2024 | Doré Warrants | Issuance of Finder's Warrants | 24,000 | $0.105 | N/A |

**Notes:**

1. Holders of Doré Shares of record at the close of business (Toronto time) on November 28, 2023 were issued an aggregate of 33,000,000 transferable rights to subscribe for an aggregate of 33,000,000 Doré Shares. Each whole right entitled the holder thereof to subscribe for one Doré Share upon payment of a subscription price of $0.12 per share on or before the expiry time of such right.
2. Represents the deemed issue price. No cash proceeds were received by the Corporation.

**Previous Distributions of Doré Shares**

For the five years preceding the date of this Circular, Doré has completed the following distributions of Doré Shares:

| Date | Description | Number Issued | Issue/Exercise Price (C$) | Proceeds (C$) |
|---|---|---|---|---|
| January 1 – November 12, 2024 | Property Option Payment | 3,333,333 | $0.12 (deemed) | N/A |
| | Property Acquisition | 1,190,476 | $0.105 (deemed) | N/A |
| | Private Placement of Doré Shares | 20,960,955 | $0.105 | $2,200,900.28 |
| | Private Placement of Flow-Through Shares | 1,400,000 | $0.125 | $175,000 |
| | Private Placement of Charity Flow-Through Shares | 11,500,000 | $0.20 | $2,300,000 |
| | Exercise of options | 55,000 | $0.105 | $5,775 |
| During the year ended December 31, 2023 | Private Placement of Doré Shares | 5,760,000 | $0.20 | $1,152,000 |
| | Private Placement of Flow-Through Shares | 1,900,002 | $0.24 | $456,000.48 |
| | Private Placement of Charity Flow-Through Shares | 2,875,000 | $0.415 | $1,193,125 |
| | Exercise of Rights | 33,000,000 | $0.12 | $3,960,000 |
| During the year ended December 31, 2022 | Property Option Payment | 632,911 | $0.79 (deemed) | N/A |
| | Private Placement of Doré Shares | 7,666,820 | $0.30 | $2,300,046 |
| | Private Placement of Flow-Through Shares | 9,583,525 | $0.36 | $5,750,115 |
| | Property Option Payment | 3,333,333 | $0.30 (deemed) | N/A |
| During the year ended December 31, 2021 | Property Option Payment | 500,000 | $1.00 (deemed) | N/A |
| | Private Placement of Doré Shares | 2,999,622 | $0.68 | $2,039,742.96 |
| | Private Placement of Flow-Through Shares | 12,221,000 | $0.90 | $10,998,900 |
| | Property Option Payment | 210,525 | $0.95 (deemed) | N/A |

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| Date | Description | Number Issued | Issue/Exercise Price (C$) | Proceeds (C$) |
|---|---|---|---|---|
| | Private Placement of Doré Shares | 9,636,050 | $1.00 | $9,636,050 |
| | Private Placement of Flow-Through Shares | 2,907,000 | $1.72 | $5,000,040 |
| | Property Option Payment | 56,180 | $0.90 (deemed) | N/A |
| | Exercise of Warrants | 10,752 | $0.68 | $7,311.36 |
| | Exercise of Options | 143,333 | $0.50-0.66 | $73,266.50 |
| During the year ended December 31, 2020 | Property Option Payment | 400,000 | $1.25 (deemed) | N/A |
| | Private Placement of Doré Shares | 5,800,378 | $0.68 | $3,944,257.04 |
| | Private Placement of Flow-Through Shares | 1,749,450 | $1.20 | $2,099,340 |
| | Private Placement of Flow-Through Shares | 912,622 | $1.12 | $1,022,136.64 |

**Dividends**

Doré has not declared any cash dividends or distributions on the Doré Shares since its inception. There are no restrictions in the constating documents of Doré that would restrict or prevent Doré from paying dividends. However, Doré currently intends to retain all available funds to finance its business. Any decision to pay dividends on the Doré Shares in the future will be made by the Doré Board based on the earnings, financial requirements, and other conditions existing at such time. The Arrangement Agreement provides that Doré may not declare, set aside or pay any dividends in respect of the Doré Shares, subject to certain exceptions set out in the Arrangement Agreement.

**Material Mineral Projects**

Information relating to the Corporation's material mineral properties is set out below. BBA Inc., SLR Consulting (Canada) Ltd., SRK Consulting (Canada) Inc., and WSP (Canada) Inc. jointly prepared a technical report in accordance with NI 43-101 entitled "NI 43-101 Technical Report, Preliminary Economic Assessment for the Chibougamau Hub-and-Spoke Complex, Québec, Canada" dated June 15, 2022, with an effective date of May 9, 2022 (the "**Technical Report**"). The Summary section of the Technical Report is reproduced below, and readers should consult the full Technical Report to obtain further particulars regarding the Corporation's material mineral projects. The Technical Report is available for review electronically on SEDAR+ at www.sedarplus.ca under Doré's issuer profile and is incorporated by reference in its entirety herein. All scientific and technical information in the following summary has been extracted from the Technical Report, which was prepared by Mathieu Bélisle, P.Eng., Colin Hardie, P.Eng., Hem Priyadarshi, P.Eng., Patricia Dupuis, P.Eng., David Willock, P.Eng., Luke Evans, P.Eng., Jean-François St-Laurent, P.Eng., and Simon Latulippe P.Eng., each of whom is a qualified person under NI 43-101.

***Summary***

This NI 43-101 Technical Report Corner Bay Preliminary Economic Assessment (the Report) was prepared and compiled by BBA Inc. (BBA) at the request of Doré Copper Mining Corp. (Doré Copper). Doré Copper is pursuing a hub-and-spoke development strategy that would see the Corner Bay copper-gold deposit serve as the main underground mine along with the Devlin copper deposit and the former Joe Mann gold mine providing feed to its Copper Rand mill (collectively, the Project). The purpose of this Report is to summarize the results of the Preliminary Economic Assessment (PEA) for the Project in accordance with the guidelines of the Canadian Securities Administrators National Instrument 43-101 (NI 43-101) and Form 43-101F1.

This Report was prepared under the supervision of the QPs named herein with contributions from BBA, SLR Consulting Ltd. (SLR), SRK Consulting (Canada) Inc. (SRK), and WSP Inc. (WSP). This PEA study provides a base case assessment for developing the Corner Bay deposit as the main underground mine, supplemented with material



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from the Devlin deposit for years one through four followed by material from the former Joe Mann mine. The run-of-mine material will feed a crushing and mineral sorting plant, located at the Corner Bay site, with a design production capacity of 3,600 t/d, followed by a flotation plant (located at Copper Rand) to produce a saleable concentrate. The tailings will be dewatered and drystacked at the existing tailings management facility (TMF), also located at Copper Rand.

All monetary units in the Report are in Canadian dollars (CAD or $), unless otherwise specified. Costs are based on second quarter (Q2) 2022 dollars. Quantity and grades are rounded to reflect that the reported values represent approximations.

***Contributors***

The major PEA contributors and their respective areas of responsibility are presented in Table 1-1.

**Table 1-1: Report contributors**

| Qualified Person / Consulting Firm | General overview of responsibilities |
|---|---|
| **BBA inc.** | |
| Hem Priyadarshi, P.Eng. | • Mine and plant design, mines capital costs and operating costs |
| David Willock P.Eng. | • Infrastructure |
| Patricia Dupuis P.Eng. | • Metallurgy, processing and process plant operating costs |
| Mathieu Bélisle P.Eng. | • Process plant and infrastructure capital cost |
| Colin Hardie P.Eng. | • Financial analysis |
| **SLR Consulting (Canada) Ltd.** | |
| Luke Evans, P.Eng. | • Mineral Resource Estimates<br>• Geological technical information<br>• QA/QC review of drilling and sampling data |
| **SRK Consulting (Canada) Inc.** | |
| Jean-François St-Laurent, P.Eng. | • Tailings geotechnical engineering<br>• Filtered tailings management facility (TMF) design and capital costs<br>• High-sediment and contact water management at the TMF |
| **WSP (Canada) Inc.** | |
| Simon Latulippe P.Eng. | • Environmental studies and permitting<br>• Mine closure requirements and costs |

***Key Project Outcomes***

The reader is advised that the results of the PEA summarized in this Report are intended to provide an initial, high-level review of the Project and potential design options. The PEA mine plan and economic model include numerous assumptions and the use of Inferred Resources. Inferred Resources are considered to be too speculative to be used in an economic analysis, except as allowed for by Canadian Securities Administrators' National Instrument 43-101 in PEA studies. There is no guarantee that Inferred Resources can be converted to Indicated or Measured Resources and, as such, there is no guarantee the Project economics described herein will be achieved.

The following list details the key Project outcomes of the Report:

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- Project Mineral Resource estimates (MREs) (Corner Bay, Devlin, Cedar Bay and Joe Mann): 3.58 Mt containing 198 Mlbs of copper at 2.51% Cu and 0.07 Moz of gold at 0.58 g/t Au (Measured and Indicated) and 7.18 Mt containing 477 Mlbs of copper at 3.01% Cu and 0.25 Moz of gold at 1.08 g/t Au (Inferred);
- Total mineralized material mined: 9.2 Mt at 2.61% Cu and 0.59 g/t Au at diluted grades;
- Mine life of 10.5 years, with peak year production of 79 Mlbs of copper and 51 Koz of gold, and average life of mine (LOM) payable annual production of 50 Mlbs of copper and 17 Koz ounces of gold;
- Overall mill recovery of Cu at 93.3% and Au at 81.4%;
- Metal production (LOM) of 492 Mlbs of copper and 142 Koz of gold;
- Initial capital costs of $180.6 million;
- Sustaining costs of $402.4 million, including $53.6 million of reclamation costs;
- Salvage value of $17.0 million;
- Operating costs (total) of $186/t milled;
- All-in sustaining costs of US$2.24/lb of copper equivalent (CuEq) including royalties, smelting and mine closure costs over LOM;
- Gross revenue of $2.52 billion and a cumulative LOM cash flow of $455 million on an after-tax basis and $747 million pre-tax;
- Net present value (NPV) of $367 million at an 8% discount rate, and an internal rate of return (IRR) of 30.7% before taxes;
- LOM taxes of $322 million and royalties of $13 million;
- NPV of $193 million at an 8% discount rate, and an IRR of 22.1% after taxes and mining duties;
- Payback period (after start of operations) of 4.2 years pre-tax and 5.5 years after- tax;
- Peak workforce of 321 persons or 372 persons including contractors during operations;
- The Project targets to complete infill drilling programs at Devlin and Corner Bay in 2022 and complete a Feasibility Study in 2023.

***Property Description and Location***

The Project is comprised of three non-contiguous project areas: the Copper Rand property, host to the Cedar Bay deposit and Copper Rand mill and tailings facility, the Corner Bay-Devlin property, host to the Corner Bay and Devlin deposits, and the Joe Mann property, host to the former Joe Mann mine. All properties are located in the vicinity of the town of Chibougamau, approximately 500 km north of Montreal, in the Administrative Region of Nord du Québec.

Land tenure over the properties includes:

- Copper Rand:
    - 1 mining license, 19 mining concessions, and 147 exploration claims totalling 6,398 ha;

- Corner Bay – Devlin:
    - 1 mining license, and 111 exploration claims totalling 5,446 ha; and
- Joe Mann:
    - 2 mining concessions, and 74 exploration claims totalling 2,732 ha.

The Copper Rand and Corner Bay – Devlin land tenure are held 100% by CBAY Minerals Inc. (CBAY), a wholly-owned subsidiary of Doré Copper. A portion of the Joe Mann land tenure is held by CBAY (767 ha), with the remainder (1,965 ha), held under an option agreement between Doré Copper and Ressources Jessie. The properties collectively making up the Project are in good standing based on the Ministry of Energy and Natural Resources (Ministère de l'Énergie et des Ressources Naturelles) GESTIM claim management system of the Government of Québec.

***Accessibility, Climate, Local Resources, Infrastructure and Physiography***

The properties are easily accessible from Chibougamau along Route 167. Chibougamau is serviced by the Canadian National Railway and Air Creebec, as well as two major driving routes from either Lac Saint-Jean or Val-d'Or.

The Project lies within the Abitibi Plains ecoregion and is characterized by short warm summers and long cold, snowy winters. Mean temperatures ranging from -19°C in January to 16°C in July. At their most extreme, temperatures can reach -40°C in the winter and 35°C in the summer.

The town of Chibougamau is a former copper and gold mining centre, with abundant skilled workforce and equipment availability. Power, water, telephone and mobile communication infrastructure are readily available regionally.

The Corner Bay deposit benefits from ramp access to a vertical depth of 115 m with 2 km of development on three levels. There are a few abandoned buildings, two waste rock piles, and a sedimentation pond. At the Devlin deposit, there is a 305 m decline and 364 m of drifts, as well as several surface forestry roads. At the Joe Mann mine, most of the former infrastructure has been maintained in place and is in good condition. The key current infrastructure includes, but is not limited to, one shaft with hoist in place (second shaft was dismantled), office building, core facilities, garage, and connection to the provincial hydroelectric grid. At the Copper Rand site, the field office, core facilities and mill are located in the same general vicinity, and the existing TMF is accessed by a 1.3 km privately owned gravel road to the south-southwest. The Copper Rand mill, which closed in 2008, comprises crushing, fine mineral storage, grinding, gravity recovery of particulate gold, flotation of a copper concentrate, thickening, and filtration.

The ecoregion is classified as having a humid, mid-boreal eco-climate. The topography is comparatively flat, with no hills rising more than 35 m in the immediate vicinity of the Project.

***History***

The Corner Bay deposit was discovered in 1982 by a joint venture between Corner Bay Exploration Ltd. and Rio Algom Inc. In 1995, the property was acquired by Ressources MSV Inc. (MSV), which subsequently merged with Campbell Resources Inc. (Campbell) and carried out several exploration drilling programs up to 2008. An initial MRE was prepared in 2006 and in 2008, Campbell initiated an underground bulk sampling program by driving a ramp down to 115 m and establishing three levels (55 m, 75 m, and 105 m). Development muck totalling approximately 36,395 t, averaging 2.48% Cu and 0.44 g/t Au, was processed at the Copper Rand mill. At the end of 2008, Campbell suspended the bulk sample exploration program at Corner Bay.

In 2009, Campbell entered bankruptcy and the asset emerged out of bankruptcy as part of CBAY, which was at that time a wholly-owned subsidiary of Ocean Partners Holdings Limited (Ocean Partners) and Nuinsco Resources Inc. (Nuinsco), and any royalties that existed on the property were no longer valid. The property remained inactive up to 2017 when it was acquired by a private company AmAuCu Mining Corporation (AmAuCu), Doré Copper's predecessor.

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The Devlin deposit was discovered in 1972 following an airborne survey flown by the Québec Ministry of Natural Resources, following which the land was staked by Flanagan, McAdam & Co. (Flanagan McAdam) and optioned to Rio Tinto Canadian Exploration Limited (Riocanex). From 1973 to 1981, Riocanex undertook a number of geophysical surveys and exploration drill hole campaigns, as well as some metallurgical test work. In 1981, Campbell Chibougamau Mines Ltd. (Camchib), purchased the property from Riocanex and completed additional drilling, upgraded site access and established site facilities, including an access decline and exploration drifts. In late 1981, a development bulk sample collected underground was processed through the Camchib mill. Following a negative pre-feasibility study (PFS), given the market price of copper in 1982, Devlin was put on standby, the decline was flooded, and the entrance was obstructed with coarse boulders. Additional studies were undertaken sporadically by various owners from 1992 to 2004. In 2013, Nuinsco and Ocean Partners acquired Devlin through their jointly held subsidiary CBAY. Nuinsco completed some confirmatory drill holes and updated the MRE in 2015. The property remained inactive up to 2017 when it was acquired by AmAuCu.

Doré Copper was formed from a business combination between ChaiNode and AmAuCu in 2019. Following the acquisition of both Corner Bay and Devlin, Doré Copper increased its land position to form a contiguous land package, the Corner Bay-Devlin Property.

SLR, as Roscoe Postle Associates Inc. (RPA), prepared a NI 43-101 report on the Corner Bay Project dated June 15, 2019. The report supported the disclosure of updated MREs on the Corner Bay and neighbouring Cedar Bay deposits, effective as of December 31, 2018. AGP Mining Consultants Inc. (AGP) prepared a NI 43-101 report on the Devlin Project in 2015 for then operator Nuinsco. The report supported disclosure of an updated MRE on the Devlin deposit, effective June 30, 2015. These MREs are superseded by the estimates included in this Report.

Chibougamau Explorer Ltd., which became Anacon Mines in 1954, began exploration on Joe Mann in 1951, with the commencement of mining activities occurring in 1956. Anacon Mines operated the former Joe Mann mine until 1960, at which point it was abandoned for a period of 13 years. Chibex Mines Ltd. (Chibex) acquired the former Joe Mann mine in 1970, commencing a ramp and dewatering in 1973-74 and production in 1975, ultimately ceasing activities in 1976 due to financial difficulties and recovery issues. In 1980, Meston Lake Resources Inc. (Meston Lake) acquired the former Joe Mann mine property from Chibex. Société de Développement de la Baie James (SDBJ) became a partner in the former Joe Mann mine project in 1981. In 1983, Campbell acquired a minority position in Meston Lake and became the operator of the former Joe Mann mine project. In 1987, SDBJ withdrew, and Campbell became the sole owner of the former Joe Mann mine, after acquiring all the shares of Meston Lake. Campbell continued to hold the former Joe Mann mine property until 2007. The ore from Joe Mann was processed at Campbell's Merrill mill until 2004 and then at Copper Rand mill from 2005 to 2007.

In 2007, Gold Bullion Development Corp. (Gold Bullion), now Granada Gold Mine Inc., optioned the former Joe Mann mine property from Campbell and commenced underground exploration. Gold Bullion allowed the former Joe Mann mine to flood during August 2008. In December 2008, Campbell filed for bankruptcy protection and in January 2009 obtained creditor protection under the Companies' Creditors Arrangement (CCAA). Gold Bullion did not pursue its offer to purchase the former Joe Mann mine property.

Ressources Jessie, a private company, acquired the former Joe Mann mine in July 2012 from the insolvency trustee. Ressources Jessie has only conducted surface exploration work on the property.

***Geological Setting and Mineralization***

Corner Bay and Devlin are located at the northeastern extremity of the Abitibi subprovince in the Superior province of the Canadian Shield and are examples of Chibougamau-type copper-gold deposits. The Abitibi subprovince is considered as one of the largest and best- preserved greenstone belts in the world and hosts numerous gold and base metal deposits.

The Corner Bay deposit is located on the southern flank of the Doré Lake Complex (DLC). It is hosted by a N 15° trending shear zone more or less continuous with a strong 75° to 85° dip towards the west. The host anorthosite rock is sheared and sericitized over widths of 2 m to 25 m. The deposit is cut by a diabase dyke and is limited to the north by a fault structure and to the south by the LaChib deformation zone.

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The Corner Bay deposit consists of three main mineralized veins (subparallel Main Vein 1 and Main Vein 2 above the dyke, and Main Vein below the dyke that make up the bulk of the deposit), and four other parallel smaller veins (three West Veins and East Vein). The Corner Bay deposit has been traced over a strike length to over 1,100 m to a depth of 1,350 m and remains open at depth.

The mineralization is characterized by veins and/or lenses of massive to semi-massive sulphides associated with a brecciated to locally massive quartz-calcite material. The sulphide assemblage is composed of chalcopyrite, pyrite, and pyrrhotite with lesser amounts of molybdenite and sphalerite. Late remobilized quartz-chalcopyrite-pyrite veins occur in a wide halo around the main mineralization zones.

Devlin is a flat-lying, copper-rich veins-hosted deposit in a polygenic igneous breccia that is less than 100 m from the surface. The tabular bodies have been modelled as four nearly horizontal veins: a more continuous lower zone and three smaller veins comprising the upper zone. Mineralization is reflected as a fracture zone often composed of two or more sulphide-quartz veins and stringers. Thickness of the mineralized zones range from 0.5 m to 4.4 m. It has been diluted during modelling to reflect a minimum mining height of 1.8 m.

The Joe Mann deposit is characterized by east-west striking shear hosted veins that extend beyond 1,000 m vertically with mineralization identified over a 3 km strike length. These shear zones form part of the Opawica-Guercheville deformation zone, a major deformation corridor cutting the mafic volcanic rocks of the Obatogamau Formation in the north part of the Caopatina Segment. The gabbro sill hosts the Main Zone and the West Zone at the mine, while the South Zone is found in the rhyolite. These three subvertical E-W (N275°/85°) ductile-brittle shear zones are sub-parallel to stratigraphy and to one another, with up to 140 m to 170 m of separation between them. These shear zones are hosted within a stratigraphic package composed of iron-magnesium (Fe-Mg) carbonate and sericite altered gabbro sills, sheared basalts, and intermediate to felsic tuffs intruded by various felsic intrusions. The Joe Mann gold mineralization is hosted by decimetre scale quartz-carbonate veins (Dion and Guha 1988). The veins are mineralized with pyrite, pyrrhotite, and chalcopyrite disposed in lens and veinlets parallel to schistosity, and occasionally visible gold. There are some other minor, mineralized structures, e.g., North and South-South Zones, with limited vertical and horizontal extensions.

***Deposit Types***

The Corner Bay and Cedar Bay deposits are examples of Chibougamau-type copper-gold deposits, which typically host massive to semi-massive pyrite-chalcopyrite-pyrrhotite- sphalerite-molybdenite sheared quartz veins. The main alteration assemblage consists of quartz, carbonate, sericite, chlorite, and K-feldspar with occasional albitization locally.

The Devlin deposit is a copper-rich veins-hosted deposit in a polygenic igneous breccia. These types of deposits are structurally controlled and occur in faults, fault systems, and vein- breccia zones. Vein copper deposits tend to be relatively small. Copper grades are typically 1% to 3% although some deposits contain greater than 10% copper. Two main sub-types are recognized: 1) associated with mafic intrusions (Churchill type); and 2) associated with felsic and intermediate intrusion.

The Joe Mann deposit is categorized as a greenstone-hosted quartz-carbonate vein deposit, a sub-type of lode-gold deposits. Greenstone-hosted quartz-carbonate vein deposits correspond to structurally controlled, deformed to folded deposits hosted in metamorphosed terranes (Dubé and Gosselin, 2007; Gaboury, 2019). They can coexist regionally with iron formation-hosted vein and disseminated deposits as well as with turbiditic-hosted quartz-carbonate vein deposits.

***Exploration***

At the Corner Bay – Devlin property relevant exploration works other than drilling conducted by Doré Copper included downhole geophysics and a ground geophysical survey. Downhole surveys were conducted in 2020 and 2021, and a small geophysical survey was conducted in 2021. The downhole surveys resulted in the identification of a zone of weak mineralization and potential extensions of existing mineralized zones at Corner Bay. The geophysical survey did not find any economic mineralization. The exploration potential at Corner Bay remains substantial as all

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of the veins still remain open in one or more direction. In addition, there is a potential for finding parallel zones of mineralization.

Doré Copper has not conducted any exploration work on Joe Mann other than drilling on the property. The previous operator, Ressources Jessie, carried out two small geophysical surveys on its property, which identified several interesting targets.

No exploration work has been undertaken by Doré Copper at the Copper Rand property, including over the Cedar Bay deposit.

***Drilling***

Drilling at Corner Bay took place between 1973 and 2008 by previous operators, drilling 254 holes. Doré Copper and its predecessor (AmAuCu) carried out a number of drilling programs from 2017 to 2021, drilling 70 holes, including wedge holes. The 2022 drilling program at Corner Bay is ongoing.

Drilling at Devlin took place in two periods: from 1974 to 1982 and from 2013 to 2014, totalling 177 holes. Doré Copper has not carried out any exploration drilling programs yet at Devlin; however, in 2021-2022, Doré Copper completed seven drill holes totalling 669 m from the same pad for metallurgical and mineral sorting tests.

In 2020 at Joe Mann, Doré Copper drilled a total of 8,343 m testing the Main Zone and West Zone below the underground workings, the Far West Zone, and the South-South Zone.

In 2018 at Cedar Bay, AmAuCu completed a four-hole (including wedges) drilling program totalling 4,841.8 m . Doré Copper completed 9,025 m of drilling in 2020.

***Sample Preparation, Analyses and Security***

Historical samples at Corner Bay were prepared and analyzed at the Copper Rand laboratory. Under AmAuCu's ownership (2017–2019), Corner Bay and Cedar Bay samples were prepared at ALS in Val-d'Or before being shipped to the ALS facility in Vancouver for analysis.

Doré Copper samples (2020–2022) for Corner Bay and Joe Mann were prepared at SGS in Val-d'Or before being sent to SGS's Burnaby Laboratory for analysis. Starting in March 2022, samples from the 2022 drilling program at Corner Bay are being processed at AGAT laboratories in Mississauga.

For the 2013 and 2014 programs at Devlin, sample preparation was completed by Les Services Exp Inc. in Chibougamau and analyzed by ALS in Val-d'Or, Québec (gold) or in Vancouver, British Columbia (copper).

Quality Assurance and Quality Control (QA/QC) protocols and monitoring were in place for all recent drill programs at all properties and the results support the adequacy of the assay results within the databases for the purposes of Mineral Resource estimation.

***Data Verification***

SLR audited the AmAuCu and Doré Copper drill hole information over all projects by selecting a spatially and temporally representative set of assay certificates for comparison against the supplied information. A random selection of historical data was also compared against original drill hole logging and analytical results and conversion equations were confirmed to have been applied correctly. In addition, drill hole databases were scrutinized in Leapfrog Geo and GEMS software and a standard review of import errors and visual checks was conducted.

***Mineral Processing and Metallurgical Testing***

Mineral processing and metallurgical testwork was conducted on three different deposits: Corner Bay, Joe Mann and Devlin. The Corner Bay deposit's preliminary metallurgical testwork program was undertaken in 1982 by Lakefield

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Research of Canada Ltd. (Lakefield)on samples prepared from the Corner Bay Main Zone. The testwork consisted of flotation analysis for copper (Cu), gold (Au), silver (Ag) and molybdenum (Mo) grade estimation. Corner Bay's preliminary testwork was reassessed for confirmation of metallurgical flotation results in 2005 by Corem testing facilities (Corem). A bulk sample program was conducted on the ramp and three developed underground levels of the Corner Bay deposit in 2008. An additional material sorting program was conducted in 2021 on Corner Bay material by Corem, consisting of X-Ray sorting tests using commercial scale sorting units.

For Joe Mann, preliminary metallurgical testwork was undertaken in 1981 by Lakefield. The testwork consisted of an investigation of cyanidation and flotation for recovery effectiveness. After several years of production at Campbell's Merrill mill, which closed in 2004, the mined material from Joe Mann was trucked and processed at Copper Rand mill from 2005 to 2007.

Preliminary metallurgical testwork for Devlin was undertaken in 1979 by Lakefield. The testwork consisted of bench-scale flotation and heavy-media separation. In 1981 and 1982, a plant-scale test program and conductivity testing was completed. In 2021, a small- scale metallurgical test program was undertaken by Corem on the Devlin deposit. The samples were prepared from three HQ drill holes and the testwork consisted of a series of gravity, flotation and grindability tests. An additional material sorting test program was conducted in 2022 by Corem using the same approach as that used for Corner Bay in 2021.

***Mineral Resource Estimate***

Mineral Resources for the Chibougamau Hub-and-Spoke Complex are presented in Table 1-1. The MREs represent a combination of updated and restated MREs over the Project as shown in Table 1-2.

The metal of interest at the Corner Bay and Devlin deposits is copper with a small gold by- product. At Joe Mann and Cedar Bay, the metal of interest is gold, and there is significant copper mineralization at Cedar Bay and minor amounts at Joe Mann. It has been assumed that the deposits would be mined using underground methods.

The MREs are defined by mineralization domain shapes built in Leapfrog Geo or GEMS. Uncapped or capped copper and capped gold assays within the domains were composited and estimated into a sub-blocked model (Leapfrog Edge) or a percent model (GEMS) using a multi-pass inverse distance squared (ID2) or cubed (ID3) interpolation approach.

In addition to standard historical data and database validation techniques, wireframe and block model validation procedures, including wireframe to block volume confirmation, statistical comparisons with composite and nearest neighbour (NN) estimates, visual reviews in longitudinal section were also completed for all deposits. All deposits were reviewed, and classified blocks were limited to those areas that met Reasonable Prospects for Eventual Economic Extraction (RPEEE) criteria with respect to above cut-off grade mineralization continuity and minimum thickness.

**Table 1-2: Consolidated Mineral Resources at the Chibougamau Hub-and-Spoke Complex**

| | | | Tonnage | | Grade | Contained Metal | |
|---|---|---|---|---|---|---|---|
| **Project** | **Deposit** | **Category** | **(kt)** | **(% Cu)** | **(g/t Au)** | **Copper (Mlb)** | **Gold (000 oz)** |
| **Corner Bay - Devlin** | **Corner Bay** | Indicated | 2,677 | 2.66 | 0.26 | 157 | 22 |
| | | Inferred | 5,858 | 3.43 | 0.27 | 443 | 51 |
| | **Devlin** | Measured | 121 | 2.74 | 0.29 | 7.3 | 1 |
| | | Indicated | 654 | 2.06 | 0.19 | 29.7 | 4 |
| | | Measured & Indicated | 775 | 2.17 | 0.2 | 37 | 5 |
| | | Inferred | 484 | 1.79 | 0.17 | 19.2 | 3 |
| **Copper Rand** | **Cedar Bay** | Indicated | 130 | 1.55 | 9.44 | 4.4 | 39 |
| | | Inferred | 230 | 2.13 | 8.32 | 10.8 | 61 |

| Project | Deposit | Category | Tonnage | | Grade | Contained Metal | |
|---|---|---|---|---|---|---|---|
| | | | (kt) | (% Cu) | (g/t Au) | Copper (Mlb) | Gold (000 oz) |
| **Joe Mann** | **Joe Mann** | Inferred | 608 | 0.24 | 6.78 | 3.2 | 133 |
| **Total** | | **Measured & Indicated** | **3,582** | **2.51** | **0.58** | **198.2** | **66** |
| **Total** | | **Inferred** | **7,180** | **3.01** | **1.08** | **476.5** | **248** |

**Notes:**

1. CIM (2014) definitions were followed for Mineral Resources.
2. The effective date of the Mineral Resources is March 30, 2022 for all projects, except Cedar Bay which has an effective date of December 31, 2018.
3. Mineral Resources are estimated using an exchange rate of USD$1.00:CAD$1.33 for all projects, except Cedar Bay which used an exchange rate of USD$1.00:CAD$1.25.
4. Mineral Resources at Joe Mann are estimated using a long-term gold price of US$1,800/oz Au, and a metallurgical gold recovery of 83%. Mineral Resources at Corner Bay and Devlin are estimated using a long-term copper price of US$3.75 per pound, and a metallurgical copper recovery of 95%. Mineral Resources at Cedar Bay are estimated using a long-term gold price of US$1,400/oz Au, and a metallurgical gold recovery of 90%.
5. Mineral Resources are estimated at a cut-off grade of 2.6 g/t Au at Joe Mann, 1.3% Cu at Corner Bay, 2.9 g/t Au at Cedar Bay and 1.2% Cu at Devlin.
6. A minimum mining width of 1.2 m was used at Joe Mann and a small number of lower-grade blocks have been included for continuity. A minimum mining width of 2.0 m was used at Corner Bay and Cedar Bay, and a minimum height of 1.8 m was applied at Devlin.
7. Bulk density ranges by deposit and vein from 2.84 t/$m^3$ to 3.1 t/ $m^3$.
8. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
9. Numbers may not add up due to rounding.

**Table 1-3: Summary of MRE Updates**

| Property | Deposit | Effective Date of Previous MRE | Author of Previous MRE | Revised Effective Date | Changes to MRE |
|---|---|---|---|---|---|
| Corner Bay Devlin | Corner Bay | Oct 1, 2021 | SLR | March 30, 2022 | 14 drill holes added |
| Corner Bay Devlin | Devlin | Oct 7, 2021 | SLR | March 30, 2022 | none |
| Joe Mann | Joe Mann | July 21, 2021 | SLR | March 30, 2022 | none |
| Copper Rand | Cedar Bay | December 31, 2018 | RPA (now SLR) | December 31, 2018 | none |

The QP is not aware of any environmental, permitting, legal, title, taxation, socio- economic, marketing, political, or other relevant factors that could materially affect the MREs. Details of the Mineral Resource estimation process for the individual deposits are summarized in the relevant sections below.

***Mineral Reserve Estimate***

No Mineral Reserves have been estimated for the Corner Bay, Devlin or Joe Mann projects as per NI 43-101 guidelines.

***Mining Methods***

The Corner Bay, Devlin and Joe Mann deposits are all characterized by high-grades and narrow vein widths. Projected mined tonnes from the Project (Corner Bay, Devlin, and Joe Mann) are expected to total 9.15 Mt, ramping up to a maximum capacity of 3,000 t/d over a mine life of 10.5 years.

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**Table 1-4: Mineable Resource Summary**

| Projects | Mineralized Tonnes | % Cu | Au g/t | % CuEq |
|---|---|---|---|---|
| Corner Bay | 7,603,194 | 2.90 | 0.24 | 2.96 |
| Devlin | 951,234 | 1.85 | 0.17 | 1.90 |
| Joe Mann | 596,281 | 0.21 | 5.78 | 4.96 |
| **Total** | **9,150,710** | **2.61** | **0.59** | **2.98** |

Corner Bay

Underground mining at Corner Bay would use the existing single portal and 2 km of development to three levels down to 115 m. The development would extend the decline ramps to a depth of 1,326 m. Most of the material would be mined by longhole open stoping with pillars, which is then backfilled, and by Avoca, a longitudinal longhole retreat mining method. A fleet of nine battery electric haul trucks with trolley assist and six loaders would be required at maximum capacity. Trade off studies were completed to evaluate between a shaft, 42 t battery electric trucks with BaaS (Battery as a Service) technology and 50 t diesel trucks, and it was concluded that the use of 42 t battery electric trucks was the best economic option. In addition, the electric truck technology will provide benefits related to less ventilation requirements, better air quality and lower diesel consumption.

The mined material would be transported to surface and crushed and sorted at the Corner Bay site. Results from the material sorting testwork on material selected from the development stockpile at surface, which was extracted during the preparation of the 2008 bulk sample, indicated that the average grade of the mineralized material is upgraded 1.54 times and 47% of the crushed mined material would be rejected. The high-grade pre- concentrate would be transported by trucks to the Copper Rand mill located approximately 47 km from the mine site.

Total projected mined tonnes from Corner Bay are expected to be 7.60 Mt ramping up to a maximum capacity of 2,600 t/d over a mine life of 10.5 years.

Devlin

Access to the shallow Devlin deposit would require the enlargement of the existing decline ramp (305 m) and existing drifts (364 m). Underground mining would use a combination of room and pillar and drift and fill mining methods. Devlin will produce 951,000 t of material over a mine life of four years and reach a maximum mining rate of 760 t/d. Mining and surface activities at Devlin will be done by a contractor.

The mined tonnes would be trucked 15.6 km to the Corner Bay site for crushing and sorting in combination with the Corner Bay mined tonnes. With the mineralized material having a thickness of 1 m to 2 m and the wall rock being essentially barren, mineral sorting technology is expected to work well. Preliminary testwork on core from drilling simulating a 2.3 m mining height resulted in improving the grade by 65% and rejecting 40% of the material.

Joe Mann

As the Devlin mine becomes depleted, the Joe Mann mine would be restarted. Once the mine would be dewatered, the Doré Copper would start an underground exploration program with the objective of increasing the mineral resources to increase the mine life beyond the PEA study.

A longhole mining method was chosen for Joe Mann with the mined material brought to surface using the existing shaft and hoist. The mined material would be transported by trucks to the Corner Bay site (total of 43.5 km) for crushing, and then transported by trucks to the Copper Rand mill for processing.

In the PEA, the Joe Mann mine has a mine life of four years with maximum production of 590 t/d. It is anticipated that additional mineral resource can be defined to increase mine life.

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***Recovery Methods***

Mineralized material will be recovered through the Copper Rand mill, which will be upgraded and restarted following its closure in 2008. The feed will be a blend of mineralized material from Corner Bay, Delvin and Joe Mann. The crushing plant will have a design production rate of 3,600 t/d and the mill will accommodate a design throughput of 2,240 t/d of crushed material assuming a grind size of 80% passing 100 microns. With an average head grade of 2.61% Cu, the concentrate production is estimated to be at an average of 85,475 t/y at 23.7% Cu. The combined recovery of the mineral sorter and mill is estimated to be 93.3% copper.

Recovery of the material consists of two categories: crushing and processing. The crushing circuit consists of a primary jaw crusher, secondary cone crusher, and an integrated X-ray transmission (XRT) mineral sorter circuit. The grinding circuit consists of a single primary grinding ball mill in closed circuit with a hydrocyclone and two Knelson gravity concentrators. The flotation circuit consists of four rougher cells, one scavenger bank, three cleaner banks, a single regrind ball mill, and a regrind hydrocyclone. The final concentrate, a combination of product from the gravity circuit and third cleaner, is thickened before it is passed through a filter press, recovering a concentrate with moisture content of 8%. The copper concentrate will be sent to a concentrate stockpile and from there it will be transported for sale. Tailings will be dewatered by thickening and filtration, and then loaded onto trucks and transported to the drystack tailings facility (TMF).

Several changes will be made to the processing plant to improve the treatment of three different sources of mineralized material and the overall capital expenditure for the refurbishment of the equipment. Modification includes the following:

- Decommissioning of the crushing and grinding sections;
- The addition of a new crushing circuit at the Corner Bay mine site, including a mineral sorter;
- The addition of a new grinding circuit that will comprise a single ball mill in closed loop with hydrocyclones and Knelson gravity concentrators;
- The addition of a conditioning tank;
- Expanded capacity of the concentrate filter;
- The addition of a new tailings filter plant; and
- The reconfiguration of some piping around the flotation circuit.

From Year 4 to Year 7 of operation, an increase in tonnage is expected with the increase in mined tonnes from Corner Bay and the processing of Joe Mann. At year three of operation, additional capacity at the rougher and cleaner flotation stages will be added to accommodate the increase in tonnage. At full production, the crushing plant will process an average of 831.9 Kt/y of ROM and the mill will be processing an average of 492.8 Kt/y of mineralized material. The concentrate produced will either be transported to the port of Québec City for onward shipping to international smelters or to a local smelter.

***Project Infrastructure***

The Project benefits greatly from substantial infrastructure in place, including the mill facility, TMF, all-weather access roads, 25 kV powerline and a 10.5 MW substation, which is sufficient for the mill power requirements, office building, core shack and water supply.

A 16 km forestry road from Québec Route 167 will be upgraded and constructed to access the Corner Bay mine site, decreasing the distance between Corner Bay and Copper Rand mill by over 9 km going one way. The Devlin mine site will be accessed via a 3.25 km upgraded road branching off from the Corner Bay road. Both mine sites are designed to be compact with required infrastructure near the portal. A substation connected to the Hydro-Québec grid and a 34

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kV powerline will supply power to the Corner Bay and Devlin mines. The Joe Mann mine will utilize the existing logging roads and powerline to site.

Access to the TMF will be through a combination of a mine hauling road and a light vehicle access road. The existing access road to the TMF at Copper Rand will be used as a hauling road. The access road within the forest, east of the TMF, will be upgraded for light vehicle use only.

The filtered drystack TMF will be built on top of the existing TMF. An engineered platform will be built on the surface of the existing tailings to facilitate the construction of the drystack. The 40.1 ha footprint of the drystack will be fully lined with an impermeable liner. The facility will be built against the hill located southeast of the facility. A staged construction process is proposed to minimize the stack footprint, quantity of contact water, and encourage progressive reclamation. The stack will be built using a 10H:1V external slope with 7 m wide benches every 5 m. The final stack elevation will be 398.0 m, same as the highest elevation of the adjacent hill. The proposed stack geometry follows the hill topography promoting visual integration within the landscape.

The proposed TMF has capacity to be expanded to approximately 12 Mt of tailings, representing an increase of 7.5 Mt from the current design of 4.5 Mt. The quantity of tailings to be produced over the 10.5-year mine life is 3.62 Mt.

Surface water diversion and collection channels for non-contact and high sediment/contact water, culverts, and high sediment/contact water containment structures, including a water treatment plant, will be built for each of the mine sites.

***Market Studies and Contracts***

No market studies or product valuations were completed as part of this PEA. Market price assumptions were based on a review of public information, industry consensus, standard practice, and specific information from comparable projects.

**Table 1-5: Metal prices and exchange rate used for PEA study.**

| Description | Unit | 24-month trailing average to March 31, 2022 |
|---|---|---|
| Copper | US$/lb | $3.75 |
| Gold | US$/oz | $1,820 |
| Exchange rate | USD:CAD | 1.28 |

Doré Copper has an offtake agreement with Ocean Partners Limited with known terms for the sale of its future concentrate production. Ocean Partners will determine the destination copper smelter for the concentrate.

***Environmental Studies, Permitting, and Social or Community Impact***

Several inventories and studies are underway to document the Environmental and Social Impact Assessment (ESIA) of the Project. Following receipt of provincial ESIA approval, Doré Copper will require several approvals, permits and authorizations to initiate the construction phase, operate, and close the Project. Various components of the biophysical and social environments will be the subject of specific inventories and analyses, and the assessment of impacts will take into consideration applicable mitigation measures and follow-up programs. Doré Copper will engage in formal social consultation activities with the Oujé-Bougoumou Cree Nation, the Chibougamau community as well as the Eeyou Istchee James Bay Regional Government.

Doré Copper also has to carry detailed geochemical assessments on mine rejects such as waste rock and tailings to adequately identify potential risks for acid generation or metal leaching. The results of the geochemical assessments and the ESIA will provide valuable inputs to waste and water management infrastructures designed in the Feasibility Study stage of the Project.

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Doré Copper will need to comply with the requirements for mine site closure and rehabilitation in the province of Québec, established by the Québec regulatory authorities. The submittal and approval of a closure plan is conditional to the release of the mining lease and the beginning of mining operations. Included in sustaining costs within the scope of this PEA is the estimated reclamation and closure costs for the Project, which totals $53.6 million, including indirect costs. This cost includes site rehabilitation works as well as post-restoration monitoring as described above. The financial guarantee required by the MERN is equal to the cost of the closure works, including engineering and monitoring. The cost of the financial guarantee is estimated to be $61.4 million (including 15% contingency).

***Capital and Operating Costs***

Capital Cost

The PEA for the Project outlines an initial (pre-production) capital cost estimate of $180.6 million and sustaining capital costs over the LOM of $402.4 million, which includes the capital to restart Joe Mann and overall closure costs of $53.6 million as noted above. Initial underground capital costs include:

- The rehabilitation of the portals at Corner Bay and Devlin, facilities for water capture and treatment at both locations, construction of a powerline (16 km, 34 kV powerline to Corner Bay, and 3.25 km, 34 kV powerline to Devlin);
- A crushing circuit and mineral sorter at Corner Bay, improvements to existing roads and 4 km of new roads connecting Corner Bay and Devlin;
- A new feed material reception and mill feed conveyor, ball milling and gravity circuit, rehabilitated flotation and concentrate filtration circuit and new tailings filtration circuit at the mill; and
- The preparation of an area on the existing TMF for the placement of filtered tailings, and a water treatment facility.

**Table 1-6: Capital cost estimates**

| Cost Element | Initial Capital ($M)[1] | Sustaining Capital ($M)[1, 3] |
|---|---|---|
| Mine Costs | | |
| Corner Bay | 14.8 | 247.3 |
| Devlin | 7.0 | 0.4 |
| Joe Mann[2] | 0.0 | 51.9 |
| Processing (including Mineral Sorting) | 54.2 | 1.1 |
| Infrastructure | 34.5 | 15.5 |
| Tailings | 13.8 | 16.7 |
| EPCM and Indirect Costs[4] | 22.8 | 5.5 |
| Owner's Costs[4] | 9.9 | 3.1 |
| **Subtotal Capex** | **157.1** | **341.6** |
| Contingency[5] | 23.6 | 7.2 |
| Reclamation and Closure | 0.0 | 53.6 |
| **Total Capex** | **180.6** | **402.4** |

**Notes:**

1. All values stated are undiscounted. No inflation or depreciation of costs were applied.

2. Contingency, owner's costs, EPCM and indirect costs on Joe Mann's initial capital also included in the sustaining capital.
3. Sustaining capital does not include salvage values, estimated at $17 million for all sites.
4. Includes owner's costs of 8%, construction indirect costs of 10%, and EPCM of 12% for mill and tailings and 4% for mining of direct costs.
5. Includes contingency of 15% for all initial capital, owner's costs, construction indirect costs, and EPCM.

Operating Cost

Operating cost estimates were developed using first principles methodology, vendor quotes received from Q4 2021 to Q1 2022, and productivities being derived from benchmarking and industry best practices. Over the LOM, the average operating cost for the Project is estimated at $106/t mined and $186/t milled (Table 1-7).

The average cash operating costs over the LOM is US$1.35/lb CuEq and the average all- in sustaining cost (AISC) is US$2.24 /lb CuEq.

**Table 1-7: Operating cost estimates**

| Cost Element | Average LOM |
|---|---|
| Mining | $61/t mined / $108/t milled |
| Processing (including Mineral Sorting) | $32/t milled |
| Tailings(1) | $7/t milled |
| Infrastructure and Transport G&A | $28/t milled $12/t milled |
| **Total operating costs** | **$186/t milled** |
| **Cash operating costs(2)(4)(5)** | **US$1.35 /lb CuEq** |
| **All-in sustaining costs(3)(4)(5)** | **US$2.24 /lb CuEq** |

**Notes:**

1. Tailings filtration costs are in processing costs.
2. Cash operating cost includes mining, processing, tailings, surface infrastructures, transport, and G&A to the point of production of the concentrate at the Copper Rand site divided by copper equivalent pounds produced. It excludes off-site concentrate costs, sustaining capital expenses, closure/rehabilitation and royalties. CuEq calculation assumes metal base case prices.
3. AISC includes cash operating costs, sustaining capital expenses to support the ongoing operations, concentrate transport and treatment charges, royalties and closure and rehabilitation costs divided copper equivalent pounds produced.
4. Copper equivalent (CuEq) costs uses only payable gold in concentrate and is applied as a credit against costs.
5. Cash operating cost and AISC are non-IFRS financial performance measures with no standardized definition under IFRS.
6. Numbers may not add up due to rounding.

***Economic Analysis***

The economic/financial assessment of the Project was carried out using a discounted cash flow approach on a pre-tax and after-tax basis, based on consensus equity research, long- term commodity price projections in the United States currency, and cost estimates in Canadian currency. Current Canadian and Québec tax regulations were applied to assess the corporate tax liabilities, while the most recent provincial regulations were applied to assess the Québec mining tax payments.

The pre-tax base case financial model resulted in an IRR of 30.7% and a NPV of $367 million using an 8% discount rate. The pre-tax payback period after start of operations is 4.2 years.

On an after-tax basis, the base case financial model resulted in an IRR of 22.1% and a NPV of $193 million using an 8% discount rate. The after-tax payback period after start of operations is 5.5 years.



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***Adjacent Properties***

There are no significant or relevant mineral resource properties immediately adjacent to the Corner Bay-Devlin, Joe Mann, and Copper Rand properties.

***Other Relevant Data and Information***

Doré Copper has several early explorations to advanced-stage exploration properties having either a NI 43-101 MRE or historical resources that with further exploration could result in an increase in Mineral Resources and over time could be incorporated into the proposed hub-and-spoke operation, thereby enhancing the economics of the Project.

Doré Copper plans to proceed directly to a Feasibility Study due the brownfield status of the Project and will continue the permitting process. Upon completing the Feasibility Study, expected in Q4 2023, Doré Copper will evaluate its options to advance the detailed engineering and construction of the Project.

***Interpretations and Conclusions***

This PEA demonstrates the economic viability of developing the Project utilizing a hub-and- spoke concept and with the high-grade Corner Bay copper-gold deposit as its main underground mine, along with the Devlin copper deposit and the Joe Mann deposit providing feed to its Copper Rand mill. This Report provides a summary of the results and findings from each major area of investigation. Standard industry practices, equipment and processes were used. To date, the (QPs) are not aware of any unusual or significant risks or uncertainties that could materially affect the reliability or confidence in the Project based on the information available.

- The following conclusions are based on the detailed review of all pertinent information made by the QPs:
- There is good understanding of the geology and nature of the copper and gold mineralization of the Corner Bay, Devlin and Joe Mann deposits;
- The operations will start with the underground development of the Devlin deposit via a ramp, followed by the underground development of the Corner Bay deposit via a ramp. After the Devlin deposit is mined out after approximately 4 years, production at the Joe Mann mine would start. Joe Mann benefits from an existing headframe and shaft, including all surface infrastructure;
- The selected flowsheet for processing material from the deposits includes mineral sorting, grinding, gravity and flotation. Based on the testwork results and the proposed mining plan at the time, the overall projected Cu recovery is 93.3%;
- The environmental baseline work completed to date is sufficient to support a PEA. Further work is underway, as required, to support the ESIA process and permit applications for the Project;
- The production mine plan and schedule provide continuous feed to the Copper Rand mill. The Project generates 9.15 Mt of mined mineralized material at 2.61% Cu and
- 0.59 g/t Au. Mining production occurs over a 10.5-year period with an average production rate of 2,385 t/d;
- The initial (pre-production) capital cost estimate is $180.6 million and sustaining capital cost estimate over the LOM is $402.4 million, which includes the capital to restart Joe Mann and overall closure costs of $53.6 million; and
- The Project generates cumulative cash flow of $455 million on an after-tax basis and $747 million pre-tax.

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***Recommendations***

The mutual conclusion of the Qualified Persons (QPs) is that the Project as summarized in this PEA, contains adequate detail and information to support the positive economic outcome shown. The results of this study indicate that the Project is technically feasible and has financial merit at the base case assumptions considered.

In summary, the QPs recommend that the Project proceeds to the Feasibility Study phase. It is also recommended that environmental and permitting continue as needed to support the Project's development plans and the Project schedule. Concurrently, it is recommended that Doré Copper continues its exploration program.

**Executive Compensation and Provision of Services by Insiders**

Information concerning Doré's compensation of its "named executive officers" and directors in accordance with Form 51-102F6V − *Statement of Executive Compensation − Venture Issuers* of the Canadian Securities Administrators, as well as information concerning certain management consulting or employments agreements pursuant to which certain insiders of the Corporation provide services to Doré, can be found in the management information circular of Doré dated May 16, 2024, in respect of its annual and special meeting of Doré Shareholders held on June 20, 2024.

**Material Contracts**

Other than contracts entered into in the ordinary course of business and the Arrangement Agreement, and as set forth below, there are no material contracts entered into by Doré since the beginning of the most recently completed fiscal year, or that are still in effect as of the date of this Circular:

- promissory notes dated May 31, 2019 in the aggregate amount of $7,500,000 issued by a predecessor by amalgamation of CBAY to Ocean Partners Investments Limited as partial consideration for the acquisition of CBAY, as assigned to Ocean Partners UK Limited;

- a guarantee and indemnity agreement dated May 31, 2019 between CBAY and Ocean Partners Investments Limited, providing for the guarantee by CBAY of the obligations under the above-noted promissory notes;

- a deed of movable and immovable hypothec registered by Ocean Partners Investments Limited against the properties of CBAY in order to secure the obligations under the above-noted promissory notes, as assigned to Ocean Partners UK Limited; and

- an amended and restated purchase contract dated May 31, 2019 between Ocean Partners Investments Limited and CBAY granting offtake rights for marketing concentrate at market terms, as assigned to Ocean Partners UK Limited.

**Auditor, Transfer Agent and Registrar**

The independent auditors of Doré are Ernst & Young LLP, having an address at EY Tower, 100 Adelaide Street West, Toronto, Ontario, M5H 0B3.

Computershare Investor Services Inc., at its offices located at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, acts as the registrar and transfer agent of the Doré Shares.

**Statement of Rights**

Securities legislation in the provinces and territories of Canada provides securityholders with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to those securityholders. However, such rights must be exercised within prescribed time limits. Securityholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

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Further information regarding the business of Doré, its corporate structure, operations and its mineral properties can be found in Doré's public filings available on SEDAR+ at www.sedarplus.ca under Doré's issuer profile. In particular, Doré's management discussion and analysis for the years ended December 31, 2023 and 2022, and for the three and six months ended June 30, 2024, are available on SEDAR+ at www.sedarplus.ca under Doré's issuer profile. Doré's condensed consolidated interim financial statements for the three and six months ended June 30, 2024 and 2023, are also available on SEDAR+ (www.sedarplus.ca) under Doré's issuer profile. The most recent interim financial statements of Doré will be sent without charge to any Doré Shareholder requesting them.

## PART 19. INFORMATION CONCERNING CYGNUS AND ACQUIRECO

Cygnus is a company registered in Western Australia. Cygnus' principal activities consist of exploration for and evaluation of lithium deposits in Québec, Canada and rare earth and base metals deposits in Western Australia. In Québec, Cygnus has an extensive package of prospective greenstone belts for a total of 696km$^2$, making it one of the largest landholders in the region. Cygnus' Australian exploration activities are focused on the Southwest Terrane, an underexplored region of highly prospective geology within the prolific Yilgarn Craton of Western Australia. Cygnus has approximately 1,310km$^2$ of 100% Cygnus-owned, granted tenements covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralization.

The head office and registered office of Cygnus is located at Level 2, 8 Richardson Street, West Perth, WA 6005. The Cygnus Shares are listed and posted for trading on the ASX under the symbol "CY5".

AcquireCo, being a direct wholly owned subsidiary of Cygnus, is a corporation incorporated under the laws of the Province of British Columbia. AcquireCo was incorporated on October 8, 2024 as 1505901 B.C. Ltd. To date, AcquireCo has not carried on any business except in connection with its role in the Arrangement.

The authorized capital of AcquireCo consists of an unlimited number of common shares without par value.

### Additional Information about Cygnus

For more information regarding the business of Cygnus, its operations and mineral properties, see Appendix I to this Circular.

## PART 20. INFORMATION CONCERNING THE COMBINED COMPANY

On completion of the Arrangement, AcquireCo will directly own, and Cygnus will indirectly own, all of the issued and outstanding shares in the capital of Doré. After completion of the Arrangement, the business and operations of Doré will be managed and operated as an indirect subsidiary of Cygnus. Cygnus expects that the business and operations of Cygnus and Doré will be consolidated and the principal executive office of the Combined Company will be located at Cygnus's current principal executive office, being Level 2, 8 Richardson Street, West Perth, WA 6005.

For more information regarding the businesses, operations and mineral properties of the Combined Company following the completion of the Arrangement, see Appendix J to this Circular.

## PART 21. LEGAL MATTERS

Certain Canadian legal matters in connection with the Arrangement as they pertain to Doré will be passed upon by Bennett Jones LLP.

## PART 22. INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Certain of the Corporation's current directors and officers will serve as directors and/or officers of Cygnus after the completion of the Arrangement. Information concerning such directors and officers is provided under the heading "*Directors and Executive Officers*" in Appendix J to this Circular. Other than as set forth in "P*art 7 – The Arrangement – Interests of Certain Persons in the Arrangement*", management of the Corporation is not aware of any material



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interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting.

## PART 23. DORÉ SHAREHOLDER COMMUNICATION WITH THE DORÉ BOARD

Doré Shareholders who are interested in communicating directly with members of the Doré Board, or the Doré Board as a group, may do so by writing directly to the individual Doré Board member or to the Doré Board generally c/o Bennett Jones LLP, Corporate Secretary, Doré Copper Mining Corp., Suite 3400 One First Canadian Place, 100 King Street West, Toronto, Ontario, Canada M5X 1A4. The Corporation's Corporate Secretary will forward communications directly to the appropriate Doré Board member. If the correspondence is not addressed to a particular Doré Board member, the communication will be forwarded to a Doré Board member to bring to the attention of the Doré Board. The Corporation's Corporate Secretary will review all communications before forwarding them to the appropriate Doré Board member. The Doré Board has requested that items unrelated to the duties and responsibilities of the Doré Board, such as junk mail and mass mailings, business solicitations, advertisements and other commercial communications, surveys and questionnaires, and resumes or other job inquiries, not be forwarded.

## PART 24. ADDITIONAL INFORMATION

Doré files a management information circular and financial statements with Canadian securities regulators, which are filed by Doré under its issuer profile on SEDAR+ at www.sedarplus.ca. Additional information may be obtained about Doré through the website maintained by Doré at www.dorecopper.com, and about Cygnus on the ASX website at www.asx.com.au/markets/company/cy5 and through the website maintained by Cygnus at www.cygnusmetals.com. The information contained in Doré's website and Cygnus's website is not incorporated by reference into this Circular.

The Canadian Securities Administrators allow certain information filed with the Canadian Securities Administrators to be incorporated by reference into this Circular, which means that important information can be disclosed to you by referring you to other documents filed separately with Canadian Securities Administrators. You should read the information incorporated by reference because it is an important part of this Circular.

## PART 25. OTHER MATTERS

Management of Doré is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting.

## PART 26. APPROVAL

The contents of this Circular and the sending thereof to the Doré Shareholders have been approved by the Doré Board.

**DATED** as of the 13th day of November, 2024.

**BY ORDER OF THE DORÉ BOARD**

(*signed*) "*Ernest Mast*"

Ernest Mast
President and Chief Executive Officer
Doré Copper Mining Corp.

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## PART 27. CONSENT OF PARADIGM CAPITAL INC.

To: The Board of Directors of Doré Copper Mining Corp.

We refer to the full text of the written fairness opinion dated October 14, 2024 (the "**Fairness Opinion**") which we prepared solely for the benefit and use of the board of directors and the special committee of the board of directors of Doré Copper Mining Corp. ("**Doré**") in connection with the plan of arrangement involving, among others, Doré, its securityholders and Cygnus Metals Limited (as described in Doré's management information circular dated November 13, 2024 (the "**Circular**")).

We hereby consent to the inclusion of the full text of the Fairness Opinion as "*Appendix F – Paradigm Fairness Opinion*" attached to the Circular, and to the references to our firm name and the Fairness Opinion in the Circular.

Our Fairness Opinion was given as of October 14, 2024 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, Paradigm Capital Inc. does not intend that any person other than the board of directors and the special committee of the board of directors of Doré shall be entitled to, may or will rely on the Fairness Opinion.

(*signed*) "*Paradigm Capital Inc.*"

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## APPENDIX A

## GLOSSARY OF TERMS

In this Circular, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa, and words importing any gender shall include all genders.

"**AASB**" means Australian Accounting Standards Board.

"**AcquireCo**" means 1505901 B.C. Ltd., a corporation existing under the Laws of the Province of British Columbia and a direct wholly-owned subsidiary of Cygnus.

"**AcquireCo Common Shares**" means the common shares in the capital of AcquireCo.

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only a Party and/or one or more of its wholly-owned subsidiaries, any offer, proposal or inquiry from any person or group of persons acting jointly or in concert, whether or not in writing and whether or not delivered to the shareholders of a Party, after the date of the Arrangement Agreement relating to:

(a) any acquisition or purchase, direct or indirect, of: (i) the assets of that Party and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of that Party and its subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of a Party and its subsidiaries, taken as a whole (or any lease, long-term supply or off-take agreement, hedging arrangement or other transaction having the same economic effect as a sale of such assets) (in each case, determined based upon the most recent publicly available consolidated financial statements of that Party), or (ii) 20% or more of the issued and outstanding voting or equity securities of that Party or any one or more of its subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of that Party and its subsidiaries, taken as a whole (in each case, determined based upon the most recent publicly available consolidated financial statements of that Party);

(b) any direct or indirect take-over bid, tender offer or exchange offer that, if consummated, would result in such person or group of persons beneficially owning 20% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of that Party;

(c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving that Party or any of its subsidiaries whose assets or revenues, individually or in the aggregate, constitute 20% or more of the consolidated assets or revenues, as applicable, of that Party and its subsidiaries, taken as a whole (in each case, determined based upon the most recent publicly available consolidated financial statements of that Party); or

(d) any other similar transaction or series of transactions involving the Party or any of its subsidiaries, and, in all cases, whether in a single transaction or in a series of related transactions.

"**affiliate**" has the meaning given to it in the Securities Act.

"**AIFRS**" means Australian International Financial Reporting Standards.

"**allowable capital loss**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Alternative Transaction**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Alternative Transaction*" of this Circular.

"**Alternative Transaction Conditions**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Alternative Transaction*" of this Circular.

"**Arrangement**" means an arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of Doré and Cygnus, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated October 14, 2024 among Doré, AcquireCo and Cygnus, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"**Arrangement Resolution**" means the special resolution of the Doré Shareholders approving the Arrangement to be considered at the Meeting, in the form and content of Appendix B to this Circular.

"**Articles of Arrangement**" means the articles of arrangement of Doré in respect of the Arrangement required by the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to Doré and Cygnus, each acting reasonably.

"**ASIC**" means the Australian Securities & Investments Commission.

"**associate**" has the same meaning as ascribed to the term "associated entity" in MI 61-101.

"**ASX**" means the Australian Securities Exchange.

"**ASX Listing Rules**" means the official listing rules of the ASX as varied, waived or modified from time to time.

"**Australian Tax Act**" means the *Income Tax Assessment Act 1936 (Cth)* and *Income Tax Assessment Act 1997 (Cth)* and the regulations thereunder, as amended from time to time.

"**Books and Records**" means the books and records of a Party and its subsidiaries including, to the extent existing, financial, corporate, operations and sales books, records, books of account, sales, purchase and billing records, lists of suppliers and customers, business reports, reports of customer contacts, employee documents and files, human resources materials and all other documents, files, records, and other data and information, financial or otherwise including all data, information and databases stored on computer-related or other electronic media, and all Tax records and Tax Returns.

"**Broadridge**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered Doré Shareholders*" of this Circular.

"**Business Day**" means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Toronto, Ontario and Perth, Western Australia are open for the conduct of business.

"**Canadian Securities Administrators**" means the umbrella organization of Canada's provincial and territorial securities regulators.

"**Capital Gains Tax Proposals**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**CBAY**" means CBAY Minerals Inc., a corporation incorporated under the federal Laws of Canada.

"**CBCA**" means the *Canada Business Corporations Act*.

"**CDS**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered Doré Shareholders*" of this Circular.

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"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"**Change in Recommendation**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

"**CIM**" means the Canadian Institute of Mining, Metallurgy and Petroleum.

"**Circular**" means this management information circular of Doré, including all appendices to this Circular, sent to Doré Shareholders in connection with the Meeting, including any amendments or supplements thereto in accordance with the terms of the Arrangement Agreement.

"**Claim Group**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Doré – General Development of the Business*" of this Circular.

"**Collective Agreement**" means any collective agreement, collective bargaining agreement or related bargaining agent document that is binding on a Party or its subsidiary, including any arbitration decision, letter or memorandum of understanding or agreement with bargaining agents, letter of intent with bargaining agents or other written communication with bargaining agents, in each case, which covers or would pertain to the employment of any Employee of such Party or impose any obligations upon such Party in connection with the employment of any Employee.

"**Combined Company**" means Cygnus and Doré collectively following the completion of the Arrangement.

"**Competition Act**" means the *Competition Act* (Canada) and the regulations enacted thereunder.

"**Consideration**" means the Cygnus Shares to be issued to the Doré Shareholders pursuant to the Plan of Arrangement, being 1.8297 Cygnus Shares for each Doré Share.

"**Constating Documents**" means notice of articles, articles of incorporation, amalgamation, arrangement or continuation, as applicable, articles, by-laws, certificates of incorporation, certificates of change of company name (as applicable), constitutions or other constating documents and all amendments thereto.

"**Contract**" means any contract, agreement, license, lease, arrangement or other right or obligation to which Doré or Cygnus or any of their respective subsidiaries is a party or by which Doré or Cygnus or any of their respective subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

"**Controlling Individual**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**CRA**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**Cygnus**" means Cygnus Metals Limited, a company existing under the laws of Western Australia with ACN 609 094 653.

"**Cygnus Board**" means the board of directors of Cygnus as the same is constituted from time to time.

"**Cygnus Budget**" means Cygnus' budget for 2024, including capital expenditures, in the form appended to the Cygnus Disclosure Letter.

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"**Cygnus Constitution**" means the constitution of Cygnus as approved by Cygnus Shareholders on May 17, 2023 as amended from time to time.

"**Cygnus Data Room**" means the material contained in the virtual data room established by Cygnus on Microsoft Sharepoint as of 12:00 p.m. (Toronto time) on October 13, 2024.

"**Cygnus Disclosure Letter**" means the disclosure letter delivered by Cygnus to Doré on October 14, 2024.

"**Cygnus Equity Raise**" means the equity raise by Cygnus of aggregate gross proceeds between a minimum of A$5,000,000 and a maximum of A$11,000,000 (before costs) to be funded through an institutional placement by Cygnus.

"**Cygnus Financial Statements**" means the audited consolidated financial statements of Cygnus for the periods ended December 31, 2023 and 2022 and the auditor reviewed consolidated financial statements of Cygnus for the half-year periods ended June 30, 2024 and June 30, 2023.

"**Cygnus Mineral Rights**" has the meaning ascribed thereto in the Arrangement Agreement.

"**Cygnus Proposal Letter**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**Cygnus Shareholders**" means the holders of Cygnus Shares.

"**Cygnus Shares**" means the ordinary shares in the capital of Cygnus.

"**Cygnus Technical Reports**" has the meaning ascribed thereto in "*Mineral Projects*" of Appendix I to this Circular.

"**Depositary**" means Computershare Investor Services Inc. in its role as depositary for the purpose of, among other things, exchanging certificates and DRS Advices representing Doré Shares for certificates or statements representing the Consideration pursuant to the Arrangement.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Dissenting Non-Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders*" of this Circular.

"**Dissenting Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders*" of this Circular.

"**Dissenting Shareholder**" means a Registered Doré Shareholder as at the Record Date that has duly and validly exercised their Dissent Rights and that has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and that is ultimately determined to be entitled to be paid the fair value of its Doré Shares.

"**Doré**" or the "**Corporation**" means Doré Copper Mining Corp., a corporation existing under the federal Laws of Canada.

"**Doré Board**" means the board of directors of Doré as the same is constituted from time to time.

"**Doré Board Recommendation**" has the meaning ascribed thereto in the Arrangement Agreement.

"**Doré Budget**" means Doré's budget for 2024, including capital expenditures, in the form appended to the Doré Disclosure Letter.

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"**Doré Data Room**" means the material contained in the virtual data room established by Doré on sharepoint.com as of 12:00 p.m. (Toronto time) on October 13, 2024.

"**Doré Disclosure Letter**" means the disclosure letter executed by Doré and delivered to Cygnus on October 14, 2024.

"**Doré DSUs**" means the outstanding deferred share units of Doré issued under the Doré Plan.

"**Doré Financial Statements**" means the audited consolidated financial statements of Doré for the fiscal years ended December 31, 2023 and 2022 and the unaudited consolidated financial statements of Doré for the three and six month periods ended June 30, 2024 and 2023.

"**Doré Locked-up Shareholders**" means each of the senior officers, directors and significant shareholders of Doré listed on Schedule "E" to the Arrangement Agreement.

"**Doré Mineral Rights**" has the meaning ascribed thereto in the Arrangement Agreement.

"**Doré Options**" means the outstanding options of Doré to purchase Doré Shares issued under the Doré Plan.

"**Doré Plan**" means the omnibus share incentive plan of Doré, which was most recently approved by Doré Shareholders at the annual and special meeting on June 20, 2024, as amended and supplemented.

"**Doré Securityholder**" means a holder of Doré DSUs, Doré Options or Doré Shares.

"**Doré Shareholder Approval**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Approval of Arrangement Resolution*" of this Circular.

"**Doré Shareholders**" means the holders of Doré Shares.

"**Doré Shares**" means the common shares in the capital of Doré, as constituted on the date hereof.

"**Doré Technical Reports**" means all current technical reports filed on SEDAR+ in accordance with NI 43-101.

"**Doré Voting and Lock-up Agreements**" means the voting and support agreements (including all amendments thereto) between Cygnus and the Doré Locked-up Shareholders setting forth the terms and conditions upon which they agree to vote their Doré Shares in favour of the Arrangement Resolution.

"**Doré Warrants**" means the outstanding warrants to purchase Doré Shares issued by Doré.

"**DRS Advice**" means a Direct Registration System Advice evidencing the securities held by a securityholder in book-based form in lieu of a physical share certificate.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date.

"**Employees**" means all employees of a Party or its subsidiaries, as the case may be, including part-time and full-time employees, in each case, whether active or inactive, unionized or non-unionized.

"**Environmental Laws**" means all Laws and Contracts with Governmental Entities relating to reclamation or restoration of properties; abatement of pollution; protection of the environment; public health; occupational safety; protection of wildlife, including endangered species; processing, distribution, use, handling, transport, management, treatment, storage, disposal or control of, or exposure to, Hazardous Substances; Releases or threatened Releases of Hazardous Substances, and all Permits issued or required pursuant to such Laws.

"**Exchange**" means with respect to Doré, the TSXV, and with respect to Cygnus, the ASX.

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"**Exchange Ratio**" means 1.8297 Cygnus Shares for each Doré Share.

"**Expense Fee**" means C$250,000.

"**Fairness Opinion**" means the opinion of Paradigm to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Doré Shareholders under the Arrangement is fair, from a financial point of view, to such holders. A copy of the Fairness Opinion is attached as Appendix F to this Circular.

"**Final Order**" means the final order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration and the Replacement Options, approving the Arrangement, in form and substance acceptable to both Doré and Cygnus, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both Doré and Cygnus, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to both Doré and Cygnus, each acting reasonably).

"**Foreign Tax Credit Regulations**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Additional Considerations – Foreign Tax Credit*" of this Circular.

"**Former Doré Shareholders**" means the holders of Doré Shares (other than Dissenting Shareholders and Cygnus, AcquireCo and any of their affiliates) immediately prior to the effective time of the transaction described in Section 3.1(e) of the Plan of Arrangement.

"**forward-looking information**" and "**forward looking statements**" have the meanings ascribed thereto in "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" of this Circular.

"**Governmental Entity**" means: (a) any multinational, federal, provincial, state, territorial, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) any subdivision, agent, commission, bureau, board or authority of any of the foregoing; (c) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange, including the Exchanges.

"**Hazardous Substance**" means any substance that is prohibited, regulated, designated or classified as dangerous, hazardous, radioactive, explosive, toxic, a waste or a contaminant pursuant to any applicable Environmental Laws, including petroleum products or by-products, asbestos and asbestos-containing material, lead-containing paint or plumbing, polychlorinated biphenyls, radioactive materials, radon, and perfluoroalkyl.

"**Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, at the relevant time, prepared on a consistent basis.

"**In-the-Money Amount**" means in respect of a Doré Option or Replacement Option at any time, the amount, if any, by which the aggregate fair market value, at that time, of the shares subject to the option exceeds the aggregate exercise price under the option.

"**Intellectual Property**" means all intellectual property, in any jurisdiction throughout the world, whether or not registrable, including all: (a) patents, applications for patents and reissues, divisionals, continuations, renewals, re-examinations, extensions and continuations-in-part of patents or patent applications, (b) proprietary confidential information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade

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secrets, confidential information, know-how, methods, models, formulas, algorithms, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing, (c) copyrights, copyright registrations and applications for copyright registration, (d) integrated circuit, topographies, integrated circuit topography registrations and applications, mask works, mask work registrations and applications, (e) designs, design registrations, design registration applications, industrial designs, industrial design registrations and industrial design applications, (f) trade names, business names, corporate names, domain names, social media accounts and user names, social media identifiers and identities, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing, (g) all intellectual property rights in and to software and technology, including rights and data in databases, and (h) any other intellectual property and industrial property rights throughout the world, however denominated.

"**Interim Order**" means the interim order of the Court, to be issued following the motion therefor contemplated by the Arrangement Agreement, providing for, among other things, the calling and holding of the Meeting, as the same may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both Doré and Cygnus, each acting reasonably.

"**IRS**" means the U.S. Internal Revenue Service.

"**JORC Code**" means the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

"**Key Regulatory Approvals**" means those Regulatory Approvals required to proceed with the Arrangement, the failure of which to obtain would reasonably be expected to have a Material Adverse Effect on such Party, including those specified in the Doré Disclosure Letter or the Cygnus Disclosure Letter.

"**Key Third Party Consents**" means those consents and approvals specified in the Doré Disclosure Letter or the Cygnus Disclosure Letter.

"**Law**" or "**Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, Orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, and the term "**applicable**" with respect to such Laws and in a context that refers to one or more Parties, means such Laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities.

"**Letter of Transmittal**" means the letter of transmittal delivered by Doré to Registered Doré Shareholders together with this Circular, providing for the delivery of Doré Shares to the Depositary.

"**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, royalties, encumbrances and adverse rights or claims, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

"**Mark-to-Market Election**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

"**Matching Period**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant – Right to Accept Superior Proposal and Right to Match*" of this Circular.

"**Material Adverse Effect**" means, in respect of a person, any fact, change, event, occurrence, effect, state of facts, liability and/or circumstance that, individually or in the aggregate with other such facts, changes, events, occurrences, effects, states of facts, liabilities or circumstances, is or could reasonably be expected to be material and adverse to the current and future business, operations, results of operations, assets, properties, condition (financial or otherwise),

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liabilities (contingent or otherwise) or capitalization of such person and its subsidiaries taken as a whole, other than any fact, change, event, occurrence, effect, state of facts, liability or circumstance resulting from or arising in connection with:

(a) any fact, change, event, occurrence, effect, state of facts, liability or circumstance generally affecting the industries in which the Parties or their subsidiaries operate, including any change in the price of gold, copper or lithium;

(b) any fact, change, event or occurrence in global, national or regional economic, political, or financial conditions, including changes in (i) financial markets, credit markets or capital markets, (ii) interest rates and credit ratings, (iii) inflation and (iv) currency exchange rates;

(c) any hurricane, flood, tornado, earthquake or other natural or man-made disaster or acts of God, epidemic, pandemic or disease outbreak or any material worsening of such conditions existing as of the date of the Arrangement Agreement;

(d) any act of terrorism or any outbreak of hostilities or declared or undeclared war, cyberterrorism, civil unrest, civil disobedience, sabotage, cybercrime, national or international calamity, military action, declaration of a state of emergency or any other similar event (including the current conflict between the Russian Federation and Ukraine and the conflict in the Middle East), or any change, escalation or worsening thereof;

(e) any change in Law, IFRS, AIFRS or changes in regulatory accounting or Tax requirements, or in the interpretation, application or non-application of the foregoing by any Governmental Entity, after the date of the Arrangement Agreement;

(f) any specific action taken (or omitted to be taken) by a Party to the Arrangement Agreement that is expressly required to be taken (or, in the case of an omission, expressly prohibited to be taken) pursuant to the Arrangement Agreement or with the express prior written consent or at the written direction of the Parties hereto, provided that this clause (g) shall not apply to any representation or warranty (or any Party's obligation to consummate the Arrangement Agreement relating to such representation or warranty) to the extent the purpose of such representation or warranty is to address the consequences resulting from the execution and delivery of the Arrangement Agreement or the consummation of the Arrangement and the other transactions contemplated thereby;

(g) any change in the market price or trading volume of a Party's securities (it being understood that the causes underlying such change in market price or trading volume may, to the extent not otherwise excluded from the definition of Material Adverse Effect, be taken into account in determining whether a Material Adverse Effect has occurred);

(h) the failure in and of itself of a Party to meet any internal or published projections, forecasts or guidance or estimates of revenues, earnings, cash flows or other financial operating metrics of such Party or of any securities analysts before, on or after the date of the Arrangement Agreement (it being understood that the causes underlying such failure may, if not otherwise excluded from this definition of Material Adverse Effect, be deemed either alone or in combination to constitute, or be taken into account in determining whether a Material Adverse Effect has occurred); or

(i) any fact, change, event, occurrence, effect, state of facts, liability and/or circumstance directly resulting from the announcement of the Arrangement Agreement or the Arrangement or the implementation of the Arrangement, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of Doré or Cygnus with any of their customers, employees, shareholders, vendors, distributors, partners or suppliers arising as a direct consequence of same (it being understood that this clause (j) shall not apply with respect to any representation or warranty the purpose of which is to address the effect of the announcement, execution, delivery and

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performance of the Arrangement Agreement or the transactions contemplated thereby, including the Arrangement, or the performance of any obligations thereunder),

but, in the case of clauses (a) through to and including (e) above, only to the extent that any such fact, change, event, occurrence, effect, state of facts, liability or circumstances does not have a disproportionate effect on Doré or Cygnus, as applicable, taken as a whole, relative to comparable entities operating in the industry in which they operate, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretative for purposes of determining whether a Material Adverse Effect has occurred.

"**material change**" has the meaning ascribed to such term in the Securities Act.

"**Material Contract**" means, in respect of any Party, any Contract:

(a) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect on such Party;

(b) under which such Party or any of its subsidiaries has directly or indirectly guaranteed any liabilities or obligations of a third party in excess of A$250,000 in the aggregate;

(c) relating to indebtedness for borrowed money, whether incurred, assumed, guaranteed or secured by any asset, with an outstanding principal amount in excess of A$250,000;

(d) restricting the incurrence of indebtedness by such Party or any of its subsidiaries (including by requiring the granting of an equal and rateable Lien) or the incurrence of any Liens on any properties or assets of such Party or any of its subsidiaries, or restricting the payment of dividends by such Party;

(e) under which the Party or any of its subsidiaries is obligated to make or expects to receive payments in excess of A$250,000 over the remaining term;

(f) providing for the establishment, organization or formation of any joint venture, limited liability company, partnership, royalty or stream interest;

(g) relating to any future offering or issuance of securities of such Party;

(h) that creates an exclusive dealing arrangement or right of first offer or refusal;

(i) that is a Collective Agreement;

(j) with a Governmental Entity;

(k) providing for employment severance or change in control payments;

(l) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds A$250,000;

(m) that limits or restricts (i) the ability of such Party or any of its subsidiaries to engage in any line of business or carry on business in any geographic area, or (ii) the scope of persons to whom such Party or any of its subsidiaries may sell products or deliver services;

(n) such Party has filed with the Securities Authorities as a material contract in accordance with applicable Securities Laws;

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(o) that is made out of the ordinary course of business; or

(p) that is otherwise material to such Party and its subsidiaries, considered as a whole.

"**Meeting**" means the special meeting of the Doré Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and the other matters set out in this Circular.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, together with the Companion Policy thereto, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities*, together with the Companion Policy thereto, as issued by the Canadian Securities Administrators, as amended from time to time.

"**Non-Electing U.S. Holder**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Ownership and Disposition of Cygnus Shares – Passive Foreign Investment Company Rules Related to the Ownership and Disposition of Cygnus Shares – Default PFIC Rules Under Section 1291 of the U.S. Tax Code*" of this Circular.

"**Non-Registered Doré Shareholder**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered Doré Shareholders*" of this Circular.

"**Non-Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*" of this Circular.

"**non-U.S. Holder**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Scope of this Disclosure – Non-U.S. Holders*" of this Circular.

"**Notice of Meeting**" means the notice of special meeting to the Doré Shareholders which accompanies this Circular.

"**NSR**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Doré – General Development of the Business*" of this Circular.

"**Ocean Partners Lender**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions – Connected Transaction*" of this Circular.

"**Ocean Partners Waiver**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions – Connected Transaction*" of this Circular.

"**Option Agreement**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Doré – General Development of the Business*" of this Circular.

"**Order**" means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, decrees, stipulations or similar actions taken or entered by or with, or applied by, any Governmental Entity (in each case, whether temporary, preliminary or permanent).

"**ordinary course of business**", "**ordinary course of business consistent with past practice**", or any similar reference, means, with respect to an action taken by a person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person.

"**Outside Date**" means March 31, 2025, or such later date as may be agreed to in writing by the Parties.

"**Paradigm**" means Paradigm Capital Inc.

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"**Paradigm Engagement Letter**" means the engagement letter between Doré and Paradigm dated effective October 7, 2024.

"**Party**" means either Doré, Cygnus or AcquireCo as the case may be, and "**Parties**" means all of them, collectively.

"**Period 1**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Period 2**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Permit**" means with respect to any person, any license, permit, certificate, consent, order, grant, approval, classification, registration, clearance or other authorization of and from any Governmental Entity that is binding upon or applicable to such person.

"**Permitted Liens**" means any one or more of the following:

(a) Liens for Taxes which are not delinquent or that are being contested in good faith and that have been adequately reserved on the Party's financial statements;

(b) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of the construction, maintenance, repair or operation of the assets, provided that such Liens are related to obligations not due or delinquent, are not registered against title to any assets and in respect of which adequate holdbacks are being maintained as required by applicable Law;

(c) the right reserved to or vested in any Governmental Entity by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of a Party or any of its subsidiaries, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition of their continuance;

(d) easements, rights of way, zoning ordinances, and other similar land use and environmental regulations which are not, individually or in the aggregate, material in amount or effect the business of Doré or Cygnus, as applicable;

(e) royalty agreements in respect of mineral properties as made available in the Doré Data Room or Cygnus Data Room; and

(f) Liens listed and described in the Doré Disclosure Letter or the Cygnus Disclosure Letter.

"**person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

"**PFIC**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

"**PFIC-for-PFIC Exception**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

"**PFIC Asset Test**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

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"**PFIC Income Test**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Appendix C to this Circular, and any amendments or variations thereto made in accordance with the Arrangement Agreement or the Plan of Arrangement or at the direction of the Court and agreed to in writing by both Doré and Cygnus, each acting reasonably.

"**Pre-Closing Reorganization**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Pre-Closing Reorganization*" of this Circular.

"**Proceeding**" means any suit, claim, action, charge, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination, assessment, enquiry, investigation or other proceeding commenced, brought, conducted or heard by or before, any Governmental Entity.

"**Proposed Amendments**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**QEF**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

"**QEF Election**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Passive Foreign Investment Company Rules Applicable to the Arrangement*" of this Circular.

"**Record Date**" has the meaning ascribed thereto in "*Part 6 – Voting Securities and Principal Holders Thereof – Record Date and Voting Securities*" of this Circular.

"**Registered Doré Shareholder**" means a registered holder of Doré Shares.

"**Registered Plans**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**Regulation S**" means Regulation S adopted by the SEC under the U.S. Securities Act.

"**Regulatory Approval**" means any sanctions, rulings, consents, authorizations, clearances, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an order prohibiting closing being made) required from any Governmental Entity to proceed with the Arrangement and the transactions contemplated thereby, including the Key Regulatory Approvals.

"**Release**" means any sudden, intermittent or gradual release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into or through the environment, or any other action, event, occurrence or circumstance that constitutes a "Release" pursuant to any applicable Environmental Law.

"**Reorganization**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Certain U.S. Federal Income Tax Consequences of the Arrangement – Characterization of the Arrangement*" of this Circular.

"**Replacement Option**" means an option to purchase Cygnus Shares to be issued by Cygnus to former holders of Doré Options.

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"**Representatives**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

"**Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*" of this Circular.

"**RESP**" means a registered education savings plan.

"**Ressources Jessie**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Doré – General Development of the Business*" of this Circular.

"**RRIF**" means a registered retirement income fund.

"**RRSP**" means a registered retirement savings plan.

"**Rule 144**" means Rule 144 under the U.S. Securities Act.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Section 3(a)(10) Exemption**" means the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof.

"**Securities Act**" means the *Securities Act* (Ontario) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**Securities Authorities**" means, in respect of Cygnus, ASIC and, in respect of Doré, the applicable securities commissions and other securities regulatory authorities in each of the provinces of Canada in which Doré is a reporting issuer.

"**Securities Laws**" means the Securities Act, together with all other applicable provincial securities laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time, and applicable securities laws in Australia and the respective regulations or rules made thereunder, together with all applicable published policy statements, orders, rulings, notices and interpretation notes of the ASIC.

"**SEDAR+**" means the System for Electronic Data Analysis and Retrieval + described in National Instrument 13-103 – *System for Electronic Data Analysis and Retrieval* and available for public view at www.sedarplus.ca.

"**Solicited Party**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

"**SOQUEM JV Property**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Doré – General Development of the Business*" of this Circular.

"**Special Committee**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

"**subsidiary**" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary.

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"**Subsidiary PFIC**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations –Ownership and Disposition of Cygnus Shares – Passive Foreign Investment Company Rules Related to the Ownership and Disposition of Cygnus Shares*" of this Circular.

"**Superior Proposal**" means any unsolicited *bona fide* Acquisition Proposal made in writing by a third party or third parties acting jointly or in concert with one another (other than Cygnus and its affiliates), who deal at arm's length to Doré, on or after the date hereof, to acquire not less than: (i) all of the outstanding Doré Shares not already owned by such person or group of persons, or (ii) all or substantially all of the assets of Doré on a consolidated basis, that in the good faith determination of the Doré Board, after receipt of advice from its outside financial advisor and legal counsel:

(a) complies with all applicable Laws and did not result from a breach of Section 7.2 of the Arrangement Agreement, by Doré or its Representatives, other than an immaterial breach of Doré's obligation under Section 7.2 of the Arrangement Agreement to provide notice of an Acquisition Proposal to Cygnus within a prescribed period;

(b) is reasonably capable of being completed in accordance with its terms without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person making such Acquisition Proposal;

(c) is not subject to a due diligence or access condition;

(d) in the case of a transaction that involves the acquisition of Doré Shares, is made available to all Doré Shareholders on the same terms and conditions;

(e) failure to recommend such Acquisition Proposal to Doré Shareholders would be inconsistent with the Doré Board's fiduciary duties; and

(f) taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), would result in a transaction more favourable to Doré Shareholders, taken as a whole, from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by Cygnus pursuant to Section 7.3(b) of the Arrangement Agreement).

"**Superior Proposal Notice**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant – Right to Accept Superior Proposal and Right to Match*" of this Circular.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

"**Tax Returns**" means returns, reports, declarations, elections, designations, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required by a Governmental Entity to be made, prepared or filed by Law in respect of Taxes.

"**taxable capital gain**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Taxes**" mean any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, mining royalties, alternative minimum taxes, estimated taxes, abandoned or unclaimed (escheat) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers' compensation, Canada and other government

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pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions whether disputed or not.

"**Termination Fee**" means C$900,000.

"**Transfer Agent**" means Computershare Investor Services Inc., as registrar and transfer agent of the Doré Shares.

"**Transitional Year**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Transmittal Documents**" has the meaning ascribed thereto in "*Part 14 – Procedure for Receipt of Consideration – Former Doré Shareholders – Deposit of Transmittal Documents with Depositary*" of this Circular.

"**TSXV**" means the TSX Venture Exchange.

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**U.S. Exchange Act**" means the United States *Securities Exchange Act* of 1934, as amended, and the rules and regulations promulgated thereunder.

"**U.S. Holder**" has the meaning ascribed thereto in "*Part 16 – Certain United States Federal Income Tax Considerations – Scope of This Disclosure – U.S. Holders*" of this Circular.

"**U.S. Person**" has the meaning ascribed thereto in Rule 902 of Regulation S under the U.S. Securities Act.

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**U.S. Tax Code**" means the United States Internal Revenue Code of 1986, as amended.

"**U.S. Treasury Regulations**" means the U.S. Department of Treasury Regulations promulgated under the U.S. Tax Code.

"**VIF**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered Doré Shareholders*" of this Circular.

"**Willful Breach**" of any representation, warranty or covenant of a Party means that, as applicable, the breaching Party (a) had actual knowledge that a representation or warranty of the Party was materially false when made, or (b) as to a covenant in the Arrangement Agreement, directed or allowed the applicable Party to take an action, fail to take an action or permit an action to be taken or occur that the applicable Party knew at such time constituted a material breach of a covenant in the Arrangement Agreement by such Party.

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**APPENDIX B**

**ARRANGEMENT RESOLUTION**

**RESOLUTION OF THE SHAREHOLDERS OF DORÉ COPPER MINING CORP.**

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") of Doré Copper Mining Corp. (the "**Corporation**"), all as more particularly described and set forth in the management information circular of the Corporation (the "**Circular**") accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), and all transactions contemplated thereby, are hereby authorized, approved and adopted;

2. the arrangement agreement dated October 14, 2024 (the "**Arrangement Agreement**") between Cygnus Metals Limited, 1505901 B.C. Ltd. and the Corporation, as it may be, or may have been, amended, modified or supplemented from time to time, the transactions contemplated therein, the actions of the directors of the Corporation in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Corporation in executing and delivering the Arrangement Agreement and any amendments thereto and causing the performance by the Corporation of its obligations thereunder, including the Corporation's application for an interim order from the Ontario Superior Court, are hereby confirmed, ratified, authorized and approved;

3. the plan of arrangement as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement (the "**Plan of Arrangement**") of the Corporation implementing the Arrangement, the full text of which is set out in Schedule "A" to the Arrangement Agreement, is hereby authorized, approved and adopted;

4. the Corporation be and is hereby authorized to apply for a final order from the Ontario Superior Court to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular);

5. notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of the Corporation or that the Arrangement has been approved by the Ontario Superior Court, the directors of the Corporation are hereby authorized and empowered, without further notice to, or approval of, the shareholders of the Corporation to:

   (a) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Arrangement Agreement, not proceed with the Arrangement;

6. any director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute, whether under corporate seal of the Corporation or otherwise, and to deliver such other documents as are necessary or desirable in accordance with the Arrangement Agreement for filing;

7. any director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to make or cause to be made an application to the Ontario Superior Court for an order approving the Arrangement and to execute and deliver, or cause to be executed and delivered, for filing with the Director under the CBCA, the articles of arrangement and all such other documents and instruments as may be necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement or any such other document or instrument; and

8. any director or officer of the Corporation is hereby authorized, for and on behalf and in the name of the Corporation, to execute and deliver, whether under corporate seal of the Corporation or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments, and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

   (a) all actions required to be taken by or on behalf of the Corporation, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by the Corporation;

   such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

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**APPENDIX C**

**PLAN OF ARRANGEMENT**

See attached.

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**PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT**

## ARTICLE 1
## DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Acquireco**" means 1505901 B.C. Ltd., a company existing under the laws of British Columbia and a direct wholly owned subsidiary of Cygnus;

"**Acquireco Common Shares**" means the common shares in the capital of Acquireco;

"**affiliate**" has the meaning given to it in the Securities Act;

"**Arrangement**" means an arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations hereto made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of Doré and Cygnus, each acting reasonably;

"**Arrangement Agreement**" means the arrangement agreement dated October 14, 2024 between Cygnus, Doré and Acquireco, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

"**Arrangement Resolution**" means the special resolution of the Doré Shareholders approving the Arrangement to be considered at the Doré Meeting, substantially in the form and content of Schedule "B" to the Arrangement Agreement;

"**Articles of Arrangement**" means the articles of arrangement of Doré in respect of the Arrangement required by the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to Doré and Cygnus, each acting reasonably;

**"Australian Tax Act"** means the *Income Tax Assessment Act 1936 (Cth)*, *Income Tax Assessment Act 1997 (Cth)* and *Taxation Administration Act 1953 (Cth)* and the regulations thereunder, as amended from time to time;

"**Business Day**" means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Toronto, Ontario and Perth, Western Australia are open for the conduct of business;

"**CBCA**" means the *Canada Business Corporations Act*;

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement;

"**Consideration**" means the Cygnus Shares to be issued to the Doré Shareholders pursuant to the Plan of Arrangement, being 1.8297 Cygnus Shares for each Doré Share;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Cygnus**" means Cygnus Metals Limited, a company existing under the laws of Australia with ACN 80 609 094 653;

"**Cygnus Share**" means a fully paid ordinary share in the capital of Cygnus;

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"**Depositary**" means any trust company, bank or financial institution agreed to in writing between the Parties for the purpose of, among other things, exchanging certificates representing Doré Shares for certificates representing the Consideration pursuant to the Arrangement;

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA;

"**Dissent Rights**" shall have the meaning ascribed thereto in Section 4.1;

"**Dissenting Shareholder**" means a registered holder of Doré Shares that has duly and validly exercised their Dissent Rights and that has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and that is ultimately determined to be entitled to be paid the fair value of its Doré Shares;

"**Doré**" means Doré Copper Mining Corp., a corporation existing under the federal laws of Canada;

"**Doré Circular**" means the notice of the Doré Meeting and accompanying management information circular, including all schedules, appendices, and exhibits thereto, to be sent to the Doré Shareholders in connection with the Doré Meeting, as amended, supplemented or otherwise modified from time to time;

"**Doré DSUs**" means the outstanding deferred share units of Doré issued under the Doré Plan;

"**Doré Meeting**" means the special meeting of the Doré Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and any other matters as may be set out in the Doré Circular and agreed to in writing by Cygnus, acting reasonably;

"**Doré Options**" means the outstanding options to purchase Doré Shares issued under the Doré Plan;

"**Doré Plan**" means Doré's omnibus share incentive plan which was most recently approved by Doré Shareholders at the annual and special meeting of Doré on June 20, 2024, as amended and supplemented;

"**Doré Shareholders**" means the holders of the Doré Shares;

"**Doré Shares**" means the common shares in the capital of Doré, as constituted immediately prior to the Effective Time;

"**Doré Warrants**" means the outstanding warrants to purchase Doré Shares issued by Doré;

"**DRS**" shall have the meaning ascribed thereto in Section 5.2;

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date;

"**Exchange Ratio**" means 1.8297 Cygnus Shares for each Doré Share;

"**Final Order**" means the final order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration and the Replacement Options, approving the Arrangement, in form and substance acceptable to both Doré and Cygnus, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both Doré and Cygnus, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to both Doré and Cygnus, each acting reasonably);

"**final proscription date**" shall have the meaning ascribed thereto Section 5.6;

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"**Former Doré Shareholders**" means the holders of Doré Shares (other than Dissenting Shareholders and Cygnus, Acquireco and any of their affiliates) immediately prior to the effective time of the transaction described in Section 3.1(e);

"**In-the-Money Amount**" means in respect of a Doré Option or Replacement Option at any time, the amount, if any, by which the aggregate fair market value, at that time, of the shares subject to the option exceeds the aggregate exercise price under the option;

"**Interim Order**" means the interim order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration and the Replacement Options, to be issued following the application therefor contemplated by Section 2.2 of the Arrangement Agreement, providing for, among other things, the calling and holding of the Doré Meeting, as the same may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both Doré and Cygnus, each acting reasonably;

"**Party**" means any of Doré, Cygnus or Acquireco as the case may be, and "**Parties**" means all of them, collectively;

"**Plan of Arrangement**" means this plan of arrangement and any amendments or variations hereto made in accordance with Section 8.3 of the Arrangement Agreement or Section 6.1 of this Plan of Arrangement or at the direction of the Court and agreed to in writing by both Doré and Cygnus, each acting reasonably;

"**Replacement Option**" means an option to purchase Cygnus Shares to be issued by Cygnus to former holders of Doré Options;

"**Tax**" or "**Taxes**" mean any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, mining royalties, alternative minimum taxes, estimated taxes, abandoned or unclaimed (escheat) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers' compensation, Canada and other government pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions, whether or not disputed.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

"**Transmittal Letter**" means the letter of transmittal sent to holders of Doré Shares for use in connection with the Arrangement;

"**U.S. Securities Act**" means the *United States Securities Act of 1933*; and

"**U.S. Tax Code**" means the United States Internal Revenue Code of 1986.

In addition, words and phrases used herein and defined in the CBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the CBCA unless the context otherwise requires.

### 1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar



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expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto. Unless the contrary intention appears, references in this Plan of Arrangement to an Article or Section, by number or letter or both refer to the Article or Section, respectively, bearing that designation in this Plan of Arrangement.

### 1.3 Number, Gender and persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

### 1.4 Date for any Action

If the date on which any action is required or permitted to be taken hereunder is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

### 1.5 Statutory References

Any reference in this Plan of Arrangement to a statute includes all rules and regulations made or promulgated thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

### 1.6 Currency

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada.

### 1.7 Governing Law

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

## ARTICLE 2
## ARRANGEMENT AGREEMENT

### 2.1 Arrangement Agreement

This Plan of Arrangement constitutes an arrangement under Section 192 of the CBCA and is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein. If there is any conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement regarding the Arrangement, the provisions of this Plan of Arrangement shall govern.

### 2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on Doré, Cygnus, Acquireco, all registered and beneficial Doré Shareholders (including Dissenting Shareholders), all holders of Doré Options, Doré DSUs and Doré Warrants, the registrar and transfer agent of Doré and the Depositary at and after the Effective Time, in each case without any further act or formality required on the part of any person, except as expressly provided in this Plan of Arrangement.

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## ARTICLE 3
## ARRANGEMENT

### 3.1 Arrangement

Commencing at the Effective Time, the following steps or transactions shall, unless specifically provided otherwise in this Section 3.1, occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality, in each case at one-minute intervals starting at the Effective Time:

(a) each Doré DSU outstanding immediately prior to the Effective Time (whether vested or unvested) will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been unconditionally vested;

(b) each holder of a Doré DSU shall resign from, and shall be deemed to have immediately resigned from, the board of directors of Doré and of any affiliate of Doré;

(c) each vested Doré DSU outstanding immediately prior to the steps in this Section 3.1(c) will, without any further action on the part of any holder thereof and notwithstanding the terms of the Doré Plan, be deemed to have been immediately redeemed and cancelled, and in consideration Doré shall allot and issue from treasury to the holder of such Doré DSU such number of Doré Shares as are due to such holder under the terms of the Doré Plan (subject to withholding in accordance with this Plan of Arrangement) and the name of each such former holder of a redeemed and cancelled Doré DSU shall be entered in Doré's central securities register of holders of Doré Shares as a holder of Doré Shares but no such former holder shall be entitled to a certificate or DRS representing the Doré Shares issued upon the redemption and cancellation of such holder's Doré DSUs;

(d) each Doré Share outstanding immediately prior to the Effective Time held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to Acquireco and Acquireco shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 hereof, and:

(i) the name of such registered holder shall be removed from the central securities register of Doré as a holder of Doré Shares;

(ii) such Dissenting Shareholders will cease to have any rights as Doré Shareholders other than the right to be paid the fair value for their Doré Shares; and

(iii) Acquireco shall be entered in Doré's central securities register of holders of Doré Shares as the legal and beneficial owner of such Doré Shares, free of all liens, claims and encumbrances;

(e) each Doré Share outstanding immediately prior to the effective time of the transfer under this Section 3.1(e) (other than a Doré Share held immediately before the Effective Time by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised and a Doré Share held by Cygnus, Acquireco or any of their affiliates, but including, for the avoidance of doubt, any Doré Shares issued to holders of Doré DSUs pursuant to Section 3.1(c)) shall be deemed to be transferred by the holder thereof, without any further act or formality by such Doré Shareholder, free and clear of all liens, claims and encumbrances, to Acquireco in exchange for the Consideration, and each of Cygnus and Acquireco shall be deemed to have directed the Depositary to issue and to deliver to such holder the Consideration to which such holder is entitled pursuant to this Section 3.1(e), and upon such exchange:

(i) each holder of such Doré Shares shall cease to be the holder thereof and to have any rights as a Doré Shareholder other than the right to be paid the Consideration pursuant to this Section 3.1(e) and in accordance with this Plan of Arrangement;

(ii) each Former Doré Shareholder shall be removed from Doré's central securities register of holders of Doré Shares;

(iii) Acquireco shall be entered in Doré's central securities register of holders of Doré Shares as the legal and beneficial owner of such Doré Shares, free of all liens, claims and encumbrances; and

(iv) each Former Doré Shareholder shall be entered in Cygnus' register of holders of Cygnus Shares in respect of Cygnus Shares deliverable to such Former Doré Shareholder pursuant to this Section 3.1(e);

(f) concurrently with the transfer in Section 3.1(e), Acquireco will issue to Cygnus as consideration for the Consideration issued to Doré Shareholders pursuant to such Section 3.1(e), an equal number of Acquireco Common Shares and add to its stated capital an amount equal to the fair market value of the Consideration; and

(g) each Doré Option outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the terms of the Doré Plan, be cancelled and exchanged for a Replacement Option to acquire from Cygnus, such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Replacement Options in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such Doré Option immediately before the exchange.

At such time following the completion of those transactions described in the foregoing paragraphs of this Section 3.1, as promptly as possible after all conditions therefor have been met, Doré shall file or cause to be filed the prescribed form of election under the Tax Act with the Canada Revenue Agency electing to cease being a public corporation for the purposes of the Tax Act.

**3.2 No Fractional Shares**

No fractional Cygnus Shares shall be issued to Former Doré Shareholders. Where the aggregate number of Cygnus Shares to be issued to a Former Doré Shareholder under the Arrangement would otherwise result in a fraction of a Cygnus Share being issuable, the number of Cygnus Shares to be issued to such Former Doré Shareholder shall be rounded down to the nearest whole Cygnus Share, and such Former Doré Shareholder shall not be entitled to any compensation in respect of such fractional Cygnus Share.

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### 3.3 Effect of Arrangement on Doré Warrants

As a result of the completion of the steps set out in Section 3.1:

(a) each Doré Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the Doré Warrants, following the Effective Time entitle the holder to such number of Cygnus Shares equal to (1) that number of Doré Shares that were issuable upon exercise of such Doré Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a Cygnus Share on any particular exercise of Doré Warrants in the aggregate, then the number of Cygnus Shares otherwise issuable shall be rounded down to the nearest whole number of Cygnus Shares), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Doré Warrants shall be rounded up to the nearest whole cent), and all certificates governing the Doré Warrants shall be cancelled and replaced with replacement certificates representing such adjusted Doré Warrants; and

(b) the Doré Plan and all agreements relating thereto shall be terminated and shall be of no further force and effect.

## ARTICLE 4
## DISSENT RIGHTS

### 4.1 Dissent Rights

Registered holders of Doré Shares as of the record date for the Doré Meeting and who are registered Doré Shareholders as of the deadline for exercising dissent rights may exercise dissent rights with respect to all of the Doré Shares held by such registered holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order, any other order of the Court and this Article 4, provided that, notwithstanding Subsection 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in Subsection 190(5) of the CBCA must be received by Doré no later than 5:00 p.m. (Toronto time) two (2) Business Days immediately preceding the date of the Doré Meeting (as it may be adjourned or postponed from time to time).

Each Dissenting Shareholder who duly exercises Dissent Rights and who is ultimately determined to be:

(a) entitled to be paid fair value for their Doré Shares, (i) shall be deemed to have transferred such Doré Shares to Acquireco as provided, and as of the time stipulated, in Section 3.1(d), (ii) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(d)), (iii) shall be entitled to be paid the fair value of such Doré Shares by Acquireco, less any applicable withholdings, which fair value, notwithstanding anything to the contrary in the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Doré Meeting, and (iv) will not be entitled to any other payment or consideration, including any payment or consideration that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Doré Shares; or

(b) not entitled, for any reason, to be paid the fair value for such Doré Shares, (i) shall be deemed to have transferred such Doré Shares to Acquireco as provided, and as of the time stipulated, in Section 3.1(e), and (ii) shall be deemed to have participated in the Arrangement on the same basis and at the same time as Doré Shareholders who have not exercised Dissent Rights in respect of such Doré Shares and shall be entitled to receive the Consideration to which Doré Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(e).

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**4.2 Recognition of Dissenting Holders**

(a) In no case shall any Party, the Depositary or any other person be required to recognize any Dissenting Shareholder or any other person exercising Dissent Rights unless such person (i) as of the record date for the Doré Meeting, is the registered holder of those Doré Shares in respect of which such rights are sought to be exercised, (ii) as of the deadline for exercising Dissent Rights, is the registered holder of those Doré Shares in respect of which such rights are sought to be exercised and (iii) has strictly complied with the procedures for exercising Dissent Rights and has not withdrawn such dissent prior to the Effective Time.

(b) In no case shall any Party or any other person be required to recognize any holder of Doré Shares who validly exercises Dissent Rights as a holder of such Doré Shares after the completion of the transfer under Section 3.1(d), and the names of such Dissenting Shareholders shall be removed from the registers of holders of Doré Shares at the same time as the event described in Section 3.1(d) occurs.

(c) Doré Shareholders who withdraw, or are deemed to withdraw, their right to exercise Dissent Rights shall be deemed to have participated in the Arrangement, as of the Effective Time, and shall be entitled to receive the Consideration to which Doré Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(e).

(d) In addition to any other restrictions under the Interim Order or Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of Doré Options, Doré DSUs or Doré Warrants (in their capacity as holders of such securities); (b) Doré Shareholders who voted or instructed a proxyholder to vote Doré Shares in favour of the Arrangement Resolution; (c) Cygnus, Acquireco and any of their affiliates; and (d) any person who is not a registered holder of Doré Shares.

## ARTICLE 5
## DELIVERY OF CONSIDERATION

**5.1 Payment of Consideration**

Following the receipt of the Final Order, on or prior to the Effective Date and prior to the filing by Doré of the Articles of Arrangement with the Director, Cygnus shall deliver or arrange to be delivered to the Depositary such number of Cygnus Shares as are required to be issued to Former Doré Shareholders in accordance with the provisions of Section 3.1, which Cygnus Shares shall be held by the Depositary as agent and nominee for such Former Doré Shareholders for distribution to such Former Doré Shareholders in accordance with the provisions of Article 5.

**5.2 Delivery of Consideration**

(a) Upon surrender to the Depositary for cancellation of a certificate or direct registration statement ("**DRS**") advice-statement that immediately before the Effective Time represented one or more outstanding Doré Shares that were transferred to Cygnus in accordance with Section 3.1, together with a duly completed Transmittal Letter and such other documents and instruments as would have been required to effect the transfer of the Doré Shares formerly represented by such certificate or DRS advice-statement under the CBCA and the constating documents of Doré and such additional documents and instruments as the Depositary may reasonably require, the Former Doré Shareholder surrendering such certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate, holding statement or DRS advice-statement representing the Cygnus Shares that such holder is entitled to receive in accordance with Section 3.1, less any amounts withheld pursuant to Section 5.5 and any certificate or DRS advice-statement representing such Doré Shares so surrendered shall forthwith thereafter be cancelled. Notwithstanding the foregoing, holders of Doré DSUs who received Doré Shares pursuant to Section 3.1(c) shall not receive certificates or DRS advice-statements representing such

Doré Shares and, accordingly, shall not be required to deliver a Transmittal Letter or any such certificates or DRS advice-statements in respect of such Doré Shares.

(b) After the Effective Time and until surrendered for cancellation as contemplated by this Section 5.2, each certificate or DRS advice-statement that immediately prior to the Effective Time represented one or more Doré Shares (other than Doré Shares in respect of which Dissent Rights have been validly exercised and not withdrawn or Doré Shares held by Cygnus, Acquireco or any of their affiliates) shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1, less any amounts withheld pursuant to Section 5.5.

**5.3 Lost Certificates**

If any certificate that immediately prior to the Effective Time represented one or more outstanding Doré Shares that were exchanged in accordance with Section 3.1 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive in accordance with Section 3.1 and such holder's Transmittal Letter. When authorizing such delivery of the Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom the Consideration is to be delivered shall, as a condition precedent to the delivery of the Consideration, give a bond satisfactory to Cygnus and the Depositary in such amount as Cygnus and the Depositary may direct, or otherwise indemnify Cygnus and the Depositary in a manner satisfactory to Cygnus and the Depositary, against any claim that may be made against Cygnus or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the constating documents of Doré.

**5.4 Distributions with Respect to Unsurrendered Certificates**

No dividend or other distribution declared or made after the Effective Time with respect to Cygnus Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate or DRS advice-statement that, immediately prior to the Effective Time, represented outstanding Doré Shares unless and until the holder of such certificate or DRS advice-statement shall have complied with the provisions of Section 5.2 or Section 5.3. Subject to applicable Law and to withholding required pursuant to Section 5.5, at the time of such compliance, there shall, in addition to the delivery of certificates representing Cygnus Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Cygnus Shares.

**5.5 Withholding Rights**

Cygnus, Doré, Acquireco, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any Doré Shareholder or any other person under this Plan of Arrangement (including any payment to Dissenting Shareholders and holders of Doré Options, Doré DSUs and Doré Warrants) such Taxes or other amounts as Cygnus, Doré, Acquireco, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are timely remitted to the appropriate Governmental Entity by or on behalf of Cygnus, Doré, Acquireco, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to a Doré Shareholder or holder of Doré Options, Doré DSUs or Doré Warrants exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of Cygnus, any of Cygnus, Doré, Acquireco, the Depositary or their respective agents, as the case may be, are hereby authorized to sell or otherwise dispose of such portion of the Consideration or other Cygnus securities, as applicable, issuable as is necessary to provide sufficient funds to Cygnus, Doré, Acquireco, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and Cygnus, Doré, Acquireco, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all

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fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such Doré Shareholder or holder of a Doré Option, Doré DSU or Doré Warrant any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and none of Cygnus, Doré, Acquireco, the Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any Doré Shareholder or holder of a Doré Option, Doré DSU or Doré Warrant in respect of a particular price, for the portion of the Consideration or other Cygnus securities, as applicable, so sold.

### 5.6 Limitation and Proscription

To the extent that a Former Doré Shareholder shall not have complied with the provisions of Section 5.2 or Section 5.3 on or before the date that is six (6) years after the Effective Date (the "**final proscription date**"), then the Consideration that such Former Doré Shareholder was entitled to receive, in each case together with all entitlements to dividends and distributions thereon held for such Former Doré Shareholder, shall be automatically cancelled without any repayment of capital in respect thereof and the certificates, holding statements or DRS advice-statements representing Cygnus Shares shall be delivered to Cygnus by the Depositary and the certificates, holding statements and DRS advice-statements representing such Cygnus Shares shall be cancelled by Cygnus, and the interest of the Former Doré Shareholder in the Consideration (and dividends and distributions thereon) shall be terminated as of such final proscription date.

### 5.7 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any liens, claims and encumbrances of third parties of any kind.

## ARTICLE 6
## AMENDMENTS

### 6.1 Amendments to Plan of Arrangement

(a) Cygnus and Doré reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by Cygnus and Doré, (iii) filed with the Court and, if made following the Doré Meeting, approved by the Court, and (iv) communicated to Doré Shareholders and the holders of Doré Options, Doré DSUs and Doré Warrants if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Doré or Cygnus at any time prior to the Doré Meeting provided that Cygnus and Doré, each acting reasonably, shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Doré Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Doré and Cygnus may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the Doré Meeting and prior to the Effective Time with the approval of the Court, and, if and only if: (i) it is consented to in writing by each of Cygnus and Doré, each acting reasonably; and (ii) if required by the Court, it is consented to by some or all of the Doré Shareholders voting in the manner directed by the Court.

(d) Notwithstanding anything to the contrary contained herein, Doré and Cygnus may amend, modify and/or supplement this Plan of Arrangement without the approval of the Court, the Doré Shareholders or any other persons, provided that each such amendment, modification and/or supplement (i) must concern a matter which, in the reasonable opinion of each of Doré and Cygnus, is of an administrative nature required to better give effect to the implementation of this Plan of

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Arrangement, and (ii) is not adverse to the economic interests of any Doré Shareholders or the holders of Doré Options, Doré DSUs or Doré Warrants.

### 6.2 Termination

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

## ARTICLE 7
## FURTHER ASSURANCES

### 7.1 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties will make, do and execute, or cause to be made, done and executed, any such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

## ARTICLE 8
## U.S. SECURITIES LAW MATTERS

### 8.1 U.S. Securities Law Matters

Notwithstanding any provision herein to the contrary, this Plan of Arrangement will be carried out with the intention that all Cygnus Shares to be issued and distributed to Doré Shareholders and all Replacement Options to be issued and distributed to holders of Doré Options pursuant to this Plan of Arrangement, as applicable, will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement.

## ARTICLE 9
## PARAMOUNTCY

From and after the Effective Time (i) this Plan of Arrangement shall take precedence and priority over any and all Doré Shares, Doré Options, Doré DSUs and Doré Warrants issued prior to the Effective Time, (ii) the rights and obligations of registered and beneficial holders of Doré Shares (including Dissenting Shareholders), Doré Options, Doré DSUs and Doré Warrants and Doré, Cygnus, Acquireco the Depositary and any trustee or registrar and transfer agent for the Doré Shares, Doré Options, Doré DSUs and Doré Warrants, shall be solely as provided for in this Plan of Arrangement, and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Doré Shares, Doré Options, Doré DSUs and Doré Warrants shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

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**APPENDIX D**

**INTERIM ORDER**

See attached.

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Electronically issued / Délivré par voie électronique : 13-Nov-2024
Toronto Superior Court of Justice / Cour supérieure de justice



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Court File No.: CV-24-00730569-00CL

***ONTARIO***
**SUPERIOR COURT OF JUSTICE**
**COMMERCIAL LIST**

| | | |
|---|---|---|
| THE HONOURABLE | ) | TUESDAY, THE 12TH |
| | ) | |
| JUSTICE OSBORNE | ) | DAY OF NOVEMBER, 2024 |

IN THE MATTER OF an application under section 192 of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended;

AND IN THE MATTER OF an application under Rules 14.05(2) and 14.05(3) of the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended;

AND IN THE MATTER OF a proposed arrangement of Doré Copper Mining Corp. involving Cygnus Metals Limited and 1505901 B.C. Ltd.

**DORÉ COPPER MINING CORP.**

Applicant

**INTERIM ORDER**

**THIS MOTION** made by the Applicant, Doré Copper Mining Corp. ("Doré"), for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended (the "**CBCA**"), was heard this day via videoconference.

**ON READING** the Notice of Motion, the Notice of Application issued on November 1, 2024 and the Affidavit of Frank Balint sworn November 11, 2024 (the "**Balint Affidavit**"), including the Plan of Arrangement, which is attached as Appendix C to the draft management

information circular of Doré (the "**Information Circular**"), which is attached as Exhibit "A" to the Balint Affidavit, and on hearing the submissions of counsel for Doré and counsel for Cygnus Metals Limited ("**Cygnus**") and 1505901 B.C. Ltd. ("**AcquireCo**"), and on being advised that the Director appointed under the CBCA (the "**Director**") does not consider it necessary to appear.

**Definitions**

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Information Circular or otherwise as specifically defined herein.

**The Meeting**

2. **THIS COURT ORDERS** that Doré is permitted to call, hold and conduct a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares in the capital of Doré (the "**Common Shares**"), to be held at the offices of Bennett Jones LLP located at One First Canadian Place, 100 King Street West, Suite 3400, Toronto, Ontario on December 16, 2024 at 12:00 p.m. (Toronto time) in order for the Shareholders to, among other things, consider and, if determined advisable, pass a special resolution authorizing, approving and adopting, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the "**Arrangement Resolution**").

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of meeting of Shareholders, which accompanies the Information Circular (the "**Notice of Meeting**") and the articles and by-laws of Doré, subject to what may be provided hereafter and subject to further order of this Court.

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4. **THIS COURT ORDERS** that the record date (the "**Record Date**") for determination of the Shareholders entitled to notice of, and to vote at, the Meeting shall be the close of business on November 13, 2024.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

a) the Shareholders or their respective proxyholders;

b) the officers, directors, auditors and advisors of Doré;

c) representatives and advisors of Cygnus and AcquireCo;

d) the Director; and

e) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that Doré may transact such other business at the Meeting as is contemplated in the Information Circular, or as may otherwise be properly before the Meeting.

**Quorum**

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by Doré and that the quorum at the Meeting shall be not less than two persons who hold, or who represent by proxy, in the aggregate, at least 5% of the issued and outstanding Common Shares entitled to be voted at the Meeting.

**Amendments to the Arrangement and Plan of Arrangement**

8. **THIS COURT ORDERS** that Doré is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9, below, such amendments, modifications or



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supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof, provided same are to correct clerical errors, would not, if disclosed, reasonably be expected to affect a Shareholder's decision to vote, or are authorized by subsequent Court order, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement made after initial notice is provided as contemplated in paragraph 12 herein, which would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Doré may determine.

**Amendments to the Information Circular**

10. **THIS COURT ORDERS** that Doré is authorized to make such amendments, revisions and/or supplements to the draft Information Circular as it may determine and the Information Circular, as so amended, revised and/or supplemented, shall be the Information Circular to be distributed in accordance with paragraphs 12 and 13.

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**Adjournments and Postponements**

11. **THIS COURT ORDERS** that Doré, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as Doré may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

**Notice of Meeting**

12. **THIS COURT ORDERS** that, subject to the extent subsection 253(4) of the CBCA is applicable, in order to effect notice of the Meeting, Doré shall send, or cause to be sent, the Information Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy or voting instruction form and the letter of transmittal, along with such amendments or additional documents as Doré may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Meeting Materials**"), as follows:

a) to the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

   i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of Doré, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown



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therein, then the last address of the person known to the Corporate Secretary of Doré;

ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

iii) by facsimile or electronic transmission to any Shareholder, who is identified to the satisfaction of Doré, who requests such transmission in writing and, if required by Doré;

b) to non-registered Shareholders by providing sufficient copies of the applicable Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and

c) to the directors and auditors of Doré, and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that Doré is hereby directed to distribute the Information Circular (including the Notice of Application and this Interim Order) (collectively, the "**Court Materials**") to the holders of deferred share units, options and warrants of Doré, by any method permitted for notice to Shareholders as set forth in paragraphs 12(a) or 12(b), above, or by email



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or inter-office mail, concurrently with the distribution described in paragraph 12 of this Interim Order (provided that delivery need only be made once notwithstanding that a person may be entitled to the Court Materials under more than one paragraph hereof). Unless distributed by email or inter-office mail, distribution to such persons shall be to their addresses as they appear on the books and records of Doré or its registrar and transfer agent at the close of business on the Record Date.

14. **THIS COURT ORDERS** that accidental failure or omission by Doré to give notice of the meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Doré, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Doré, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. **THIS COURT ORDERS** that Doré is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as Doré may determine in accordance with the terms of the Arrangement Agreement ("**Additional Information**"), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Doré may determine.

16. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and

good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9 above.

**Solicitation and Revocation of Proxies**

17. **THIS COURT ORDERS** that Doré is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Information Circular, with such amendments and additional information as Doré may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Doré, Cygnus and AcquireCo are authorized, at their expense, to solicit proxies, directly or through their officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as they may determine. Doré may waive generally, in its discretion, the time limits set out in the Information Circular for the deposit or revocation of proxies by Shareholders, if Doré deems it advisable to do so.

18. **THIS COURT ORDERS** that Shareholders shall be entitled to revoke their proxies in accordance with subsection 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to section 148(4)(a)(i) of the CBCA: (a) may be deposited at the registered office of Doré or with the transfer agent of Doré as set out in the Information Circular; and (b) any such instruments must be received by Doré or its transfer agent not later than 5:00 p.m. (Toronto time) on the business day immediately preceding the Meeting (or any adjournment or postponement thereof).

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**Voting**

19. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold Common Shares as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per Common Share held. In order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

a) an affirmative vote of at least two-thirds ($66^{2}/_{3}$%) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Shareholders; and

b) a simple majority (50% + 1) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or proxy by the Shareholders, other than any persons described in items (a) through (d) of section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Regulatory Authorities, but subject to the exemptions noted therein and any exemptions granted thereunder.

Such votes shall be sufficient to authorize Doré to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent



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with what is provided for in the Information Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Court.

21. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting Doré (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Common Share held.

**Dissent Rights**

22. **THIS COURT ORDERS** that each registered Shareholder as at the Record Date shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Doré, c/o Bennett Jones LLP at 3400 One First Canadian Place, P.O. Box 130, Toronto, Ontario M5X 1A4, Attn: Joseph N. Blinick and Abbas Ali Khan, in the form required by section 190 of the CBCA and the Plan of Arrangement, which written objection must be received by Doré not later than 5:00 p.m. (Toronto time) on the last business day that is two (2) business days immediately preceding the Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Court.

23. **THIS COURT ORDERS** that, notwithstanding subsection 190(3) of the CBCA, AcquireCo, not Doré, shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for Common Shares held by Shareholders who duly exercise Dissent

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Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Information Circular, all references to the "corporation" in subsections 190(3) and 190(11) to 190(26), inclusive, of the CBCA (except for the second reference to the "corporation" in subsection 190(12) and the two references to the "corporation" in subsection 190(17)) shall be deemed to refer to "AcquireCo" in place of the "corporation", and AcquireCo shall have all of the rights, duties and obligations of the "corporation" under subsections 190(11) to 190(26), inclusive, of the CBCA.

24. **THIS COURT ORDERS** that any Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

a) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its Common Shares, shall be deemed to have transferred those Common Shares as of the Effective Time provided in the Plan of Arrangement, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to AcquireCo in consideration for a payment of cash from AcquireCo equal to such fair value; or

b) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its Common Shares pursuant to the exercise of the Dissent Rights, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Doré, Cygnus, AcquireCo or any other person be required to recognize such Shareholders as holders of Common Shares of Doré at or after the date upon which the

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Arrangement becomes effective and the names of such Shareholders shall be deleted from Doré's register of Shareholders at that time.

**Hearing of Application for Approval of the Arrangement**

25. **THIS COURT ORDERS** that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Doré may apply to this Court for final approval of the Arrangement.

26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Information Circular, when sent in accordance with paragraphs 12 and 13 shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 27.

27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Doré, with a copy to counsel for Cygnus, as soon as reasonably practicable, and, in any event, no less than four (4) days before the hearing of this Application at the following addresses:

**BENNETT JONES LLP**
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Joseph N. Blinick (#64325B)
blinickj@bennettjones.com

Abbas Ali Khan (#43861K)
alikhana@bennettjones.com

Lawyers for Doré

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**OSLER, HOSKIN & HARCOURT LLP**
1055 Dunsmuir Street, Suite 3000
Vancouver, British Columbia
V7X 1K8

Teresa Tomchak (#69291R)
ttomchak@osler.com

Lawyers for Cygnus and AcquireCo

28. **THIS COURT ORDERS** that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

i) Doré;

ii) Cygnus and AcquireCo;

iii) the Director; and

iv) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by Doré in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 26 shall be entitled to be given notice of the adjourned date.

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**Service and Notice**

31. **THIS COURT ORDERS** that the Applicants and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to Doré's securityholders, creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg 81000-2-175 (SOR/DORS).

**Precedence**

32. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Common Shares, deferred share units, options or warrants of Doré, or the articles or by-laws of Doré, this Interim Order shall govern.

**Extra-Territorial Assistance**

33. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

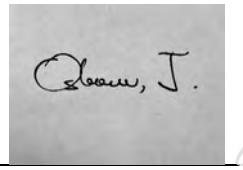
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**Variance**

34. **THIS COURT ORDERS** that Doré shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

**Issuance and Entry of Order**

35. **THIS COURT ORDERS** that, notwithstanding Rules 59.04 and 59.05, this order is effective from the date that it is made, and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing.



Digitally signed by Osborne J.
Date: 2024.11.13 09:19:45 -05'00'

*THE HONOURABLE JUSTICE OSBORNE*

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Electronically issued / Délivré par voie électronique : 13-Nov-2024
Toronto Superior Court of Justice / Cour supérieure de justice

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IN THE MATTER OF an application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended; AND IN THE MATTER OF an application under Rules 14.05(2) and 14.05(3) of the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended; AND IN THE MATTER OF a proposed arrangement of Doré Copper Mining Corp. involving Cygnus Metals Limited and 1505901 B.C. Ltd.

Court File No.: CV-24-00730569-00CL

***ONTARIO***
**SUPERIOR COURT OF JUSTICE**
**COMMERCIAL LIST**

Proceeding Commenced at TORONTO

**INTERIM ORDER**

**BENNETT JONES LLP**
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

**Joseph N. Blinick (#64325B)**
Email: blinickj@bennettjones.com

**Evana Yukanna (#87130N)**
Email: yukannae@bennettjones.com

Telephone: (416) 863-1200

Lawyers for the Applicant,
Doré Copper Mining Corp.

**APPENDIX E**

**NOTICE OF APPLICATION FOR FINAL ORDER**

See attached.

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Court File No.

***ONTARIO***
**SUPERIOR COURT OF JUSTICE**
**COMMERCIAL LIST**

IN THE MATTER OF an application under section 192 of the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended;

AND IN THE MATTER OF an application under Rules 14.05(2) and 14.05(3) of the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended;

AND IN THE MATTER OF a proposed arrangement of Doré Copper Mining Corp. involving Cygnus Metals Limited and 1505901 B.C. Ltd.

**DORÉ COPPER MINING CORP.**

Applicant

# NOTICE OF APPLICATION

**TO THE RESPONDENTS**

**A LEGAL PROCEEDING HAS BEEN COMMENCED** by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing

☐ In person

☐ By telephone conference

☒ By video conference

at a Zoom videoconference link to be circulated in advance of the hearing, on December 19, 2024, or such later date as the Court may direct, at 10:00 a.m. (Toronto time), or as soon after that time as the application may be heard, before a judge presiding over the Commercial List.

**IF YOU WISH TO OPPOSE THIS APPLICATION**, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it

on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

**IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION**, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

**IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.**

Date: November 1, 2024 Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue
Toronto ON M5G 1R7

**TO:** **ALL HOLDERS OF COMMON SHARES OF DORÉ COPPER MINING CORP. AS AT NOVEMBER 13, 2024**

**AND TO:** **ALL HOLDERS OF DEFERRED SHARE UNITS OF DORÉ COPPER MINING CORP. AS AT NOVEMBER 13, 2024**

**AND TO:** **ALL HOLDERS OF OPTIONS OF DORÉ COPPER MINING CORP. AS AT NOVEMBER 13, 2024**

**AND TO:** **ALL HOLDERS OF WARRANTS OF DORÉ COPPER MINING CORP. AS AT NOVEMBER 13, 2024**

**AND TO:** **ALL DIRECTORS OF DORÉ COPPER MINING CORP.**

**AND TO:** **THE AUDITOR FOR DORÉ COPPER MINING CORP.**

**AND TO:** **THE DIRECTOR UNDER THE *CANADA BUSINESS CORPORATIONS ACT***
Corporations Canada
Innovations, Science and Economic Development Canada
C.D. Howe Building
235 Queen Street
Ottawa, ON K1A 0H5

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**AND TO:** **OSLER, HOSKIN & HARCOURT LLP**
1055 Dunsmuir Street, Suite 3000
Vancouver, British Columbia
V7X 1K8

**Teresa Tomchak (#69291R)**
Email: ttomchak@osler.com
Telephone: (604)-692-2704
ttomchak@osler.com

Lawyers for Cygnus Metals Limited and 1505901 B.C. Ltd.

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# APPLICATION

1. The applicant, Doré Copper Mining Corp. ("Doré"), makes an application for:

(a) a final order pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "CBCA"), approving a proposed arrangement (the "Arrangement") under a plan of arrangement (the "Plan of Arrangement") of Doré involving Cygnus Metals Limited ("Cygnus") and 1505901 B.C. Ltd. ("AcquireCo");

(b) an interim order (the "Interim Order") for advice and directions pursuant to subsection 192(4) of the CBCA, with respect to the Arrangement and this Application, including authorizing Doré to call, hold and conduct a special meeting of the holders (the "Doré Shareholders") of common shares in the capital of Doré (the "Doré Shares"), in order for the Doré Shareholders to, among other things, consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement;

(c) an order abridging the time for the service and filing of this Notice of Application and the Application Record, and validating such service or dispensing with service, if necessary;

(d) such further orders or directions as are required for the administration of the Arrangement; and

(e) such further and other relief as this Honourable Court may deem just.

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2. The grounds for the Application are:

(a) the applicant, Doré, is a corporation existing under the CBCA, with its head and registered office located in Toronto, Ontario. Doré is engaged in the acquisition, exploration, evaluation and development of mineral properties. Its focus is to implement a hub-and-spoke operation model with multiple high-grade copper-gold assets feeding its centralized Copper Rand mill located in Québec, Canada;

(b) the Doré Shares are currently listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "DCMC". Doré also has issued and outstanding deferred share units ("Doré DSUs"), options to acquire Doré Shares ("Doré Options"), and warrants to purchase Doré Shares ("Doré Warrants");

(c) Cygnus is a company incorporated pursuant to the laws of Western Australia, with its registered office located in West Perth, Western Australia. Cygnus' principal activities consist of exploration for and evaluation of lithium deposits in Québec, Canada and rare earth and base metals deposits in Western Australia. Cygnus' ordinary shares (the "Cygnus Shares") are currently listed for trading on the Australian Securities Exchange under the symbol "CY5";

(d) AcquireCo, a direct wholly-owned subsidiary of Cygnus, is a corporation incorporated under the laws of the Province of British Columbia. AcquireCo was incorporated on October 8, 2024 for purposes of the Arrangement, and to date, has not carried on any business except in connection with its role in the Arrangement;

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(e) on October 14, 2024, Doré, Cygnus and AcquireCo entered into an arrangement agreement (as may be amended, modified or supplemented from time to time, the "Arrangement Agreement") under which, subject to the terms and conditions set out therein, they agreed to undertake the Arrangement pursuant to which Cygnus will indirectly through AcquireCo acquire all of the issued and outstanding Doré Shares;

(f) pursuant to the Plan of Arrangement, among other things:

(i) each outstanding Doré DSU, whether vested or unvested, will, notwithstanding the terms of the omnibus share incentive plan of Doré (the "Doré Plan"), be deemed to have been unconditionally vested and then deemed to have been immediately redeemed and cancelled, and in consideration Doré shall allot and issue from treasury to the holder of such Doré DSU such number of Doré Shares as are due to such holder under the terms of the Doré Plan (subject to withholding in accordance with the Plan of Arrangement);

(ii) each outstanding Doré Share in respect of which dissent rights have been validly exercised and not withdrawn shall be deemed to have been transferred by the holder thereof to AcquireCo and AcquireCo shall thereupon be obliged to pay the fair value of such Doré Shares;

(iii) each outstanding Doré Share (other than Doré Shares held by dissenting shareholders and Doré Shares held by Cygnus, AcquireCo or any of their affiliates) shall be deemed to be transferred by the holder thereof to AcquireCo

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in exchange for 1.8297 fully paid Cygnus Shares (the "Arrangement Consideration");

(iv) concurrently with the transfer described immediately above, AcquireCo will issue to Cygnus as consideration for the Arrangement Consideration issued to Doré Shareholders, an equal number of common shares in the capital of AcquireCo and add to its stated capital an amount equal to the fair market value of the Arrangement Consideration; and

(v) each outstanding Doré Option will, in accordance with the terms of the Doré Plan, be cancelled and exchanged for a replacement option to acquire from Cygnus such number of Cygnus Shares equal to (A) that number of Doré Shares that were issuable upon exercise of such Doré Option immediately prior to the effective time of the Arrangement, multiplied by (B) 1.8297 (subject to rounding in accordance with the Plan of Arrangement), at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Option was exercisable immediately prior to the effective time of the Arrangement by (Y) 1.8297 (subject to rounding in accordance with the Plan of Arrangement);

(g) in addition, as a result of the completion of the steps set out in the Plan of Arrangement, each outstanding Doré Warrant will, in accordance with their existing terms, following the effective time of the Arrangement, entitle the holder thereof to such number of Cygnus Shares equal to (A) that number of Doré Shares that were issuable upon

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exercise of such Doré Warrant immediately prior to the effective time of the Arrangement, multiplied by (B) 1.8297 (subject to rounding in accordance with the Plan of Arrangement) at an exercise price per Cygnus Share equal to the quotient determined by dividing (X) the exercise price per Doré Share at which such Doré Warrant was exercisable immediately prior to the effective time of the Arrangement by (Y) 1.8297 (subject to rounding in accordance with the Plan of Arrangement);

(h) following the completion of the proposed Arrangement, Doré will be an indirect wholly-owned subsidiary of Cygnus;

(i) all statutory requirements for an arrangement under the CBCA either have been or will be fulfilled by the return date of this Application. In particular:

(i) the Arrangement is an "arrangement" within the meaning of section 192(1) of the CBCA;

(ii) it is not practicable to effect a fundamental change in the nature of the Arrangement under any provision of the CBCA other than section 192; and

(iii) Doré will not be insolvent for the purposes of subsection 192(2) of the CBCA at the time of the Arrangement or at any other material time;

(j) the relief sought in the Interim Order is within the scope of section 192(4) of the CBCA and will enable the Court to consider the Arrangement on the return of this Application;

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(k) the directions set out and the approvals required pursuant to any Interim Order of this Court will be followed and obtained by the return date of this Application;

(l) the Arrangement is in the best interests of Doré and its shareholders and other affected stakeholders, is procedurally and substantively fair and reasonable, and is put forward in good faith and for a *bona fide* business purpose;

(m) this Application has a material connection to the Toronto Region in that, among other things, (i) Doré is a CBCA corporation and its head office and registered office is located in Toronto; (ii) the Doré Shares are listed for trading on the TSXV; and (iii) Doré's principal regulator under applicable Canadian securities laws is the Ontario Securities Commission;

(n) if granted, the Final Order approving the Arrangement will serve as a basis of a claim to an exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, pursuant to Section 3(a)(10) thereof, with respect to the securities to be issued, exchanged and/or distributed pursuant to the terms of the Plan of Arrangement;

(o) the CBCA, including section 192 thereof;

(p) Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

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(q) the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended, including rules 1.04, 1.05, 2.03, 3.02, 14.05(2), 14.05(3), 16.04, 16.08, 17.02, 37, 38 and 39; and

(r) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the Application:

(a) the affidavit of a representative of Doré, and the exhibits thereto, outlining the basis for the Interim Order for advice and directions;

(b) further affidavit(s), with the exhibits thereto, outlining the basis for the Final Order approving the Arrangement, and reporting as to compliance with the Interim Order and the results of any meeting conducted pursuant to the Interim Order; and

(c) such further and other material as counsel may advise and this Honourable Court may permit.

November 1, 2024

**BENNETT JONES LLP**
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

**Joseph N. Blinick (#64325B)**
Email: blinickj@bennettjones.com

**Evana Yukanna (#87130N)**
Email: yukannae@bennettjones.com

Telephone: (416) 863-1200

Lawyers for the Applicant,
Doré Copper Mining Corp.

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Electronically issued / Délivré par voie électronique : 01-Nov-2024
Toronto Superior Court of Justice / Cour supérieure de justice



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IN THE MATTER OF an application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended; AND IN THE MATTER OF an application under Rules 14.05(2) and 14.05(3) of the *Rules of Civil Procedure*, RRO 1990, Reg 194, as amended; AND IN THE MATTER OF a proposed arrangement of Doré Copper Mining Corp. involving Cygnus Metals Limited and 1505901 B.C. Ltd.

Court File No.

***ONTARIO***
**SUPERIOR COURT OF JUSTICE**
**COMMERCIAL LIST**

Proceeding Commenced at TORONTO

**NOTICE OF APPLICATION**

**BENNETT JONES LLP**
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

**Joseph N. Blinick (#64325B)**
Email: blinickj@bennettjones.com

**Evana Yukanna (#87130N)**
Email: yukannae@bennettjones.com

Telephone: (416) 863-1200

Lawyers for the Applicant,
Doré Copper Mining Corp.

**APPENDIX F**

**PARADIGM FAIRNESS OPINION**

See attached.

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October 14, 2024

**Board of Directors and Special Committee**
**Doré Copper Mining Corp.**
130 King St. W.
Suite 1900
Toronto, Ontario
M5X 1E3

Paradigm Capital Inc. ("**Paradigm Capital**", "**we**" or "**us**") understands that Doré Copper Mining Corp. ("**Doré**" or the "**Company**") intends to enter into an arrangement agreement (the "**Arrangement Agreement**") with Cygnus Metals Limited ("**Cygnus**") and 1505901 B.C. Ltd. (the "**Purchaser**"), pursuant to which, among other things, the Purchaser will acquire all of the issued and outstanding common shares of the Company (the "**Doré Shares**") by way of a statutory plan of arrangement under the *Canada Business Corporations Act* (the "**Transaction**"). Under the terms of the Arrangement Agreement: (i) each holder of Doré Shares (each, a "**Doré Shareholder**") will be entitled to receive, in exchange for each Doré Share held, 1.8297 ordinary shares of Cygnus (the "**Cygnus Shares**") at the closing of the Transaction (the "**Consideration**"); (ii) all outstanding stock options of Doré shall be exchanged for replacement options of Cygnus and exercisable to acquire such number of Cygnus Shares at such exercise price in accordance with the exchange ratio, (iii) all outstanding deferred share units of Doré (whether vested or unvested) will be deemed to have been unconditionally vested and immediately redeemed and cancelled in consideration for Doré Shares prior to the exchange for Cygnus Shares; and (iv) all outstanding warrants of Doré will be adjusted in accordance with their terms and become exercisable, based on the exchange ratio, to purchase Cygnus Shares on substantially the same terms and conditions.

We understand that the terms and conditions of the Transaction will be fully described in the management information circular of the Company (the "**Doré Circular**") to be mailed to the Doré Shareholders in connection with a special meeting of the Doré Shareholders to be held to consider and, if deemed advisable, approve the Transaction.

Paradigm Capital further understands that the completion of the Transaction will be subject to, among other things, (i) receipt of the approval of the Doré Shareholders and all other requisite approvals; and (ii) the satisfaction or waiver of the material terms of the Transaction as described in the Arrangement Agreement.

The board of directors of the Company (the "**Board**") has retained Paradigm Capital to prepare and deliver our opinion (this "**Opinion**") as to the fairness, from a financial point of view, of the Consideration to be received by the Doré Shareholders pursuant to the Transaction to the Doré Shareholders. Paradigm Capital is aware that, with respect to approval of the Transaction by the Doré Shareholders: (i) the Transaction is a "business combination" as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"); and (ii) the majority-of-the-minority shareholder approval requirements (but not the formal valuation requirements) under MI 61-101 apply in respect of approval of the Transaction by the Doré Shareholders.

Paradigm Capital has not prepared a formal valuation (as defined in MI 61-101) of the Company or any of its securities or assets, and this Opinion should not be construed as such. This Opinion does not constitute a recommendation to the members of the Board or the special committee comprised of independent directors of the Company (the "**Special Committee**") or a recommendation to Doré Shareholders as to whether they should approve or vote in favour of the Transaction. This Opinion should not be considered as an opinion concerning the trading price or value of any securities following the announcement or completion of the Transaction. This Opinion is solely for the use of the Board and the Special Committee and we understand that it will be one factor, among others, that they will consider in their respective evaluation of the Transaction.

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Unless otherwise noted, all dollar values stated in this Opinion are denominated in Canadian dollars.

**Paradigm Capital Engagement and Background**

Paradigm Capital was formally engaged to provide its Opinion pursuant to the engagement agreement returned and accepted on October 7, 2024 (the "**Engagement Agreement**"). Paradigm Capital began work immediately and agreed to present its conclusions and to issue this Opinion shortly thereafter. Paradigm Capital presented its analysis and issued its Opinion verbally on October 14, 2024 (the "**Opinion Date**"), based upon and subject to the scope of review, analyses, assumptions, limitations, qualifications and other matters described herein. This Opinion provides the same opinion, in writing, as that given orally by Paradigm Capital on the Opinion Date.

The Engagement Agreement provides that Paradigm Capital is to be paid a cash fee payable upon the delivery of the Opinion (verbally) and the presentation of Paradigm Capital's analysis to the Board (the "**Fee**"). The Fee is not contingent on the completion of the Transaction or on the conclusions reached in this Opinion. The Engagement Agreement also provides that Paradigm Capital is to be reimbursed for reasonable costs and expenses incurred in connection with its engagement. Additionally, the Company has also agreed to indemnify Paradigm Capital, its affiliates and subsidiaries, and their respective officers, directors, employees, consultants, partners and shareholders for certain liabilities arising from the services performed by Paradigm Capital under the Engagement Agreement.

Subject to the terms of the Engagement Agreement, Paradigm Capital understands that this Opinion and its conclusion may be filed publicly with securities commissions or similar regulatory authorities, and this Opinion and its conclusions may be included or referred to in press releases and/or other publicly filed documents. Paradigm Capital consents to the inclusion of this Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Doré Circular, and to the filing thereof by the Company and Cygnus with the securities commissions or similar regulatory authorities in the applicable provinces of Canada.

**Credentials and Independence of Paradigm Capital**

Paradigm Capital is an independent Canadian investment banking firm with a sales, trading, research and corporate finance focus, providing services for institutional investors and corporations. Paradigm Capital was founded in 1999 and is a member of the Toronto Stock Exchange, the TSX Venture Exchange and the Canadian Investment Regulatory Organization ("**CIRO**"). Paradigm Capital has participated in many transactions involving both public and private companies.

This Opinion represents that of Paradigm Capital, and the form and content hereof has been approved for release by a committee of directors and other professionals of Paradigm Capital, each of whom is experienced in mergers, acquisitions, business combinations, divestitures, valuation and fairness opinion matters.

None of Paradigm Capital nor any of its associated or affiliated entities (as such terms are defined for the purposes of MI 61-101) is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) or holds any material number of securities of the Company, Cygnus, the Purchaser or any of their respective associates or affiliates (collectively, the "**Interested Parties**"). Paradigm Capital does not have a material financial interest in the completion of the Transaction. Paradigm Capital is not an advisor to any of the Interested Parties other than to the Board with respect to the Transaction. Paradigm Capital has not previously provided any financial advisory services to the Company, Cygnus, the Purchaser or any of their respective associates or affiliates for which it has received compensation in the past twenty-four months except for Paradigm Capital's role in a non-brokered financing by the Company in June 2023 and a brokered financing by the Company in October 2022.

There are no understandings, agreements or commitments between Paradigm Capital and any Interested Party with respect to any future business dealings. However, Paradigm Capital may, in the ordinary course of its business, provide financial advisory or investment banking services to the Company, Cygnus or the Purchaser from time to time. Additionally, in the ordinary course of its business, Paradigm Capital may

actively trade common shares and other securities of the Company, Cygnus or the Purchaser for its own account and for its client accounts, and, accordingly, may at any time hold a long or short position in such securities. As an investment dealer, Paradigm Capital conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, Cygnus, the Purchaser and the Transaction, when disclosed.

**Scope of the Review**

In connection with the Transaction, Paradigm Capital has reviewed and relied upon and in some cases carried out, among other things, the following:

a) The technical report titled "Preliminary Economic Assessment for the Chibougamau Hub-and-Spoke Complex" with an effective date of May 9, 2022;

b) The Company's audited annual consolidated financial statements and management's discussion and analysis for the years ended December 31, 2022 and 2023;

c) Cygnus' audited annual consolidated financial statements for the years ended December 31, 2022 and 2023;

d) The Company's unaudited condensed interim consolidated financial statements and management's discussion and analysis for the three months ended March 31, 2022, 2023 and 2024, and the six months ended June 30, 2022, 2023 and 2024;

e) Cygnus' half-year financial report for the half year ended June 30, 2023 and 2024;

f) Press releases and material change reports issued by the Company and Cygnus for the period from January 1, 2022 to October 14, 2024;

g) Public investor documents issued by the Company and Cygnus regarding their respective operations for the period from January 1, 2022 to October 14, 2024;

h) Various independent and institutional equity research reports on the Company, Cygnus and other publicly traded peer companies;

i) Certain internal financial information and other non-public disclosure requested by Paradigm Capital in its capacity as financial advisor to the Company, provided by management of the Company in a data room or at the request of Paradigm Capital by or on behalf of the Company;

j) Discussions with the Company's management team in Paradigm Capital's capacity as financial advisor to the Company;

k) A certificate of representation signed by the President and Chief Executive Officer and the Chief Financial Officer of the Company dated October 12, 2024 as to certain factual matters, including, but not limited to, the completeness and accuracy of the financial information, and other information, data, advice, opinions and other materials in respect of the Company provided to Paradigm Capital, by or on behalf of the Company;

l) PEA model prepared for or on behalf of Doré related to the Project (later defined) Preliminary Economic Assessment;

m) Draft Voting and Support Agreement of Ocean Partners Holdings Limited, received October 11, 2024;

n) Draft Voting and Support Agreement with Equinox Partners Investment Management, LLC, received October 10, 2024;



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o) Draft Arrangement Agreement dated October 13, 2024;

p) Draft Plan of Arrangement dated October 13, 2024; and

q) Such other information, analyses, investigations and discussions as we considered necessary or appropriate in the circumstances.

Paradigm Capital has not, to the best of its knowledge, been denied access by the Company to any information requested. Paradigm Capital did not meet with the auditors of the Company and has assumed the accuracy and fair presentation of the audited consolidated financial statements of the Company and the reports of the auditors thereon.

This Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of CIRO but CIRO has not been involved in the preparation or review of this Opinion.

**Prior Valuations**

Senior officers of the Company have represented to Paradigm Capital that there are no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company or any of its subsidiaries or any of their respective securities or material assets or liabilities that have been prepared in the two years preceding the date hereof and which have not been provided to Paradigm Capital.

**Assumptions and Limitations**

With the approval of the Board and as provided in the Engagement Agreement, Paradigm Capital has relied upon the Information (as defined below) without independent verification. We have assumed that this Information was complete and accurate as of the date thereof, and no necessary or material facts were omitted that may make the Information misleading. In accordance with the terms of our engagement, but subject to the exercise of our professional judgment and except as expressly described herein, we have not conducted any independent investigation to verify the completeness or accuracy of such Information. This Opinion is conditional upon such completeness and accuracy of the Information.

With respect to any financial and operating forecasts, projections, financial models, estimates and/or budgets provided to Paradigm Capital and used in the analyses supporting this Opinion, Paradigm Capital has noted that projecting future results of any business is inherently subject to uncertainty. Paradigm Capital has assumed that such forecasts, projections, financial models, estimates and/or budgets were reasonably prepared consistent with industry and past practices on a basis reflecting the best currently available assumptions, estimates and judgments of management of the Company as to the future financial performance of the Company and are (or were at the time and continue to be) reasonable in the circumstances. In rendering this Opinion, Paradigm Capital expresses no view as to the reasonableness of such forecasts, projections, financial models, estimates and/or budgets or the assumptions on which they are based. Furthermore, Paradigm Capital has not assumed any obligation to conduct, and has not conducted, any physical inspection of the properties or facilities of the Company, nor have we had any discussions with management of Cygnus or the Purchaser.

The Chief Executive Officer and Chief Financial Officer of the Company have represented to us in the Certificate, after having made diligent inquiry and all due examinations or investigations necessary to enable them to make the statements expressed herein, that:

(i) with the exception of budgets, strategic plans, financial forecasts, projections, models or estimates referred to in paragraph (viii) herein, the financial information, and other information, data, advice, opinions and other materials provided to Paradigm Capital, directly or indirectly, orally or in writing, by or on behalf of the Company (the "**Information**"), are complete, true and correct in all material respects, do not contain any untrue statement of a material fact nor any misrepresentation (as such terms are defined in the *Securities Act* (Ontario) (the "**Act**")), or omit to state a material fact necessary

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to make the Information not misleading in light of the circumstances under which the Information was made or that would be material to a financial advisor, as of the date of the Information;

(ii) since the dates on which the Information was provided to Paradigm Capital, except as disclosed in writing to Paradigm Capital, there has been no material change (as such term is defined in the Act), financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries or, to the best of our knowledge, Cygnus, and there is no new material fact, or change in any material fact, which is of such a nature as to render the Information or any part thereof untrue or misleading in any material respect or which would have or which would reasonably be expected to have a material effect on the Opinion;

(iii) other than as disclosed in the Information, there are no independent appraisals or valuations or material non-independent appraisals, valuations or material expert reports relating to the Company, its securities, or any of its subsidiaries or any of its respective material assets or liabilities within their possession or control or knowledge that have been prepared as of a date within the two years preceding the date hereof;

(iv) since the dates on which the Information was provided to Paradigm Capital, no material transaction has been entered into by the Company or any of its subsidiaries, and, except for the Transaction, the Company has no plans and is not aware of any circumstances or developments that could reasonably be expected to have a material effect on the financial condition, assets, liabilities (contingent or otherwise), business or operations of the Company or any of its subsidiaries or that would constitute a "material change" (as such term is defined in the Act);

(v) we have no knowledge of any facts or circumstances, public or otherwise, not contained in or referred to in the Information that could reasonably be expected to affect the Opinion, including the assumptions used, procedures adopted, the scope of the review undertaken or the conclusions reached;

(vi) other than as disclosed in the Information or as publicly disclosed, none of the Company or its subsidiaries has any material contingent liabilities (on a consolidated or non-consolidated basis) and there are no material actions, suits, proceedings or inquiries pending or threatened against or affecting the Company, any of its subsidiaries, and to the best of our knowledge, Cygnus, at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, bureau, board, agency or instrumentality which, individually or in the aggregate, has or could reasonably be expected to have a material adverse effect on the Company and its subsidiaries, taken as a whole, or Cygnus and its subsidiaries taken as a whole, or the Transaction;

(vii) all financial material, documentation and other data concerning the Company, its subsidiaries and the Transaction, including any strategic plans, financial forecasts, projections, models or estimates provided to Paradigm Capital, were prepared on a basis consistent in all material respects with the accounting policies of the Company applied in the audited consolidated financial statements of the Company;

(viii) with respect to any portions of the Information that constitute current budgets, strategic plans, financial forecasts, projections, models or estimates, such portions of the Information: (a) were reasonably prepared on bases reflecting the best currently available estimates and judgment of the Company; (b) were prepared using the assumptions identified therein, which are (or were at the time of preparation) reasonable in the circumstances; and (c) are not misleading in any material respect in light of the assumptions used or in light of any developments since the time of their preparation;

(ix) no verbal or written offers for, at any one time, all or a material part of the properties and assets owned by, or the securities of, the Company, or any of its subsidiaries, have been received or made and no negotiations have occurred relating to any such offer within the two years preceding the date hereof that have not been disclosed to Paradigm Capital;

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(x) all of the representations and warranties made by the Company in the Arrangement Agreement are true and correct as at the date hereof;

(xi) there are no material agreements, undertakings, commitments or understandings (written or oral, formal or informal) relating to the Transaction, except as have been disclosed in writing to Paradigm Capital;

(xii) there are no material facts or information about the Company or, to the best of our knowledge, Cygnus which have not been included in the Company's or Cygnus' public disclosure documents (the "**Disclosure Documents**") or otherwise been disclosed to Paradigm Capital in writing relating to the Company, Cygnus or any of their respective subsidiaries which would reasonably be expected to affect the Opinion, including the assumptions used, the scope of review undertaken or the conclusions reached;

(xiii) the contents of the Disclosure Documents of the Company and, to the best of our knowledge, Cygnus, are true and correct in all material respects as at the date they were filed and do not contain any misrepresentation and such disclosure documents comply in all material respects with all requirements under applicable laws. The Company has filed on a timely basis with the applicable securities regulatory authorities all documents required to be filed by the Company. The Company has not filed any confidential material change report which, at the date hereof, remains confidential; and

(xiv) all of the material facts upon which Paradigm Capital expresses as being its understanding in the Opinion are true and correct in all material respects.

This Opinion is rendered as of the Opinion Date and is based on the securities markets, economic, financial and general business conditions prevailing as of the date of this Opinion and the conditions and prospects, financial and otherwise, of the Company as they were reflected in the Information reviewed by us and as they have been represented to us in discussions with management of the Company. In its analysis and in preparing this Opinion, Paradigm Capital has made a number of assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of Paradigm Capital, the Company, Cygnus, the Purchaser and any other party involved in the Transaction.

Paradigm Capital is not a legal, tax, or accounting expert and expresses no opinion concerning any legal, tax, or accounting matters concerning the Transaction or the sufficiency of this Opinion for the Board's or the Special Committee's purposes.

Paradigm Capital has also assumed that the representations and warranties of the parties in the Draft Arrangement Agreement are true and correct and that the final terms of the Transaction will be fully complied with and will be substantially the same terms as those contained in the draft Arrangement Agreement provided to Paradigm Capital, without waiver or amendment of any material term or condition thereof. Finally, Paradigm Capital has assumed that all material governmental, regulatory or other required consents and approvals necessary for the consummation of the Transaction will be obtained without any material adverse effect on the Company.

In rendering this Opinion, Paradigm Capital expresses no view as to the fairness or reasonableness of any consideration or benefit to be received by any party in connection with the Transaction, other than the fairness, from a financial point of view, of the Consideration to be received by the Doré Shareholders pursuant to the Transaction to the Doré Shareholders.

In rendering this Opinion, Paradigm Capital expresses no opinion as to the likelihood that the conditions to the Transaction will be satisfied or waived or that the Transaction will be implemented within the time frame outlined to Paradigm Capital. As well, Paradigm Capital assumed, without limitation, that each of the Company and Cygnus will be in compliance at all times with their respective material contracts and has no material undisclosed liabilities (contingent or otherwise) not previously reviewed by Paradigm Capital; and that no material tax or other liabilities will result from the Transaction or related transactions. Paradigm

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Capital expresses no view as to, and this Opinion does not address, the relative merits of the Transaction as compared to any alternative opportunities which might exist for the Company, or the effect of any other transaction in which the Company might engage.

This Opinion has been provided for the use of the Board and the Special Committee and, other than as contemplated herein, may not be used or relied upon by any other person without the prior express written consent of Paradigm Capital. Except for the inclusion of this Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Doré Circular, this Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent. This Opinion is given as of the Opinion Date and Paradigm Capital disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting this Opinion which may come or be brought to Paradigm Capital's attention after such date. This Opinion is limited to Paradigm Capital's understanding of the Transaction as of the date hereof and Paradigm Capital assumes no obligation to update this Opinion to take into account any changes regarding the Transaction after such date. Without limiting the foregoing, Paradigm Capital reserves the right to change, modify or withdraw this Opinion in the event that there is a material change in any fact or matter affecting this Opinion.

**Description of Doré Copper Mining Corp.**

Doré is exploring and developing a portfolio of base and precious metals assets in Quebec, Canada. Doré has consolidated a large land package in the prolific Lac Doré/Chibougamau and Joe Mann mining camps that has historically produced 1.6 billion pounds of copper and 4.4 million ounces of gold. The land package includes 13 former producing mines, deposits and resource target areas within a 60-kilometer radius of Doré's Copper Rand Mill. Doré aims to become a copper producer by implementing a hub-and-spoke operation model with multiple high-grade copper-gold assets feeding its centralized Copper Rand mill.

**Description of Cygnus Metals Limited**

Cygnus is an emerging exploration company focused on advancing the Pontax Lithium Project (earning up to 70%), the Auclair Lithium Project and the Sakami Lithium Project in the world class James Bay lithium district in Québec, Canada. In addition, Cygnus has REE and base metal projects at Bencubbin and Snake Rock in Western Australia. The Cygnus Board of Directors and Technical Management team have a proven track record of exploration success in recent years. Cygnus' tenements range from early-stage exploration areas through to advanced drill-ready targets.

**Opinions of Financial Advisors**

In preparing this Opinion, Paradigm Capital performed a variety of financial and comparative analyses. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analyses, and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In forming this Opinion, Paradigm Capital made qualitative judgements as to the significance and relevance of each analysis and factor that it considered. Accordingly, Paradigm Capital believes that its analyses must be considered as a whole, and that selecting portions of its analyses and factors, without considering all analyses and factors, including the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying its analyses and this Opinion. This Opinion is not to be construed as to an opinion of whether the Transaction is consistent with the best interests of the Company or Doré Shareholders.

In its analyses, Paradigm Capital considered industry performance, general business, economic, market, political and financial conditions and other matters, many of which are beyond the control of the Company. No company, transaction or business used in Paradigm Capital's analyses as a comparison is identical to the Company or the Transaction, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the analyses involve complex considerations and judgements concerning financial and operating characteristics and other factors that could affect the sale of the Company, public trading of the Company or other values of the companies, business segments or transactions being analyzed. The estimates contained

in Paradigm Capital's analyses, and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favourable than those suggested by the analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, Paradigm Capital's analyses and estimates are inherently subject to substantial uncertainty and this Opinion is conditional upon the correctness of all of the assumptions indicated herein. This Opinion should be read in its entirety.

**Conclusion**

As of October 14, 2024, the Consideration to be received by the Doré Shareholders pursuant to the Transaction is fair, from a financial point of view, to the Doré Shareholders, based upon and subject to the assumptions, qualifications and other matters as set forth in this Opinion.

Sincerely,

Paradigm Capital Inc

**PARADIGM CAPITAL INC.**

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## APPENDIX G

## DISSENT PROVISIONS OF THE CBCA

190 (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;

(c) amalgamate otherwise than under section 184;

(d) be continued under section 188;

(e) sell, lease or exchange all or substantially all its property under subsection 189(3); or

(f) carry out a going-private transaction or a squeeze-out transaction.

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares.

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

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(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

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## APPENDIX H

## COMPARISON OF RELEVANT LAWS

In this Appendix H, unless there is something in the subject matter or context inconsistent therewith, capitalized terms have the meanings ascribed to those terms in the glossary of terms found at Appendix A to the Circular.

**Introduction**

Cygnus is a public company registered under Australian law. It is admitted to the official list of ASX.

Doré exists and is regulated under the federal laws of Canada. The Doré Shares are listed on the TSXV. As Doré is a reporting issuer in certain provinces of Canada, it is subject to Canadian securities laws, and due to its listing on the TSXV, is also subject to the rules of the TSXV.

If the Arrangement is implemented, the rights of Doré Shareholders who receive Cygnus Shares will, in respect of those shares, be governed by the Cygnus Constitution, Australian law and in certain respects, the ASX Listing Rules.

A comparison of some of the material provisions of Australian company law and Canadian corporate law as they relate to Cygnus and Doré, respectively, is set out below, along with a description of certain securities laws and stock exchange rules where applicable.

References to "Australian law" where they appear in this Appendix H are references to the Corporations Act, the ASX Listing Rules, the operating rules of ASX Settlement Pty Limited and Australian common law, as applicable. References to "Canadian law" are references to the CBCA, Canadian corporate and securities laws and Canadian common law, as applicable. References to "**TSXV Rules**" are references to the market rules of the TSXV, primarily embodied in the TSXV Corporate Finance Manual. The comparison below is not an exhaustive statement of all relevant laws, rules and regulations and is intended as a general guide only. Doré Shareholders should consult with their own legal adviser if they require further information.

**Company Meetings of Shareholders**

*Calling Company Meetings*

Cygnus

Under the Corporations Act, the annual general meeting of Cygnus is required to be held within five months after the end of its financial year.

A general meeting of Cygnus Shareholders may be called from time to time by the Cygnus Board, individual directors or by Cygnus Shareholders in the circumstances set out below. When requested to do so by Cygnus Shareholders holding at least 5% of the votes that may be cast at the meeting, directors must call a general meeting within 21 days after the request is given to Cygnus, and the meeting must be held not later than two months after the date upon which that request is first given.

Alternatively, Cygnus Shareholders holding at least 5% of the votes that may be cast at the meeting may themselves call, and arrange to hold, a general meeting.

Doré

Under the CBCA, a corporation must hold an annual meeting of shareholders not later than eighteen months after the corporation comes into existence and subsequently not later than fifteen months after holding the last preceding annual meeting but no later than six months after the end of the corporation's preceding financial year. The CBCA provides that the Doré Board may call a special meeting of Doré Shareholders at any time. The CBCA further provides that the holders of not less than 5% of the issued Doré Shares that carry the right to vote at a meeting may requisition the

directors to call a meeting of Doré Shareholders for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

*Notice of Company Meetings*

Cygnus

As Cygnus Shares are quoted on ASX, notice of a general meeting of Cygnus must be given at least 28 days before the date of the proposed meeting. Cygnus is required to give notice only to Cygnus Shareholders entitled to vote at the meeting, as well as its directors and auditors. The quorum for a general meeting under the Cygnus Constitution is, if the number of members entitled to vote is two or more – two of those members, or if only one member is entitled to vote – that member.

Doré

The CBCA and Doré's by-laws require that notice of a meeting of Doré Shareholders must be provided not less than 21 days and not more than 60 days before the meeting to each shareholder entitled to vote at the meeting. Management proxy circulars, in the required form, are required to be provided under applicable Canadian securities law, for any solicitation of proxies by management.

Doré's by-laws provide that the quorum for the transaction of business at a meeting of shareholders is two persons entitled to vote at the meeting and for not less than 5% of the outstanding shares that may be voted at the meeting to be represented in person or by proxy or by a duly authorized representative of a shareholder.

*Voting Requirements*

Cygnus

Unless the Corporations Act or the Cygnus Constitution requires a special resolution, resolutions are passed by a simple majority of votes cast on the resolution. Under the Corporations Act, a special resolution may only be passed by Cygnus Shareholders if Cygnus gives to all Cygnus Shareholders not less than 28 days' notice of its proposal to convene a general meeting to consider and vote upon that special resolution, specifying the intention to propose the special resolution and stating the terms of that special resolution. A special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote, who attend at the meeting, in person or by proxy.

The Corporations Act requires certain matters to be resolved by a company by special resolution, including:

- the change of name of the company;
- any proposed amendment to the constitution of the company;
- a selective reduction of capital or selective share buy-back;
- where required, shareholder approval to the giving by the company of financial assistance in connection with an acquisition of shares in the company or a holding company of the company;
- the conversion of the company from one type or form to another; and
- a decision to wind up the company voluntarily.

The Cygnus Constitution also stipulates certain matters to be resolved by special resolution, including the variation of class rights attaching to Cygnus Shares.

Each Cygnus Share (subject to any specific terms of issue) confers a right to vote at all general meetings. On a show of hands, each Cygnus Shareholder present in person, or by proxy, attorney or body corporate representative, has one vote. If a poll is held, Cygnus Shareholders present in person or by their proxy, attorney or body corporate representative will have one vote for every Cygnus Share held at the record date for the meeting. A proxy's appointment must be signed and sent to Cygnus or its share registry so as to be received at least 48 hours before the time and date for the convening of the meeting.

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Doré

Under the CBCA, certain extraordinary corporate actions, such as amalgamations, continuances, reorganizations and other extraordinary corporate actions such as liquidations (voluntary winding-ups) and arrangements, require approval of the shareholders by special resolution. Under the CBCA, a resolution passed by a two-thirds majority at a special meeting for which proper notice has been provided constitutes a special resolution. Unless the CBCA or Doré's by-laws require a special resolution, ordinary resolutions of Doré Shareholders are passed by a simple majority of votes cast on the resolution.

The CBCA provides that, unless a company's articles provide otherwise, each share of a company entitles the holder to one vote at a meeting of shareholders. With respect to proxies, Doré's by-laws provide that, subject to the CBCA, the Doré Board may fix a deadline by which proxies to be used at a meeting of shareholders or any adjournment of it must be deposited with Doré or an agent of Doré. No proxy delivered after that deadline will be acted upon, unless that deadline is waived by the chair of the meeting at his or her discretion.

*Shareholders' Rights to Bring a Resolution Before a Company Meeting*

Cygnus

See "Calling Company Meetings" above.

Doré

A shareholder proposal (a "**Proposal**") is a document setting out a matter that the submitter wishes to have considered at the next annual general meeting of Doré. Under the CBCA, Proposals may be submitted by both registered and beneficial Doré Shareholders who are entitled to vote at an annual meeting of shareholders.

**Directors**

*Directors' Management of the Business of the Company*

Cygnus

Pursuant to the Cygnus Constitution, the business of Cygnus is to be managed by Cygnus's directors. Those directors may exercise all the powers of Cygnus, except any powers that the Corporations Act, the ASX Listing Rules or the Cygnus Constitution preserve for the exercise of Cygnus in general meetings.

Doré

According to the CBCA, the directors of Doré shall, subject to any unanimous shareholder agreement, manage or supervise the management of the business and affairs of Doré.

*Number and Election of Directors*

Cygnus

Under the Cygnus Constitution, Cygnus must have no less than three, nor more than nine directors. Under the Corporations Act, at least two directors must ordinarily reside in Australia. At each annual general meeting, one-third of directors (rounded down, if necessary, to the nearest whole number) must retire from office, provided always that no director shall hold office past the third consecutive annual general meeting following the director's appointment or three years without submitting himself or herself for re-election. The director or directors to retire are those who have been longest in office since their election and, as between those who became directors on the same day, as determined by lot unless they otherwise agree. A retiring director is eligible for re-election. The managing director is exempt from retirement by rotation. The Cygnus Board has the power to appoint a person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors does not at any time exceed

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nine. Any director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation (if any) at that meeting.

Doré

The CBCA requires distributing corporations (such as Doré) to have a board of directors comprised of not fewer than three individuals, and further, that at least two of whom are not officers or employees of the corporation or an affiliate. Under the CBCA, at least 25% of the directors of a corporation must be resident Canadians.

**Amendments to Constating Documents**

Cygnus

Any amendment to the Cygnus Constitution must be approved by a special resolution passed by Cygnus Shareholders present and voting on the resolution.

Doré

Pursuant to the CBCA, any amendment of Doré's articles will require approval by a special resolution of the Doré Shareholders. The directors of Doré are authorized to make, amend or repeal by-laws of Doré. Such action by the director is effective immediately once such directors' resolution is passed, but directors must submit their action to the Doré Shareholders at the next meeting of the shareholders. The Doré Shareholders, by ordinary resolution passed by a simple majority of the votes cast, may confirm, reject or amend the directors' action.

**Issue of New Shares**

Cygnus

Subject to specified exceptions (for example, pro rata issues), ASX Listing Rule 7.1 applies to restrict Cygnus from issuing, or agreeing to issue, more ordinary shares (or securities convertible or exercisable into ordinary shares) than the number calculated as follows in any 12-month period unless Cygnus has shareholder approval – namely not in excess of 15% of the total of:

- the number of fully paid ordinary shares on issue 12 months before the date of the issue or agreement; plus
- the number of fully paid ordinary shares issued in the 12 months under a specified exception; plus
- the number of partly paid ordinary shares that became fully paid in the 12 months; plus
- the number of fully paid ordinary shares issued in the 12 months with shareholder approval; less
- the number of fully paid ordinary shares cancelled in the 12 months; and
- the number of fully paid ordinary shares issued or agreed to be issued in the 12 months before the date of issue or agreement to issue, but not under a specified exception or with shareholder approval.

In addition, under ASX Listing Rule 7.1A, at each annual general meeting of Cygnus and subject to Cygnus remaining an eligible entity under the ASX Listing Rules, it is possible for the company to obtain shareholder approval – that will remain valid until 12 months from the date the shareholder approval is obtained – to issue an additional 10% of the company's shares (such number of shares being as determined in accordance with ASX Listing Rule 7.1), without seeking further shareholder approval at the time of issue.

Subject to certain exceptions, ASX Listing Rules 10.11 and 10.14 require the prior approval of Cygnus Shareholders by ordinary resolution in order for Cygnus to issue shares or options to directors. Under the Cygnus Constitution, Cygnus's directors may issue shares or other securities on terms determined by the directors at such times and on such conditions as they think fit, subject to the Corporations Act, the ASX Listing Rules, and any special rights previously conferred on the holders of any existing Cygnus Shares or other class of shares.

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Doré

The CBCA permits shares only in registered form and without par value. According to Doré's articles, Doré is authorized to issue an unlimited number of Doré Shares and an unlimited number of preferred shares, issuable in series. Doré Shares may be issued for such consideration as the directors of Doré may determine. Shares, such as Doré Shares, issued by a company governed by the CBCA are non-assessable and may only be issued if consideration for such shares is fully paid. As a TSXV listed company, issuances of securities by Doré are subject to the policies of the TSXV. The TSXV may impose conditions on a transaction or grant exemptions from its own requirements. The TSXV will consider various factors, including the involvement of insiders in the transaction, whether the transaction materially affects control of the issuer, and whether a court or administrative body has considered the interests of Doré Shareholders.

**Protection of Minority Shareholders/Oppression Remedy**

Cygnus

Under the Corporations Act, any Cygnus Shareholder can bring an action in cases of conduct which is contrary to the interests of shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any shareholder(s), whether in their capacity as a shareholder or in any other capacity. Former Cygnus Shareholders can also bring an action if it relates to the circumstances in which they ceased to be a shareholder.

A statutory derivative action may also be instituted by a Cygnus Shareholder, former Cygnus Shareholder or person entitled to be registered as a Cygnus Shareholder. In all cases, leave of the court to commence that action is required.

Doré

Under the CBCA, a shareholder of a company and any other person whom the court considers an appropriate person to make an application, and in the case of a distributing corporation (such as Doré), the Ontario Securities Commission, may apply to court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates: (a) any act or omission of a corporation or its affiliates effects or threatens to effect a result; (b) the business or affairs of a corporation or its affiliates are or have been or are threatened to be carried on or conducted in a manner; or (c) the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director or officer.

The CBCA provides that shareholders entitled to vote on certain matters may exercise dissent rights and demand payment for the fair value of their shares (as of the last business day before the day the resolution on which the shareholder dissent was adopted), provided that they comply strictly with the requirements in the CBCA. Dissent rights exist when there is a vote upon matters such as:

- an amendment to Doré's articles to alter restrictions on the issue, transfer or ownership of shares of a class or series or to alter restrictions on the business or businesses that Doré may carry on;
- amalgamation with another corporation pursuant to an amalgamation agreement;
- a continuance into another jurisdiction or under the *Bank Act*, the *Canada Cooperatives Act*, the *Cooperative Credit Associations Act*, the *Insurance Companies Act* or the *Trust and Loan Companies Act*;
- a sale, lease or other disposition of all or substantially all the property of Doré other than in the ordinary course of business; and
- carrying out a going-private transaction or a squeeze-out transaction.

There is no right of dissent in respect of an amalgamation between Doré and a holding corporation or a wholly owned subsidiary.

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**Take-over Requirements**

Cygnus

Australian law places restrictions on a person acquiring interests in the voting shares of a public company such as Cygnus where, as a result of the acquisition, that person's or someone else's voting power in the company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90% (the "**20% Rule**"). Generally, such acquisitions cannot be made unless:

- the person does not acquire more than 3% of the voting shares in the company in the six-month period before the acquisition;
- the acquisition is made with shareholder approval; or
- the acquisition is made under a take-over bid made in accordance with Australian law.

There are numerous other exemptions from the application of the 20% Rule. Take-over bids must treat all shareholders, as far as is possible, equally and must not involve the provision of any collateral benefits to particular target company shareholders which are not extended to all shareholders. Various restrictions about conditional offers exist and there are also substantial restrictions concerning the withdrawal and suspension of take-over offers.

Similar to the early warning measures outlined for Doré below, a shareholder is required to give a "substantial holder notice" to the target company and the ASX upon acquiring a 5% shareholding.

Doré

Under applicable Canadian securities legislation, a "take-over bid" occurs when there is an offer to acquire outstanding voting or equity securities made to any person in any province or territory where the securities subject to the offer, together with the securities owned or controlled by the offeror and its affiliates and associates, constitute 20% or more of the outstanding securities.

Unless an exemption is available, a take-over bid must be made to all holders of each class of voting or equity securities being purchased, and the same price per security – that is, identical consideration – must be offered to each holder of securities. These provisions require, among other things, the production, filing and mailing of a take-over bid circular to shareholders of the target company. Take-over bids must treat all securityholders alike and must not involve any collateral agreements, with certain exceptions for employment compensation arrangements. Except under certain circumstances, take-over bids must remain open for a minimum of 105 days from the date of the mailing of the take-over bid circular, after which time all securities deposited under the offer may be taken up.

For the protection of target securityholders, the take-over bid rules contain various additional requirements, such as restrictions applicable to conditional offers and the withdrawal, amendment or suspension of offers. Securities regulators also retain a general public interest jurisdiction to regulate take-overs and may intervene to halt or prevent activity that is abusive. Issuer bids are regulated similarly to take-over bids.

There are extensive disclosure requirements associated with take-over bids, beginning with 'early warning' disclosure required when an acquirer crosses the 10% ownership threshold. Generally, further disclosure is required for additional purchases or dispositions of 2% or more of the outstanding security for which such early warning disclosure is required. Purchases outside the bid, before, during, and after the bid, are also restricted.

Following a bid, second step transactions where the acquirer brings its percentage ownership to 100% are governed by the CBCA. No shareholder approval of the acquisition would be required if the acquirer obtained 90% of the outstanding securities owned by minority securityholders during the bid. Otherwise, a meeting must be called and associated regulations complied with for an acquisition, including obtaining a two-thirds majority approval. The acquirer is generally permitted to vote the shares acquired pursuant to the bid at such meeting. Dissent rights are available for objecting shareholders who fulfil certain procedural requirements.

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Canadian securities laws allow certain exemptions to the formal bid requirements, on specified conditions. For example, private agreements to purchase securities from up to five persons are permitted if the purchase price does not exceed 115% of the market price. Under the normal course purchase exception, the offeror (together with any joint offerors) may acquire up to 5% of a class of securities within a 12-month period if there is a published market for the relevant class and the consideration paid does not exceed the market price at the date of acquisition.

**Take-over Defence Mechanisms**

Cygnus

Under Australian take-overs legislation and policy, boards of target companies may adopt various defensive mechanisms to discourage or defeat a take-over bid, so long as such mechanisms are in the best interests of the shareholders of the target company. The Corporations Act empowers the Australian Takeovers Panel to make a declaration of unacceptable circumstances in relation to the affairs of a company in the context of take-overs (as well as other control transactions). A finding of unacceptable circumstances by the Australian Takeovers Panel can result in the prohibition, termination of progress or unwinding of the take-over bid.

Doré

The Canadian Securities Administrators (the "**CSA**") has recognized that take-over bids play an important role in the economy by acting as a discipline on corporate management and as a means of reallocating economic resources to their best uses. In considering the merits of a take-over bid, there is a possibility that the interests of management of the target company will differ from those of its shareholders. The CSA considers the primary objective of the take-over bid provisions of Canadian securities legislation to be the protection of the *bona fide* interests of the shareholders of the target company. Because certain defensive measures taken by management of a target company may have the effect of denying shareholders the ability to make a fully informed decision and frustrating an open take-over bid process, the CSA will therefore examine target company defensive tactics in specific cases to determine whether they are abusive of shareholder rights.

Without limiting the foregoing, defensive tactics that may come under scrutiny if undertaken during the course of a bid, or immediately before a bid (if the board of directors has reason to believe that a bid might be imminent) include:

- the issuance of, or granting of an option on or the purchase of, securities representing a significant percentage of the outstanding securities of the target company;
- the sale or acquisition, or granting of an option on, or agreeing to sell or acquire assets of a material amount; and
- the entering into a contract or taking corporate action other than in the normal course of business.

Shareholder approval of corporate action may be a factor in the decision as to whether the tactics are appropriate.

Notwithstanding the above, defensive tactics may be taken by a board of directors of a target company in a genuine attempt to obtain a better bid; however, tactics that are likely to deny or limit severely the ability of the shareholders to respond to a take-over bid or a competing bid may result in action by the CSA.

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## APPENDIX I

## INFORMATION CONCERNING CYGNUS

### NOTICE TO READER

The following information provided by Cygnus is presented on a pre-Arrangement basis (except where otherwise indicated) and reflects the current business, financial and share capital position of Cygnus. This information has been provided by Cygnus and is the sole responsibility of Cygnus. Doré does not assume any responsibility for the accuracy or completeness of such information. See "*Part 18 – Information Concerning the Corporation*" of the Circular for business, financial and share capital information relating to Doré.

### INTRODUCTION

This Appendix I is a summary of Cygnus, its business, assets and operations, which should be read together with the audited financial statements for Cygnus contained at Schedule "B" to this Appendix I, and the auditor's report thereon. Unless otherwise indicated, the information contained in this Appendix I is given as at the Record Date.

### CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

Cygnus presents its financial statements in Australian dollars and discloses certain financial information in this Appendix I in Australian dollars and Canadian dollars. In this Appendix I, references to "A$" or "AUD$" are to Australian dollars and references to "C$" or "CAD$" are to Canadian dollars. Certain totals, subtotals and percentages throughout this Appendix I may not reconcile due to rounding.

The following table sets out the high and low rates of exchange for one Australian dollar expressed in Canadian dollars during each of the following periods, the average rate of exchange for those periods and the rate of exchange in effect at the end of each of those periods, each based on the rate of exchange published by CapitalIQ for the conversion of Australian dollars into Canadian dollars.

| | **Fiscal Year Ended December 31,** | | | **Six Months Ended June 30,** | |
|---|---|---|---|---|---|
| | **2023 (C$)** | **2023 (C$)** | **2022 (C$)** | **2024 (C$)** | **2023 (C$)** |
| Highest rate during the period | 0.9502 | 0.9502 | 0.9487 | 0.9174 | 0.9502 |
| Lowest rate during the period | 0.8509 | 0.8509 | 0.8633 | 0.8732 | 0.8764 |
| Average rate for the period | 0.8965 | 0.8965 | 0.9034 | 0.8942 | 0.9108 |
| Rate at the end of the period | 0.9002 | 0.9002 | 0.9199 | 0.9132 | 0.8813 |

On November 12, 2024, the rate of exchange posted by CapitalIQ for conversion of Australian dollars into Canadian dollars was A$1.00 = C$0.9113. No representation is made that any currency could be converted at any given rate.

### GLOSSARY

Unless the context indicates otherwise, capitalized terms which are used in this Appendix I have the meaning ascribed below. All other capitalized terms used herein and not otherwise defined in this Appendix I have the meanings given to such terms set forth in the glossary of terms found Appendix A to this Circular.

"**699**" means 6998046 Canada Inc.

"**Anti-Bribery and Anti-Corruption Policy**" means the anti-bribery and anti-corruption policy of Cygnus.

"**ASX 200**" is a market-capitalization weight and float-adjusted stock market index maintained by S&P which contains the top 200 ASX-listed companies.

"**ASX 300**" is a market-capitalization weight and float-adjusted stock market index maintained by S&P which contains all ASX 200 companies and approximately 100 companies with smaller market capitalization.

"**ASX Limit**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**Auclair Project**" means the project located in Québec, Canada comprised of:

(a) the project acquired from Osisko Development Corp, comprised of 48 individual claims and known as the "**Auclair Lithium Project**";

(b) the Beryl Lake Property under the Beryl Lake Option Agreement; and

(c) the additional 22 individual claims known as the "**Auclair Extension Property**" acquired from Noranda Royalties and 699.

"**Audit and Risk Management Committee Charter**" means the audit and risk management committee charter of Cygnus.

"**Avenir**" means Avenir Metals (Canada) Limited, a wholly-owned subsidiary of Cygnus.

"**BBA**" means BBA Inc.

"**BDO**" means BDO Audit Pty. Ltd.

"**Beryl Lake Option Agreement**" means the option agreement entered into between Cygnus, Avenir, CMH and others on March 23, 2023 (as varied on July 20, 2023) pursuant to which Cygnus has the option to acquire a 100% interest in the Beryl Lake Property.

"**Beryl Lake Property**" means the 589 individual claims the subject of the Beryl Lake Option Agreement, which are an extension to the Auclair Project.

"**Canaccord**" means Canaccord Genuity (Australia) Limited.

"**Canadian Optioned Projects**" has the meaning ascribed thereto in "*Description of the Business of Cygnus – Economic Dependence and Change to Contracts*" of this Appendix I.

"**Central Pontax Project**" means the 66 individual claims the subject of the Earn-In Agreement, which are an extension of the Pontax Project in Québec, Canada.

"**CIM**" means Canadian Institute of Mining, Metallurgy and Petroleum.

"**Class Order**" means ASIC Class Order 14/1000.

"**CMH**" means 9219-8845 QC. Inc. (Canadian Mining House).

"**CMH Pontax Extension Property**" means the 166 individual claims the subject of the CMH Pontax Option Agreement, which are an extension of the Pontax Project in Québec, Canada.

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"**CMH Pontax Option Agreement**" means the option agreement entered into between Cygnus, Avenir, CMH and others on September 27, 2022 (as varied on July 20, 2023 and April 2, 2024) pursuant to which Cygnus has the option to acquire a 100% interest in the CMH Pontax Extension Property.

"**CMH Projects**" means the CMH Pontax Extension Property.

"**CMH Option Agreements**" means the Beryl Lake Option Agreement, the CMH Pontax Option Agreement and the Sakami Option Agreement.

"**Code of Conduct**" means the code of conduct of Cygnus.

"**Convertible Security**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**Cygnus Board Charter**" means the board and executive charter of Cygnus.

"**Cygnus Canadian Projects**" means Cygnus' Pontax Project, Auclair Project, and Sakami Project.

"**Cygnus Option**" means an option to acquire a Cygnus Share, subject to certain terms and conditions.

"**Cygnus Performance Right**" means a right, subject to certain terms and conditions, to acquire a Cygnus Share on the satisfaction (or waiver) of certain performance conditions.

"**Cygnus Plans**" has the meaning ascribed thereto in "*Description of Securities*" of this Appendix I.

"**Cygnus Share Right**" means a vested right to acquire a Cygnus Share, subject to certain terms and conditions.

"**Cygnus Technical Report**" has the meaning ascribed thereto in "*Mineral Projects*" of this Appendix I.

"**Diversity Policy**" means the diversity policy of Cygnus.

"**Division 1A**" means Division 1A of Part 7.12 of the Corporations Act.

"**Earn-In Agreement**" means the earn-in and joint venture exploration agreement between Cygnus, Avenir and Stria (TSXV: SRA.P) dated October 12, 2022 (as varied on July 5, 2023) under which Cygnus has the opportunity to earn a 70% interest in the Central Pontax Project.

"**Eligible Participant**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**Ernst & Young**" means Ernest & Young Global Limited.

"**Equity Raise**" means the two-tranche equity raise announced to the ASX by Cygnus on October 15, 2024 to raise up to A$11,000,000 (before costs) through the issue of 152,777,778 Cygnus Shares at an issue price of A$0.072 each. A total of 94,864,785 Cygnus Shares were issued on October 23, 2024 pursuant to tranche one of the Equity Raise, with a total of 57,912,993 Cygnus Shares to be issued subject to receipt of Cygnus Shareholder approval at a general meeting expected to be held in mid-December 2024, and the Doré Shareholder Approval. A fee of 5% of the proceeds of the Equity Raise less amounts subscribed under the chair's list is payable to the joint lead managers, Canaccord and Euroz.

"**Euroz**" means Euroz Hartleys Limited.

"**Fiscal 2021**" means the financial year ended December 31, 2021.

"**Fiscal 2022**" means the financial year ended December 31, 2022.

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"**Fiscal 2023**" means the financial year ended December 31, 2023.

"**Group**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**ha**" means hectare.

"**Inferred Mineral Resource**" or "**Inferred**" has the meaning ascribed to such term by the CIM.

"**IOS Services**" means IOS Services Geoscientifiques Inc.

"**July 2024 Placement**" has the meaning ascribed thereinto in "*General Development of the Business – Three-year History – Development Subsequent to Fiscal 2023*" of this Appendix I.

"**Last Practicable Date**" means November 13, 2024.

"**Leaver**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**$Li_2O$**" means lithium oxide.

"**LTI**" means Long-Term Incentive.

"**Megawatt**" means Megawatt Lithium and Battery Minerals Corp.

"**Mineral Resource**" has the meaning given in the JORC Code.

"**MRE**" means Mineral Resource Estimate.

"**Mt**" means million tonnes.

"**named executive officers**" or "**NEOs**" has the meaning ascribed thereto in "*Executive Compensation*" of this Appendix I.

"**New Regime**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**Nomination and Remuneration Committee Charter**" means the nomination and remuneration committee charter of Cygnus.

"**Noranda Royalties**" means Noranda Royalties Inc.

"**Novatem**" means Novatem Inc.

"**NTS**" means National Topographic System.

"**Operating Authorizations**" has the meaning ascribed thereto in "*Risk Factors – General risks relating to Cygnus – Dependence of licenses and permits*" of this Appendix I.

"**Option Agreements**" means the Earn-In Agreement and the CMH Option Agreements.

"**Participant**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**Plan Shares**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

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"**Pontax Project**" or "**Pontax Lithium Project**" means the Pontax Project in Québec, Canada, comprised of:

(a) the Central Pontax Project;

(b) the Sirios Pontax Extension Property; and

(c) the CMH Pontax Extension Property.

"**QA/QC**" means quality assurance / quality control.

"**QP**" means the "qualified person" for the purpose of NI 43-101.

"**Retained Convertible Securities**" has the meaning ascribed thereto in "*Description of Securities – Cygnus Performance Rights and Share Rights*" of this Appendix I.

"**Route 381 Project**" has the meaning ascribed thereto in "*General Development of the Business – Three-year History – Fiscal 2022 Developments*" of this Appendix I.

"**S&P**" means Standard & Poor's.

"**Sakami Project**" means the 231 individual claims known as the Sakami Project in Québec, Canada, the subject of the Sakami Option Agreement.

"**Sakami Option Agreement**" means the option agreement entered into between Cygnus, Avenir, CMH and others on March 27, 2023 (as varied on July 20, 2023) pursuant to which Cygnus has the option to acquire a 100% interest in the Sakami Project.

"**SGS**" means SGS Canada Inc.

"**Sirios Pontax Extension Property**" means the 70 individual claims acquired from TSXV-listed Sirios Resources, which is an extension of the Pontax Lithium Project in Québec, Canada.

"**Sirios Resources**" means Sirios Resources Inc.

"**STI**" means Short-Term Incentive.

"**STIP**" means Short-Term Incentive Program.

"**Stria**" means Stria Lithium Inc.

"**TSR**" has the meaning ascribed thereto in "*Options to Purchase Securities – Performance Rights and Share Rights – Cygnus Performance Rights*" of this Appendix I.

"**TSX**" means the Toronto Stock Exchange.

"**UK**" means United Kingdom.

"**UTM**" means Universal Transverse Mercator.

"**VWAP**" means the "volume weighted average market price" of fully paid ordinary shares, as that term is defined in the ASX Listing Rules.

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## CORPORATE STRUCTURE OF CYGNUS

### Name, Address and Incorporation

Cygnus Metals Limited (previously called Cygnus Gold Limited, Craton Gold Pty. Ltd. and DA Exploration Pty. Ltd.) was incorporated under the laws of Western Australia on November 3, 2015. Cygnus' registered office and principal place of business is located at Level 2, 8 Richardson Street, West Perth, Western Australia 6005.

On January 11, 2018, Cygnus commenced trading on the ASX under the symbol "CY5".

### Intercorporate Relationships

Set out below in Figure 1 is the corporate structure of Cygnus as at the date of this Circular. Cygnus controls 100% of the voting capital of all of the entities presented in the organizational chart set forth in Figure 1 below.

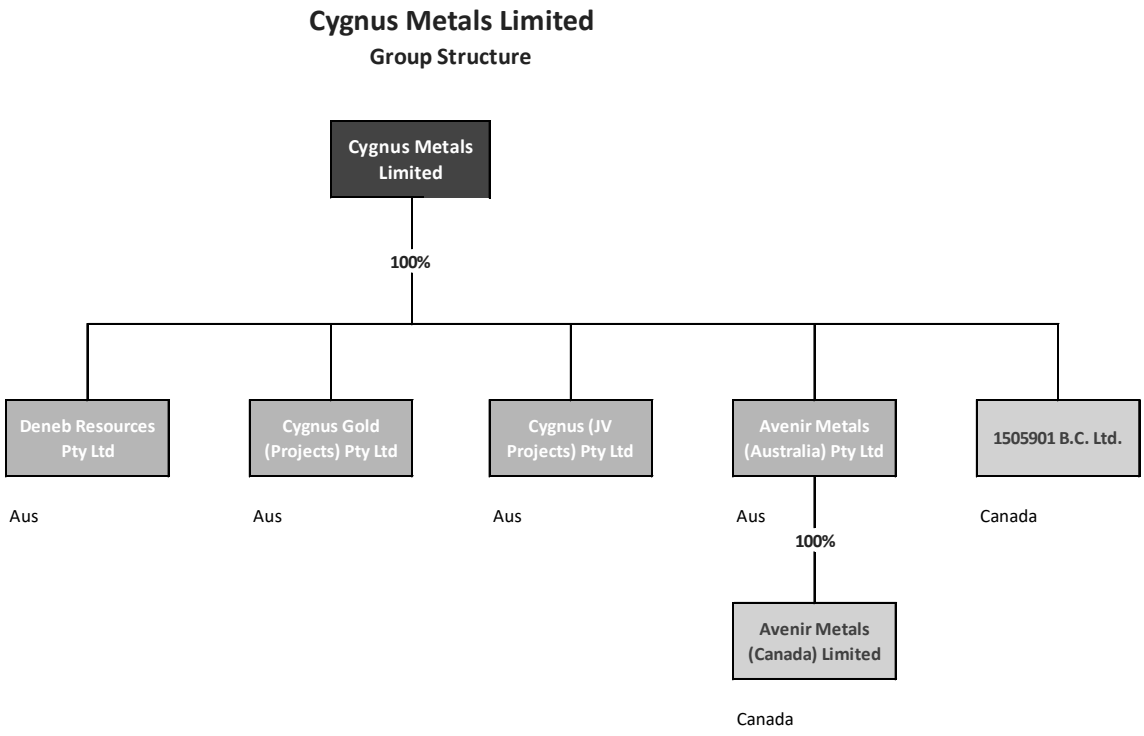



**Figure 1: Cygnus Corporate Structure**

Deneb Resources Pty. Ltd., Cygnus Gold (Projects) Pty. Ltd., Cygnus (JV Projects) Pty. Ltd. and Avenir Metals (Australia) Pty. Ltd. were incorporated in Australia. Avenir and 1505901 B.C. Ltd. were incorporated in British Columbia, Canada.

Any Doré Shares that are acquired by Cygnus pursuant to the Arrangement will be acquired by 1505901 B.C. Ltd., being a wholly owned subsidiary of Cygnus incorporated in British Columbia, Canada.

## DESCRIPTION OF THE BUSINESS OF CYGNUS

### Description of the Business

Cygnus is exploring for lithium in the James Bay lithium region of Québec, Canada. Cygnus is focused on generating shareholder value by exploring the Cygnus Canadian Projects. Cygnus also has a small portfolio of tenements in Western Australia which are prospective for rare earth elements and base metals; however, these are not considered to be material.

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**Specialized Skill and Knowledge**

All aspects of Cygnus' business require specialized skills and knowledge. Such skills and knowledge include the areas of finance, geology, drilling, mining, construction, engineering, metallurgy, accounting and natural resources. Cygnus retains executive officers and consultants with experience in these areas in Québec, Canada and Australia and has access to technical personnel that provide Cygnus with skills and knowledge required to conduct its business operations.

**Competitive Conditions**

The mineral exploration business is a competitive business. Cygnus competes with other companies and individuals in the consideration of acquisitions, development and advancement of attractive mining assets, and in retaining qualified personnel, suitable contractors for drilling and bulk sampling operations, technical and engineering resources and, to the extent necessary, exploration equipment.

**Cycles**

Cygnus' business may be considered cyclical to a limited extent due to fluctuations in global inflation, interest rates and exchange rates which can drive commodity prices. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. Refer to the section titled "*Risk Factors*" in this Appendix I for further information of the risk factors impacting Cygnus' business.

**Economic Dependence and Changes to Contracts**

Cygnus' business is not substantially dependent on any contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

In connection with the Cygnus Canadian Projects, Cygnus is party to the Option Agreements under which Cygnus has the option to acquire up to a 70% interest in the Pontax Project and a 100% interest in the CMH Projects (together, the "**Canadian Optioned Projects**"), subject to satisfaction of certain terms and conditions. The Option Agreements also include provisions providing for the termination of the Option Agreements upon the occurrence of certain events, such as Cygnus being in default of its obligations, including failing to make required payments and incur exploration expenditure within the specified timeframes. The early termination of any of the Option Agreements, for any reason, may mean that Cygnus will not realize the full value of the contracts, which will adversely affect the value, growth prospects, operating results and financial performance of Cygnus.

It is not expected that Cygnus' business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Refer to the section titled "*Risk Factors*" in this Appendix I for further information of the risk factors impacting Cygnus' business.

**Environmental Protection**

All aspects of Cygnus' field operations will be subject to environmental regulations promulgated by government agencies from time to time and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply could result in fines and penalties. With its Cygnus Canadian Projects at the exploration stage, the financial and operational impact of environmental protection requirements is relatively minimal. Environmental legislation is evolving, which means stricter standards and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessment of proposed projects carries a heightened degree of responsibility for companies and directors, officers and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Cygnus' operations, including its capital expenditures and competitive position. Should any project advance to the production stage, then more time and money would be involved in satisfying environmental protection requirements.

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Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires, may impact Cygnus' ongoing compliance with environmental legislation, regulations and licenses. Significant liabilities could be imposed on Cygnus for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. Environmental legislation is evolving in a manner which means stricter standards and enforcement, fines and penalties for non-compliance are more stringent. Future legislation and regulations could cause additional expenses, capital expenditures, restrictions, liabilities and delays in exploration. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous, making Cygnus' operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

Refer to the section titled "*Risk Factors*" in this Appendix I for further information of the risk factors impacting Cygnus' business.

**Employees**

As at December 31, 2023, Cygnus had 10 employees (excluding non-executive directors).

Cygnus continuously evaluates the expertise and skills required to execute its business strategy and seeks to attract and retain employees that are aligned with delivering Cygnus' goals.

Cygnus' success is dependent on the performance of its management team and key individuals, many of whom have specialized skills in the mineral exploration business. Cygnus' key personnel have been involved in the mining industry for several years and are knowledgeable as to the geology, engineering, construction, approvals, stakeholder engagement, financing, environmental matters, mining, metallurgy and infrastructure related to mineral exploration and mining development.

Cygnus' personnel are equipped with the skills necessary to perform its operations and continuously assess its workforce capabilities with its business strategy for its operations as it evolves.

**Foreign Operations**

Cygnus' operations are conducted in Québec, Canada and Australia, and are exposed to various levels of political, economic and other risks and uncertainties.

Refer to the section titled "*Risk Factors*" in this Appendix I for further information of the risk factors impacting Cygnus' business.

**Social or Environmental Policies**

Cygnus is committed to conducting its activities in an environmentally and socially responsible manner. Cygnus understands that to maintain its social license to operate, it has an obligation to maintain environmental compliance and to strive to meet the expectations of the local community and stakeholders. Cygnus has adopted an Environmental Policy and a Cultural Heritage Policy, the purpose of which is to:

- ensure compliance with all applicable legislation, standards, compliance obligations and codes of practice and laws that govern the protection and management of Indigenous heritage;
- develop, implement and continuously improve environmental management systems that enable Cygnus to apply a systematic approach to identifying and mitigating environmental risks, set appropriate targets and measure compliance against those targets;
- ensure consultation with local Indigenous communities and their representatives as required to understand the cultural values in the areas where Cygnus operates and to ensure any cultural heritage issues are managed



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in a culturally appropriate and sensitive manner, including ensuring that the individuals with whom Cygnus consults have an appropriate level of authority to advocate for cultural heritage;

- ensure that its personnel, contractors and consultants are adequately trained/inducted to build capacity and awareness on environmental and cultural heritage issues and the potential impact of their activities on the environment and cultural heritage;

- minimize adverse environmental impacts arising from its activities by implementing strategies to reduce and prevent pollution, reduce and manage waste effectively, use water efficiently and responsibly manage land to address biodiversity issues;

- ensure that activities are undertaken in a manner which minimizes impact on cultural heritage wherever possible and where an area of cultural significance needs to be disturbed, work with Indigenous peoples and traditional owners to manage that disturbance and implement measures to preserve cultural values of the area; and

- work with relevant stakeholders to understand the environmental values of the land on which Cygnus operates to ensure optimal environmental management and performance.

Cygnus recognizes that the safety and health of its employees, contractors, visitors, and the communities in which it operates is of paramount importance. Cygnus is committed to providing a safe and healthy work environment for all and strive to continuously improve its safety and health performance. Cygnus' Health and Safety Policy sets out Cygnus' position on preventing accidents, injuries, and occupational illnesses by implementing a comprehensive safety and health management system which complies with all applicable work health and safety legislation and reflects industry best practices and is available on its website at https://www.cygnusmetals.com.

**Bankruptcy or Similar Procedures**

Cygnus confirms that neither it nor any of its subsidiaries are currently subject to any bankruptcy, receivership or similar proceedings or have been subject to any bankruptcy, receivership or similar proceedings in the three years prior to the date of this Circular.

**Material Restructuring Transaction**

Cygnus confirms that neither it nor any of its subsidiaries have completed any material restructuring transaction within the three most recently completed financial years prior to the date of this Circular or completed during or proposed for the current financial year.

## GENERAL DEVELOPMENT OF THE BUSINESS

**Three-year History**

*Fiscal 2021 Developments*

On November 8, 2021, Cygnus appointed Raymond Shorrocks as Executive Chair of the Cygnus Board, Michael Bohm to Non-Executive Director following his tenure as a Non-Executive Chair and Simon Jackson to Non-Executive Director following his tenure as an Executive Director.

*Fiscal 2022 Developments*

On April 13, 2022, Cygnus announced that it signed a farm-in agreement with Ausgold Limited to divest its Stanley gold project. Under the agreement, Ausgold Limited could earn an 85% interest in the Stanley gold project by expending A$750,000 over three years with Cygnus to maintain a free carried interest until a decision to mine.

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On July 29, 2022, Cygnus entered a binding term sheet giving it an exclusive option to earn up to 70% of the Pontax Lithium Project and take a significant shareholding in the then owner of the Pontax Lithium project, Stria. The key acquisition terms included an upfront payment of C$1,000,000 to Stria, ability to earn 51% by expending C$4,000,000 on exploration and paying C$2,000,000 to Stria and the ability to earn a further 19% by expending C$6,000,000 on exploration and paying C$3,000,000 to Stria. A joint venture would be formed between the parties and Cygnus would free carry Stria following completion of the Stage 2 earn-in through to completion of a feasibility study to be reimbursed out of project cash flows.

Further, on July 29, 2022, Cygnus announced a private placement of 29,200,000 Cygnus Shares at a price of A$0.125 for gross proceeds of up to A$3,650,000. The financing was led by Canaccord and proceeds of the financing were applied to exploration at the Pontax Lithium Project and fund costs of the Pontax Lithium Project earn-in.

On September 1, 2022, Cygnus appointed Gareth Reynolds as Head of Business Development and Mark Calderwood as an advisor to the Cygnus Board.

On September 27, 2022, Cygnus was granted an exclusive option to acquire a 51% interest in 40 mining claims adjacent to the Pontax Lithium Project (the "**Route 381 Project**") from Megawatt. An initial 51% interest could be acquired by committing C$2,000,000 on exploration and the remaining 29% to be acquired by paying Megawatt C$1,050,000 and filing a NI 43-101 or JORC compliant mineral resource estimate. Cygnus would free carry Megawatt until release of a feasibility study. Further, Cygnus was granted an exclusive option to acquire a 51% interest in 166 mining claims adjacent to the Pontax Lithium Project from CMH for C$300,000 cash and the issue of 5,333,332 Cygnus Shares to CMH.

On October 4, 2022, Cygnus appointed David Southam as Managing Director, starting from mid-February 2023 and to act as a Non-Executive Director in the intervening period.

On October 13, 2022, Cygnus announced a private placement of 8,677,817 Cygnus Shares at a price of A$0.73 for gross proceeds of up to A$6,347,823 and the issue of Cygnus Shares to the directors of Cygnus at a price of A$0.35 to raise gross proceeds of A$400,000. Proceeds of the financing were applied to exploration at the Pontax Lithium Project and surrounding land package.

On December 9, 2022, Cygnus announced a private placement of 18,181,819 Cygnus Shares at a price of A$0.44 for gross proceeds of up to A$8,000,000. The financing was led by Canaccord and proceeds of the financing were applied to exploration at the Pontax Lithium Project and Cygnus' Australian projects.

Refer to Schedule "B" to this Appendix I for the annual report of Cygnus with respect to the financial year ended December 31, 2022 for further information regarding related party transactions during Fiscal 2022.

*Fiscal 2023 Developments*

On February 1, 2023, Cygnus announced that Michael Naylor would transition from being an Executive Director to a Non-Executive Director and appointed Carl Travaglini as Chief Financial Officer and Joint Company Secretary.

On February 17, 2023, Cygnus announced the acquisition of additional ground around the Pontax Lithium Project for staged payments of up to C$4,200,000 and 1,750,000 Cygnus Shares.

On February 28, 2023, Cygnus announced the acquisition of the Auclair Lithium Project from Osisko Development Corp. for C$247,165 cash, 1,000,000 Cygnus Shares and deferred consideration of up to C$6,000,000 payable in cash or Cygnus Shares.

On March 27, 2023, Cygnus appointed Kevin Tomlinson as Independent Non-Executive Chairman and Ray Shorrocks as Non-Executive Director following his tenure as Non-Executive Chairman and announced the resignation of Shaun Hardcastle, a director of Cygnus.

On March 28, 2023, Cygnus entered into option agreements for the acquisition of the Sakami Project and additional ground surrounding the Auclair Lithium Project from CMH. Consideration for the Sakami Project was staged cash payments of C$300,000 and 3,450,000 Cygnus Shares to CMH and incurring C$1,000,000 in exploration expenditure. Consideration for the land surrounding the Pontax Lithium Project was staged cash payments of C$395,000 and 4,000,000 Cygnus Shares to

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CMH and incurring C$1,000,000 in exploration expenditure. Cygnus granted a 2% net smelter royalty on the Sakami and Beryl Projects.

On April 12, 2023, Cygnus announced the closing of the acquisition of the Auclair Lithium Project.

On July 6, 2023, Cygnus announced it had met the Stage 1 earn-in expenditure requirements and would satisfy the C$2,000,000 payment to Stria in Cygnus Shares to earn a 51% interest in the Pontax Lithium Project.

On July 28, 2023, Cygnus entered a binding agreement to acquire 22 mining claims adjacent to the Pontax Lithium Project from Noranda Royalties and 699 for a cash payment of C$500,000, 1,000,000 Cygnus Shares and deferred milestone payments. Cygnus granted Noranda Royalties a 2% gross revenue royalty payable on critical minerals and rare earth deposits extracted from the claims.

On August 14, 2023, Cygnus announced a maiden resource estimate of 10.1Mt at 1.04% $Li_2O$ at the Pontax Lithium Project.

On August 21, 2023, Cygnus announced a flow-through share placement of 18,934,273 Cygnus Shares at a price of A$0.4275 and a private placement of 13,333,333 Cygnus Shares at a price of A$0.225 for gross proceeds of up to A$11,100,000. The financing was led by Canaccord and Euroz. Proceeds of the financing were applied to exploration at the Pontax Lithium Project, Auclair Lithium Project and Sakami Project.

Refer to Schedule "B" to this Appendix I for the annual report of Cygnus with respect to the financial year ended December 31, 2023 for further information regarding related party transactions during Fiscal 2023.

*Developments Subsequent to Fiscal 2023*

On March 27, 2024, Cygnus announced that David Southam would become Executive Chair from Managing Director and Kevin Tomlinson would become the Lead Independent Non-Executive Director from Independent Non-Executive Chair. Further, Cygnus announced remuneration changes to reduce costs.

On July 15, 2024, Cygnus announced a private placement of 85,600,001 Cygnus Shares at A$0.035 for gross proceeds of up to A$3,000,000 (the "**July 2024 Placement**"). The financing was led by Canaccord and Euroz. Proceeds of the July 2024 Placement, together with existing cash reserves, were applied to exploration at Cygnus' existing project portfolio, principally at the Auclair Lithium Project and Sakami Project.

On September 20, 2024, Cygnus announced Michael Naylor's resignation as a Non-Executive Director.

On October 15, 2024, Cygnus entered into the Arrangement Agreement. Further, Cygnus announced a private placement of 152,777,778 Cygnus Shares at a price of A$0.072 for gross proceeds of up to A$11,000,000. The financing was led by Canaccord and Euroz. Proceeds of the financing will be applied to exploration, resource development and study advancement at Doré's Chibougamau copper and gold project in Québec and advancing the lithium exploration pipeline in James Bay. Upon completion of the Arrangement, as set forth in the Arrangement Agreement, the Cygnus Board will be reconstituted such that it will be comprised of three directors from each of Cygnus and Doré. David Southam, current Executive Chair of Cygnus, will remain as Executive Chair of Cygnus and Ernest Mast, current President and Chief Executive Officer of Doré, will be the President and Managing Director of Cygnus. The remainder of the Cygnus Board will be comprised of two non-executive directors from each of Cygnus and Doré: Kevin Tomlinson and Raymond Shorrocks from Cygnus, and Mario Stifano, current Executive Chairman of Doré, and Brent Omland from Doré.

## MINERAL PROJECTS

The technical report entitled "NI 43-101 Technical Report – Pontax Lithium Project, Mineral Resource Estimate, James Bay, Northern Québec, Canada" dated as at October 21, 2024, with an effective date of October 16, 2024 (the "**Cygnus Technical Report**") was prepared for Cygnus by Todd McCracken (P.Geo) who is a QP under NI 43-101.

The following disclosure relating to the Pontax Lithium Project is an excerpt of the summary of the Cygnus Technical Report. The entire Cygnus Technical Report is incorporated by reference herein. The following summary does not purport to be a

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complete summary of the Cygnus Technical Report. The Cygnus Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The Cygnus Technical Report contains the expression of the professional opinions of qualified persons (as defined under NI 43-101) based upon information available at the time of preparation of the Cygnus Technical Report. The following disclosure, which is derived from the Cygnus Technical Report, is subject to the assumptions, qualifications and procedures contained in the Cygnus Technical Report.

The information reproduced below is qualified in its entirety by the more detailed information presented in the Cygnus Technical Report, a copy of which is available for review under Doré's profile on the SEDAR+ database at www.sedarplus.com. Readers are encouraged to review the Cygnus Technical Report.

As at the Last Practicable Date, Cygnus does not consider the Auclair Project and the Sakami Project to be material properties of Cygnus.

**Property Ownership**

The Pontax Lithium Project comprises 304 mining titles (claim désigné sur carte) covering a total area of 16,155.6 ha. The initial project area consists of 68 map-designated claims spanning 3,612.65 ha.

Avenir, a wholly owned subsidiary of Cygnus, has earned a 51% interest in these 68 mining titles by fulfilling expenditure and payment obligations to Stria. Avenir has the option to increase its stake to 70% by investing an additional C$6,000,000 in exploration and making further cash payments. If the second stage is completed, Cygnus will carry Stria's remaining 30% interest until the completion of a feasibility study. However, if the requirements are not met, Avenir's stake will revert to 49%, and Stria will hold 51%.

Avenir also has an option to acquire 100% interest in 166 additional claims at the CMH Pontax Extension Property and 40 claims at the Route 381 Project, with specific expenditure and payment obligations. Additionally, Cygnus acquired 70 more titles at the Pontax extension from Sirios Resources. Various net smelter return royalties apply across these properties, with opportunities for royalty buybacks based on defined milestones. A full detailing of the ownership of the Pontax Project is detailed in Section 4.2 of the Cygnus Technical Report. The Pontax Project falls within the Nord du-Québec region, under the James Bay and Northern Québec Agreement, with no exploration restrictions on Category III lands.

**Property Location and Description**

The Pontax Project is located approximately 350km north of the town of Matagami and 400km northwest of the town of Chibougamau, in the Eeyou Istchee James Bay region of Québec, Canada (Figure 2). It spreads out on the NTS 32N14 and NTS 32N15 sheets and it is limited to longitudes 76º 56' 30" to 77º 03' 30" and latitudes 51º 54' 00" to 51º 58' 00" (UTM, and 83 Zone 18; UTM X = 358500 and 366700, UTM Y = 5751818 and 5759273).

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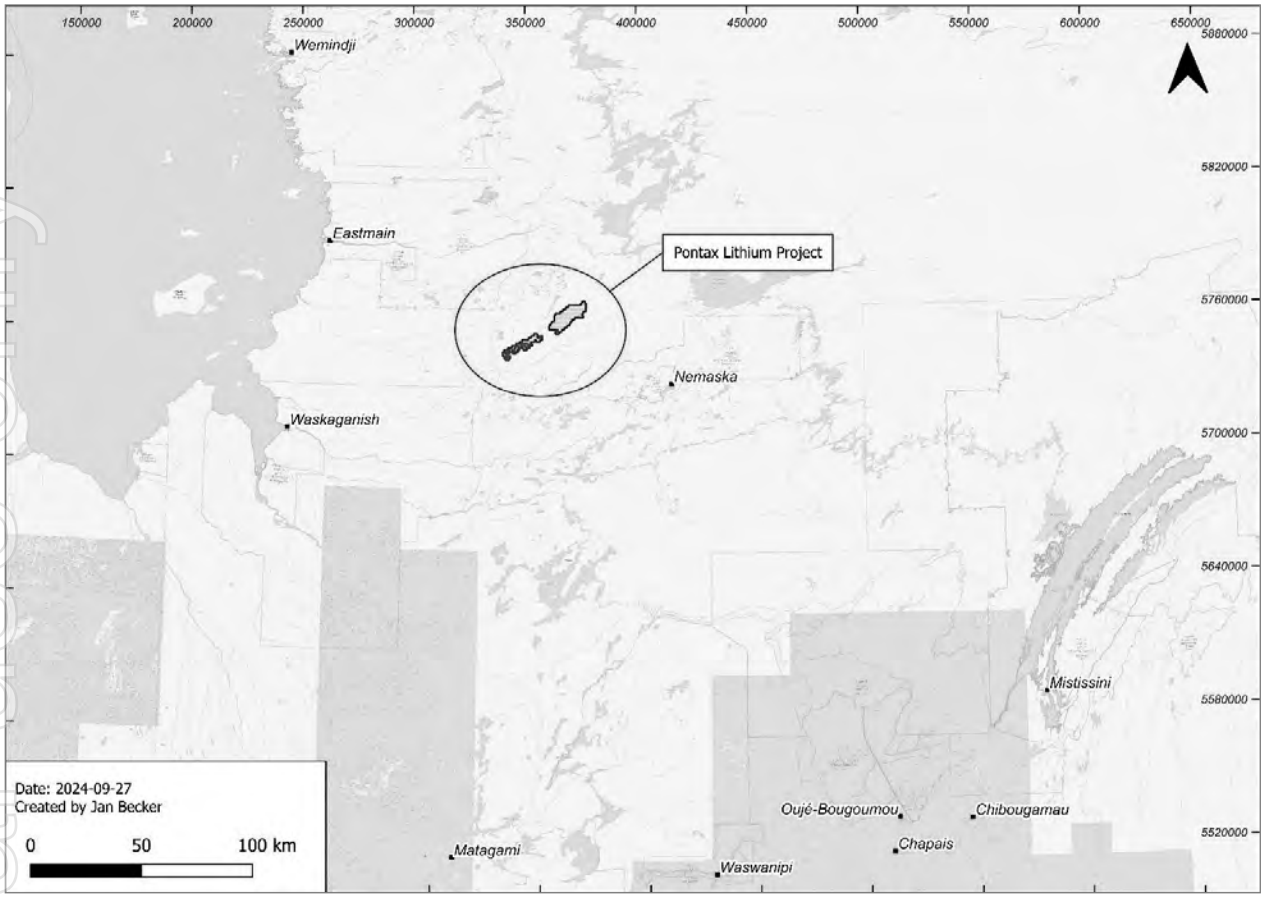



**Figure 2: Pontax Lithium Project location**

The Pontax Project can be accessed with difficulty, following the power-line maintenance trail from the KM-381 truck stop with all-terrain vehicles in summer, or by snowmobile in winter. However, efficient work requires the support of a helicopter.

There is no infrastructure on the Pontax Project itself. However, services are available at the KM-381 truck stop, which offers accommodations, rental options (dormitory or house), a cafeteria, a gas station, a heliport, fuel tanker space, a garage and repair shop, as well as ambulance and paramedic services, loaders, and other machinery, along with warehousing facilities.

The drilling site is located in the boreal zone, specifically within the western spruce-moss forest domain, dominated by black spruce and featuring a ground cover of moss and shrubs. Areas that have been previously burned are also common in the surrounding landscape. Sightings of local wildlife, including moose, caribou, porcupines, black bears, foxes, wolves, wild rabbits, and grouse, are infrequent and often happen by chance.

The physiography is James Bay lowlands with flat muskeg regions with intermittent rolling hills.

**Geology**

The Pontax Project is centered on the Chambois Greenstone Belt, oriented approximately N060º. The mafic volcanics are flanked to the north by locally migmatized metasediments and cut to the south by pegmatites, with granitoids of variable composition containing enclaves of the mafic units.

On a broad scale, the Pontax volcanics define a narrow belt, a few kilometres wide and about 100km long. This belt is oriented approximately N060° and truncates the Nemiscau Subprovince. This is a common orientation of large-scale structures in the James Bay area and can be interpreted as deep seated shear or suture zones.

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The Pontax deposit consists of a series of decimetre to multi-metre wide spodumene-bearing pegmatite dykes, generally subvertical and oriented at N040º to N050º parallel to the regional tectonic trend. The pegmatites are generally coarse-grained, white, hololeucocratic and zoned with an irregular distribution of spodumene. Spodumene crystals are greenish to greyish, with a maximal length of 40cm. The spodumene pegmatites mainly intrude fine-grained meta-basalts and mafic rocks composed of amphibole, epidote, and plagioclase.

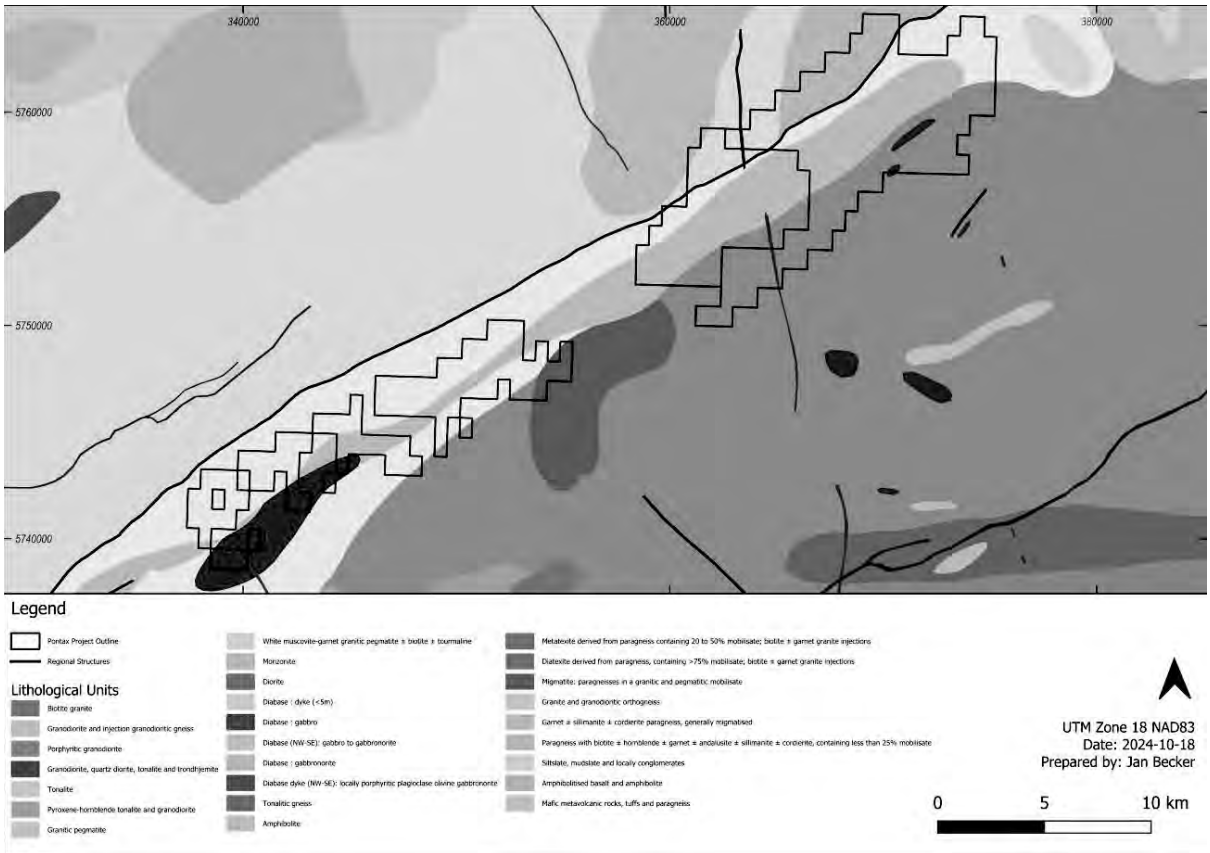



**Figure 3: Geological map of Pontax Project**

## Exploration and Drilling

Prior to the acquisition of the Pontax Project by Sirios Resources in 2005, very limited exploration work had been conducted on the current Pontax Project location. Since 2005, intermittent exploration programs have been completed by a number of companies.

Cygnus has completed several prospection campaigns including rock chipping and channel sampling, trenching and till sampling.

To date, 72 diamond drill holes for 16,167m have been completed (Table 1). In 2009, Sirios Resources drilled seven diamond drill holes totaling 864m. Drilling was conducted using IOS Services, a professional exploration services company based out of Saguenay, Québec. The drilling, sampling, assay and QA/QC protocols used during this campaign meet industrial requirements.

Stria carried out two campaigns in 2017 and 2019, drilling 18 diamond drill holes for 2,422m. Again, IOS Services were used to complete the work and the drilling, sampling, assay and QA/QC protocols used meet industrial requirements.

During late-2022 and early-2023, Cygnus drilled 31 diamond drill holes for 9,886m in the resource area, and an additional 16 holes outside the resource area in late-2023 (Figure 4). The program was managed by IOS Services.

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RJLL Drilling was mandated to conduct drilling works. For helicopter-supported drilling work, a Mancor 900 (# FSD-003) platform-mounted rig model was used. Then, three HTM-2500 (# FSD-002, FSD-005 and FSD-006) skid-mounted rig models were used during Phase 2. These were supported by a logistic platform including various machinery such dozers and a fuel truck.

Whapchiwem (Canadian) helicopter, represented by a pilot and a mechanic, was mandated to transport the rig and drilling equipment and commute personnel with an Astar 350-B2 helicopter. A jet-fuel tank rented from Petronor was made available at KM-381. All workers were accommodated in KM-381 truck stop buildings, located approximately 35km northwest of the drilling area.

| Company | Year | Diamond Drill Holes | Metres |
|---|---|---|---|
| Sirios Resources | 2009 | 7 | 854 |
| Stria | 2017 & 2019 | 18 | 2,422 |
| Cygnus | 2022 & 2023 | 31 | 9,886 |
| Cygnus (outside resource) | 2023 | 16 | 2,996 |
| Total | | 72 | 16,158 |

**Table 1: Drill Holes completed to date on Pontax Project**

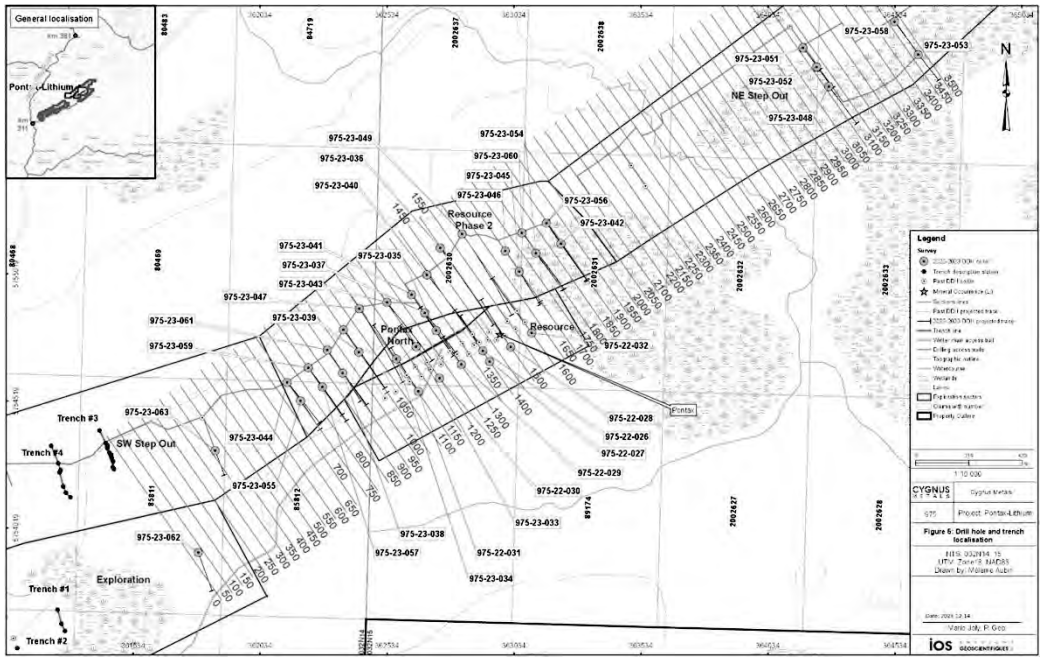



**Figure 4: Location of diamond drill collars and trenches 2022 – 2023**

Assays returned intercepts including 23.4m @ 1.4% $Li_2O$ from 367.8m, 3.3m @ 1.5% $Li_2O$ from 214.8m, 16.5m @ 1.1% $Li_2O$ from 239.8m and 15.6m @ 1.6% $Li_2O$ from 83.9m (Table 2).



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| Hole ID | From | To | Interval | $Li_2O$ (%) | $Ta_2O_5$ (ppm) |
|---|---|---|---|---|---|
| 975-23-043 | 373.9 | 376.2 | 2.3 | 1.3 | 80.0 |
| 975-23-046 | 181.7 | 184.6 | 2.9 | 1.5 | 72.3 |
| | 258.6 | 262.9 | 4.3 | 0.9 | 50.0 |
| 975-23-048 | 130.4 | 141.5 | 11.1 | 0 | 92.2 |
| | | Including | 1.0 | 0 | 243.0 |
| 975-23-049 | 340.8 | 342.8 | 2.0 | 0.9 | 77.7 |
| | 433.5 | 436.3 | 2.8 | 1.0 | 76.4 |
| 975-23-054 | 84.5 | 90.4 | 5.9 | 0 | 187.7 |
| | 144.2 | 147.4 | 3.2 | 1.0 | 44.9 |
| | | Including | 1.5 | 1.8 | 59.0 |
| | 193.8 | 195.5 | 1.8 | 1.0 | 173.2 |
| 975-23-059 | 241.0 | 244.0 | 3.1 | 0.9 | 52.9 |
| 975-23-061 | 275.5 | 278.7 | 3.2 | 1.1 | 135.6 |
| | 281.9 | 283.4 | 1.5 | 1.7 | 78.0 |
| | 292.8 | 294.5 | 1.6 | 1.6 | 54.0 |
| | 306.2 | 307.4 | 1.2 | 1.8 | 162.0 |

**Table 2: Significant intercepts from 2022-2023 drilling program**

**Geophysics**

On October 4, 2023 and October 5, 2023, MVT Geo-Solutions was mandated to capture light detection and ranging data and aerial photography by an airborne laser scanner and high-resolution cameras integrated with Global Positioning System and inertial control. The aim of the Pontax Project was to generate a digital elevation model and cartographic byproducts of a survey area of 26.7km² within the Pontax Project.

Novatem was mandated to carry out very high-resolution helicopter-borne magnetic surveys on the Pontax Project. Novatem carried out the first survey from August 2, 2022 to August 4, 2022 and the second survey from August 30, 2023 to September 5, 2023. Both surveys total 4,514 linear kilometres.

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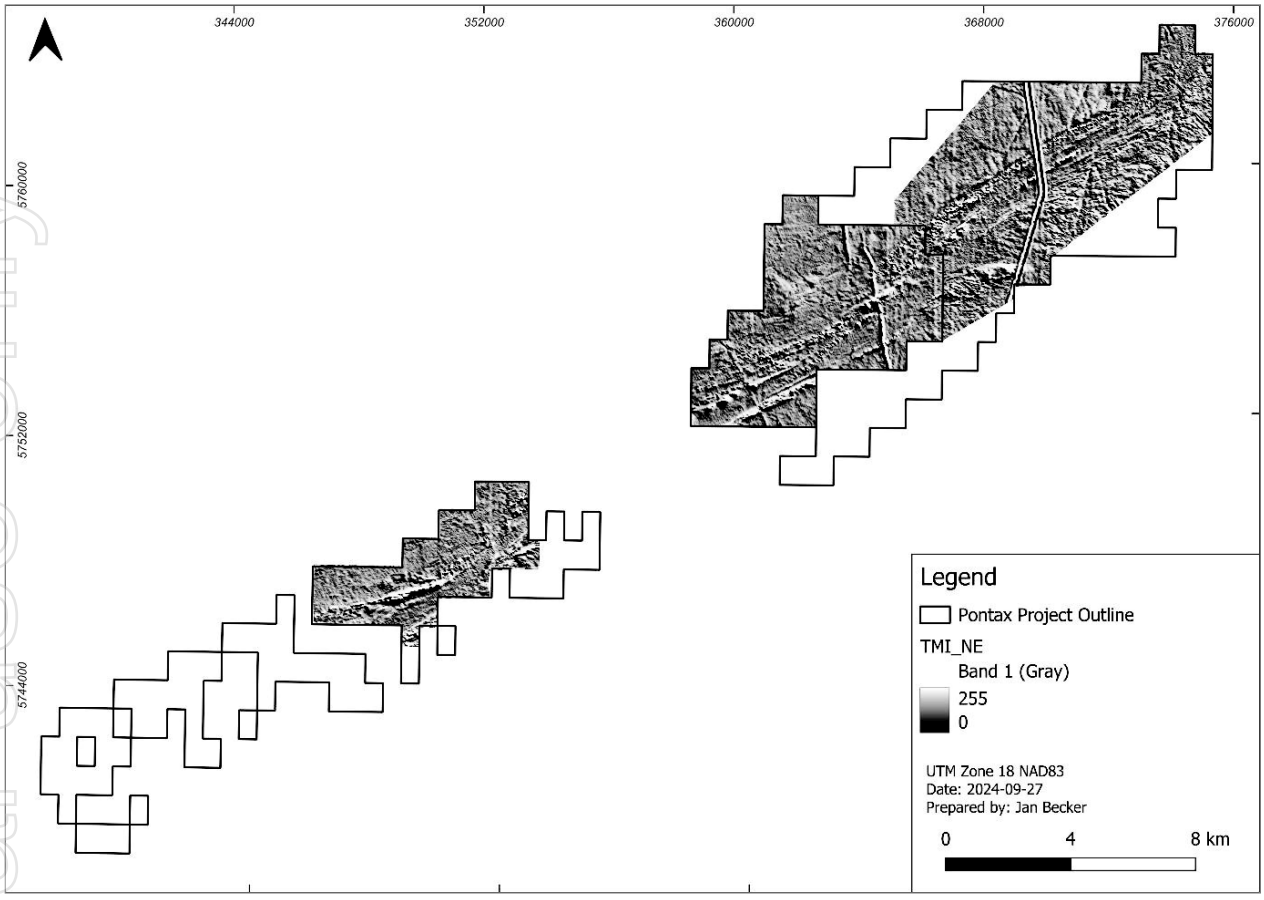



**Figure 5: Magnetic TMI image showing coverage of magnetic surveys**

**Geochemical Characterization**

In December 2023, BBA completed an environmental geochemical assessment of initial mining materials for the Pontax Project, with the objective to obtain information regarding the geochemical behaviour of waste rock and ore from the Pontax Project.

The design of the proposed study was defined to meet the guidelines of the Guide de caractérisation des résidus miniers et du minerai du Québec (guide for the characterization of mining residues and ore of Québec) (Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs, 2020) in terms of metal leaching and acid rock drainage.

A static test program was performed to characterize all samples for acid generation potential, metal contents and leaching potential. Analyses were carried out by SGS at its laboratory in Lakefield, Ontario, which is approved by the Centre d'expertise en analyse environnementale du Québec for the selected analyses.

**Density**

For the 2022-23 Cygnus campaigns, density measurement on a selected group were taken on stored half-core. Density measurement was made on the complete segment of core, using a surface-dry water displacement method, a simplified version of American Society for Testing and Materials standard procedure C127-07.

A total of 653 bulk density measurements were made by Cygnus on either whole or half NQ core using water immersion specific gravity techniques (Table 3). A total of 99 bulk density measurements were taken from mineralized pegmatite with an average density of 2.8 g/cm$^3$.



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| Rock Type | Samples | Length | Bulk Density |
|---|---|---|---|
| Spodumene Pegmatite | 99 | 78.6 | 2.8 |
| Mafic | 307 | 261.6 | 2.9 |
| Sediment | 19 | 16.5 | 2.8 |
| Felsic Intrusive | 228 | 179.7 | 2.7 |

**Table 3: Bulk density per lithological unit**

**Sample Preparation, Analysis and Security**

Samples from the diamond drill programs were collected and sent to various analytical laboratories for initial circulating pressure analysis. All laboratories were accredited.

For Cygnus programs, all pegmatite and fine to coarse-grained felsic intrusive intersections, with or without spodumene, were sampled, plus a 1.0m wide segment of the immediate country rock each side of the pegmatite or felsic intrusive dyke. According to Cygnus recommendations, 3.0m or less of host rock were sampled between pegmatite dykes with respect of sampling 1.0m each side of the pegmatite.

Within the mineralized zones, sampling was nominally at 1.0m intervals but ranged from a minimum of 0.30m to a maximum of 1.0m over narrow zones of mineralization. Sampling was constrained as much to the lithological contacts, variations in mineralization and/or alteration, as well as loss of cores while drilling.

A total of 3,176 samples for 2,601.49m were selected, cut lengthwise with a diamond blade at the IOS facilities in Saguenay, Ontario and sent for assaying at SGS in Lakefield, Ontario and in Val-d'Or, Québec. In addition, 506 samples for quality control were inserted in the core samples sequence and sent for analysis. There was no duplication of analyses performed by a separate laboratory to compare result replicability with previous programs.

A total of 653 bulk density measurements were made by Cygnus on either whole or half NQ core using water immersion specific gravity techniques. A total of 99 bulk density measurements were taken from mineralized pegmatite with an average density of 2.8 g/cm$^3$.

**Data Verification**

Data verification was completed by the QP in the form of a site inspection, checking drill collar locations against the digital files and comparing the assays in the database against the assay certificates from the laboratories.

In the opinion of the QP, sample preparation, security, analytical procedures, QA/QC insertion rates, data validation steps, and core and sample storage meet industry standards.

The data are acceptable to support the Mineral Resource.

**Mineral Processing and Metallurgical Testing**

Two series of preliminary metallurgical test work, aimed at demonstrating the amenability of the Pontax pegmatites to standard beneficiation techniques, were carried out in 2015/2016 at SGS laboratories in Lakefield, Ontario.

The first test series used the recognized heavy liquid separation technique to test the response to a more economic gravity process flowsheet. These tests indicated 6% $Li_2O$ concentrates, at a mass yield of 10%, could be produced after crushing to either 9.5 mm or 6.3 mm.

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In the second test series, a bulk sample of 16.6 t with a head grade of 1.48% $Li_2O$ was processed through a pilot scale dense medium separation plant and flotation facilities and not only confirmed the findings of the first test series but indicated an improved performance of 84% overall lithium recovery into 6% $Li_2O$ concentrates.

**Mineral Resource Estimates**

BBA was retained by Cygnus to complete a MRE of the Pontax Lithium Project. Mr. Todd McCracken, from BBA, acted as the QP and completed the MRE following the CIM Estimations of Mineral Resources and Mineral Reserves Best Practice Guidelines (CIM, 2019).

Table 4 summarizes the open pit and underground MRE constrained by an open pit and underground mineable shape.

| **Pontax – Open Pit and Underground Constrained Mineral Resource Statement Using 0.4% and 0.6% $Li_2O$ Cut-off** | | | |
|---|---|---|---|
| **Category** | **Tonne (Mt)** | **$Li_2O$ (%)** | **Contained $Li_2O$ (t)** |
| Inferred | 8.27 | 1.02 | 84,000 |

**Table 4: Open pit and underground Mineral Resource Estimate**

The methodology for the estimation of the current mineral resources involved the following steps:

- Database verification and validation;
- 3D interpretation and modelling validation;
- Drill holes intercept validation;
- Basic statistics and composite generation for each pegmatite zone;
- Capping analysis;
- Geostatistical analysis including variography;
- Block modelling and grade interpolation using dynamic anisotropy;
- Density coding in the block model;
- Block model validation;
- Mineral resource classification;
- Determining reasonable prospects for eventual economic extraction; and
- Mineral resource statements.

**Geological Interpretation**

The 3D interpretation was provided by Cygnus. The wireframe models of pegmatite dyke is based on drill hole descriptions. A total of 35 pegmatitic dykes were used in the MRE. The geological model was validated by BBA's geological team under the supervision of the QP. The main lithological units are pegmatitic dykes, Mafic, Sediment and Felsic Intrusive (Figure 6).

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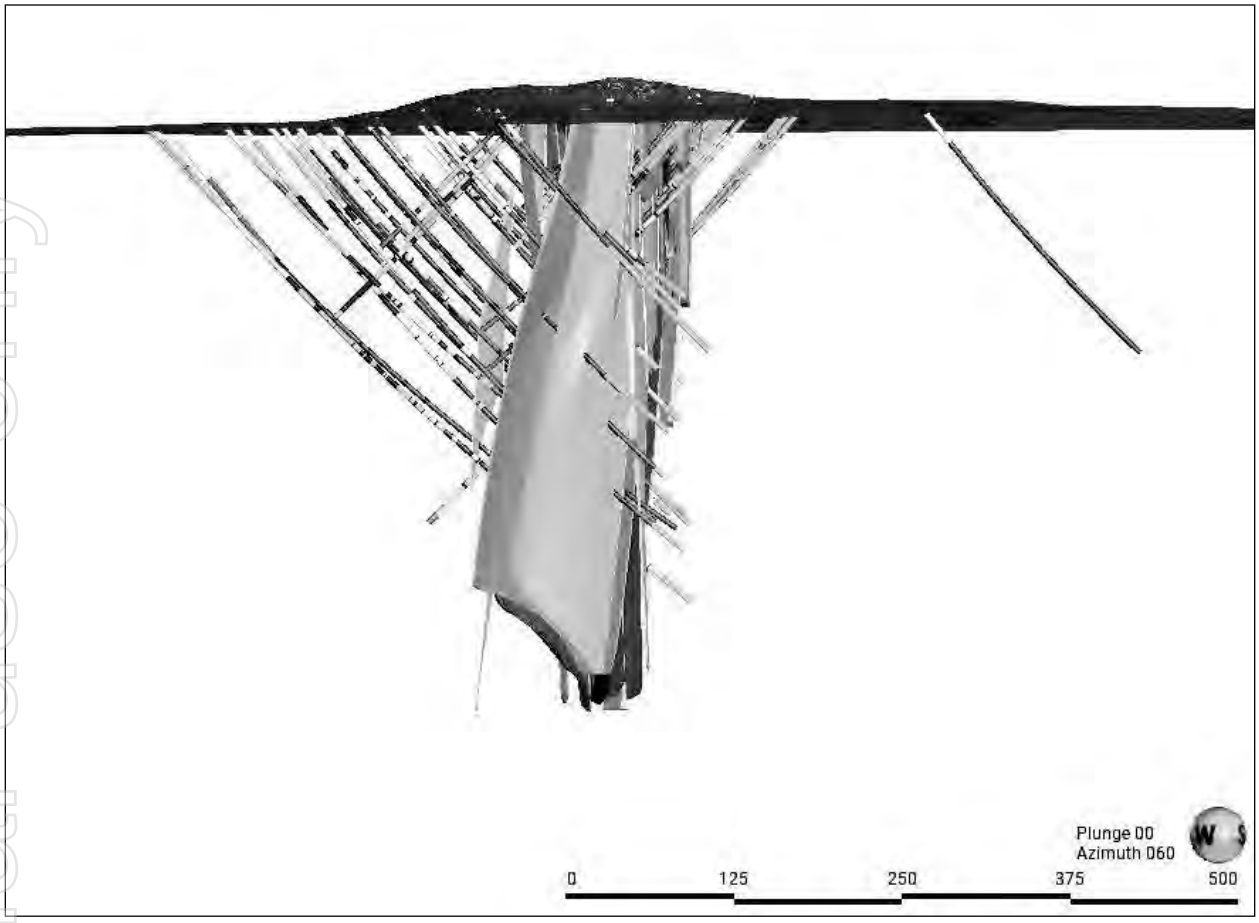



**Figure 6: Pontax pegmatite wireframe (looking northeast – 0 plunge)**

**Resource Block Model**

Block models were generated and estimated in Leapfrog Edge™ for each of the wireframed dykes. Parent cells of 10m x 10m x 10m were sub-blocked 20 times in X, 10 times in Y and 10 times in Z (minimum sub-block of 0.5m, 1m and 1m in each direction). Sub-blocks are triggered by the geological model, for precision. This model has proportional sub-blocks to cover the spaces inside the solid boundaries and to honour the wireframe volumes. The size of the sub-blocking was chosen to best match the thickness of the mineralized dykes and the complexity of the geological model.

**Resource Classification**

Several factors are considered in the definition of a resource classification:

- NI 43-101 requirements;
- CIM Estimation of Mineral;
- Resource and Mineral Reserve Best Practice Guidelines;
- Author's experience with spodumene pegmatite deposits;
- Spatial continuity based on the assays within the drill holes;

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- Understanding of the geology of the deposit; and
- Drill hole spacing, and the estimation runs required to estimate the grades in a block.

All material in the model is currently classified as Inferred.

**Cut-off Value / Grade**

The pit constrained mineral resource reported been tabulated in terms of a pit constrained $Li_2O$ cut-off grade of 0.40%. The underground mineral resource is based on the material below the pit and within contiguous mining shape with 0.60% $Li_2O$ cut-off.

Table 5 summarizes the parameters used to develop the constraints and cut-off grades for a reasonable prospect of eventual economic extraction.

| Parameters | Unit | Open Pit | Underground |
|---|---|---|---|
| Mining Cost (rock) | $/t | 5.50 | 100.00 |
| Mining Cost (overburden) | $/t | 2.50 | - |
| Processing Cost | $/t | 23.00 | 23.00 |
| Tailing Management Cost | $/t | 2.50 | 2.50 |
| G&A Cost | $/t | 20.00 | 20.00 |
| Selling Cost | $/t | 1,500.00 | 1,500.00 |
| Exchange Rate | | 0.76 | 0.76 |
| Metallurgical Recovery | % | 84.0 | 84.0 |
| $Li_2O$ Metallurgical Cut-off Grade | % | 0.40 | 0.60 |

**Table 5: Parameters for reasonable prospect of eventual economic extraction**

**Mineral Resource Statement**

The Mineral Resource Statement, effective as of October 16, 2024, has been tabulated in terms of cut-off grade at 0.4% $Li_2O$ for the open pit constrained material and 0.6% for the underground mineable shapes and is summarized in Table 6.

| Category | Cut-off Grade ($Li_2O$ %) | Constraining Shape | Tonne (Mt) | $Li_2O$ (%) | Contained $Li_2O$ (t) |
|---|---|---|---|---|---|
| Inferred | 0.4 | Open Pit | 5.14 | 1.07 | 54,800 |



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| Category | Cut-off Grade ($Li_2O$ %) | Constraining Shape | Tonne (Mt) | $Li_2O$ (%) | Contained $Li_2O$ (t) |
|---|---|---|---|---|---|
| Inferred | 0.6 | Underground | 3.13 | 0.93 | 29,200 |
| Inferred | Variable | Open Pit + Underground | 8.27 | 1.02 | 84,000 |

**Table 6: Pontax Mineral Resource Statement**

**Recommended work program**

The results of this MRE show that the Pontax Project has the potential to be a viable project. The following exploration program is proposed to advance the Pontax Project from its initial MRE:

- Infill drilling on the Pontax Project to increase the level of confidence in the MRE; and
- Exploration drilling to expand the mineralized zones at Pontax and, potentially, expand the mineralization footprint.

Additional work can be carried out to identify potential areas of mineralization outside of the mineral resource zone; however, this work is not contingent on the success of the previously noted drill program at the Pontax Project:

- Regional targeting via reverse core drilling for basal till sampling; and
- Geophysical gravity survey covering prospective areas on the Pontax Project.

| Description | Estimated cost ($CAD) |
|---|---|
| Infill Drill Program | $3,500,000 |
| Exploration Drilling | $3,000,000 |
| Regional Targeting – Till Program | $3,000,000 |
| Geophysical Survey – Gravity | $250,000 |
| Total | $9,750,000 |

**Table 7: Recommended work program**

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## DIVIDENDS OR DISTRIBUTIONS

Cygnus has not declared or paid any cash dividends on its securities in Fiscal 2023, Fiscal 2022, Fiscal 2021 or the current fiscal year and does not currently anticipate paying any cash dividends on Cygnus' securities in the foreseeable future. Cygnus currently intends to retain any future earnings to fund the development and growth of Cygnus' business and does not currently anticipate paying dividends on its securities. Any future determination to pay cash dividends will be made at the discretion of the Cygnus Board and will depend on many factors, including, among others, Australian and Canadian securities laws, Cygnus' financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and financing agreement covenants, solvency tests imposed by applicable corporate law and other factors that the Cygnus Board may deem relevant.

There can be no assurance that Cygnus will generate sufficient earnings or cash flow to allow it to pay dividends in the future. Refer to the section titled "*Risk Factors*" in this Appendix I for further information.

## DESCRIPTION OF SECURITIES

The following summary of Cygnus' authorized capital structure does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of the Corporations Act, ASX Listing Rules and the Cygnus Constitution. Cygnus is authorized to issue an unlimited number of Cygnus Shares, subject to Cygnus Shareholder approval where required under applicable laws or the ASX Listing Rules. As of the Last Practicable Date, 474,649,675 Cygnus Shares are issued and outstanding. The Cygnus Shares are currently listed on the ASX under the symbol "CY5". Cygnus will apply for the Cygnus Shares to be listed on the TSXV. Listing of the Cygnus Shares on the TSXV will be subject to Cygnus receiving approval from, and fulfilling all of the minimum listing requirements of, the TSXV.

Cygnus has implemented employee securities incentive plans pursuant to which Cygnus is able to issue equity incentives to employees or directors of Cygnus or an individual who provides services to Cygnus ("**Cygnus Plans**"). The previous Cygnus Plan was approved by Cygnus Shareholders at its general meeting on September 28, 2022 and the current Cygnus Plan was approved by Cygnus Shareholders at its general meeting on January 31, 2023. As at the Last Practicable Date, there are 18,378,809 Cygnus Performance Rights and 3,854,171 Cygnus Share Rights on issue which were issued under a Cygnus Plan and are convertible into Cygnus Shares on a one-for-one basis upon the satisfaction of the relevant performance and vesting conditions. There are an additional 3,000,000 Cygnus Performance Rights and 14,500,000 Cygnus Options on issue which were not issued under a Cygnus Plan. The Cygnus Performance Rights, Cygnus Options and Cygnus Share Rights are not quoted securities on the ASX and cannot be freely traded.

### Cygnus Shares

There is only one class of Cygnus Shares on issue in Cygnus, being fully paid ordinary shares. The rights attaching to Cygnus Shares are set out in the Cygnus Constitution. A copy of the Cygnus Constitution can be obtained from the ASX website at www.asx.com.au under Cygnus' code "CY5" or upon request. The following is a summary of the key provisions of the Cygnus Constitution. The summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of Cygnus Shareholders.

| | |
|---|---|
| **General meetings and notices** | Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of Cygnus. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Cygnus Constitution. |
| **Ranking of Cygnus Shares** | At the date of this Circular, all Cygnus Shares are of the same class and rank equally in all respects. |
| **Voting rights** | Subject to any rights or restrictions, at general meetings of Cygnus Shareholders or classes of shareholders:<br>every shareholder present and entitled to vote may vote in person or by attorney, proxy or representative; |



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| | on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and<br><br>on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder, has one vote for every fully paid Cygnus Share held and a fraction of one vote for each partly paid up Cygnus Share held, equal to the proportion which the amount paid up on that Cygnus Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that Cygnus Share. |
| **Dividend rights** | Subject to the Corporations Act and the Cygnus Constitution, the Cygnus Board may pay any interim, special or final dividends as, in their judgment, the financial position of Cygnus justifies. Subject to the rights of the holders of any Cygnus Shares with special rights to dividends, all dividends in respect of a Cygnus Share must be paid in the proportion that the amount paid (not credited) on the Cygnus Share bears to the total amounts paid and payable (excluding amounts credited) on the Cygnus Share.<br><br>The Cygnus Board may capitalize any profits of Cygnus and distribute that capital to the Cygnus Shareholders in the same proportions as the Cygnus Shareholders are entitled to a distribution by dividend. |
| **Transfer of Cygnus Shares** | Subject to the Cygnus Constitution, the Corporations Act and the ASX Listing Rules, Cygnus Shares are freely transferable. |
| **Winding up** | If Cygnus is wound up, the liquidator may, with the sanction of a special resolution, divide among the Cygnus Shareholders, in kind, the whole or any part of the property of Cygnus and may, for that purpose, set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Cygnus Shareholders or different classes of Cygnus Shareholders. |
| **Future increase in capital** | The issue of any Cygnus Shares is under the control of the Cygnus Board as appointed from time to time. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Cygnus Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing Cygnus Share or class of shares), the Cygnus Board may issue Cygnus Shares and other securities as they shall, in their absolute discretion, determine. |
| **Variation of rights** | If, at any time, the Cygnus share capital is divided into different classes of shares, the rights attaching to the shares may only be varied by the consent in writing of the holders of three-quarters of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. |
| **Alternation of Constitution** | In accordance with the Corporations Act, the Cygnus Constitution can only be amended by a special resolution passed by at least three quarters of Cygnus Shareholders present and voting at the general meeting. In addition, at least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given. |

**Cygnus Options**

As of the Last Practicable Date, there are 14,500,000 Cygnus Options outstanding to acquire the same number of Cygnus Shares. Each Cygnus Option carries an entitlement to one fully paid Cygnus Share, subject to payment of the exercise price of the Cygnus Option prior to the expiry date of the Cygnus Option. The Cygnus Options are not quoted securities on the ASX and cannot be freely traded.

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**Cygnus Performance Rights and Share Rights**

As of the Last Practicable Date, there are 21,378,809 Cygnus Performance Rights and 3,854,171 Cygnus Share Rights outstanding to acquire the same number of Cygnus Shares. All of the Cygnus Share Rights and 18,378,809 Cygnus Performance Rights were issued pursuant to a Cygnus Plan. Each Cygnus Performance Right and Cygnus Share Right carries an entitlement to one fully paid Cygnus Share, subject to the vesting and exercise of the Cygnus Performance Right and Cygnus Share Right prior to the applicable expiry date. At the discretion of the Cygnus Board, each Class P, S, T, U, X, Y and Z Performance Right entitles the holder to receive cash to the value of one Cygnus Share or to subscribe for one Cygnus Share upon the exercise of each vested performance right. Vesting of a Cygnus Performance Right is subject to the satisfaction of the relevant vesting conditions during the prescribed performance period. The Cygnus Share Rights outstanding are vested on the date of issue. Any Cygnus Performance Rights that do not vest after the end of the applicable performance period or expiry date will automatically lapse. No amount is payable by a holder of the existing Cygnus Performance Rights and Cygnus Share Rights upon conversion of the Cygnus Performance Rights and Cygnus Share Rights into Cygnus Shares.

The following is a summary of the key provisions of the current Cygnus Plan. The summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of holders of Cygnus Performance Rights and Cygnus Share Rights. The information reproduced below is qualified in its entirety by the full text of the Cygnus Plan, a copy of which is attached as Schedule "C" to this Appendix I.

| | |
|---|---|
| **Eligible Participant** | "**Eligible Participant**" means a person that has been determined by the Cygnus Board to be eligible to participate in the Cygnus Plan from time to time and is an "ESS participant" (as that term is defined in Division 1A) in relation to Cygnus or an associated entity of Cygnus. This relevantly includes, amongst others:<br>(a) an employee or director of Cygnus or an individual who provides services to Cygnus;<br>(b) an employee or director of an associated entity of Cygnus or an individual who provides services to such an associated entity;<br>(c) a prospective person to whom paragraphs (a) or (b) apply;<br>(d) a person prescribed by the relevant regulations for such purposes; or<br>(e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive). |
| **Maximum allocation** | Cygnus must not make an offer of securities under the Cygnus Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:<br>(a) the total number of Plan Shares that may be issued or acquired upon exercise of the convertible securities offered; plus<br>(b) the total number of Plan Shares issued or that may be issued as a result of offers made under the Cygnus Plan at any time during the previous three-year period,<br>would exceed 5% of the total number of Cygnus Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Cygnus Constitution from time to time. Cygnus Shareholders approved the modification of the Cygnus Constitution to increase this 5% threshold to 10%.<br>The maximum number of equity securities proposed to be issued under the Cygnus Plan for the purposes of ASX Listing Rule 7.2, Exception 13 will be as approved by Cygnus Shareholders from time to time ("**ASX Limit**"). This means that, subject to the following paragraph, Cygnus may issue up to the ASX Limit under the Cygnus Plan without seeking Cygnus Shareholder approval and without reducing its placement capacity under ASX Listing Rule 7.1.<br>Cygnus will require prior Cygnus Shareholder approval for the acquisition of equity securities under the Cygnus Plan to directors, their associates and any other person whose relationship with Cygnus or a director or a director's associate is such that, in the ASX's opinion, the acquisition should be |

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| | approved by Cygnus Shareholders. The issue of securities with Cygnus Shareholder approval will not count towards the ASX Limit. |
| **Purpose** | The purpose of the Cygnus Plan is to:<br>(a) assist in the reward, retention and motivation of Eligible Participants;<br>(b) link the reward of Eligible Participants to Cygnus Shareholder value creation; and<br>(c) align the interests of Eligible Participants with shareholders of the Group, by providing an opportunity to Eligible Participants to receive an equity interest in Cygnus in the form of securities. |
| **Cygnus Plan administration** | The Cygnus Plan will be administered by the Cygnus Board. The Cygnus Board may exercise any power or discretion conferred on it by the Cygnus Plan rules, in its sole and absolute discretion, subject to compliance with applicable laws and the ASX Listing Rules. The Cygnus Board may delegate its powers and discretion. |
| **Eligibility, invitation and application** | The Cygnus Board may from time to time determine that an Eligible Participant may participate in the Cygnus Plan and make an invitation to that Eligible Participant to apply for securities on such terms and conditions as the Cygnus Board decides. An invitation issued under the Cygnus Plan will comply with the disclosure obligations pursuant to Division 1A.<br>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 Cygnus. The Cygnus 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 Cygnus Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.<br>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. |
| **Grant of securities** | Cygnus 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 Cygnus Plan rules and any ancillary documentation required. |
| **Terms of Convertible Securities** | Each "**Convertible Security**" represents a right to acquire one or more Cygnus Shares (for example, under an option or performance right), subject to the terms and conditions of the Cygnus Plan. Prior to a Convertible Security being exercised, a Participant does not have any interest (legal, equitable or otherwise) in any Cygnus 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. |
| **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 Cygnus Board, a vesting notice will be sent to the Participant by Cygnus informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by Cygnus, 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 Cygnus Board, that Convertible Security will lapse. |
| **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, pay the exercise price (if any) to or as directed by Cygnus 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. |

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| | At the time of exercise of the Convertible Securities, and subject to Cygnus 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, Cygnus will transfer or issue to the Participant that number of Cygnus Shares equal in value to the positive difference between, at any given date, the VWAP per Cygnus Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an invitation, of the Cygnus Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.<br><br>A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Cygnus Plan rules or such earlier date as set out in the Cygnus Plan rules. |
| **Delivery of Cygnus Shares on exercise of Convertible Securities** | As soon as practicable after the valid exercise of a Convertible Security by a Participant, Cygnus will issue or cause to be transferred to that Participant, the number of Cygnus Shares to which the Participant is entitled under the Cygnus Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant. |
| **Forfeiture of Convertible Securities** | Where a Participant who holds Convertible Securities ceases to be an Eligible Participant ("**Leaver**") or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Cygnus Board otherwise determines, in its discretion, to permit some or all of the Convertible Securities to vest.<br><br>Where the Cygnus Board determines that a Participant has acted fraudulently or dishonestly, or willfully breached his or her duties to the Cygnus and its associated entities (together, the "**Group**"), the Cygnus Board may, in its discretion, deem all unvested Convertible Securities held by that Participant to have been forfeited.<br><br>Unless otherwise stated in the invitation or determined by the Cygnus Board, in its absolute discretion, a vested Convertible Security held by a Participant who becomes a Leaver which has not been validly exercised in accordance with the Cygnus Plan rules will be automatically forfeited on the earlier of:<br><br>(a) the date of voluntary termination of their engagement arrangement by the Participant; and<br><br>(b) the date of termination of their engagement arrangement by a Group member due to the Participant committing a serious breach of the engagement arrangement, engaging in any serious misconduct or certain other similar events as set out in the Cygnus Plan rules.<br><br>Unless otherwise stated in the invitation or determined by the Cygnus Board in its absolute discretion, a vested Convertible Security held by a Participant who becomes a Leaver by reason of redundancy, retirement, incapacitation or any other circumstances other than those set out in (a) and (b) above, which has not already been validly exercised after vesting, will lapse and be forfeited on the date that is 30 days after the date that that the Participant ceased to be employed by any Group member, unless the Cygnus Board, in its absolute discretion, determines that some or all of the Convertible Securities will be retained by the Participant or that the Participant will be granted a longer period to exercise such Convertible Securities ("**Retained Convertible Securities**").<br><br>Subject to applicable law, the Cygnus Board may, in its absolute discretion, determine that some or all of the Retained Convertible Securities will vest earlier on or immediately prior to the Participant becoming a Leaver. |
| **Change of control** | If a change of control event occurs in relation to Cygnus or the Cygnus Board determines that such an event is likely to occur, the Cygnus 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. |

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| **Rights attaching to Plan Shares** | All Cygnus Shares issued under the Cygnus 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 Cygnus Shares of the same class. A Participant will be entitled to any dividends declared and distributed by Cygnus on the Plan Shares and may participate in any dividend reinvestment plan operated by Cygnus in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares. |
| **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 Cygnus Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction. |
| **Adjustment of Convertible Securities** | If there is a reorganization of the issued share capital of Cygnus (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of Cygnus), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganization of capital at the time of the reorganization.<br><br>If Cygnus Shares are issued by Cygnus 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 Cygnus Shares as would have been issued to the holder if the holder held Cygnus Shares equal in number to the Cygnus Shares in respect of which the Convertible Securities are exercised.<br><br>Unless otherwise determined by the Cygnus Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Cygnus Shares made by Cygnus or sell renounceable rights. |
| **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 Cygnus Shares during the currency of the Convertible Securities without exercising the Convertible Securities. |
| **Amendment of Cygnus Plan** | Subject to the following paragraph, the Cygnus Board may at any time amend any provisions of the Cygnus Plan rules, including, without limitation, the terms and conditions upon which any securities have been granted under the Cygnus Plan and determine that any amendments to the Cygnus Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the Cygnus 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. |
| **Cygnus Plan duration** | The Cygnus Plan continues in operation until the Cygnus Board decides to end it. The Cygnus Board may from time to time suspend the operation of the Cygnus Plan for a fixed period or indefinitely and may end any suspension. If the Cygnus Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.<br><br>If a Participant and Cygnus (acting by the Cygnus 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 Cygnus and the Participant. |

As previously noted, the previous Cygnus Plan approved by Cygnus Shareholders at its general meeting on September 28, 2022 was replaced by the current Cygnus Plan approved by Cygnus Shareholders at its general meeting on January 31, 2023. The terms of the previous Cygnus Plan are substantially similar to the terms of the current Cygnus Plan; however, notably, the previous Cygnus Plan did not include provisions granting the Cygnus Board the discretional right to deal with vested Convertible Securities that have not being validly exercised prior to the Participant becoming a Leaver (refer to "*Forfeiture of Convertible Securities*" in the above table for a summary of such provisions included in the current Cygnus Plan). Additionally,

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the previous Cygnus Plan was subject to the Class Order. The Class Order was replaced by the new regime for the making of offers in connection with an employee share scheme in Division 1A, which commenced on October 1, 2022 ("**New Regime**"). The current Cygnus Plan makes reference to the New Regime and includes the changes that came into effect on October 1, 2022.

## CONSOLIDATED CAPITALIZATION

### Consolidated Capitalization

As at the Last Practicable Date, Cygnus has 474,649,675 Cygnus Shares, 14,500,000 Cygnus Options, 3,854,171 Cygnus Share Rights and 21,378,809 Cygnus Performance Rights on issue.

The following table sets out the consolidated capitalization of Cygnus as at June 30, 2024, prior to giving effect to the Arrangement and the Equity Raise and after giving effect to the Arrangement and the Equity Raise. The information below is derived from Cygnus' interim condensed financial report for the six months ended June 30, 2024, which is included as Schedule "B" to this Appendix I.

| | **Amount Outstanding as at June 30, 2024** | |
|---|---|---|
| | **Prior to giving effect to the Arrangement and Equity Raise** | **After giving effect to the Arrangement and Equity Raise [(1)]** |
| Cygnus Shares (No. of Cygnus Shares) | 293,359,139 | 846,977,950 [(2)] |
| Cygnus Options (No. of Cygnus Options) | 14,500,000 | 31,176,782[(3)] |
| Cygnus Performance Rights (No. of Cygnus Performance Rights) | 21,378,809 | 21,378,809 |
| Cygnus Share Rights (No. of Cygnus Share Rights) | - | 3,854,171[(4)] |
| Total Equity (A$) | 47,741,992 | 86,253,559 [(5)] |
| **Total Capitalization (A$)** | 12,321,084 | 35,573,074[(6)] |

**Notes:**

(1) Except as described below or in the section titled "*Prior Sales*" in this Appendix I, there have been no material changes in Cygnus' share and debt capital, on a consolidated basis, since June 30, 2024 until the Last Practicable Date:
   a. On July 9, 2024, Cygnus issued 2,720,768 Cygnus Share Rights under the code "CY5AK" with an expiry date of July 31, 2029;
   b. On July 19, 2024, Cygnus issued 72,685,715 Cygnus Shares under the code "CY5" pursuant to tranche one of the capital raising announced on the ASX on July 15, 2024;
   c. On July 22, 2024, Cygnus issued 325,750 Cygnus Shares under the code "CY5" upon the exercise of 325,750 Cygnus Share Rights;
   d. On August 16, 2024, Cygnus issued 500,000 Cygnus Shares under the code "CY5" to Noranda Royalties and 699 pursuant to the terms of the sale and purchase agreement for the Auclair Extension Property;
   e. On September 11, 2024, Cygnus issued 12,914,286 Cygnus Shares under the code "CY5" pursuant to tranche two of the capital raising announced on the ASX on July 15, 2024, following receipt of Cygnus Shareholder approval at a general meeting held on September 6, 2024; and
   f. On October 23, 2024, Cygnus issued 94,864,785 Cygnus Shares under the code "CY5" pursuant to tranche one of the Equity Raise.

(2) This figure includes:
   a. Approximately 311,074,365 Cygnus Shares to be issued pursuant to the Arrangement;
   b. 94,864,785 Cygnus Shares were issued on October 23, 2024 pursuant to tranche one of the Equity Raise, with a total of 57,912,993 Cygnus Shares to be issued subject to receipt of Cygnus Shareholder approval at a general meeting expected to be held in mid-December 2024, and the Doré Shareholder Approval;
   c. 4,166,667 Cygnus Shares to be issued to Canaccord as consideration for financial advisor services in connection with the Arrangement, subject to giving effect to the Arrangement and receipt of Cygnus Shareholder approval under ASX Listing Rule 7.1; and
   d. 85,600,001 Cygnus Shares issued pursuant to the July 2024 Placement.

(3) Figure assumes that the Doré Options and Doré Warrants currently on issue remain outstanding immediately prior to the Effective Time and are exchanged for Replacement Options in accordance with the terms of the Plan of Arrangement.

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(4) Cygnus is proposing to issue up to 9,098,456 Cygnus Share Rights in lieu of salary between October 2024 and April 2025 to directors and management of Cygnus, which will immediately vest on the grant date and expire on July 31, 2029. 3,854,171 Cygnus Share Rights were issued as at the Last Practicable Date.
(5) Calculated as Cygnus equity prior to giving effect to the Arrangement and Doré equity of C$62,858,957 converted into Australian dollars using A$ = C$0.9132, being the CapitalIQ exchange rate as at June 30, 2024, with adjustments made per the pro forma financial information set out in Appendix J of this Circular.
(6) Calculated as Cygnus' last closing price of A$0.042 per Cygnus Share as at June 30, 2024 multiplied by the Cygnus Shares on issue after giving effect to the Arrangement and Equity Raise.

For information regarding the consolidated capitalization of the Combined Company, both before and after giving pro-forma effect to the Arrangement, see "*Pro Forma Consolidated Capitalization*" of Appendix J to this Circular.

## OPTIONS TO PURCHASE SECURITIES

### Options

As of the Last Practicable Date, Cygnus has an aggregate of 14,500,000 Cygnus Options outstanding in six classes. Details of the outstanding Cygnus Options are as follows:

| | Amount Outstanding as at the Last Practicable Date | | | | | |
|---|---|---|---|---|---|---|
| **Position with Cygnus** | **CY5AD[(1)]** | **CY5AE[(2)]** | **CY5AF[(3)]** | **CY5AG[(4)]** | **CY5AH[(5)]** | **CY5AI[(6)]** |
| Officers | - | - | - | - | - | - |
| Directors | 4,750,000 | - | - | - | - | - |
| Other employees | - | - | - | - | - | - |
| Consultants | - | - | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Other | 250,000 | 3,500,000 | - | - | - | - |
| **TOTAL:** | **5,000,000** | **3,500,000** | **1,500,000** | **1,500,000** | **1,500,000** | **1,500,000** |

**Notes:**

(1) Cygnus Options ("CY5AD") exercisable at A$0.16 each and expire on November 15, 2024.
(2) Cygnus Options ("CY5AE") exercisable at A$0.16 each and expire on January 20, 2025.
(3) Cygnus Options ("CY5AF") exercisable at A$0.25 each and expire on October 21, 2025.
(4) Cygnus Options ("CY5AG") exercisable at A$0.50 each and expire on October 21, 2025.
(5) Cygnus Options ("CY5AH") exercisable at A$0.75 each and expire on October 21, 2025.
(6) Cygnus Options ("CY5AI") exercisable at A$1.00 each and expire on October 21, 2025.

Each Cygnus Option carries an entitlement to one fully paid Cygnus Share, subject to payment of the exercise price of the Cygnus Option prior to the expiry date of the Cygnus Option. Any Cygnus Option not exercised prior to the applicable expiry date will automatically lapse.

### Performance Rights and Share Rights

As of the Last Practicable Date, Cygnus has an aggregate of 21,378,809 Cygnus Performance Rights outstanding in 14 classes and 3,854,171 Cygnus Share Rights. Details of the outstanding Cygnus Performance Rights and Cygnus Share Rights are as follows:

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*Cygnus Performance Rights*

Each Cygnus Performance Right carries an entitlement to one fully paid Cygnus Share, subject to the vesting and exercise of the Cygnus Performance Right. At the discretion of the Cygnus Board, each Class P, S, T, U, X, Y and Z Performance Right entitles the holder to receive cash to the value of one Cygnus Share or to subscribe for one Cygnus Share upon the exercise of each vested performance right. Vesting of a Cygnus Performance Right is subject to the satisfaction of the relevant vesting conditions during the prescribed performance period. Any Performance Rights that do not vest after the end of the applicable performance period will automatically lapse. No amount is payable by a holder of the existing Cygnus Performance Rights in respect of the Cygnus Shares allocated upon exercise.

The Cygnus Performance Rights are subject to the following vesting conditions:

| Class | Vesting conditions | Performance Period | Expiry Date |
|---|---|---|---|
| F | Satisfied | - | Oct 21, 2027 |
| G | Satisfied | - | Oct 21, 2027 |
| I | Satisfied | - | Jul 30, 2025 |
| K | Remaining an officeholder, employee or consultant of Cygnus (or a wholly owned subsidiary) at all times up to and including November 30, 2024. | Nov 18, 2022 - Nov 30, 2024 | Nov 30, 2026 |
| P | Satisfied | - | Feb 13, 2028 |
| T | Cygnus achieving a market capitalization of at least A$150,000,000 over a period of not less than 10 consecutive trading days on which trades in Cygnus' shares actually occur. | Nov 1, 2022 – Feb 13, 2028 | Feb 13, 2028 |
| U | Cygnus' share price having a 10-day VWAP of at least A$1.00 or a market capitalization of at least A$250,000,000 over a period of not less than 10 consecutive trading days on which trades in Cygnus' shares actually occur. | Nov 1, 2022 – Feb 13, 2028 | Feb 13, 2028 |
| V | Remaining engaged by Cygnus as a director for a continuous period of 24 months from the date of appointment (i.e. up to and including April 3, 2025). | Apr 3, 2023 – Apr 3, 2025 | Apr 3, 2028 |
| W1 | Satisfied | - | May 4, 2028 |
| W2 | Remaining an officeholder, employee or consultant of Cygnus (or a wholly owned subsidiary) at all times up to and including February 24, 2025. | Feb 24, 2023 – Feb 24, 2025 | May 4, 2028 |
| W3 | Remaining an officeholder, employee or consultant of Cygnus (or a wholly owned subsidiary) at all times up to and including February 24, 2026. | Feb 24, 2023 – Feb 24, 2026 | May 4, 2028 |
| X | Cygnus' TSR exceeds the median TSR of the Peer Group for the performance period. The proportion to vest will be calculated as:<br>• If TSR >50th percentile, 100% vesting | Jul 1, 2023 – Dec 31, 2025 | Sep 5, 2028 |

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| Class | Vesting conditions | Performance Period | Expiry Date |
|---|---|---|---|
| | • If TSR between 25th and 50th percentile, 50% vesting<br>• If TSR <25% percentile, 0% vesting[(1)] | | |
| Y | Cygnus reporting the discovery or acquisition of a JORC compliant Inferred Mineral Resource of 5Mt on any project (excluding the Pontax Lithium Project) at a minimum grade of 0.8% $Li_2O$ on or before December 31, 2025. | Jul 1, 2023 – Dec 31, 2025 | Sep 5, 2028 |
| Z | Continuous employment with Cygnus up to and including December 31, 2025. | Jul 1, 2023 – Dec 31, 2025 | Sep 5, 2028 |

**Note:**

(1) The TSR vesting condition will vest subject to Cygnus' growth in "Share Price" over the Performance Period (as defined in the table above) plus dividends paid during that period ("**TSR**") against the TSR of each Peer Group company, with "Share Price" measured using a 10-day VWAP for the 10 trading days up to and including the first day of the Performance Period and the 10 trading days up to and including the last day of the Performance Period.

*Cygnus Share Rights*

Cygnus Share Rights ("CY5AK") were granted under the Cygnus Plan in 2024 to directors, employees and consultants of Cygnus in lieu of director fees, salary and consultancy fees. The Cygnus Share Rights immediately vest on the date of issue and expire on July 31, 2029. Each Cygnus Share Right carries an entitlement to one fully paid Cygnus Share upon exercise. No amount is payable by a holder of the existing Cygnus Share Rights in respect of the Cygnus Shares allocated upon exercise.

| Position with Cygnus | Amount Outstanding as at Last Practicable Date ("CY5AK") |
|---|---|
| Officers | 120,908 |
| Directors | 2,968,520 |
| Other employees | 567,181 |
| Consultants | 197,562 |
| Other | - |
| TOTAL: | 3,854,171 |

## PRIOR SALES

During the 12-month period preceding the Last Practicable Date, Cygnus has issued the following Cygnus Shares and securities convertible into or exchangeable into Cygnus Shares:

| Date of Issuance | Type of Security | Number of Securities Issued | Issuance/Exercise Price per Security |
|---|---|---|---|
| November 17, 2023 | Cygnus Shares | 1,216,500 | Nil |

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| Date of Issuance | Type of Security | Number of Securities Issued | Issuance/Exercise Price per Security |
|---|---|---|---|
| November 30, 2023 | Cygnus Shares | 300,000 | Nil |
| May 17, 2024 | Cygnus Shares | 900,000 | Nil |
| May 17, 2024 | Cygnus Shares | 900,000 | Nil |
| July 9, 2024 | Cygnus Share Rights | 2,720,768 | Nil |
| July 19, 2024 | Cygnus Shares | 72,685,715 | A$0.035 |
| July 22, 2024 | Cygnus Shares | 325,750 | Nil |
| August 16, 2024 | Cygnus Shares | 500,000 | Nil |
| September 11, 2024 | Cygnus Shares | 12,914,286 | A$0.035 |
| October 23, 2024 | Cygnus Shares | 94,864,785 | A$0.072 |
| October 30, 2024 | Cygnus Share Rights | 1,459,153 | Nil |

## TRADING PRICE AND VOLUME

The following table sets forth trading information for the Cygnus Shares over the past 12 months prior to the Last Practicable Date, the reported high and low trading prices and the aggregate trading volume of trading of the Cygnus Shares on the ASX, listed under the symbol "CY5".

| | Price Range | | |
|---|---|---|---|
| Month | High (A$) | Low (A$) | Aggregate Monthly Trading Volume |
| October 2023 | 0.190 | 0.120 | 7,648,864 |
| November 2023 | 0.175 | 0.130 | 6,747,437 |
| December 2023 | 0.150 | 0.115 | 4,733,656 |
| January 2024 | 0.135 | 0.066 | 10,157,601 |
| February 2024 | 0.078 | 0.058 | 15,318,216 |
| March 2024 | 0.070 | 0.046 | 18,922,072 |
| April 2024 | 0.095 | 0.049 | 46,346,849 |
| May 2024 | 0.088 | 0.068 | 9,987,479 |
| June 2024 | 0.067 | 0.042 | 15,578,832 |

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| Month | Price Range | | Aggregate Monthly Trading Volume |
|---|---|---|---|
| | High (A$) | Low (A$) | |
| July 2024 | 0.065 | 0.040 | 19,523,664 |
| August 2024 | 0.066 | 0.054 | 6,122,687 |
| September 2024 | 0.085 | 0.064 | 10,982,001 |
| October 2024 | 0.155 | 0.073 | 45,447,991 |
| November 1 – November 12, 2024 | 0.140 | 0.120 | 8,963,882 |

On November 12, 2024, being the last trading day before the Last Practicable Date, the closing price of the Cygnus Shares on the ASX was A$0.120.

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of Cygnus, as at the date of this Circular, there are no securities of Cygnus held in escrow or subject to a contractual restriction on transfer.

## PRINCIPAL SECURITYHOLDERS

As at the Last Practicable Date, there are no Cygnus substantial shareholders (beneficially owning or controlling or directing, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of Cygnus voting securities).

To the best of the knowledge of the directors and officers of Cygnus, upon completion of the Arrangement, the following persons or companies will beneficially own, directly or indirectly, or exercise control or direction over, Cygnus Shares carrying more than 10% of the voting rights attached to the Cygnus Shares after giving effect to the Arrangement:

| Name of Cygnus Shareholder and Municipality of Residence | Number of Cygnus Shares | % of Total Outstanding Cygnus Shares |
|---|---|---|
| Equinox Partners Investment Management LLC[(1)]<br>*New York, USA* | 105,278,040 | 12.41% |
| Ocean Partners Holdings Limited[(2)]<br>*Connecticut, USA* | 89,559,019 | 10.56% |

**Note**s:
(1) Sean Fieler exercises control or direction over the investment decisions of Equinox Partners Investment Management LLC.
(2) Brent Omland exercises control or direction over the investment decisions of Ocean Partners Holdings Limited.

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## CYGNUS DIRECTORS AND EXECUTIVE OFFICERS

### Cygnus Directors

The following table lists the directors of Cygnus, their respective ages, places of residence, positions and duration of service as directors of Cygnus as at the Last Practicable Date. Additional biographical information for each individual is provided below.

| Name | Age | Province or State or City and Country of Residence | Position | Director Since |
|---|---|---|---|---|
| David Southam | 52 | Western Australia, Australia | Executive Chairman | Nov 1, 2022 |
| Kevin Tomlinson[(1)] | 64 | Ontario, Canada | Lead Independent Non-Executive Director | Apr 3, 2023 |
| Raymond Shorrocks | 66 | New South Wales, Australia | Non-Executive Director | Jun 30, 2020 |
| Michael Bohm | 61 | Western Australia, Australia | Non-Executive Director | Sep 30, 2016 |

**Note:**

(1) Independent director for the purposes of ASX Listing Rules.

ASX Listing Rule 14.4 and Rule 6.1(f) of the Cygnus Constitution requires that a director of Cygnus (other than a Managing Director) must not hold office without re-election for more than three years and that one third of the directors of Cygnus in office (other than a Managing Director or a director of Cygnus that is required to retire at the next annual general meeting of Cygnus following his or her appointment) must retire by rotation at each annual general meeting of Cygnus.

As at the Last Practicable Date, the directors and executive officers of Cygnus as a group beneficially own or control or direct, directly or indirectly, a total of 24,646,557 Cygnus Shares, representing 5.19% of the outstanding Cygnus Shares.

### Cygnus Executive Officers

The following table lists the executive officers of Cygnus, their respective ages, places of residence, positions and years of experience (both with Cygnus and in the mining industry generally) as at the Last Practicable Date. Additional biographical information for each individual is provided below.

| Name | Age | Province or State or City and Country of Residence | Current Office | Years with Cygnus (approx.) | Years in the Industry (approx.) |
|---|---|---|---|---|---|
| Carl Travaglini | 39 | Western Australia, Australia | Chief Financial Officer and Joint Company Secretary | 1.5 | 15 |
| Maddison Cramer | 37 | Western Australia, Australia | Joint Company Secretary | 2 | 10 |

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**Biographical information regarding the directors and executive officers of Cygnus**

*Non-Executive Directors*

<table>
<tr><th>Name, Province or State and Country of Residence</th><th>Position/Title</th><th>Principal Occupation for the Last Five Years</th><th>Committees of the Board of Directors</th></tr>
<tr><td>Kevin Tomlinson<br>Ontario, Canada</td><td>Lead Independent Non-Executive Director (since Apr 1, 2024)<br><br>Non-Executive Chair (Apr 3, 2023 – Mar 31, 2024)</td><td>Mr. Tomlinson has more than three decades' experience in major discoveries, exploration and resource growth, mine development and financing of mining projects globally. He has also played leading roles in many successful mergers and acquisitions in multiple jurisdictions including Canada, Australia, Africa and the UK.<br><br>Mr. Tomlinson was previously Managing Director of Investment Banking at Westwind Partners and Stifel Nicolaus Canada Inc. (2006-2012), raising equity and providing mergers and acquisitions corporate advice. Mr. Tomlinson is the former Chair of ASX/TSX-listed Cardinal Resources Ltd., leading its C$587,000,000 sale to Shandong Gold. He was also a Non-Executive Director at Churchill Resources Inc. and Centamin PLC, which discovered and built a gold mine in Egypt.<br><br>Mr. Tomlinson is a Fellow of the Chartered Institute of Securities and Investment, a Fellow of the Institute of Directors and a Liveryman of the Worshipful Company of International Bankers (UK).<br><br>He is currently a Non-Executive Director of Kodiak Copper Corp. (TSX.V:KDK) and Independent Non-Executive Chairman of FireFly Metals Ltd. and highly successful ASX 200 company, Bellevue Gold Limited.<br><br>For the proceeding five years, Mr. Tomlinson has held the following occupations:
<table>
<tr><th rowspan="2">EMPLOYER NAME</th><th rowspan="2">POSITION HELD</th><th colspan="2">FROM</th><th colspan="2">TO</th></tr>
<tr><th>MM</th><th>YY</th><th>MM</th><th>YY</th></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Director</td><td>Apr</td><td>2024</td><td>Present</td><td></td></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Chair</td><td>Apr</td><td>2023</td><td>Apr</td><td>2024</td></tr>
<tr><td>FireFly Metals Limited</td><td>Non-Executive Chair</td><td>Mar</td><td>2024</td><td>Present</td><td></td></tr>
<tr><td>FireFly Metals Limited</td><td>Non-Executive Director</td><td>Dec</td><td>2022</td><td>Mar</td><td>2024</td></tr>
<tr><td>Bellevue Gold Ltd.</td><td>Non-Executive Chair</td><td>Sep</td><td>2019</td><td>Present</td><td></td></tr>
<tr><td>Kodiak Copper Corp.</td><td>Non-Executive Director</td><td>Dec</td><td>2020</td><td>Present</td><td></td></tr>
<tr><td>SSI Wealth Management AG</td><td>Senior Financial Advisor</td><td>Jul</td><td>2019</td><td>Oct</td><td>2023</td></tr>
<tr><td>Churchill Resources Inc.</td><td>Non-Executive Director</td><td>Jun</td><td>2021</td><td>Mar</td><td>2023</td></tr>
<tr><td>C3 Metals Inc.</td><td>President, CEO and Director</td><td>Jan</td><td>2021</td><td>Jun</td><td>2022</td></tr>
</table>
</td><td>None</td></tr>
</table>

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<table>
<tr><th>Name, Province or State and Country of Residence</th><th>Position/Title</th><th>Principal Occupation for the Last Five Years</th><th>Committees of the Board of Directors</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>Samco Gold Limited</td><td>Non-Executive Director</td><td>Jan</td><td>2012</td><td>Apr</td><td>2021</td></tr>
<tr><td>Cardinal Resources Limited</td><td>Non-Executive Chair</td><td>Nov</td><td>2016</td><td>Jan</td><td>2021</td></tr>
<tr><td>Infinity Lithium Corporation</td><td>Non-Executive Chair</td><td>Jun</td><td>2017</td><td>Nov</td><td>2019</td></tr>
</table>
</td><td></td></tr>
<tr><td>Raymond Shorrocks<br><br>New South Wales, Australia</td><td>Non-Executive Director (since Apr 1, 2023)<br><br>Non-Executive Chair (May 25, 2022 – Mar 31, 2023)<br><br>Executive Chair (Nov 8, 2021 – May 24, 2022)<br><br>Non-Executive Director (Jun 30, 2020 – Nov 7, 2021)</td><td>Mr. Shorrocks has over 30 years' experience working in corporate finance in the mining sector and has advised a diverse range of resources companies during his career at one of Australia's largest investment banking and stockbroking/financial services firms. He is highly conversant and experienced in the areas of mergers and acquisitions and equity capital markets, including a significant track record of transactions in the metals and mining sectors.<br><br>He was past Chairperson of ASX-listed Bellevue Gold Limited, Republic Gold Limited and FireFly Metals Limited (ASX: FFM) and is former director and head of the Corporate Finance Department of a major Australian investment services company based in Sydney. Mr. Shorrocks also holds directorships with Galilee Energy Limited (ASX: GLL), Hydrocarbon Dynamics Limited (ASX: HCD), Alicanto Minerals Limited (ASX: AQI) and Andean Silver Limited (ASX:ASL).
<table>
<tr><th rowspan="2">EMPLOYER NAME</th><th rowspan="2">POSITION HELD</th><th colspan="2">FROM</th><th colspan="2">TO</th></tr>
<tr><th>MM</th><th>YY</th><th>MM</th><th>YY</th></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Director</td><td>Apr</td><td>2023</td><td>Present</td><td></td></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Chair</td><td>May</td><td>2022</td><td>Mar</td><td>2023</td></tr>
<tr><td>Cygnus Metals Limited</td><td>Executive Chair</td><td>Nov</td><td>2021</td><td>May</td><td>2022</td></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Director</td><td>Jun</td><td>2020</td><td>Nov</td><td>2021</td></tr>
<tr><td>RZ Resources Ltd.</td><td>Non-Executive Director</td><td>Jan</td><td>2017</td><td>Present</td><td></td></tr>
<tr><td>Galilee Energy Limited</td><td>Executive Chair</td><td>Sep</td><td>2023</td><td>Present</td><td></td></tr>
<tr><td>Galilee Energy Limited</td><td>Non-Executive Chair</td><td>Mar</td><td>2018</td><td>Sep</td><td>2023</td></tr>
<tr><td>Galilee Energy Limited</td><td>Non-Executive Directo</td><td>Dec</td><td>2013</td><td>Mar</td><td>2018</td></tr>
<tr><td>Hydrocarbon Dynamics Limited</td><td>Non-Executive Director</td><td>Jan</td><td>2016</td><td>Present</td><td></td></tr>
<tr><td>Alicanto Minerals Ltd.</td><td>Interim Executive Chair</td><td>Jun</td><td>2024</td><td>Present</td><td></td></tr>
</table>
</td><td>None</td></tr>
</table>

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<table>
<tr><th>Name, Province or State and Country of Residence</th><th>Position/Title</th><th>Principal Occupation for the Last Five Years</th><th>Committees of the Board of Directors</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>Alicanto Minerals Ltd.</td><td>Non-Executive Chair</td><td>Aug</td><td>2020</td><td>Jun</td><td>2024</td></tr>
<tr><td>Andean Silver Ltd.</td><td>Non-Executive Director</td><td>Oct</td><td>2024</td><td>Present</td><td></td></tr>
<tr><td>Andean Silver Ltd.</td><td>Non-Executive Chair</td><td>Apr</td><td>2024</td><td>Oct</td><td>2024</td></tr>
<tr><td>Andean Silver Ltd.</td><td>Interim Executive Director</td><td>Apr</td><td>2023</td><td>Apr</td><td>2024</td></tr>
<tr><td>Andean Silver Ltd.</td><td>Non-Executive Director</td><td>Feb</td><td>2023</td><td>Apr</td><td>2023</td></tr>
<tr><td>FireFly Metals Ltd.</td><td>Non-Executive Chair</td><td>May</td><td>2023</td><td>Mar</td><td>2024</td></tr>
<tr><td>FireFly Metals Ltd.</td><td>Executive Chair</td><td>Jan</td><td>2020</td><td>May</td><td>2023</td></tr>
<tr><td>Bellevue Gold Ltd.</td><td>Chair</td><td>Dec</td><td>2015</td><td>Sep</td><td>2019</td></tr>
</table>
</td><td></td></tr>
<tr><td>Michael Bohm<br><br>Western Australia, Australia</td><td>Non-Executive Director (since Nov 8, 2021)<br><br>Non-Executive Chair (Sep 30, 2016 – Nov 7, 2021)</td><td>Mr. Bohm is a qualified mining professional with corporate and operations experience. He has had extensive minerals industry experience in Australia, Southeast Asia, Africa, Chile, Canada and Europe. Mr. Bohm is a graduate of WA School of Mines and 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.<br><br>Mr. Bohm is the current Non-Executive Director of Riedel Resources Ltd. (ASX: RIE) and was previously a Non-Executive Director of Mincor Resources NL (ASX: MCR), Ramelius Resources Ltd. (ASX: RMS) and Perseus Mining Limited.
<table>
<tr><th rowspan="2">EMPLOYER NAME</th><th rowspan="2">POSITION HELD</th><th colspan="2">FROM</th><th colspan="2">TO</th></tr>
<tr><th>MM</th><th>YY</th><th>MM</th><th>YY</th></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Director</td><td>Nov</td><td>2021</td><td>Present</td><td></td></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Chair</td><td>Sep</td><td>2016</td><td>Nov</td><td>2021</td></tr>
<tr><td>Altum Mining Advisors</td><td>Associate</td><td>Oct</td><td>2023</td><td>Present</td><td></td></tr>
<tr><td>Riedel Resources Ltd.</td><td>Non-Executive Director</td><td>Apr</td><td>2024</td><td>Present</td><td></td></tr>
<tr><td>Riedel Resources Ltd.</td><td>Non-Executive Chair</td><td>Dec</td><td>2020</td><td>Apr</td><td>2024</td></tr>
<tr><td>Ramelius Resources Ltd.</td><td>Non-Executive Director</td><td>Nov</td><td>2012</td><td>May</td><td>2022</td></tr>
</table>
</td><td>None</td></tr>
</table>

<table>
<tr><th>Name, Province or State and Country of Residence</th><th>Position/Title</th><th>Principal Occupation for the Last Five Years</th><th>Committees of the Board of Directors</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>Mincor Resources NL</td><td>Non-Executive Director</td><td>Jan</td><td>2017</td><td>Jul</td><td>2023</td></tr>
</table>
</td><td></td></tr>
</table>

*Executive Officers Who Also Serve as Directors*

<table>
<tr><th>Name, Province or State and Country of Residence</th><th>Position/Title</th><th>Principal Occupation for the Last Five Years</th><th>Committees of the Board of Directors</th></tr>
<tr><td>David Southam<br><br>Western Australia, Australia</td><td>Executive Chair (since Apr 1, 2024)<br><br>Managing Director (Feb 13, 2023 – Mar 31, 2024)<br><br>Non-Executive Director (Nov 1, 2022 – Feb 12, 2023)</td><td>Mr. Southam is a Chartered Professional Accountant with more than 30 years' experience in accounting, operations, capital markets and finance across the resources and industrial sectors. He was previously Managing Director of Mincor Resources NL where he led that company's successful return to the ranks of Australian nickel producers within a three-year period, overseeing a major greenfields discovery, resource definition, the completion of off-take arrangements, feasibility studies, project financing and construction of the Kambalda Nickel Operations. During Mr. Southam's tenure to August 2022, the market capitalization of Mincor Resources NL increased from A$70,000,000 to over A$1,000,000,000.<br><br>Prior to Mincor Resources NL, Mr. Southam was Executive Director of an ASX 200 nickel company, Western Areas Limited, and has held senior executive roles within Brambles Limited, ANZ Investment Bank and WMC Resources Limited.<br><br>Mr. Southam is currently Non-Executive Chairman of Andean Silver Limited (ASX:ASL) and Non-Executive Director of ASX 200 gold producer Ramelius Resources Ltd.
<table>
<tr><th rowspan="2">EMPLOYER NAME</th><th rowspan="2">POSITION HELD</th><th colspan="2">FROM</th><th colspan="2">TO</th></tr>
<tr><th>MM</th><th>YY</th><th>MM</th><th>YY</th></tr>
<tr><td>Cygnus Metals Limited</td><td>Executive Chair</td><td>Apr</td><td>2024</td><td>Present</td><td></td></tr>
<tr><td>Cygnus Metals Limited</td><td>Managing Director</td><td>Feb</td><td>2023</td><td>Mar</td><td>2024</td></tr>
<tr><td>Cygnus Metals Limited</td><td>Non-Executive Director</td><td>Nov</td><td>2022</td><td>Feb</td><td>2023</td></tr>
<tr><td>Andean Silver Ltd.</td><td>Non-Executive Chair</td><td>Oct</td><td>2024</td><td>Present</td><td></td></tr>
<tr><td>Andean Silver Ltd.</td><td>Non-Executive Director and consultant</td><td>Apr</td><td>2024</td><td>Sep</td><td>2024</td></tr>
<tr><td>Curtin University</td><td>Council Member and Chair of Audit & Risk Committee</td><td>Apr</td><td>2020</td><td>Present</td><td></td></tr>
<tr><td>Ramelius Resources Ltd.</td><td>Non-Executive Director</td><td>Jul</td><td>2018</td><td>Present</td><td></td></tr>
<tr><td>Mincor Resources NL</td><td>Managing Director</td><td>Feb</td><td>2019</td><td>Aug</td><td>2022</td></tr>
</table>
</td><td>None</td></tr>
</table>

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| Name, Province or State and Country of Residence | Position/Title | Principal Occupation for the Last Five Years | | | | | | Committees of the Board of Directors |
|---|---|---|---|---|---|---|---|---|
| | | Starlight Children's Foundation Australia | WA Board Advisory | Mar | 2011 | Jan | 2020 | |
| | | FireFly Metals Ltd. | Consultant | Sep | 2023 | Present | | |

*Executive Officers Who Do Not Serve as Directors*

| Name, Province or State and Country of Residence | Position/Title | Principal Occupation for the Last Five Years | Committees of the Board of Directors |
|---|---|---|---|
| Carl Travaglini<br><br>Western Australia, Australia | Chief Financial Officer and Joint Company Secretary (since Feb 1, 2023) | Mr. Travaglini is a Chartered Accountant and Chartered Company Secretary with over 15 years' experience in the resources sector, having served in various finance and company secretarial roles in Australia, Canada and Africa. Mr. Travaglini is currently Chief Financial Officer of Bellavista Resources Ltd. (ASX: BVR) and Midas Minerals Limited (ASX: MM1) and a Non-Executive Director for Andean Silver Limited (ASX: ASL).<br><br>For the proceeding five years, Mr. Travaglini has held the following occupations: | None |
| Maddison Cramer<br><br>Western Australia, Australia | Joint Company Secretary (since Nov 1, 2022) | Ms. Cramer is a corporate lawyer with a focus on mining and resources and a professional company secretary.<br><br>Ms. Cramer is a co-founder of boutique corporate services business Belltree Corporate and is currently company secretary of a number of ASX-listed mining and resource companies.<br><br>Ms. Cramer is a former Company Secretary of Bellevue Gold Limited (ASX:BGL) (then ASX 300) and prior to this, she was an Associate at Bellanhouse Legal and HWL Ebsworth Lawyers. | None |

| EMPLOYER NAME | POSITION HELD | FROM | | TO | |
|---|---|---|---|---|---|
| | | MM | YY | MM | YY |
| Andean Silver Limited | Non-Executive Director | Oct | 2023 | Present | |
| Cygnus Metals Limited | CFO & Joint Company Secretary | Feb | 2023 | Present | |
| Bellavista Resources Ltd. | CFO | Oct | 2022 | Present | |
| Midas Minerals Ltd. | CFO | Oct | 2022 | Present | |
| Essential Metals Limited | CFO & Company Secretary | Feb | 2020 | Oct | 2022 |
| Alita Resources Limited | Financial Controller | Jan | 2019 | Oct | 2019 |
| Tawana Resources Limited | Financial Controller & Company Secretary | Jan | 2018 | Jan | 2019 |

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<table>
<tr><th>Name, Province or State and Country of Residence</th><th>Position/Title</th><th>Principal Occupation for the Last Five Years</th><th>Committees of the Board of Directors</th></tr>
<tr><td></td><td></td><td>Ms. Cramer specializes in corporate and commercial transactions, including capital raises, initial public offerings and backdoor listings and corporate governance issues.<br><br>For the proceeding five years, Ms. Cramer has held the following occupations:
<table>
<tr><th rowspan="2">EMPLOYER NAME</th><th rowspan="2">POSITION HELD</th><th colspan="2">FROM</th><th colspan="2">TO</th></tr>
<tr><th>MM</th><th>YY</th><th>MM</th><th>YY</th></tr>
<tr><td>Belltree Corporate Pty. Ltd.</td><td>Managing Director</td><td>Aug</td><td>2022</td><td>Present</td><td></td></tr>
<tr><td>FireFly Metals Ltd.</td><td>Company Secretary</td><td>Aug</td><td>2022</td><td>Present</td><td></td></tr>
<tr><td>Midas Minerals Ltd.</td><td>Company Secretary</td><td>Sep</td><td>2022</td><td>Present</td><td></td></tr>
<tr><td>Bellavista Resources Ltd.</td><td>Joint Company Secretary</td><td>Nov</td><td>2022</td><td>Present</td><td></td></tr>
<tr><td>Alicanto Minerals Ltd.</td><td>Company Secretary</td><td>Nov</td><td>2022</td><td>Present</td><td></td></tr>
<tr><td>Cygnus Metals Limited</td><td>Joint Company Secretary</td><td>Nov</td><td>2022</td><td>Present</td><td></td></tr>
<tr><td>Andean Silver Limited</td><td>Company Secretary</td><td>Mar</td><td>2023</td><td>Present</td><td></td></tr>
<tr><td>Riedel Resources Ltd.</td><td>Joint Company Secretary</td><td>Oct</td><td>2023</td><td>Present</td><td></td></tr>
<tr><td>Bellevue Gold Limited</td><td>Joint Company Secretary</td><td>Nov</td><td>2020</td><td>July</td><td>2022</td></tr>
<tr><td>HWL Ebsworth Lawyers</td><td>Associate</td><td>Nov</td><td>2019</td><td>Nov</td><td>2020</td></tr>
<tr><td>Bellanhouse Lawyers</td><td>Legal & Office Administrator, Graduate, Associate</td><td>Feb</td><td>2014</td><td>Oct</td><td>2019</td></tr>
</table></td><td></td></tr>
</table>

**Penalties or Sanctions**

None of the directors or executive officers of Cygnus (or any personal holding company of any such director, executive officer or shareholder), and to the best of Cygnus' knowledge, no other Cygnus Shareholder holding a sufficient number of securities to affect materially the control of Cygnus, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

**Individual Bankruptcies**

None of the directors or executive officers of Cygnus (or any personal holding company of any such director, executive officer or shareholder), or, to the best of Cygnus' knowledge, any other Cygnus Shareholder holding a sufficient number of securities

to affect materially the control of Cygnus, is as of the date of this Circular, or has, within the 10 years prior to the date hereof, (a) been a director or executive officer of any company (including Cygnus) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

**Corporate Cease Trade Orders**

None of the directors or executive officers of Cygnus (or any personal holding company of any such director or executive officer) is, as at the date of this Circular, or has been within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Cygnus) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order (including a management cease trade order) or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

**Conflicts of Interest**

To the best of Cygnus' knowledge, there are no known existing or potential material conflicts of interest between Cygnus or any of its subsidiaries, on one hand, and any directors and executive officers of Cygnus or any of its subsidiaries, on the other hand, except that certain of the directors and officers of Cygnus also serve as directors or officers of other companies, and therefore it is possible that a conflict may arise between their duties to Cygnus and their duties as a director or officer of such other companies.

Refer to the section titled "*Cygnus Directors and Executive Officers – Biographical Information Regarding the Directors and Executive Officers of Cygnus*" in this Appendix I.

## EXECUTIVE COMPENSATION

The following discussion describes the significant elements of the compensation program for Cygnus' named executive officers.

For purposes of this Circular, "**NEO**" or "**named executive officer**" means each of the following individuals: (a) a Chief Executive Officer; (b) a Chief Financial Officer; (c) each of the three most highly compensated executive officers of Cygnus or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than C$150,000, for that financial year; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of Cygnus, nor acting in a similar capacity, at the end of that financial year.

For Fiscal 2023, Cygnus had the following NEOs:

- **David Southam,** *Executive Chair;*
- **Carl Travaglini,** *Chief Financial Officer & Joint Company Secretary; and*
- **Susan Field**, *Chief Financial Officer & Joint Company Secretary.*

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**Compensation Discussion and Analysis**

The Cygnus Board recognizes that Cygnus' performance and ultimate success in project delivery depends on many factors including its ability to attract and retain highly skilled, qualified and motivated people. At the same time, remuneration practices must be transparent to Cygnus Shareholders and be fair and competitive, taking into account the nature and size of the organization and its current stage of activities, funding and general market conditions.

The approach to remuneration has been structured with the following objectives:

- Fairness: provide a fair level of reward to all employees;
- Transparency: establish transparent links between reward and performance;
- Alignment: promote mutually beneficial outcomes by aligning the interests of employees and Cygnus Shareholders; and
- Culture: drive leadership performance and behaviours that promote safety, diversity and employee engagement.

Cygnus has not formed a nomination and remuneration committee and the Cygnus Board currently carries out the roles that would otherwise be undertaken by such a committee in accordance with the procedures and processes outlined in the Nomination and Remuneration Committee Charter, the text of which is reproduced in its entirety as Schedule "D" to this Appendix I, setting forth the role and responsibilities, composition, structure and membership requirements of a nomination and remuneration committee.

The Cygnus Board, as a whole, therefore, assesses the appropriateness of the nature and amount of remuneration of Non-Executive Directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing directors and executive team. Directors excuse themselves from discussions that are specific to their individual remuneration components and are not in relation to the remuneration of the group of non-executive directors as a collective.

The Cygnus Board may obtain professional advice where necessary to ensure that Cygnus attracts and retains talented and motivated directors, executives and employees who can enhance Cygnus performance through their contributions and leadership.

*Director Compensation*

The Cygnus Constitution provides that the Non-Executive Directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The current amount fixed to be paid to Cygnus Non-Executive Directors is A$600,000 per annum. The remuneration of directors of Cygnus:

(a) may be a stated salary or a fixed sum for attendance at each meeting of directors or both; or

(b) may be a share of the fixed aggregate amount or as determined by Cygnus at a general meeting of Cygnus to be the remuneration payable to all directors which is to be divided between the directors in the proportions agreed between them or, failing agreement, equally,

and if it is a stated salary under (a) or a share of a fixed sum under (b) above, will be taken to accrue from day to day.

The Cygnus Constitution also provides that:

(a) the directors shall be entitled to be paid all travelling and other expenses properly incurred by them in connection with the affairs of Cygnus, including attending and returning from general meetings of Cygnus or meetings of the directors or of committees of the directors; and

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(b) if any of the directors renders or is called on to perform extra services or to make any special exertions in connection with the affairs of Cygnus, the directors may arrange for a special remuneration to be paid to that director, either in addition to or in substitution for that director's remuneration in the fee-pool described above.

The remuneration of executive directors of Cygnus is to be fixed by the Cygnus Board. As at the date of this Circular, Cygnus has one executive director. Mr. David Southam commenced as Executive Chair of Cygnus on April 1, 2024 and his total full time equivalent remuneration package is A$605,430 (inclusive of superannuation). As at the date of this Circular, Mr. Southam is employed on an 80% part-time basis.

*NEO Compensation*

NEO compensation is set by the Cygnus Board each year and is based on a number of factors. In setting fixed remuneration for NEOs, individual performance, skills, expertise and experience are taken into account as well as Cygnus' current level of activity and funding. Where appropriate, external compensation consultants may be engaged to assist the Cygnus Board.

NEOs receive an annual fixed base cash salary or fee and other associated benefits depending on the nature of their contract. Fixed remuneration includes statutory superannuation guarantee contributions required by Australian legislation, which was 10.5% up to June 30, 2023, and then increased to 11% from July 1, 2023 and 11.5% from July 1, 2024. NEOs do not receive any other retirement benefits.

Under Cygnus' remuneration policy, NEOs are eligible to participate in Cygnus' STIP and earn short-term bonuses of up to a fixed percentage of their fixed total remuneration package, subject to achievement of STIP hurdles. The objective of the STIP is to provide the opportunity to earn a cash or equity bonus by rewarding those NEOs who successfully achieve, in the opinion of the Cygnus Board, the critical short-term objectives of Cygnus over a 12-month period. Those short-term objectives for each NEO are pre-determined and approved by the Cygnus Board as being aligned with Cygnus' stated strategy to derive shareholder return.

For an NEO who resigns or is terminated for cause before the end of the financial year, no STI is awarded for that year. Similarly, any deferred STI awards are forfeited, unless otherwise determined by the Cygnus Board. If an NEO ceases employment during the performance period by reason of redundancy, ill health, death or other circumstance approved by the Cygnus Board, the NEO will be entitled to a pro-rata cash payment based on an assessment of performance up to the date of ceasing employment for that year and any deferred STI awards will be retained (subject to Cygnus Board discretion).

The Cygnus Board agreed to award Mr. Southam an STI bonus of A$120,000 including superannuation for Fiscal 2023, following the successful achievement of the following short-term performance targets by December 31, 2023:

| Performance Target Summary | % of total fixed remuneration | Weighting |
|---|---|---|
| Acquisition of further tenure outside the main Pontax trend that is prospective for lithium in the James Bay region | 5% | 20% |
| Establishing adequate health and safety standards in Quebec | 7.5% | 30% |
| Establishing good Canadian community relations, including Canadian first nations strategy and meeting the first nations group. | 7.5% | 30% |
| Building an appropriate team that can adequately assist in implementing the Company's Canadian exploration strategy. | 5% | 20% |
| **Total** | | **100%** |

In the interests of conserving cash reserves, the Cygnus Board agreed to pay Mr. Southam the STI bonus in equity instruments (Cygnus Share Rights), subject to the receipt of Cygnus Shareholder approval which was obtained at Cygnus' 2024 annual general meeting.

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Cygnus also awards its NEOs with LTIs. LTIs are issued under the Cygnus Plan which was approved by Cygnus Shareholders on January 31, 2023. The objective of LTIs is to provide potential rewards to NEO in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such, LTIs can be awarded to NEOs who are able to influence the generation of shareholder wealth and thus have an impact on Cygnus' performance. If an NEO resigns or is terminated for cause before the end of the financial year, no LTIs will vest for that year. Similarly, any vested and unexercised LTI awards are forfeited, unless otherwise determined by the Cygnus Board. If an NEO ceases employment during the performance period by reason of redundancy, ill health, death or other circumstance approved by the Cygnus Board, the NEO will be entitled to receive any vested but unexercised LTIs as at the date of ceasing employment, subject to Cygnus Board discretion. The treatment of vested and unexercised awards in all other circumstances will be determined by the Cygnus Board with reference to the circumstances of cessation.

*Risks Associated with the Compensation Policies and Practices*

In accordance with the Nomination and Remuneration Committee Charter, the Cygnus Board ensures that the remuneration policy provides an appropriate balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to Cygnus' circumstances, goals and risk appetite.

*Derivative Instruments*

Cygnus prohibits directors or employees of Cygnus from entering into arrangements to protect the value of any Cygnus Shares, Cygnus Options or Cygnus Performance Rights that the NEO has become entitled to as part of their remuneration package. This includes entering into a contract to hedge their exposure.

**Summary Compensation Table**

The following table sets out a summary of compensation paid, awarded to or earned by the NEOs for each of Fiscal 2021, Fiscal 2022 and Fiscal 2023:

| | | | | | Non-equity Incentive Plan Compensation | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Name and Principal Position** | **Fiscal Year** | **Salary (A$)** | **Share-Based Awards (A$)** | **Option-Based Awards (A$)** | **Annual Incentive Plan (A$)[5]** | **Long-term Incentive Plans (A$)** | **Pension Value (A$)[3]** | **All Other Compensation (A$)[4]** | **Total Compensation (A$)** |
| **David Southam**[1] | 2023 | 422,429 | 3,767,541[6] | - | 120,000 | - | 32,179 | 29,053 | 4,371,202 |
| *Managing* | 2022 | 9,167 | - | - | - | - | - | - | 9,167 |
| *Director* | 2021 | - | - | - | - | - | - | - | - |
| **Carl Travaglini**[2] | 2023 | 137,500 | 245,000[6] | - | - | - | 14,813 | 5,433 | 402,746 |
| *CFO & Joint* | 2022 | - | - | - | - | - | - | - | - |
| *Company Secretary* | 2021 | - | - | - | - | - | - | - | - |
| **Susan Field**[2] | 2023 | 6,000 | 240,837[6] | - | - | - | - | - | 246,837 |
| *CFO & Joint* | 2022 | 60,000 | 11,663[6] | - | - | - | - | - | 71,663 |
| *Company Secretary* | 2021 | 30,000 | - | 23,747[7] | - | - | - | - | 53,747 |

**Notes:**

(1) Mr. Southam was appointed as Managing Director on February 13, 2023, previously appointed Non-Executive Director on November 1, 2022.
(2) Ms. Field resigned and Mr. Travaglini was appointed as Chief Financial Officer and Joint Company Secretary on February 1, 2023.
(3) This amount relates to the contributions made by Cygnus to the relevant NEO's superannuation fund.



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(4) This amount relates to the non-monetary benefits payable to the NEOs and their annual and long service leave entitlements.
(5) This amount relates to the STI bonus payable to NEOs and was paid out as Cygnus Share Rights. Please refer to the section titled "*Compensation Discussion and Analysis*" for further information.
(6) The share price used in the valuation of share-based remuneration reported in the current period was required to be set at the time of the grant of the related Cygnus Performance Right. Cygnus' share price at the time of each grant of Cygnus Performance Rights to the NEOs was as follows: David Southam (A$0.50), Carl Travaglini (A$0.49) and Susan Field (A$0.24).
(7) The fair value of the Cygnus Options has been calculated at the grant date and allocated to each reporting period evenly over the period from grant date to vesting date.

**Incentive Plan Awards**

*Outstanding Share-Based Awards*

The following table provides a summary, in respect of each NEO, of all share-based awards outstanding at the end of Fiscal 2023.

| Name | Number of Shares or Units of Shares that Have Not Vested [(1)] (#) | Market or Payout Value of Share-Based Awards that Have Not Vested [(2)] (A$) | Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (A$) |
|---|---|---|---|
| **David Southam**, Managing Director | 17,178,809 | 7,769,504 | - |
| **Carl Travaglini**, CFO & Joint Company Secretary | - | - | - |
| **Susan Field**, CFO & Joint Company Secretary | - | - | - |

**Notes:**

(1) This column contains the number of unvested Cygnus Performance Rights held by Mr. Southam on December 31, 2023.
(2) The fair value of Cygnus Performance Rights has been calculated at the grant date and allocated to each reporting period evenly over the period from grant date to vesting date.

*Outstanding Option-Based Awards*

| | Number of Securities Underlying Unexercised Options | Option Exercise Price (A$) | Option Expiration Date | Value of Unexercised In-the-Money Options (A$) |
|---|---|---|---|---|
| **David Southam**, Managing Director | - | - | - | - |
| **Carl Travaglini**, CFO & Joint Company Secretary | - | - | - | - |
| **Susan Field**, CFO & Joint Company Secretary | 250,000 | 0.16 | November 15, 2024 | - |

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*Value Vested or Earned During Fiscal 2023*

The following table provides a summary, in respect of each NEO, of the value of incentive awards that vested or were earned during Fiscal 2023.

| Name | Option-Based Awards – Value Vested During the Year | Share-Based Awards – Value Vested During the Year (A$) (1) | Non-Equity Incentive Plan Compensation – Value Earned During the Year (A$) (2) |
|---|---|---|---|
| **David Southam**, Managing Director | - | 2,000,000 | 120,000 |
| **Carl Travaglini**, CFO & Joint Company Secretary | - | 245,000 | - |
| **Susan Field**, CFO & Joint Company Secretary | - | 120,000 | - |

**Notes:**

(1) The fair value of Cygnus Performance Rights has been calculated at the grant date and allocated to each reporting period evenly over the period from grant date to vesting date.
(2) This amount relates to the STI bonus payable to NEOs and was paid out as Cygnus Share Rights. Please refer to the section entitled "*Compensation Discussion and Analysis*" for further information.

*Other Incentive Plans*

Refer to the section titled "*Description of Securities*" in this Appendix I for information regarding the Cygnus Plans. Cygnus does not have any other incentive plans.

**Termination and Change of Control Benefits**

For the employment contract with Mr. David Southam (Executive Chair), Cygnus may terminate by providing six months' prior notice of termination and Mr. Southam may terminate by providing three months' prior notice of termination. Cygnus may make a payment in lieu of all or part of the notice period, which will be equal to the amount of fixed remuneration Mr. Southam would have received for the period of notice. In the event Cygnus terminates upon a change of control, Cygnus will be required to make a lump sum payment to Mr. Southam equal to twelve months' base salary (excluding superannuation). During Fiscal 2023, Mr. Southam was paid A$40,000 per month (including superannuation contributions) for his services as Managing Director, and is currently paid A$40,181 per month (including superannuation contributions).

Mr. Carl Travaglini (Chief Financial Officer & Joint Company Secretary) is engaged via a consultancy agreement between Cygnus and CCM Corporate Pty. Ltd. Cygnus may terminate the engagement by providing three months' prior notice of termination and Mr. Travaglini may terminate by providing three months' prior notice of termination. During Fiscal 2023, Mr. Travaglini was paid A$13,875 per month (including superannuation contributions) for his services as Chief Financial Officer and Joint Company Secretary, and is currently paid A$12,500 per month (excluding goods and services tax) under the consultancy agreement.

As noted above, Ms. Susan Field resigned on February 1, 2023 as Chief Financial Officer & Joint Company Secretary. Upon Ms. Field's resignation, in accordance with the terms of the consultancy agreement with Cygnus, Ms. Field received no additional payments. The Cygnus Board exercised its discretion to permit Ms. Field to retain 500,000 Cygnus Performance Rights following cessation of her engagement, with the remaining 500,000 Cygnus Performance Rights held by her lapsing. Ms. Field also held 250,000 Cygnus Options at the time of cessation of her engagement, which were unaffected by the termination in accordance with their terms.

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**Director Compensation Table**

The following table sets out a summary of compensation paid, awarded to or earned by any non-NEO directors of Cygnus for Fiscal 2023:

| Name and Principal Position | Fiscal Year | Fees Earned (A$) | Share-Based Awards (A$)[5] | Option-Based Awards (A$)[6] | Non-equity Incentive Plan Compensation (A$) | | Pension Value (A$)[6] | All Other Compensation (A$)[7] | Total Compensation (A$) |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Annual Incentive Plan (A$) | Long-term Incentive Plans (A$) | | | |
| Keith Tomlinson[1] | 2023 | 149,889 | 101,818 | - | - | - | - | - | 251,707 |
| *Non-Executive Chair* | | | | | | | | | |
| Raymond Shorrocks[2] | 2023 | 57,956 | 193,109 | - | - | - | 4,044 | - | 255,109 |
| *Non-Executive Director* | | | | | | | | | |
| Michael Bohm | 2023 | 55,375 | - | - | - | - | - | - | 55,375 |
| *Non-Executive Director* | | | | | | | | | |
| Michael Naylor[3] | 2023 | 93,356 | 1,544,872 | - | - | - | 9,730 | 2,564 | 1,650,522 |
| *Non-Executive Director* | | | | | | | | | |
| Shaun Hardcastle[4] | 2023 | 13,750 | - | - | - | - | - | - | 13,750 |
| *Non-Executive Director* | | | | | | | | | |

**Notes:**

(1) Mr. Tomlinson was appointed Non-Executive Chairman on April 3, 2023.
(2) Mr. Shorrocks was appointed Non-Executive Director on May 25, 2022, previously appointed Executive Chairman on November 8, 2021.
(3) Mr. Naylor transitioned from Executive Director to Non-Executive Director on March 1, 2023.
(4) Mr. Hardcastle resigned on April 3, 2023.
(5) The share price used in the valuation of share-based remuneration reported in the current period was required to be set at the time of the grant of the related Cygnus Performance Right. Cygnus' share price at the time of each grant of Cygnus Performance Rights to the directors of Cygnus was as follows: Kevin Tomlinson (A$0.22), Ray Shorrocks (A$0.25) and Michael Naylor (A$0.25).
(6) This amount relates to the contributions made by Cygnus to the relevant director of Cygnus' superannuation fund.
(7) This amount relates to the non-monetary benefits payable to the directors of Cygnus and their annual and long service leave entitlements.

Except for Mr. Kevin Tomlinson and Mr. David Southam, none of the other current directors of Cygnus hold Cygnus Performance Rights as at the date of this Circular.

## INDEBTEDNESS OF CYGNUS DIRECTORS AND OFFICERS

None of the directors, executive officers, employees, former directors, former executive officers or former employees of Cygnus, and none of their respective associates is, or has within 30 days before the Last Practicable Date or at any time since the beginning of the most recently completed financial year been, indebted to Cygnus or any of Cygnus' subsidiaries or another entity whose indebtedness is subject to a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by Cygnus or any of Cygnus' subsidiaries.

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## AUDIT COMMITTEE

Cygnus does not have a separate audit and risk management committee. Given the current size of Cygnus and the Cygnus Board, it has been decided that there are no efficiencies to be gained from forming separate committees. The current Cygnus Board members carry out the roles that would otherwise be undertaken by an audit and risk management committee. The procedures detailed in the Audit and Risk Management Committee Charter, the text of which is reproduced in its entirety as Schedule "E" to this Appendix I, setting forth the purpose, composition, authority and responsibility of the audit and risk management committee, continue to be relevant and outline the process employed by the Cygnus Board to independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Cygnus has a risk management policy and framework which broadly address financial and operating risks and are complemented by individual approved policies and procedures covering financial, contract management, safety and environmental activities of the company.

Cygnus also engages an insurance brokerage as part of the company's annual assessment of the coverage for insured assets and risks. The results of all the various reviews and insurances are reported to the Cygnus Board at least annually.

The integrity of Cygnus' financial reporting relies upon a sound system of risk management and control. Accordingly, the managing director (or the executive chairman in the absence of the managing director) and chief financial officer (or most senior financial employee/consultant), to ensure management accountability, are required to provide a statement in writing to the Cygnus Board that the financial reports of Cygnus are based upon a sound risk management policy.

The Cygnus Board believes that it has a thorough understanding of Cygnus' key risks and is managing them appropriately. Refer to the section titled "*Cygnus Directors and Executive Officers — Biographical Information Regarding the Directors and Executive Officers of Cygnus* " in this Appendix I for information regarding the relevant education and experience of the directors of Cygnus.

Upon the completion of the Arrangement, the Cygnus Board intends to form an audit committee in accordance with the requirements of Canadian securities laws.

### Pre-Approval Procedures for Non-Audit Services

The current Cygnus Board members carry out the roles that would otherwise be undertaken by an audit and risk management committee and are responsible for the pre-approval of all non-audit services to be provided to Cygnus by its independent auditor. At least annually, the Cygnus Board shall review and confirm the independence of the independent auditor by obtaining statements from the independent auditor describing all relationships with Cygnus, including with respect to any non-audit services.

### External Auditor Service Fees

For each of the last three fiscal years, Cygnus incurred the following fees with its external auditor, Ernst & Young:

| | Fiscal 2023 | Fiscal 2022 | Fiscal 2021 |
|---|---|---|---|
| Audit fees[(1)] | $85,000 | $40,000 | $30,000 |
| Audit related fees[(2)] | - | - | - |
| Tax fees[(3)] | - | - | - |
| All other fees[(4)] | - | - | - |
| **Total fees paid** | **$85,000** | **$40,000** | **$30,000** |



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**Notes:**

(1) Fees for audit service on a billed basis.
(2) Fees for assurance and related services not included in audit service above.
(3) Fees for tax compliance, tax advice and tax planning.
(4) All other fees not included above.

On June 25, 2024, BDO was appointed as auditor of Cygnus, replacing Ernst & Young. In accordance with section 327C of the Corporations Act, a resolution to confirm the appointment of BDO as Cygnus' external auditor will be put to the Cygnus Shareholders at Cygnus' next annual general meeting.

## CORPORATE GOVERNANCE

### Board of Directors

The Cygnus Board comprises four directors, one of whom is an independent director in accordance with ASX Listing Rules and the Corporations Act.

Based on information provided by each director concerning his or her background, employment and affiliations, the Cygnus Board has determined that three directors on the Cygnus Board, Messrs. David Southam, Raymond Shorrocks and Michael Bohm, are not considered "independent" within the meaning of the ASX Corporate Governance Principles and Recommendations (4th edition) as a result of their current and past relationships with Cygnus in the last three years in executive roles or as a substantial shareholder. The Cygnus Board has determined that one of the four members of the Cygnus Board, Mr. Kevin Tomlinson, is an independent director. Cygnus does not have a majority of independent directors; however, the Cygnus Board considers that given the size and scope of Cygnus' operations, it has the relevant experience in the exploration and mining industry and is appropriately structured to discharge its duties in a manner that is in the best interests of Cygnus and the Cygnus Shareholders from both a long-term strategic and operational perspective. To assist the directors of the Cygnus Board with their independent decision making, the Cygnus Board collectively, and each director, has, subject to prior consultation with the Chair of the Cygnus Board, the right to seek independent professional advice at Cygnus' expense. A copy of such advice is required to be made available to all members of the Cygnus Board.

The Cygnus Board reviews the independence of all directors of Cygnus on an annual basis and directors of Cygnus have an ongoing obligation to inform the Cygnus Board of any material changes in their circumstances or relationships which may affect the Cygnus Board's determination as to their independence.

Members of the Cygnus Board are also members of the boards of directors of other public companies. Refer to the section titled "*Cygnus Directors and Executive Officers — Biographical Information Regarding the Directors and Executive Officers of Cygnus*" in this Appendix I.

Mr. Southam, the Executive Chair and a non-independent director, is the Chair of the Board. The responsibilities of the Chair of the Board include, among other things: (i) to commit adequate time to discharge the role of Chair effectively; (ii) leading the Cygnus Board; (iii) facilitating efficient organization of board meetings and effective contribution by all directors of Cygnus; (iv) chairing meetings of Cygnus Shareholders; and (v) promoting constructive and respectful relations between members of the Cygnus Board and management. As the Chair is not independent, the Cygnus Board has appointed Mr. Kevin Tomlinson as Lead Independent Non-Executive Director to provide independent leadership for the Cygnus Board. The Lead Independent Non-Executive Director leads the Cygnus Board meetings when the Chair of the Cygnus Board is not available and advises the Cygnus Board on matters where there may be a conflict of interest.

As there is one independent director on the Cygnus Board, the independent director does not hold regular scheduled meetings at which non-independent directors and members of management are not in attendance. However, the Non-Executive Directors are encouraged to confer without the presence of the Executive Directors whenever they deem necessary.

Seven meetings of directors of Cygnus were held and attendances by each director of Cygnus during Fiscal 2023 were as follows:

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| Director of Cygnus | Number attended | Number eligible to attend |
|---|---|---|
| Kevin Tomlinson | 5 | 5 |
| Michael Bohm | 7 | 7 |
| David Southam | 7 | 7 |
| Michael Naylor | 7 | 7 |
| Raymond Shorrocks | 6 | 7 |
| Shaun Hardcastle | 2 | 2 |

Given the size of the Cygnus Board, Cygnus has decided that there are no efficiencies to be gained from forming separate board committees.

**Board Mandate**

The Cygnus Board has adopted the Cygnus Board Charter, the text of which is reproduced in its entirety as Schedule "A" to this Appendix I, setting forth the principles for the role of the Cygnus Board and which governs the ongoing operation of the Cygnus Board.

**Position Descriptions**

Mr. Southam's role as an Executive Director includes, but is not limited to, the following specific duties and responsibilities:

- planning and ensuring a Cygnus Board approved company strategy is executed at all levels of the business;
- overseeing investor relations of Cygnus with Cygnus Shareholders, and, if required, appointing suitable persons or firms to engage with Cygnus Shareholders when needed;
- implementing Cygnus' vision, mission and core values;
- developing and setting business strategic goals that are measurable and attainable;
- meeting with key external stakeholders on a regular basis including government departments and local communities;
- providing monthly reports on relevant exploration, operational, safety, environmental, cost and staffing issues;
- monitoring and assessing all risks and implementing strategies to minimize loss and damage to Cygnus;
- ensuring full compliance with mine safety regulations for all operations;
- working collaboratively with the executive management team to achieve company, operational and strategic key performance indicators;
- ensuring effective planning and scheduling of all company activities to achieve future operational requirements;
- providing leadership, direction, resources and creation of a consultative work environment that will encourage personnel to actively contribute to Cygnus;
- providing expertise to project and other business unit reviews as required;

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- promoting a climate of open communication, good morale and cooperation within Cygnus;
- negotiating contracts and agreements and participating in contractor selection;
- driving good cost culture values within Cygnus;
- recruiting key management personnel to ensure that Cygnus' strategy can be achieved;
- managing and coordinating projects through all phases of exploration;
- developing and maintaining company procedures, work practices, plans, systems and protocols to enable the organization to work efficiently and maintain a consistent approach and high standard of work;
- assessing growth, expansion and all other accretive opportunities for the company at the appropriate time; and
- preparing, planning and executing capital raisings when necessary.

As Chair of the Cygnus Board, Mr. Southam has the following additional responsibilities:

- committing adequate time to discharge the role of Chair effectively;
- leading the Cygnus Board;
- facilitating efficient organization of meetings of the Cygnus Board and effective contribution by all directors;
- chairing meetings of Cygnus Shareholders; and
- promoting constructive and respectful relations between members of the Cygnus Board and the executives.

**Orientation and Continuing Education**

Cygnus has adopted a Cygnus Board skills matrix, which details the mix of skills and diversity that the Cygnus Board currently has or is looking to achieve. To ensure that the current Cygnus Board provides the skills and experience required by the skills matrix, the Cygnus Board will assess each director of Cygnus' skills and experience and the current directors as a group, against the Cygnus Board skills matrix from time to time. The Cygnus Board will take account of the skills matrix and gaps or weaknesses in the skills matrix when applied to existing directors of Cygnus and when filling any vacancies on the Cygnus Board.

In accordance with the Cygnus Board Charter, directors of Cygnus are expected to participate in induction or orientation programs upon their election or appointment and any continuing education or training arranged by Cygnus from time to time.

**Ethical Business Conduct**

The Cygnus Board has adopted a set of values which are the foundation for how Cygnus achieves its business objectives. Cygnus' values are supported by the Code of Conduct and other key governance principles and policies which are approved by the Cygnus Board, such as the Anti-Bribery and Anti-Corruption Policy. Any material breaches of the Code of Conduct or Anti-Bribery and Anti-Corruption Policy are reported to the Cygnus Board by the relevant officers. The Code of Conduct is reviewed annually by the Cygnus Board to ensure that it is operating efficiently and to ascertain whether changes are required to be made to the Code of Conduct. The Cygnus Board is also responsible for reviewing the Anti-Bribery and Anti-Corruption Policy to determine its appropriateness to the needs of Cygnus from time to time and that Cygnus' policies, standards, procedures and guidelines comply with legal, regulatory and statutory requirements.

Cygnus aims to maintain the highest standard of lawful and ethical behaviour in business dealings and to behave with integrity in all its dealings with Cygnus stakeholders, including Cygnus Shareholders, employees, government, suppliers, traditional

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owners and the community. Directors and employees of Cygnus are expected to perform their duties in a professional manner and act with the utmost integrity and objectivity, always striving to enhance the reputation and performance of Cygnus. The Cygnus Board is responsible for setting the tone of legal, ethical and moral conduct to ensure that Cygnus is considered reputable by the industry and other outside entities. This involves considering the impact of Cygnus' decisions on the industry, its colleagues and the broader community. Cygnus' Code of Conduct applies to all employees, individual contractors, consultants, managers and the Cygnus Board, including temporary employees, individual contractors and directors of Cygnus. Cygnus' Code of Conduct and Anti-Bribery and Anti-Corruption Policy are available on its website at https://www.cygnusmetals.com.

**Nomination of Directors**

Given the current size and composition of the Cygnus Board, it has been decided that there are no efficiencies to be gained from forming a separate nomination committee or remuneration committee. The current Cygnus Board members carry out the roles that would otherwise be undertaken by a nomination committee or remuneration committee and each director of Cygnus excludes themselves from matters in which they have a personal interest.

The roles and responsibilities conducted by the full Cygnus Board to address Cygnus Board succession issues and to ensure that the Cygnus Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively include:

(a) considering the size and composition of the Cygnus Board;

(b) assessing and determining the independence status of each director of Cygnus;

(c) regularly determine whether each director of Cygnus has enough time to commit to carry out his or her responsibilities;

(d) implementing a plan for identifying, assessing and enhancing director competencies;

(e) developing and implementing processes to identify suitable candidates for nomination or appointment to the Cygnus Board;

(f) developing and implementing induction procedures for new directors;

(g) developing, implementing and reviewing Cygnus' succession plans in place for membership of the Cygnus Board and the executives of Cygnus; and

(h) developing and implementing processes for evaluating the performance of the Cygnus Board and individual directors.

The Cygnus Board also reviews and approves recommendations in terms of compensation and incentive plan arrangements for directors and senior executives, having regard to market conditions and the performance of individuals and the consolidated entity.

**Compensation**

As noted above, Cygnus has not formed a nomination and remuneration committee and the Cygnus Board currently carries out the roles that would otherwise be undertaken by such a committee in accordance with the procedures and processes outlined in the Nomination and Remuneration Committee Charter. The Cygnus Board, as a whole, therefore assesses the appropriateness of the nature and amount of remuneration of Non-Executive Directors and executives of Cygnus on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing directors and executive team. Directors of Cygnus excuse themselves from discussions that are specific to their individual remuneration components and are not in relation to the remuneration of the group of non-executive directors as a collective.

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The Cygnus Board may obtain professional advice where necessary to ensure that Cygnus attracts and retains talented and motivated directors, executives and employees who can enhance Cygnus' performance through their contributions and leadership.

**Assessments**

Cygnus Board Charter requires the Cygnus Board to undertake an annual performance evaluation of itself that:

- compares the performance of the Cygnus Board, and each individual director of Cygnus, with the requirements of the Cygnus Board Charter;
- sets the goals and objectives of the Cygnus Board for the upcoming year;
- effects any improvements to the Cygnus Board Charter deemed necessary or desirable; and
- performs such other functions as prescribed by law.

Another non-executive director is nominated to conduct a performance evaluation of the Chairman, ensuring all other directors are consulted during the process.

Cygnus discloses its process for periodically evaluating the performance of the Cygnus Board and individual directors and executives of Cygnus and whether a performance evaluation was undertaken in respect of the reporting period in its annual corporate governance statement.

**Director Term Limits and Other Mechanisms of Board Renewal**

Pursuant to the Cygnus Constitution and ASX Listing Rules, each director of Cygnus, excluding the Managing Director, must retire from office at the end of the third annual general meeting following that director of Cygnus' last appointment or three years, whichever is longer, and may seek re-election to the Cygnus Board.

Cygnus has guidelines for the appointment and selection of the Cygnus Board in the Cygnus Board Charter. The Cygnus Board ensures appropriate checks, including checks in respect of character, experience, criminal record and bankruptcy history (as appropriate), are undertaken before appointing a person or putting forward to Cygnus Shareholders a candidate for election, as a director of Cygnus. These checks take place prior to putting forward a director to Cygnus Shareholders for election at a general meeting or annual general meeting. The Cygnus Board ensures all material information relevant to a decision on whether or not to elect or re-elect a director of Cygnus, including biographical details, qualifications, the candidate's independence and a statement from the Cygnus Board as to whether it supports the candidate's existing directorships (if any), is provided to Cygnus Shareholders in the notice of meeting containing the resolution to elect or re-elect the directors of Cygnus.

**Policies Regarding the Representation of Women, Consideration of the Representation of Women in the Director Identification and Selection Process, Consideration of the Representation of Women in Executive Officer Appointments and Targets Regarding the Representation of Women on the Board and in Executive Officer Positions**

Cygnus has adopted the Diversity Policy which provides a framework for Cygnus to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Cygnus Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives, if any, have been set and Cygnus' progress in achieving them.

The Diversity Policy is available on Cygnus' website at https://www.cygnusmetals.com. Cygnus is actively managing diversity as a means of enhancing Cygnus' performance by recognizing and utilizing the contributions of diverse skills and talent from its employees. It is the Cygnus Board's responsibility and objective, among others, to achieve a diverse and skilled workforce, with a particular focus on supporting the representation of women at the senior level of Cygnus and the Cygnus Board, and a workplace culture characterized by inclusive practices and behaviours. Given the current size of Cygnus, the Cygnus Board did not set a measurable objective for gender diversity in Fiscal 2023 in respect of the Cygnus Board or executive officer positions. Cygnus is committed to ensuring the Cygnus Board is comprised of directors who possess the appropriate mix of

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skills, expertise and diversity to adequately discharge its responsibilities and duties. Cygnus strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholder value and which reflects the values, principles and spirit of the Diversity Policy.

**Number of Women on the Board and in Executive Officer Positions**

As at December 31, 2023, Cygnus and its subsidiaries had three female employees out of a total of six employees, one female contractor in a senior management position (Joint Company Secretary) out of a total of four senior managers, and no female directors on the Cygnus Board out of a total of five directors.

## RISK FACTORS

**You should carefully consider all of the information set out in this Circular, including the risks and uncertainties described below in respect of Cygnus' business and the industry it operates in. The risks described below are not the only risks facing Cygnus. You should consider the fact that Cygnus' principal operations are conducted in Australia and in Canada and are governed by legal and regulatory environments that, in some respects, differ from those that prevail in other countries. Cygnus' business, financial condition or results of operations could be materially and adversely affected by any of these risks. The trading price of Cygnus Shares offered in the Arrangement could decline due to any of these risks.**

The following section provides a description of the risks associated with the business and operations of Cygnus. A number of these risks are inherent to the exploration, development and mining of natural resources and represent similar risks to which Doré Shareholders are already exposed. However, the nature of Cygnus' business will differ from that of Doré and Doré Shareholders may be subject to new or additional risks following implementation of the Arrangement.

The risks presented in this section are not an exhaustive list of all risks and risk factors related to Cygnus. Additional risks and uncertainties not presently known to Cygnus, or not expressed or implied below, or that are presently deemed immaterial, may also have an adverse impact on Cygnus' business. The risk factors may also change over time.

This section does not take into account the investment objectives, financial situation, position or particular needs of Doré Shareholders. Each Doré Shareholder should consult their legal, financial, taxation or other professional advisor if they have any queries.

## GENERAL RISKS RELATING TO CYGNUS

**Contract risk**

Cygnus is party to the Option Agreements, under which Cygnus has the option to acquire up to a 70% interest in the Pontax Lithium Project and a 100% interest in the CMH Projects, subject to satisfaction of certain terms and conditions.

The Option Agreements also include provisions providing for the termination of the Option Agreements upon the occurrence of certain events, such as Cygnus being in default of its obligations, including failing to make required payments and incur exploration expenditure within the specified timeframes. The early termination of any of the Option Agreements, for any reason, may mean that Cygnus will not realize the full value of the contracts, which will adversely affect the value, growth prospects, operating results and financial performance of Cygnus.

**Future payment obligations**

In accordance with the terms of the Option Agreements, Cygnus has assumed certain obligations to make future payments to third parties and incur exploration expenditure on the Canadian Optioned Projects in order to acquire interests in the Canadian Optioned Projects.

There can be no certainty that Cygnus will have sufficient funds to satisfy these obligations if and when they become payable. In the event that Cygnus isn't able to raise sufficient funds, Cygnus may not be able to complete the Option Agreements and

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acquire the stated interests in the Canadian Optioned Projects. There is no guarantee that further capital will be available on terms satisfactory to Cygnus, or at all, and further equity raises will dilute the interests of existing Cygnus Shareholders.

**Joint venture risk**

Cygnus is subject to the risk that changes in the status of any of Cygnus' joint ventures, including changes caused by financial failure or default by a participant in the joint venture, may adversely affect the operations and performance of Cygnus.

**Mineral Price Fluctuations**

To the extent Cygnus is involved in mineral production, the revenue derived through the sale of commodities may expose the potential income of Cygnus to commodity price and exchange rate risks. The prices of lithium and other minerals fluctuate widely and are affected by numerous factors beyond the control of Cygnus, for example, industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, global or regional consumptive patterns, sales by government holders, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of lithium and other minerals could cause the development of, and eventually the commercial production from, Cygnus' projects and Cygnus' other properties to be rendered uneconomic. Depending on commodity prices, Cygnus could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. Even as commercial quantities of lithium are produced, there is no assurance that a profitable market will exist for it. Further, international prices of various commodities are denominated in United States dollars. In contrast, the income and expenditure of Cygnus are, and will be taken into account, in Australian dollars and Canadian dollars. Consequently, Cygnus is exposed to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar and the Canadian dollar as determined in international markets. In addition to adversely affecting any potential future reserve estimates of Cygnus and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. A reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

**Exploration Risk**

The successful exploration and development of mineral properties is speculative. There is no assurance that exploration of the mining rights portfolio in which Cygnus has an interest will result in the discovery of a mineral deposit that can be economically mined or the increase in any current mineral resource or conversion of mineral resources to ore reserves. The exploration costs of Cygnus are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may differ materially from these estimates and assumptions.

**Stage of Development**

Cygnus is in the business of exploring for, with the ultimate goal of producing, mineral resources from its mineral exploration properties. None of Cygnus' properties have commenced commercial production and Cygnus has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that Cygnus will be able to develop any of its properties profitably or that its activities will generate positive cash flow. Cygnus is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. A prospective investor in Cygnus must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of its management in all aspects of the development and implementation of its business activities.

**Resource Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect Cygnus' operations.

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Many of the mining claims in which Cygnus has an interest are subject to ongoing royalty obligations. The amount of royalties payable in respect of a claim may have an impact on the economic viability of that claim, depending on various factors such as commodity prices and prevailing economic conditions.

**Tenure**

Interests in a project's mining rights are governed by legislation and are evidenced by the granting of mining rights, licenses or leases. Each mining right, license or lease is for a specific term and carries with it expenditure and reporting commitments as well as other conditions requiring compliance. In addition, an interest or a right to earn an interest in a project may be governed by agreements with parties which require compliance with certain conditions, commitments and obligations. Consequently, Cygnus could lose title to or its interest in mining rights or a project if these conditions, commitments and obligations are not met as and when they arise.

**Exploration, development and operating risks and costs**

The prospects of Cygnus should be considered in light of the risks, opportunities, expenses and difficulties frequently encountered by companies at a similar stage of production and development. Cygnus' initiatives may not proceed to plan, with potential for delay in the timing of exploration and development activities. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration and development activities of Cygnus and the future development of mining operations at Cygnus' projects or any future projects that Cygnus may acquire an interest in may be affected by a range of factors, including:

(a) geological, metallurgical and hydrological conditions;

(b) limitations on activities due to seasonal weather patterns;

(c) lack of availability or shortages of equipment, spare parts and consumables;

(d) access to appropriately skilled labour, competent operation and managerial employees, contractors and consultants;

(e) unanticipated operational and technical difficulties, mechanical failure of operating plant and equipment, industrial and environmental accidents;

(f) industrial action, disputes or disruptions;

(g) industrial and environmental accidents;

(h) increases in costs and cost overruns;

(i) financial failure, or default by any future alliance or service provider to Cygnus which may require Cygnus to face unplanned expenditure;

(j) native title process;

(k) changing government regulations; and

(l) other factors beyond Cygnus' control.

In addition, the construction of any proposed development may exceed the expected timeframe or cost for a variety of reasons out of Cygnus' control. Any delays to project development could adversely affect Cygnus' operations and financial results and may require Cygnus to raise further funds to complete the project development and commence operations.

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**Debt and equity funding (including shareholder dilution)**

Cygnus' continued ability to operate its business and effectively implement its business plan over time will depend, in part, on its ability to raise additional funds for future operations and to repay or refinance debts as they fall due. It is difficult to estimate the level of funding that may be required for Cygnus' operations. No assurance can be given that any such additional financing will be available or that, if available, it will be available on terms acceptable to Cygnus or Cygnus Shareholders.

If additional funds are raised through the issue of equity securities, the capital raising may be dilutive to Cygnus Shareholders (assuming Cygnus Shareholders do not participate) and such securities may, subject to requisite Cygnus Shareholder approval, have rights, preferences or privileges senior to those currently holding Cygnus Shares. While Cygnus will be subject to the constraints of ASX Listing Rules regarding the percentage of capital that it is able to issue within a 12-month period, other than where exceptions apply, Cygnus Shareholders at the time may be diluted as a result of such issues of Cygnus Shares and capital raises.

Cygnus may seek financing from debt or alternative financiers to satisfy its capital requirements. The terms on which such financiers are willing to offer finance may vary from time to time depending on macro-economic conditions, the performance of Cygnus and an assessment of the risks and intended use of funds. If Cygnus elects to pursue debt finance on terms acceptable to Cygnus, such debt finance arrangements may involve restrictions on financing and operating activities.

If sufficient funds are not available from either debt or equity markets to satisfy Cygnus' short, medium or long- term capital requirements, when required, this may adversely impact Cygnus' operations, financial performance and financial position.

**Dependence on licenses and permits**

Cygnus' projects generally require governmental licenses, permits, authorizations, concessions and other approvals in connection with their activities ("**Operating Authorizations**"). Obtaining and complying with the necessary Operating Authorizations or governmental regulations can be complex, costly and time consuming and is not assured. The duration, cost and success of applications for Operating Authorizations are contingent on many factors, including those outside Cygnus' control. Delay in obtaining or renewing, or failure to obtain or renew, a material and necessary permit could mean that Cygnus may be delayed or, in a worst-case scenario, unable to proceed with the development or continued operation of a mine or project. The Operating Authorizations required for Cygnus' projects or operations may not be issued, maintained or renewed either in a timely fashion or at all, which may constrain the ability of Cygnus to conduct its exploration activities, and in turn may impact Cygnus' operations, financial performance and financial position.

**Future approvals risk**

Cygnus has all relevant approvals to conduct its current operations. The mineral industry is intensely competitive in all its phases. Cygnus competes with many companies possessing greater financial resources and technical facilities than Cygnus for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. Prior to the commencement of any future operations, Cygnus may require additional approvals and permits relating to any necessary regulatory, social and community, and environmental matters. There is no assurance that such approvals will be received or that the conditions within the approvals will not be overly onerous.

**Land access risk**

Consistent land access is critical to the operations of Cygnus. Immediate and continuing access to land within Cygnus' mining right, license and permit areas cannot be guaranteed in all cases as Cygnus may be required to obtain or renew the consent of the owners and occupiers of the relevant land or surrounding land. Compensation may be required to be paid to the owners and occupiers by Cygnus in order to carry out its operations. Various aspects of Cygnus' future performance and profitability are dependent on the outcome of future negotiations with third parties. In addition to the outcome of negotiations on land access arrangements, future negotiation with the government is expected in respect of license renewals, developing related infrastructure and work obligations and security for rehabilitation of areas of operation within Cygnus' mining rights, licenses and permits. Potential claims by community members and stakeholders, who may have concerns over the social or environmental impacts of Cygnus' operations, have the potential to cause community unrest and activism, which may diminish Cygnus' reputation.

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**Native title and indigenous peoples**

In the jurisdictions in which Cygnus operates, legal rights applicable to mining rights are different and separate from legal rights applicable to surface lands. Accordingly, title holders of mining rights in such jurisdictions must agree with surface landowners on compensation in respect of mining activities conducted on such land. The *Native Title Act 1993* (Cth) recognizes certain rights of indigenous Australians over land where those rights have not been extinguished. These rights, where they exist, may impact the ability of Cygnus to carry out exploration or obtain production tenements.

Cygnus must observe the provisions of native title legislation, where applicable, and aboriginal heritage legislation which protects aboriginal sites and objects of significance. In certain circumstances the consent of registered native title claimants must be obtained prior to carrying out certain activities on land to which their claim relates. It is possible that the conditions imposed by native title claimants on such consent may be on terms unacceptable to Cygnus. If any known, or currently undiscovered, aboriginal heritage sites are present on the tenements and mining rights of Cygnus there is a risk that the presence of such sites may limit or prevent exploration or mining activity on the affected areas of those tenements or mining rights. The failure to obtain the approval of the relevant minister to impact the aboriginal heritage sites can result in offences being committed and significant fines or orders to stop work being made.

**No assurance of titles**

It is possible that any of Cygnus' properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

**Environmental risk**

The operations and activities of Cygnus are subject to the environmental laws and regulations of Canada, Australia and any other places in which it may conduct business in the future. As with all mining operations and exploration projects, Cygnus' operations and activities are expected to have an impact on the environment. Cygnus currently intends to conduct its operations and activities to high standards of environmental obligation, including compliance with all environmental laws and regulations. Nevertheless, significant liability could be imposed on Cygnus for damages, clean-up costs or penalties in the event of any non-compliance with environmental laws or regulations. This could have an adverse impact on Cygnus' business, operations and financial performance.

Additionally, environmental laws and regulations are increasingly evolving to require stricter standards and enforcement behaviours, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility and liability for companies and their officers, directors and employees. Changes in environmental laws and regulations deal with air quality, water and noise pollution and other discharges of materials into the environment, plant and wildlife protection, the reclamation and restoration of mining properties, greenhouse gas emissions, the storage, treatment and disposal of wastes, the effects of mining on the water table and groundwater quality. Changes in environmental legislation could increase the cost of Cygnus' exploration, development and mining activities or delay or preclude those activities altogether.

Non-physical risks arise from a variety of policy, regulatory, legal, technology, financial and market responses to the challenges posed by climate change and the transition to a lower-carbon economy. Any changes to government regulation or policy relating to climate change, including relating to greenhouse gas emissions or energy intensive assets, may, directly or indirectly, impact Cygnus' costs and operational efficiency. These impacts could adversely impact Cygnus' operations, financial performance and financial position.

Cygnus cannot predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase Cygnus' cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige Cygnus to incur significant expenses and undertake significant investments which could have material adverse effect on Cygnus' business, financial condition and performance.

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**Closure and rehabilitation risk**

At the completion of any existing or future mining operations, Cygnus will be required to rehabilitate or otherwise close those operations in accordance with its approved plans and applicable laws and regulations. No assurance can be given that the cost or time taken to rehabilitate or otherwise close any mining operation will not exceed any estimates or provisions made by Cygnus, or any existing estimates made by Cygnus, in respect of such rehabilitation or closure. The ultimate cost of rehabilitation and/or closure of mining operations is uncertain and can vary as a result of many factors, including but not limited to changes in applicable laws and regulations or the emergence of new restoration techniques.

**Labour costs and availability**

The safe and efficient operation of Cygnus' business partially depends on its ability to retain and attract skilled labour. Mining projects are often in remote locations and employees often work based on a fly-in, fly-out or drive-in, drive-out schedule. As a result, there can be shortages of labour that make it challenging to recruit and retain employees. Tightening of the labour market due to a shortage of skilled labour, combined with a high industry turnover rate and growing competition for skilled labour, may impact Cygnus' ability to hire and retain employees and may lead to exposure to increased labour costs where the demand for labour is strong. A shortage of skilled labour could limit growth prospects, lead to a decline in productivity and an increase in training costs, adversely affect safety performance and materially adversely impact revenues and, if costs increase or productivity declines, operating margins.

Any disputes with employees through personal injuries, industrial matters or otherwise, change in labour regulations or laws in the jurisdictions in which Cygnus operates or other developments in the area may cause labour disputes, work stoppages or other disruptions in production that could adversely impact Cygnus' business, operations and financial performance. There may also be political, community or reputational risks associated with labour issues.

**Key personnel and labour market risk**

Cygnus will be dependent on the experience, skills and knowledge of its key personnel to successfully manage its business. The loss of any of Cygnus' key personnel, the inability to recruit necessary staff as needed or the increased cost to recruit or retain the necessary staff, may cause a significant disruption to Cygnus and adversely impact Cygnus' operations, financial performance and financial position.

**Management of growth**

There is a risk that management of Cygnus will not be able to implement Cygnus' growth strategy. The capacity of management to properly implement and manage the strategic direction of Cygnus may affect Cygnus' financial performance.

**Specialized skill and knowledge**

Various aspects of Cygnus' business require specialized skills and knowledge. Such skills and knowledge include the areas of engineering, processing, drilling, permitting, geology, drilling, metallurgy, logistical planning and implementation of exploration programs as well as finance and accounting. Cygnus' management team and the Cygnus Board provide much of the specialized skill and knowledge. Cygnus may also retain outside consultants as additional specialized skills and knowledge are required. However, it is possible that Cygnus may experience delays and increased costs in locating and/or retaining skilled and knowledgeable employees and consultants to proceed with its planned exploration and development at its mineral properties.

**Occupational health and safety**

Cygnus' operations are subject to a variety of industry specific health and safety laws and regulations which are formulated to improve and to protect the safety and health of employees.

Mining and mining-related operations and activities can potentially be hazardous. Workplace incidents may occur for various reasons, including as a result of non-compliance with occupational health and safety laws and regulations in Québec or in Western Australia. Whilst Cygnus will seek to implement appropriate practice systems and procedures in respect of

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occupational health and safety, Cygnus may be liable for workplace incidents including industrial accidents, workplace incidents and any fatalities that occur to Cygnus' employees or other persons under such applicable occupational health and safety laws. If Cygnus is liable under such laws, in whole or part, Cygnus may be liable for significant penalties, which may adversely impact Cygnus' operations, financial performance and financial position as well as negatively affecting Cygnus' reputation. Such workplace incidents may not be covered, or may be inadequately covered, by Cygnus' insurance policies. Additionally, any accidents or injuries that occur at any of Cygnus' operations could result in delays or stoppages to operations and activities.

Any changes to the occupational health and safety laws and regulations in the jurisdictions in which Cygnus operates may result in increased costs of or uncertainties in relation to compliance with such laws and regulations.

**Key contractors**

Cygnus may continue to use external contractors or service providers for many of its activities and as such, the failure of any current or proposed contractors, subcontractors or other service providers to perform their contractual obligations may negatively impact the business and operations of Cygnus. Cygnus cannot guarantee that such parties will fulfill their contractual obligations and there is no guarantee that Cygnus would be successful in enforcing any of its contractual rights through legal action or that any legal remedies obtained will place Cygnus in a similar position to that which it would have been in had the relevant parties performed their obligations in accordance with their contractual obligations. Any insolvency or managerial failure by any such contractors or other service providers may adversely impact Cygnus' business, operations and financial performance. Further, certain contracts to which Cygnus is a party may require renewal from time to time. Whilst Cygnus has no reason to anticipate any difficulties obtaining such renewals, no assurance can be given that these such contracts will be renewed on terms that are as favourable to Cygnus as the existing terms. Delays in obtaining any required renewals of contracts or obtaining renewals on terms that are unfavourable or detrimental to Cygnus, may adversely impact Cygnus' business, operations and financial performance.

**Economic conditions**

The operating and financial performance of Cygnus is influenced by a variety of general economic and business conditions, including levels of consumer spending, gold prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets, and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war, pandemics or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on Cygnus' operating and financial performance and financial position. Cygnus' future revenues and share prices can be affected by these factors, which are beyond Cygnus' control.

**Share market conditions**

The price at which Cygnus Shares are quoted on the ASX may increase or decrease due to a number of factors.

These factors may cause the Cygnus Shares to trade at prices below the Cygnus Share price at the date of announcement of the Arrangement. There is no assurance that the price of the Cygnus Shares will increase following implementation of the Arrangement, even if Cygnus' earnings increase. Some of the factors which may adversely impact the price of the Cygnus Shares include fluctuations in the domestic and international market for listed securities, general economic conditions including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies and settings, country trade and importation policies, changes in legislation or regulation, inclusion in or removal from market indices, the nature of the markets in which Cygnus operates and general operational and business risks. There is also no assurance that there will always be an active market for Cygnus Shares.

**No certainty that Cygnus will pay dividends**

Any future determination as to the payment of dividends by Cygnus will be at the discretion of the Cygnus Board and will depend on the financial condition of Cygnus, future capital requirements and general business and other factors considered relevant to the Cygnus Board. No assurance in relation to the continued or future payment of dividends or franking credits

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attaching to dividends can be given by Cygnus. Refer to the section titled "*Dividends or Distributions*" for further information about Cygnus' dividend policy.

**Regulatory risk**

The operations of Cygnus are subject to various Canadian and Australian federal, provincial, state, municipal and local laws and regulations. The laws include those relating to mining, prospecting, development permit and licensing requirements, industrial relations, environment, land use, water, royalties, native title and cultural heritage, mine safety and occupational health. These laws and regulations (and the interpretation of such laws and regulations) are subject to change and there is the potential for significant penalties to be levelled on Cygnus for failure to comply with such laws and regulations and/or failure to take satisfactory corrective action for any failure to comply. This may have an adverse impact on Cygnus' business, operations and financial performance.

Renewals of existing approvals, mining rights, licenses and permits, or the granting of new approvals, mining rights, licenses and permits required for Cygnus' ongoing activities, is subject to the discretion of authorities including governments and regulatory agencies and, in some cases, local communities. No assurance can be given that Cygnus will be successful in obtaining extensions and/or grants of required approvals, licenses and permits, including in a timely manner or subject to economically viable terms and conditions. Additionally, the occurrence of unforeseen circumstances or events may impact Cygnus' ability to maintain compliance with the conditions of existing approvals, mining rights, licenses and permits. The failure of Cygnus to comply with the conditions of existing approvals, mining rights, licenses and permits may adversely impact Cygnus' business, operations and financial performance.

Cygnus may be subject to legal challenges on the validity of any approvals, licenses and permits. Any of the circumstances described above may have a material adverse impact on Cygnus' business, operations and financial performance, including in situations where Cygnus is curtailed or prohibited from continuing or proceeding with its operations and activities as a result of a failure to obtain, renew or maintain required approvals, licenses and permits.

**Changes in taxation rules and royalties or their interpretation**

Any change to the current rate of income tax or mineral royalties in jurisdictions where Cygnus does or may operate may impact on the profitability and performance of Cygnus. Changes in tax law, including value added taxes and stamp duties, or changes in the way taxation laws are interpreted may impact Cygnus' tax liabilities or the tax treatment of an investment in Cygnus. In particular, both the level and basis of taxation may change.

In addition, an investment in shares in Cygnus involves tax considerations which may differ for each individual shareholder. Each Doré Shareholder is encouraged to seek professional tax advice in connection with the Arrangement and how they may be individually impacted.

**Risk of adverse publicity**

Cygnus' activities will involve mineral exploration and mining and regulatory approval of its activities may generate public controversy. Political and social pressures and adverse publicity could lead to delays in approval of, and increased expenses for, Cygnus' activities. The nature of Cygnus' business attracts a high level of public and media interest and, in the event of any resultant adverse publicity, Cygnus' reputation may be harmed.

**Litigation risk**

All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that lack merit. Due to the inherent uncertainty of litigation, the litigation process could take away from management time and effort and the resolution of any particular legal proceeding to which Cygnus is or may become subject could have a material effect on Cygnus' financial position, results of operations or project development activities.

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**Investigations**

Cygnus may be subject to legal and regulatory investigations, reviews and other compliance queries from regulators and enforcement bodies from time to time. If adverse findings are made by a regulatory or enforcement body as a result of an investigation or review, there may be reputational consequences for Cygnus, a risk of civil and criminal penalties, statutory or regulatory sanctions, a requirement to pay compensation and/or infringement notices or fines. Further, Cygnus may be subject to recommendations and directions to enhance its control framework, governance and systems. Any material investigation or adverse finding resulting from those investigations involving Cygnus could have a material adverse impact on the operations, financial performance and financial position of Cygnus.

**Acquisition and divestment risk**

From time to time, Cygnus may evaluate opportunities for acquisition and divestment of assets and participate in discussions with third parties on a confidential basis. Neither these opportunities nor negotiations will be disclosed publicly until such time as the prospects of effecting a transaction are sufficiently certain and the materiality of any proposed transaction has been determined. The execution and implementation of any proposed transaction may impact Cygnus' operations, business and financial performance and lead to a change in Cygnus' future capital, operating expenditure and funding requirements. However, no assurance is given that any such transaction will emerge or be consummated.

**Insurance risk**

Cygnus will maintain insurance coverage to protect against certain risks with such scope of coverage and in such amounts as determined appropriate by the Cygnus Board and management in the circumstances or to the extent commercially available. However, the insurance policies may not be sufficient to cover all of the potential risks associated with Cygnus' operations. No assurance can be given that Cygnus will be able to obtain or maintain insurance coverage at reasonable rates, or at all, that any coverage it obtains will be adequate and available to cover all risks or claims on acceptable terms or that any insurance cover or policy will ultimately respond to a claim made. Losses, liabilities and delays arising from uninsured or underinsured events could have a material adverse impact on the operations, financial performance and financial position of Cygnus.

**Force majeure events**

Events may occur within or outside Canada or Australia that could impact upon the Canadian or Australian economy, Cygnus' operations and the price of Cygnus Shares. These events include, but are not limited to, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, including pandemics, or other natural or man-made events or occurrences that can have an adverse effect on the demand for Cygnus' products and its ability to operate its assets or may otherwise adversely impact Cygnus' operations, financial performance and financial position. Cygnus only has a limited ability to insure against some of these risks.

**Geopolitical risks**

Cygnus may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other nongovernmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect Cygnus cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond Cygnus' control and may adversely affect its business. The possibility that future governments may adopt substantially different policies, which might extend to the expropriation of assets, cannot be ruled out.

**Health epidemics and outbreaks of communicable diseases**

Cygnus' business could be adversely impacted by the effects of the outbreak of an epidemic and/or other outbreaks of communicable diseases or health crises, which could significantly disrupt Cygnus' exploration and development activities and may have a material adverse effect on Cygnus' business and financial condition. Moreover, a global or regional health crisis

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could have a material adverse effect on the regional economies in which Cygnus operates, negatively impact stock markets, including the trading price of Cygnus Shares, adversely impact Cygnus' ability to raise capital, cause continued interest rate volatility and movements that could make obtaining financing more challenging or more expensive, adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for base and precious metals and Cygnus' future prospects and result in any operations affected by becoming subject to quarantine, lockdowns, travel restrictions or stay-at-home orders. Any of these developments and others could have a material adverse effect on Cygnus' business and results of operations. There can also be no assurance that Cygnus' personnel will not be impacted by these pandemic diseases and ultimately see all or a portion of its operations suspended, workforce productivity reduced or incur increased medical costs and/or insurance premiums as a result of these health risks.

**Climate change**

The physical and non-physical impacts of climate change may affect Cygnus' assets, its productivity, the markets in which it sells its products and the communities in which Cygnus operates. Risks related to the physical impacts of climate change include acute risks resulting from increased severity of extreme weather events and chronic risks resulting from longer-term changes in climate patterns.

Non-physical risks arise from a variety of policy, regulatory, legal, technology, financial and market responses to the challenges posed by climate change and the transition to a lower-carbon economy. Any changes to government regulation or policy relating to climate change, including relating to greenhouse gas emissions or energy intensive assets, may, directly or indirectly, impact Cygnus' costs and operational efficiency.

Cygnus may be adversely impacted by the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation, as well as changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further adversely impact Cygnus and its business, operations and financial performance. While Cygnus intends to manage these risks and limit any consequential impacts, there can be no guarantee that Cygnus will not be adversely impacted by these occurrences.

**Exchange rate fluctuations**

Cygnus Shares are quoted in Australian dollars and are listed on the ASX. An investment in Cygnus Shares by an investor in a jurisdiction in which the principal currency is not Australian dollars exposes the investor to foreign currency rate risks. Any depreciation of the Australian dollar may reduce the value of the investment of the investor in terms of their local currency.

## LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Cygnus is not or was not a party to any material legal proceedings or regulatory actions since January 1, 2023 and there are no material legal proceedings or regulatory actions to which any of Cygnus' property is subject and no such proceedings or actions are known to Cygnus to be contemplated.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Cygnus is not aware of any material interest of any director, executive officer, any person that beneficially owns, controls or directs, directly or indirectly, more than 10% of the Cygnus Shares or any associate or affiliate of the foregoing persons in any transaction within the three years before the date of this Circular that has materially affected or is reasonably expected to materially affect Cygnus.

## AUDITORS, TRANSFER AGENTS AND REGISTRARS

The external auditor of Cygnus is BDO located at Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, Western Australia 6000. BDO was appointed as auditor of Cygnus, effective June 25, 2024, following the resignation of Ernst & Young and the subsequent consent from the Australian Securities and Investments Commission in accordance with section 329(5) of the Corporations Act. In accordance with section 327C of the Corporations Act, a resolution to confirm the appointment of BDO as Cygnus' external auditor will be put to Cygnus Shareholders at Cygnus' next annual general meeting.

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The transfer agent and registrar of the Cygnus Shares is Computershare Investor Services Pty. Ltd. located at Level 17, 221 St Georges Terrace, Perth, Western Australia 6000.

## MATERIAL CONTRACTS

Other than the contracts entered into in the ordinary course of business and the Arrangement Agreement, there are no material contracts entered into by Cygnus since the beginning of the most recently completed fiscal year or that are still in effect prior to the date of this Circular.

## INTERESTS OF EXPERTS

### Names of Experts

Ernst & Young have prepared the independent auditor's report for the audited annual consolidated financial statements of Cygnus for the years ended December 31, 2023 and December 31, 2022, copies of which have been provided in Schedule "B" to this Appendix I. Ernst & Young has advised Cygnus that they are independent of Cygnus within the meaning of the Corporations Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants that are relevant to the audit of Cygnus' financial statements in Australia.

The scientific and technical information in this Appendix I regarding Cygnus' projects referred to in the "*Mineral Projects*" section is based on the Cygnus Technical Report prepared by Todd McCracken (P.Geo) who is a QP.

### Interests of Experts

To the knowledge of Cygnus, as of the date of this Circular, neither of Ernst & Young and Todd McCracken nor any of their "designated professionals" as defined in Form 51-102F2 – *Annual Information Form* hold any beneficial interest in, directly or indirectly, Cygnus Shares or securities convertible into Cygnus Shares equal to or greater than one percent (1%) of the issued and outstanding Cygnus Shares.

## FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Included as Schedule "B" to this Appendix I are the following reports:

- the annual reports of Cygnus with respect to the financial years ended December 31, 2023 and 2022; and
- the interim condensed financial report of Cygnus for the half year ended June 30, 2024.

### Selected Financial Information

The table below summarizes selected historical financial information of Cygnus for the periods indicated. This information has been derived from the annual reports of Cygnus with respect to the financial years ended December 31, 2023 and 2022 and the interim condensed financial report of Cygnus for the half year ended June 30, 2024 attached as Schedule "B" to this Appendix I.

| | **6 months to June 30, 2024 A$** | **12 months to December 31, 2023 A$** | **12 months to December 31, 2022 A$** |
|---|---|---|---|
| Total revenues | - | - | - |
| Income from continuing operations | 1,338,320 | 2,875,304 | 685,203 |
| Total comprehensive loss | 2,550,932 | 13,809,967 | 2,818,162 |
| Cash and cash equivalents | 3,139,208 | 9,316,782 | 13,530,678 |

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| | 6 months to June 30, 2024 A$ | 12 months to December 31, 2023 A$ | 12 months to December 31, 2022 A$ |
|---|---|---|---|
| Total assets | 31,911,040 | 35,085,182 | 21,401,670 |
| Total long-term liabilities | 3,171,261 | 2,459,306 | 440,773 |
| Declared cash dividends | - | - | - |

## OTHER MATERIAL FACTS

There are no other material facts relating to Cygnus that are necessary to disclose in order to have full, true and plain disclosure of all material facts relating to the Cygnus Shares.

## ADDITIONAL INFORMATION

Additional information relating to Cygnus may be found on the ASX website at www.asx.com.au and at Cygnus' website at https://www.cygnusmetals.com.

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**SCHEDULE "A" TO APPENDIX I**

**CYGNUS BOARD CHARTER**

See attached.

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# Board & Executive Charter

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## 1. Purpose

Cygnus Gold Limited (the "**Company**") is committed to conducting its business ethically and in accordance with the highest standards of corporate governance. In determining these standards, the ASX Corporate Governance Council's Corporate Governance Principals and Recommendations (as amended from time to time) (the "**ASX Corporate Governance Principles**") have been referred to.

The board of directors of the Company (the "**Board**") has approved the following charter ("**Charter**") which sets out the role and responsibilities of the Board and Executives (the "**Executives**") of the Company.

The Charter is only a summary of the matters reserved to the Board and Executives and should be used as a general guide only. The roles and responsibilities may evolve as the Company moves forward and may differ in a legal context.

## 2. Role and Responsibilities

### The Board

The Board is collectively responsible for promoting the success of the Company and in achieving this objective, the interests of shareholders and stakeholders should be promoted and protected.

The Board has the following key responsibilities:

- leading and setting the strategic direction / objectives of the Company;
- appointing the Chairman of the Board;
- appointing, and when necessary replacing, the Managing Director or CEO (Collectively referred to as Managing Director);
- approving the appointment, and when necessary replacement, of Executives and the Company Secretary;
- overseeing the Executive's implementation of the Company's strategic objectives and performance generally;
- approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);
- overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- approving the Company's remuneration framework.

Each member of the Board should have a formal letter of appointment, setting out the terms of their appointment.

### Chairman

The Chairman should be, where practicable, an independent director. If the Chairman is not independent, or ceases to be an independent director, the Board will consider appointing another director who will act as a lead independent director.

The Chairman has the following responsibilities:

- to commit adequate time to discharge the role of Chairman effectively;
- leading the Board;
- facilitating efficient organisation of board meetings and effective contribution by all directors ;
- chairing shareholder meetings; and
- promoting constructive and respectful relations between members of the Board and the Executive's.

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In the event that the Chairman is absent from a meeting of the Board, the Board shall appoint a chairman for that meeting.

### Managing Director

The Managing Director should not be the Chairman of the Company during his term as Managing Director.

The Managing Director has the following key responsibilities:

- overseeing the day-to-day operations and administration of the Company (this function is delegated by the Board);
- leading and supervising the Executives; and
- keeping the Board informed of any material issues or developments within the Company.

### Executive's

The Executives have the following key responsibilities:

- assisting the Managing Director with the Company's day to day operations;
- implementing the strategic direction / objectives provided by the Board;
- supplying the Board with information they require in a timely and clear manner;
- developing control and accountability systems in respect of compliance, risk management and corporate governance;
- operating within the risk appetite set by the Board; and
- maintaining accurate financial and other reporting.

The Executive's should have a formal job description and employment contract (or letter of appointment) setting out their term of office, duties, rights and responsibilities, and entitlements on termination.

In addition to formal reporting structures, members of the Board are encouraged to have direct communications with Executive's and other employees within the Company and/or its subsidiaries, to facilitate the carrying out of their duties as directors.

### Company Secretary

The Company Secretary supports the effectiveness of the Board and is accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Company Secretary has the following key responsibilities:

- advising the Board on governance issues;
- monitoring compliance with Board and Board committee policies and procedures;
- coordinating the timely completion and circulation of Board and Board committee papers;
- ensuring appropriate minutes are taken at board and board committee meetings;
- coordinating the induction of new Board members; and
- organising professional development activities requested by the Board.

## 3. Composition of the Board

### Skills, Diversity and New Appointees

The Board should comprise directors with a mix of qualifications, experience and expertise that will ensure the effective discharge of duties imposed on it by law and that will assist the Company in achieving growth and value for its shareholders. The composition of the Board is to be reviewed regularly, to ensure the mix of skills and expertise is appropriate.

The Board will ensure that appropriate professional development opportunities are provided to directors, to maintain the skills and knowledge needed to perform their duties.

To assist the Board in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board will maintain a Board Skills Matrix.

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In appointing new members to the Board, consideration should be given to the ability of the appointee to:

- properly understand, and be competent to deal with, current and emerging issues of the business;
- effectively review and challenge the performance of Executive's;
- exercise independent judgement;
- commit the necessary time to fulfill the requirements of the role effectively; and
- contribute to the development of the strategic direction of the Company.

When appointing new members, the Board should:

- (with consent from the appointee) conduct appropriate background checks before a person is nominated for appointment, including in respect of his or her character, experience, education, criminal record and bankruptcy history;
- collect written confirmation from the appointee that he or she has sufficient time to fulfill the role of director of the Company; and
- once the appointment is complete, ensure an appropriate induction is carried out, to allow the new member to participate fully and actively in Board decision-making at the earliest opportunity.
- comply with the Company's Diversity Policy;

**Independence**

The Board should be comprised of a majority of independent directors. An independent director is independent of the Executives and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgement.

The Company considers an independent director to be a non-executive director who:

- is not a substantial shareholder of the Company (as defined in section 9 of the Corporations Act 2001 (Cth));
- within the last 3 years has not been employed in an executive capacity by the Company;
- within the last 3 years been a partner, director or senior employee of a provider of material professional services or material consultant to the Company;
- is not a material supplier or customer of the Company;
- has no material contractual relationship with the Company other than as a director of the Company;
- has no close family ties with any person who falls within any of the categories above; and
- has not been a director of the Company for such a period that his or her independence may have been compromised.

The assessment of whether a director is considered independent (both from the perspective of the Company and the director) is based on the following materiality thresholds:

- payments made by the Company to the director or any of his associated entities for the provision of goods and/or services does not exceed 2% of the annual gross expenditure of the Company; or
- payments received by the director for the provision of goods and/or services to the Company, does not exceed 25% of the annual income or business turnover of the director or his associated entities.

Directors must disclose their interests on a regular basis and their independence should be assessed in light of the interests disclosed by them. Directors are expected to bring their independent views and judgement to the Board and must declare immediately any potential or active conflicts of interest with the Company. If there is a change in a director's interest, positions, associations or relationships that could bear upon his or her independence, that director must notify the Board as soon as practicably possible.

Non-executive directors are encouraged to confer without the presence of the Executives, whenever they deem necessary.

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### Tenure

Other than the Managing Director, no member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the Company's shareholders.

Prior to the Board proposing re-election of non-executive directors, their performance will be evaluated by the Nomination and Remuneration Committee, to ensure that they continue to contribute effectively to the Board.

## 4. Board Committees

Whilst there are no Committees in place at present, the Board will continue to assess the requirement for, and benefits of, establishing separate committees as the Company's operations develop.

## 5. Board and Executive Evaluation

### Board

The Board shall undertake an annual performance evaluation of itself that:

- compares the performance of the Board, and each individual director, with the requirements of the Charter;
- sets the goals and objectives of the Board for the upcoming year;
- effects any improvements to the Charter deemed necessary, or desirable; and
- performs such other functions as prescribed by law.

Another non-executive director should be nominated to conduct a performance evaluation of the Chairman, ensuring all other directors are consulted during the process.

The performance evaluations shall be conducted in such manner as the Board deems appropriate.

### Executives

The Executive's performance should be evaluated on an annual basis. This evaluation should include:

- a comparison of performance of the Executive with the requirements of the Charter;
- measurement of performance against previously agreed key performance indicators ("**KPIs**"); and
- setting new KPIs.

## 6. Access to Advice

All members of the Board have unrestricted access to company records and information, except where the Board determines that such access would be adverse to the Company's interests.

The Board may consult with Executives and with the Company Secretary at all times. It may also consult with Company employees, but only where necessary to enable them to discharge their duties as directors.

The Board, committees of the Board and individual directors may seek independent external professional advice as considered necessary, at the expense of the Company, but subject to prior consultation with the Chairman. A copy of any such advice received is to be made available to all members of the Board.

### Review of Charter

This Charter will be reviewed by the Board annually, to ensure that it continues to reflect the letter and spirit of all applicable laws and regulations and the Company's commitment to its staff and the community.

**SCHEDULE "B" TO APPENDIX I**

**FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS**

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1. Annual Report of Cygnus with respect to the financial year ended December 31, 2023.
2. Annual Report of Cygnus with respect to the financial year ended December 31, 2022.
3. Interim Condensed Financial Report of Cygnus for the half year ended June 30, 2024.

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CYGNUS METALS

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# ANNUAL REPORT 2023

ABN: 80 609 094 653

# CORPORATE DIRECTORY

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PRINCIPAL PLACE OF BUSINESS
& REGISTERED OFFICE
Level 2, 8 Richardson Street, West Perth, WA 6005

CONTACT INFORMATION
Phone: +61 8 6118 1627

Email: info@cygnusmetals.com

Website: www.cygnusmetals.com

AUSTRALIAN BUSINESS NUMBER
80 609 094 653

DIRECTORS

| | |
|---|---|
| Mr Kevin Tomlinson | Non-Executive Chairman |
| Mr David Southam | Managing Director |
| Mr Michael Naylor | Non-Executive Director |
| Mr Michael Bohm | Non-Executive Director |
| Mr Raymond Shorrocks | Non-Executive Director |

JOINT COMPANY SECRETARIES
Ms Maddison Cramer

Mr Carl Travaglini

AUDITORS
Ernst & Young

11 Mounts Bay Road, Perth WA 6000

STOCK EXCHANGE LISTING
Primary listing: Australian Securities Exchange

ASX Code: CY5

SHARE REGISTER
Computershare Investor Services Pty Ltd

Level 17, 221 St Georges Tce, Perth WA 6000

Phone: : +61 8 9323 2000
+61 3 9415 4000 (Outside Australia)

Fax: +61 3 9473 2500

BANKERS
National Australia Bank

100 St Georges Tce, Perth WA 6000

SOLICITORS
Hamilton Locke

Central Park, Level 48

152-158 St Georges Tce, Perth WA 6000

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# CHAIRMAN & MANAGING DIRECTOR'S MESSAGE

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Dear Fellow Shareholder,

We are pleased to present the 2023 Annual Report for Cygnus Metals Limited (ASX: CY5), our first since becoming Cygnus' Chairman and Managing Director in April 2023 and February 2023 respectively. We take this opportunity to reflect on a year that saw our Company continue to uncover the potential of its expansive portfolio of lithium exploration projects in Canada, as well as making a new clay-hosted rare earths discovery at our Bencubbin Project in Western Australia.

The lithium sector has been subject to tougher market conditions over recent months compared to the highs seen in 2022 but there is no doubt of lithium's importance to the global energy transition. While there is currently oversupply in the market, we expect this to even out over the next few years, which should tie in well with the development timeline expected for our projects.

We made rapid and exciting progress on our projects in Quebec's James Bay region – one of the world's most promising lithium districts – during the year. This included delivering an inaugural inferred Mineral Resource Estimate (MRE) of 10 million tonnes at 1.04% $Li_2O$ at our Pontax project, defined in just 12 months from acquisition, at an exceptionally low discovery cost of A$0.55 per tonne of Resource. Mineralisation remains open in all directions at Pontax, and spodumene mineralisation was confirmed up to 9km from the Pontax Central resource, which demonstrates just how much exploration upside we have at Pontax.

We achieved a breakthrough in initial activities at our new Auclair project, with the discovery of three significant spodumene-bearing pegmatite outcrops – Pegasus, Lyra and Auriga.

We've defined the Auriga outcrop over a strike length of 1.9km, with multiple parallel pegmatites intersected, providing us with an exciting target to follow up in the months to come.

Pegasus consists of two parallel outcrops measuring 75m and 65m long respectively and up to 50m wide. We have commenced drilling this discovery, encouraged by earlier sampling which returned results up to 6.6% $Li_2O$. Pegasus is a priority target, and we want to test its strike and depth extent, aiming to expand the footprint of mineralisation at surface. Post financial year we announced thick visual intercepts of spodumene and are awaiting assays.

Exploration at our Sakami project was somewhat constrained in the second half of 2023 with wildfires followed by early snowfall in the area, however we completed some sampling which will help us shape exploration plans in 2024.

High-grade clay-hosted rare earth element (REE) mineralisation at our Bencubbin project has continued to grow, now extending over 22km in length and nearly 3km wide. We have received results up to 7,243 parts per million (ppm) total rare earth oxides (TREO) from drilling, confirming both the high-grade nature and substantial size of this deposit, which appears to be close to surface.

We have commenced initial metallurgical test work with ANSTO, the Australian Nuclear Science and Technology Organisation, in the first testing program of its kind undertaken in this mostly unexplored region of Western Australia.

We are well funded to continue our exploration programs in Canada and Australia through 2024, finishing 2023 with a cash balance of $9.3 million. We thank our Shareholders who have continued to share in our journey through the year, and particularly those who supported our capital raising activities, including C$7.0m raised via Canadian flow-through share provisions and a A$3.0m Share Placement. With this strong financial position, we will be able to build on our success in 2023, With outstanding opportunities to deliver value for our Shareholders

throughout the year ahead.

We thank our Board and management team for their efforts and unwavering commitment over the past 12 months, as we have continued to explore and mature our exciting project portfolio. Our team has considerable experience in resource discovery and project delivery, and we are confident we can achieve our goals in 2024 as our projects continue to take shape.

We look forward to your continued interest and support through the year to come as Cygnus continues its strong news flow and delivery of exploration milestones.





Kevin Tomlinson
Non-Executive Chairman
Cygnus Metals Limited

David Southam
Managing Director
Cygnus Metals Limited



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# INVESTMENT HIGHLIGHTS

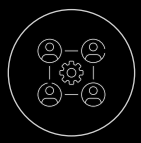
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MAIDEN RESOURCE

Maiden Inferred Resource[1] of 10.1Mt @ 1.04% $Li_2O$ achieved at Pontax in just over a year since acquisition of the project

Establishing Cygnus in James Bay



GROWTH OF LEADERSHIP TEAM

Growth of in-country leadership team with the addition of:

Non-Executive Chairman - Kevin Tomlinson and Country Manager - Laurence Huss



PROJECT ACQUISITION

Three major projects in James Bay with acquisition of Auclair and Sakami for a total ground position of ~823km$^2$

Establishes Cygnus as one of the largest ASX-listed explorers in Quebec



INVESTMENT IN DRILL BIT

Over 18,000m drilled at Pontax and Auclair in the last 12 months and over 500 prospecting samples collected

Ongoing commitment to in-ground expenditure



MULTIPLE DISCOVERIES

Spodumene-bearing pegmatites discovered at Pontax and Auclair with three discoveries made at Auclair in the last field season

One of the most active ASX listed explorers in James Bay

Plus, clay REE discovery in Western Australia

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# OPERATIONS REVIEW



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## EXPLORATION - CANADA

Cygnus Metals Limited is exploring for lithium in the world-class James Bay lithium region of Quebec. The Company has secured an extensive package of prospective greenstone belts covering 823km$^2$, making it one of the largest landholders in the region. Cygnus is focused on generating shareholder value by exploring the:

- Pontax Lithium Project (maiden resource published in August 2023)
- Auclair Lithium Project (significant new lithium discoveries from surface mapping)
- Sakami Project (an early-stage lithium exploration project in the La Grande greenstone belt which also hosts the substantial Corvette Deposit)

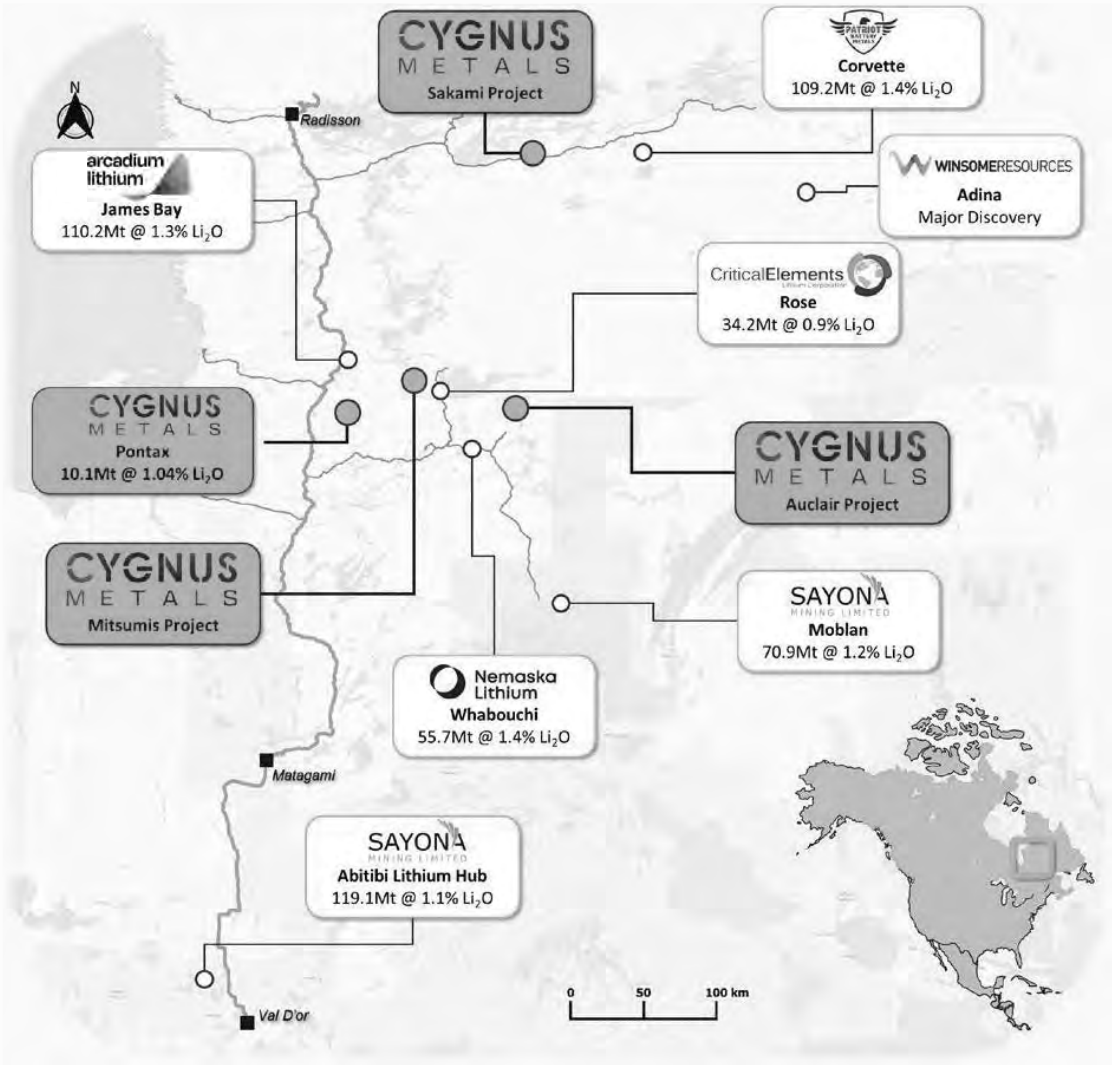



Figure 1: Location of the Pontax, Auclair and Sakami Lithium Projects in relation to other significant lithium deposits in the James Bay Area and major access routes through the region.[2]

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## PONTAX LITHIUM PROJECT (51% CY5, EARNING UP TO 70%)

In July 2022, Cygnus announced it had entered into a binding agreement to acquire up to 70 percent of the Pontax Lithium Project ("Pontax") in Quebec, Canada.

Pontax is located in the prolific Superior Province of Quebec, within the James Bay region. Despite being one of the most endowed lithium terranes in the world, minimal modern lithium exploration has been conducted there over the past 20 years.

Advanced significant lithium projects of northern Quebec[2] include:

- Abitibi Lithium Hub (119.1Mt @ 1.1% $Li_2O$) operated by Sayona Mining Limited/ Piedmont Lithium Inc
- James Bay (110.2Mt @ 1.3% $Li_2O$) operated by Arcadium Lithium Plc
- Corvette (109.2Mt @ 1.42% $Li_2O$) operated by Patriot Battery Metals Inc
- Whabouchi (55.7Mt @ 1.4% $Li_2O$) operated by Nemaska Lithium Inc
- Rose (34.2Mt @ 0.9% $Li_2O$) operated by Critical Elements Lithium Corp
- Moblan (70.9Mt @ 1.2% $Li_2O$) operated by Sayona Mining/SOQUEM Inc




In July 2023, Cygnus announced that it had earned 51% of Pontax by spending C$4 million on exploration at the project in accordance with the first milestone under the earn-in agreement with Stria Lithium Inc. Cygnus can earn up to 70% of Pontax.

In August 2023, Cygnus published an inferred maiden Resource for Pontax of 10.1Mt at 1.04% $Li_2O$ (refer ASX release dated 14 August 2023), making it just the fourth ASX-listed company in Quebec with a lithium resource after Arcadium (ASX:LTM), Sayona (ASX:SYA) and Patriot Battery Metals (ASX:PMT).

This was the culmination of 11,328m of drilling over 5 months with the resource released only 12 months following the Company's acquisition of the project. Significant intersections from this drilling campaign include;

- 23.4m @ 1.4% $Li_2O$ from 367.8m including 11.8m @ 1.9% $Li_2O$ and 2.9m @ 2.3% $Li_2O$
- 16.5m @ 1.1% $Li_2O$ from 239.8m (including an interval of 6.0m @ 1.8% $Li_2O$) and 4.3m @ 1.8% $Li_2O$ from 227.6m
- 13.3m @ 1.3% $Li_2O$ from 300.2m (including an interval of 3.7m @ 2.1% $Li_2O$) and 5.7m @ 1.4% $Li_2O$ from 194.3m
- 11.1m @ 1.2% $Li_2O$ from 146.3m (including 2.5m @ 2.6% $Li_2O$), 3.6m @ 1.4% $Li_2O$ from 65.6m & 6.3m @ 1.0% $Li_2O$ from 94.9m

## PONTAX BACKGROUND

Geology and Mineralisation

Pontax is located in the Archean Superior Province of the Canadian Shield proximal to the Causabiscau shear zone that separates the La Grande and Nemiscau Subprovinces. The Causabiscau shear zone is a major NE-SW deep-seated regional structure that is 50 to 200m wide and over 160km long.

Pontax sits within a supracrustal sequence made up of mafic volcanics and metagreywackes known as the Chambois Greenstone Belt located on the northern edge of the La Grande Subprovince. This belt wraps around the southern margin of the largely felsic intrusive block of the Nemiscau Subprovince to link up with the Lower and Middle Eastmain Greenstone Belt. The central Nemiscau Subprovince felsic block includes multiple granitoids (including the Kapiwak Pluton) considered to be a post tectonic intrusion, likely younger than 2.697 Ga. The Kapiwak pluton is interpreted to be the major source of lithium-bearing fluids in the region. The Chambois Greenstone Belt trends north-east and has been metamorphosed to upper greenschist to amphibolite facies.

The Central Pontax Pegmatite Swarm is hosted in multiple parallel dykes which individually are up to 15m thick. The pegmatites of the Central Pontax Swarm are LCT type pegmatites with high amounts of the lithium bearing mineral spodumene, which in places can reach up to 40% of the rock mass.[3] The spodumene forms aggregate crystal masses with individual crystals up to 40cm in length, characterised by a light green colour. Spodumene is the only known lithium bearing mineral hosted in the pegmatites at Central Pontax.

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Location and Infrastructure

Pontax is well situated in the emerging James Bay territory in northern Quebec, which is the focus of significant investment from the Quebec government under Quebec's "Plan Nord" economic development strategy that offers significant tax incentives for mining companies to invest in and explore the province's vast northern mineral wealth.

Pontax is situated just 4km off the James Bay Road (State Route 109) which connects Matagami, 350km to the south, to the village of Radisson, 240km to the north. Matagami has both an airport and major railway which connects directly to major infrastructure throughout North America. Major development projects surround Pontax including James Bay, Rose and Whabouchi which only enhances the viability of commercial production from the area with continued investment from major lithium companies.

In addition, Quebec is strategically well-positioned regarding the critical transitioning energy and e-mobility markets in Europe and the United States and boasts excellent infrastructure, including low cost and low carbon electricity through Hydro-Quebec.

Metallurgy

Two series of preliminary metallurgical test work, aimed at demonstrating the amenability of the Pontax pegmatites to standard beneficiation techniques, were carried out in 2015/2016 at SGS laboratories in Lakefield, Ontario.[3] Samples for variability and bulk testing were largely obtained from channel sampling of near surface and outcrop pegmatites from within the identified spodumene bearing zones.

The first test series utilised the recognised heavy liquid separation ("HLS") technique to test the response to a more economic gravity process flowsheet. These tests indicated 6% $Li_2O$ concentrates, at a mass yield of 10%, could be produced after crushing to either 9.5mm or 6.3mm.

Mineralogical examination of the ore by x-ray diffraction (XRD) confirmed the main lithium bearing mineral was spodumene, while physical testing confirmed the mineralisation was of medium hardness and it was further demonstrated that overall lithium recovery may be increased by flotation of the fine material.

In the second test series, a bulk sample of 14 tonnes with a head grade of 1.48% $Li_2O$, was processed through a pilot scale dense medium separation plant (DMS) and flotation facilities and not only confirmed the findings of the first test series but indicated an improved performance of 84% overall lithium recovery into 6% $Li_2O$ concentrates.

The program also included a sighter test on the amenability of the spodumene concentrates to downstream production of lithium carbonate or hydroxide with almost 100% conversion of the spodumene to the acid soluble version being achieved under standard conditions of heating to 1050°C for 30 minutes.

The results reported from these tests and the manner in which they were performed have provided Cygnus with insight into suitability of the Pontax pegmatites to economic recovery.



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## COMPLETION OF PONTAX MAIDEN RESOURCE DRILLING

Exploration has progressed rapidly since acquisition in July 2022 with completed geophysics, LiDAR, high resolution orthophotography and mapping culminating in the completion of an 11,328m drill program.

In April 2023, Cygnus completed its maiden drill program at Pontax with 38 holes drilled for 11,328m. The program was completed using up to three diamond rigs with access through a 37km ice road from the highway to the main Pontax Central drill site. The program was designed to systematically step out from known mineralisation at Pontax Central, an extensive spodumene-bearing pegmatite swarm which outcrops over 700m of strike. Holes were drilled on 100m spaced sections stepping out 50m to 100m below existing mineralisation.

The drilling confirmed Pontax Central to be a significant stacked spodumene-bearing pegmatite system which is continuous and open from surface down to 300m vertical depth. The pegmatites remain open along strike, extending over 700m before being concealed beneath shallow cover.

Drilling results also confirmed that mineralisation at Pontax Central is hosted in a sub-vertical, spodumene-bearing pegmatite swarm with multiple pegmatite dykes over a zone up to 75m wide. Individual pegmatite dykes returned up to 23.4m intersections, with multiple pegmatites intercepted in each drillhole. In drillhole 975-22-027, multiple intersections returned a cumulative thickness of 36.3m of spodumene-bearing pegmatite.[3]

Assay results[3] include:

- 23.4m @ 1.4% $Li_2O$ from 367.8m including 11.8m @ 1.9% $Li_2O$ and 2.9m @ 2.3% $Li_2O$ (DDH975-23-040);
- 16.5m @ 1.1% $Li_2O$ from 239.8m (including an interval of 6.0m @ 1.8% $Li_2O$) and 4.3m @ 1.8% $Li_2O$ from 227.6m (DDH975-22-027);
- 13.3m @ 1.3% $Li_2O$ from 300.2m (including an interval of 3.7m @ 2.1% $Li_2O$) and 5.7m @ 1.4% $Li_2O$ from 194.3m (DDH975-22-028);
- 11.1m @ 1.2% $Li_2O$ from 146.3m (including 2.5m @ 2.6% $Li_2O$), 3.6m @ 1.4% $Li_2O$ from 65.6m & 6.3m @ 1.0% $Li_2O$ from 94.9m (DDH975-22-029);
- 5.5m @ 1.4% $Li_2O$ from 178.7m & 5.9m @ 1.0% $Li_2O$ from 262.0m (DDH975-22-032); and
- 3.3m @ 2.8% $Li_2O$ from 107m (including 1.0m @ 5.0% $Li_2O$) & 4.2m @ 0.9% $Li_2O$ from 124.4m (DDH975-22-026).

Results include high grade intervals of up to 5.0% $Li_2O$ from individual samples. These high-grade results are associated with densely concentrated centimetric spodumene mineralisation rather than large individual crystals, resulting in a representative and even grade distribution.

These results are supported by significant historical intersections[3] which include:

- 9.0m @ 1.7% $Li_2O$ from 46.9m
- 15.6m @ 1.6% $Li_2O$ from 83.9m;
- 8.0m @ 2.6% $Li_2O$ from 19.4m; and
- 13.0m @ 1.4% $Li_2O$ from 36.0m

The assays demonstrate the continuity from surface of mineralisation through multiple stacked pegmatites to 300m in vertical depth (previously 230m).

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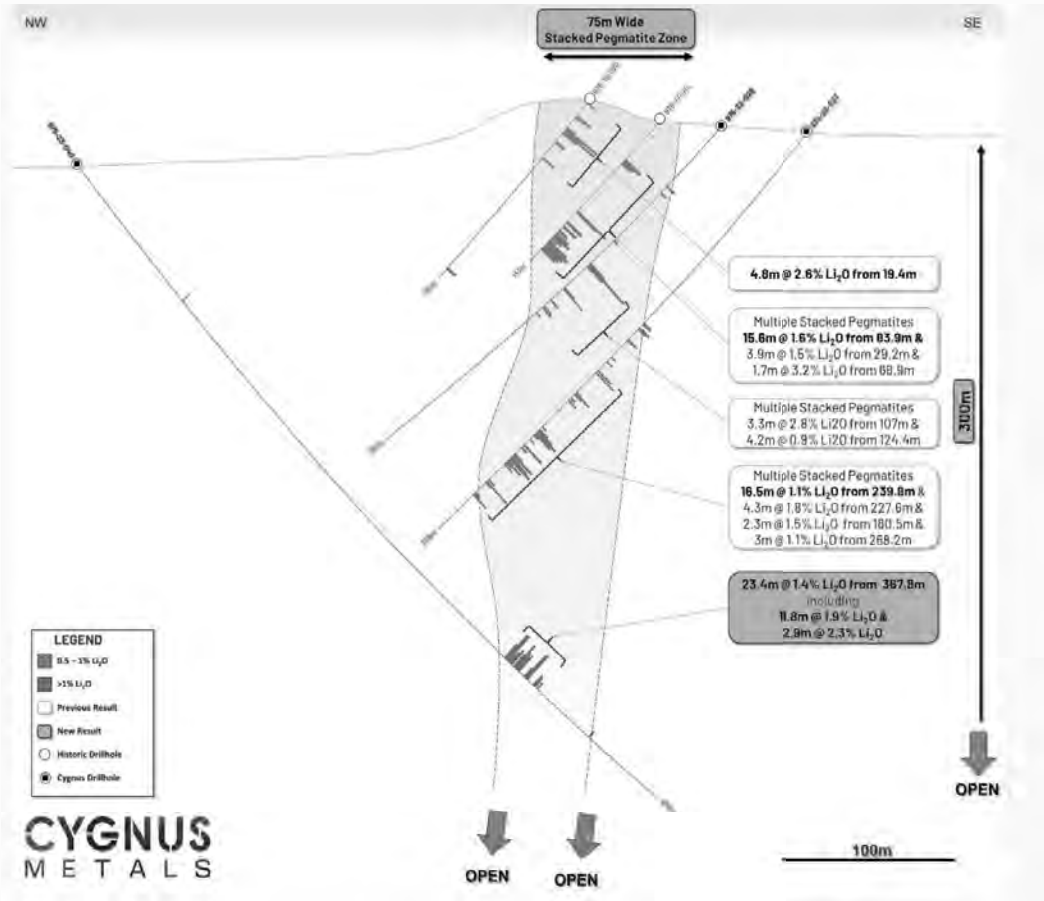



Figure 2: Cross section though Pontax Central looking towards the NE, showing both shallow historic drillholes and the recent deeper drillholes completed by Cygnus.[3] Observed geology illustrating multiple spodumene-bearing pegmatites focused over a 75m wide zone. The deepest drilling on the project to date steps out over 100m from existing drilling with mineralisation remaining open in all directions.

## MAIDEN RESOURCE

In August of 2023, Cygnus published an inferred maiden Resource for Pontax of 10.1Mt at 1.04% $Li_2O$ (refer ASX release dated 14 August 2023). This was based only on the central area of the known mineralisation. The mineralisation is open in all directions and spodumene has been confirmed up to 9km from the Pontax Central resource, highlighting the huge upside potential at Pontax.

Table 1: Maiden Mineral Resource Estimate for Pontax Central.

| Resource Category | Cut-off Grade ($Li_2O$) | Tonnes (Mt) | Grade ($Li_2O$) | Contained $Li_2O$ (Tonnes) | Grade ($Ta_2O_5$ ppm) |
|---|---|---|---|---|---|
| Inferred | 0.5% | 10.1 | 1.04% | 105,280 | 74.79 |

Table 2: Pontax Resource grade and tonnage reporting above a range of cut-off grades.

| Cut-off Grade ($Li_2O$) | Tonnes (Mt) | Grade ($Li_2O$) | Grade ($Ta_2O_5$ ppm) |
|---|---|---|---|
| 0.5% | 10.1 | 1.04% | 74.79 |
| 0.7% | 9.3 | 1.07% | 74.46 |
| 1.0% | 5.2 | 1.23% | 75.15 |

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The Resource was defined in just 12 months from project acquisition at an exceptionally low discovery cost of A55c per tonne of Resource and with only 11,328m of drilling. It also made Cygnus just the fourth ASX-listed company in Quebec with a lithium resource after Arcadium (ASX:LTM), Sayona (ASX:SYA) and Patriot Battery Metals (ASX:PMT).

The MRE is defined over 1.2km of strike, demonstrating significant growth through recent exploration from a previously defined strike length of 700m. Mineralisation remains open in all directions with significant upside for immediate resource growth through step out drilling. On a regional scale, there is huge exploration upside with recent re-sampling of historic drill core on recently acquired ground, confirming spodumene mineralisation up to 9km from the Pontax Central Resource. Limited historic drilling has been completed along this trend to date, much of which is under shallow cover.

Immediate Resource Growth Potential

The Pontax Central Resource remains open in all directions and the immediate focus of the Company is to expand the current known mineralisation through step out drilling along strike. Recent exploration has enabled the team to successfully define the continuation of mineralisation beneath shallow cover, extending the Pontax Central pegmatite swarm to 1.2km of strike, 50% of which does not outcrop at surface.

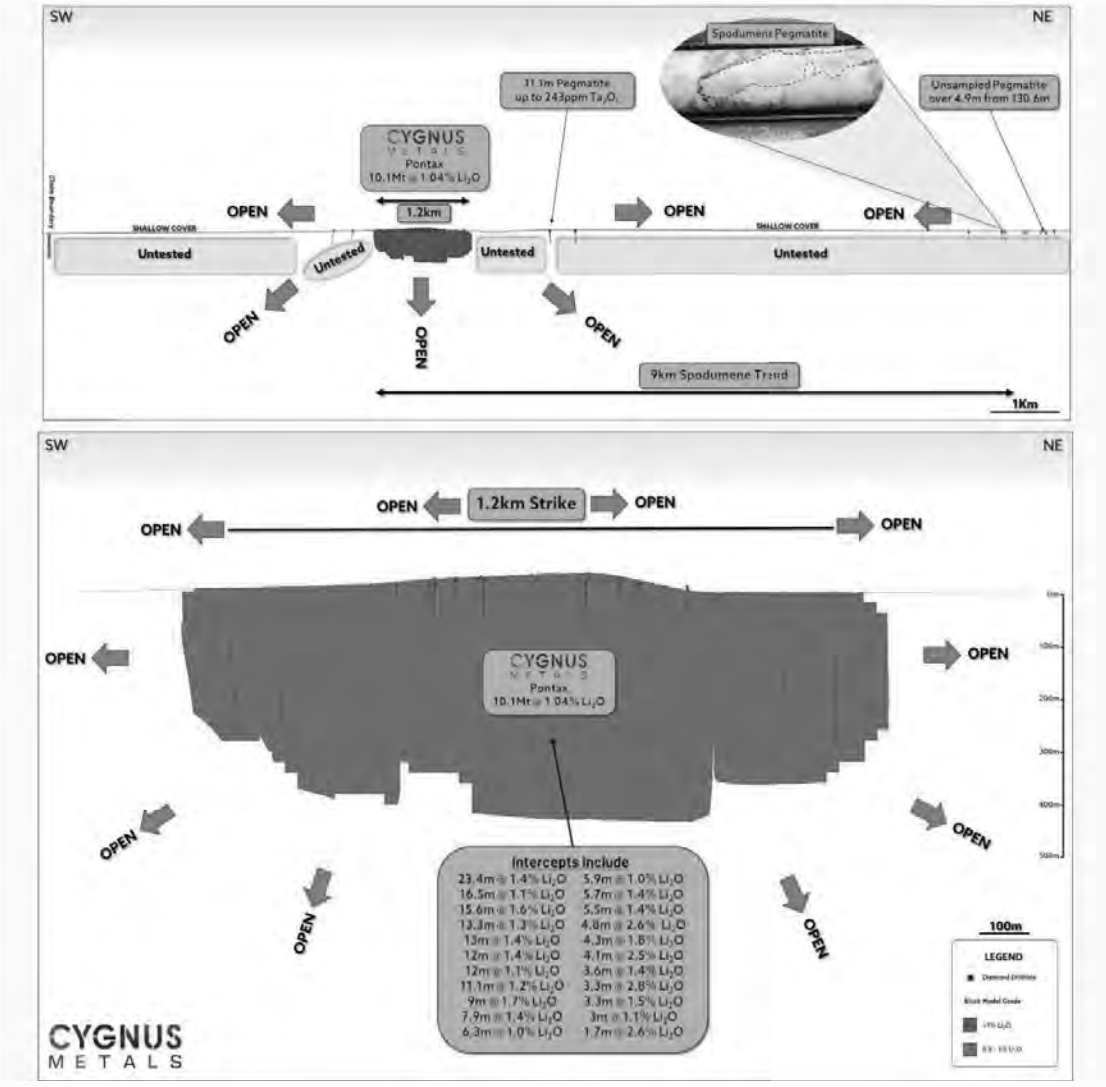



Figure 3: Mineralisation at Pontax Central is completely OPEN with limited drilling along a highly prospective trend.[3] Spodumene mineralisation now confirmed over 9km. Photograph from hole PX-07-008.

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Regional Upside

Pontax continues to demonstrate significant upside potential on a regional scale with highly fractionated LCT pegmatites confirmed over 25km and spodumene mineralisation confirmed over 9km of the belt.

The recent acquisition of highly prospective ground to the northeast of Pontax Central increased the Pontax Project to 182km$^2$ and provides 20km of continuous strike length of the Chambois greenstone belt. Recent relogging of available historic drill core on the recently acquired ground confirmed spodumene mineralisation to be present in LCT pegmatites returning up to 0.6% $Li_2O$ and 308ppm $Ta_2O_5$ (refer to ASX release dated 14 August 2023). This confirms the significant scale of the LCT pegmatite system at Pontax with spodumene mineralisation now confirmed up to 9km from the mineralisation at Pontax Central. Importantly, minimal exploration has been completed along this trend with only 5 drillholes and drill gaps of up to 6km.

During the winter campaign, five diamond drill holes were completed to the north-east of Pontax Central, stepping out up to 1.6km from the MRE in an area with no outcrop. This was blind drilling based on conceptual targets using the high-resolution magnetics to target the same prospective trend that hosts the mineralisation at Pontax Central. This drilling successfully intersected multiple highly fractionated LCT pegmatites, up to 11.1m wide with high grade tantalum mineralisation. This includes an interval of 11.1m @ 92.2ppm $Ta_2O_5$ including 1m @ 243ppm $Ta_2O_5$ (refer to ASX release dated 14 August 2023).

Tantalum mineralisation alongside low K:Rb ratios indicate highly fractionated pegmatites and a favourable environment for lithium mineralisation. With the lack of exploration along this trend and evidence of a large unexplored LCT pegmatite system, there is immense potential for further discovery through focussed exploration.

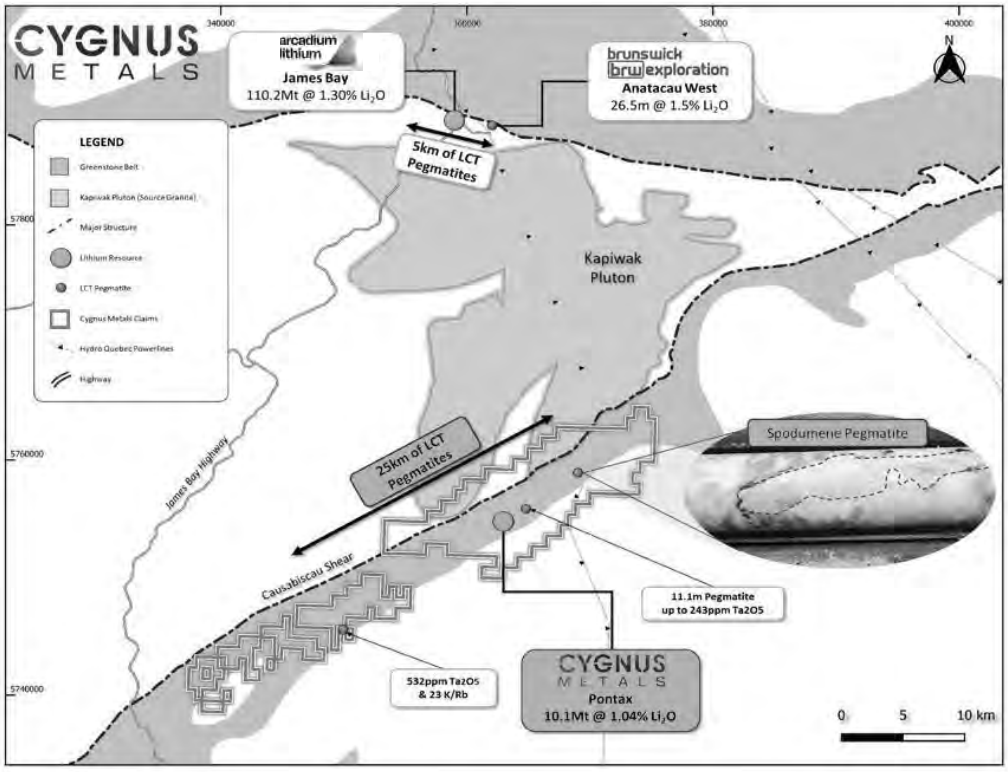



Figure 4: The 182km$^2$ Pontax Project with significant scale for further discovery.[4] In the same geological setting as Arcadium's James Bay Project (110.2Mt @ 1.3% $Li_2O$),[2] close to the major sealed road and hydro Quebec powerlines. Photograph from hole PX-07-008.

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Project Development Strategy

To align with strong global interest in James Bay lithium, the Company initiated its development strategy at Pontax, reflecting its high level of confidence in the project. This work commenced with both environmental baseline assessments and geochemical studies through highly-regarded engineering consultants BBA Inc.

BBA Inc. was engaged to prepare an Environmental and Social Scoping Report ("ESSR"), which is the initial step towards completing environmental baseline studies on the path to a Preliminary Economic Assessment ("PEA"). An initial geochemical assessment of the ore and waste rock will also be completed. This is a key requirement for mine permitting and plays an integral role in supporting mine planning and development at the PEA level.

These early-stage studies will be part funded by an approved grant of up to C$275,000 from Quebec's Ministry of Energy and Natural Resources ("MERN"). The grant was awarded as part of the Government of Quebec's program to support mineral exploration for minerals needed for green and renewable energy technologies as outlined in its 2020-25 Plan for the Development of Critical and Strategic Minerals.

The location of Pontax provides a distinct advantage and significantly increases the development prospects. Not only is the project located just 4km from a main highway with Hydro-Quebec power infrastructure running through the project, but it also sits in central James Bay just 30km from Arcadium's James Bay deposit. James Bay is currently in development stage with federal ESIA approval, ongoing engineering works and completion of Hydro-Quebec powerlines installed to site.




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## ONGOING EXPLORATION

Further exploration campaigns are planned at Pontax, with the key focus being to utilise diamond drilling for both resource growth and further discoveries.

Alongside drilling, the Company is also planning further airborne magnetics, LiDAR, and high resolution orthophotography to assist with target generation on the wider Pontax Project which now sits at 182km$^2$. These techniques have been highly effective in identifying outcrop, both exposed and under thin cover amid dense vegetation and marshland. The surveys will be followed by on ground field teams conducting mapping and prospecting in areas which have never been a focus of lithium exploration in the past.

## PONTAX LAND ACQUISITION

In February 2023, Cygnus significantly increased its land position at the Pontax Lithium Project to 182km$^2$.

The additional land, comprising 70 individual claims covering 40km$^2$, was acquired from TSXV-listed Sirios Resources Inc. ("Sirios") and sits immediately north-east of, and adjacent to, Cygnus' Pontax Project. The acquisition provides Cygnus a further ~9km of continuous strike length (now 20km continuous) of the highly prospective Chambois Greenstone Belt which hosts the spodumene-bearing pegmatites at Pontax, taking the Company's total strike length to ~44km.

Exploration by previous explorers has focused on silver-lead-zinc anomalies to the south-east of the greenstone belt with no lithium exploration recorded on the property.

As with the Pontax project area, much of the newly acquired property is covered by shallow glacial cover and thick vegetation with very little outcrop. This is particularly notable along the trend of the greenstone belt and provides potential for utilising modern geophysics to target pegmatites under cover. An initial program planned for Q3, 2023 comprising magnetics and LiDAR will be carried out to assist with regional targeting and follow up reconnaissance mapping.

Transaction Details

On 17 February 2023, Cygnus announced the acquisition of 100% of the additional ground through an outright purchase from Sirios comprising:

An upfront payment of C$1.2m in cash plus 750,000 shares (50% of the shares escrowed for 12 months);

- Milestone payment 1: On defining a JORC Resource of 4 million tonnes of $Li_2O$ (minimum grade of 0.8%), a further payment of C$1.0 million plus 500,000 shares; and
- Milestone payment 2: On defining a JORC Resource of 6 million tonnes of $Li_2O$ (minimum grade of 0.8%), a further payment of C$2.0 million plus 500,000 shares.

The project has an existing 0.5% net smelter return royalty, with the right to buy back half for C$200,000. Cygnus has also entered into a Royalty Deed with Sirios for a 1.5% net smelter return royalty payable on base metals and precious metals extracted from the Sirios tenements. Cygnus has the right to buy half the royalty back for C$600,000.

The transaction successfully closed early April 2023.

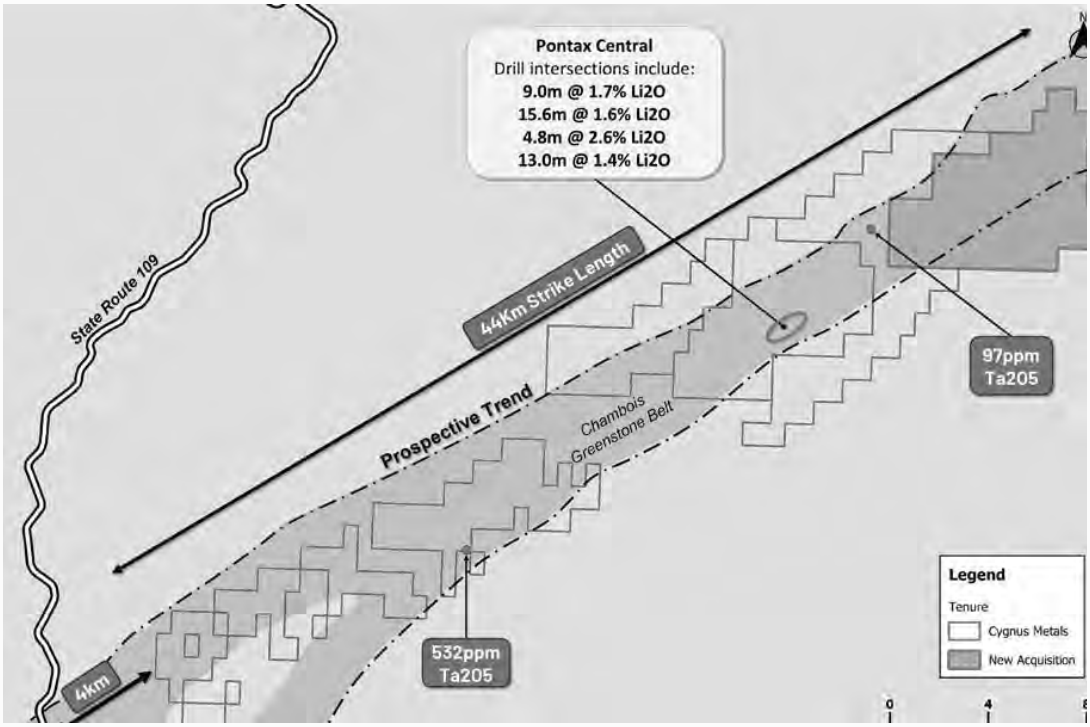



Figure 5: Showing the acquisition north-east of Pontax, increasing strike length of project to 44km$^2$ (refer ASX release dated 17 February 2023).

## AUCLAIR LITHIUM PROJECT (100% CY5)

In early 2023, the Auclair Lithium Project ("Auclair") was added to the Cygnus lithium project portfolio in James Bay. It was acquired in February 2023 from Osisko Development Corp ("Osisko"). The initial acquisition from Osisko covered 25.5km$^2$ and during the year the Company moved rapidly to expand the project to 417km$^2$ through two separate acquisitions ("Auclair Extension") and the staking of vacant ground thereby providing a dominant land position across the highly prospective Eastmain greenstone belt.

No lithium exploration or analysis has ever been conducted at the project, with previous work focused on gold with a total of 12 diamond drill holes completed on the property for 3,173m up 2010. As such, Cygnus is the first company to complete lithium exploration across the project.

A review of historical drill logs identified multiple unsampled pegmatite intervals within the historic drillholes from Auclair. Subsequent validation and sampling identified spodumene mineralisation with an interval of 9.8m @ 0.8% $Li_2O$ from 212.8m, including 5.1m @ 1.0% $Li_2O$ and 1m @ 1.2% $Li_2O$ from drillhole AC-2010-004 (refer to ASX release dated 28 February 2024).

The Auriga Discovery and Channel Sampling

In August 2023, the Company announced the discovery of a significant outcrop up to 80m long by 9m wide which is now called Auriga. The outcrop was blind and covered by dense vegetation and located 1.1km to the southwest of the historic intercept in drillhole AC-2010-004.

Subsequent sampling of the outcrop returned high grades of up to 6.5% $Li_2O$ from grab samples alongside high-grade channel samples, demonstrating consistent grade distribution across the pegmatite (refer to ASX release dated 19 October 2023). Channel sample results include:

- 4.3m @ 2.3% $Li_2O$;
- 5.7m @ 1.7% $Li_2O$;
- 4.6m @ 1.2% $Li_2O$; and
- 3.6m @ 1.6% $Li_2O$.

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The high-grade results of up to 6.5% $Li_2O$ are associated with coarse grained spodumene mineralisation, which includes individual crystals up to 50cm in length. The coarse grained spodumene forms in multiple sub parallel zones forming centrally within the dyke. Significantly, results outside these zones also demonstrate consistent high-grade mineralisation with all channel samples returning average grades of over 1.2% $Li_2O$. The grade and quality of the mineralisation seen to date at Auclair are highly encouraging and point towards a potential highly fertile system.

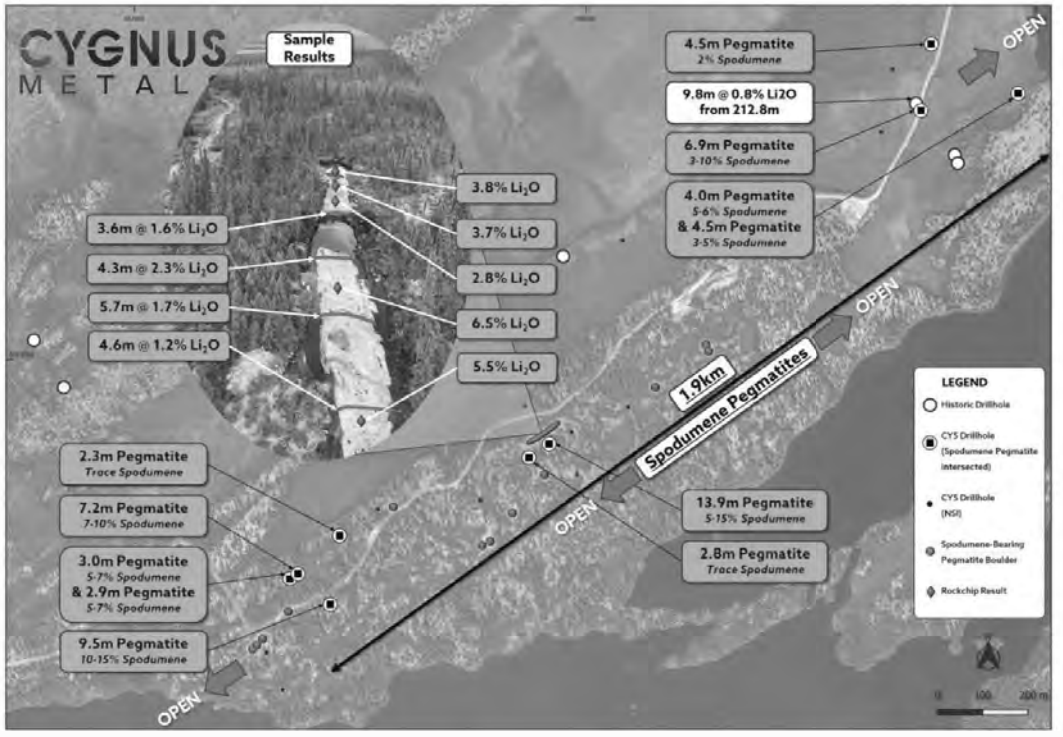



Figure 6: 1.9km of visual spodumene-bearing pegmatites intesected in the recent drilling.[5] Plus results from surface sampling return up to 6.5% $Li_2O$. Refer to ASX release[5] dated 22 May and 19 October 2023 for historic and recent drillhole results.

2023 Auriga Drill Program

A diamond drill program was undertaken at Auclair between the months of August and October 2023. This program aimed to follow up on spodumene mineralisation in historic diamond hole AC-2010-004 and the 90m long discovery outcrop at Auriga. Diamond drilling covered 1.9km of strike along the Auriga trend with 28 holes drilled for 6,873m.

This drilling, which was conducted on a wide spacing of up to 400m, successfully intersected multiple parallel spodumene-bearing pegmatites over the entire 1.9km strike length establishing that a significant mineralised system is present at Auclair. Initial results (Refer to ASX release dated 10 January 2024) from this drilling include:

- 13.9m @ 1.3% $Li_2O$ from 42.8m;
- 9.6m @ 1.4% $Li_2O$ from 61.3m; and
- 9.5m @ 1.4% $Li_2O$ from 217.3m

Most of these pegmatites are blind and concealed beneath shallow glacial overburden, which is widespread across the Auclair Project. Recent success in drilling beneath cover provides encouragement to the Cygnus exploration team, and also highlights the unknown potential of the project which may not be exhibited at surface. Further work is required to understand the structural complexity of the area and how it fits into the bigger picture of the mineralised system at Auclair.

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Pegasus and Lyra Discoveries

In October 2023, results were received from the initial prospecting and mapping campaign across the wider tenement. These results from 70 rock chips highlight a highly fractionated pegmatite trend over 10km with low K/Rb ratios in the southwest of the project area. As a result of this regional work the exploration team refocussed prospecting efforts in this area which led to the discovery of the Pegasus and Lyra outcrops.

These discoveries significantly expanded the area of known spodumene mineralisation at Auclair to 6km of strike with now three areas of known spodumene bearing outcrop at Auriga, Pegasus and Lyra.

The Pegasus discovery consists of two significant outcrops that sit side by side, separated by 15m of vegetation. The southern outcrop has exposed dimensions 75m long by up to 50m wide while the northern outcrop is 65m in length by up to 30m wide. Recent rock chip results from Pegasus include grades of 6.6% $Li_2O$, 5.5% $Li_2O$, 5.3% $Li_2O$, 4.6% $Li_2O$, 2.2% $Li_2O$, 1.8% $Li_2O$, 1.5% $Li_2O$, and 0.7% $Li_2O$.[3]

The Lyra discovery is a single outcrop with exposed dimensions of 60m by 15m wide and is mostly covered by vegetation. Stripping back the moss revealed zones of dense spodumene mineralisation which returned results from rock chips of up to 6.7% $Li_2O$ and 2.0% $Li_2O$.[3]

These recent discoveries continue to demonstrate the significant upside potential at Auclair, with a large fertile system, high grades of up to 6.7% $Li_2O$[3] and now significant mineralised pegmatites up to 50m in width.

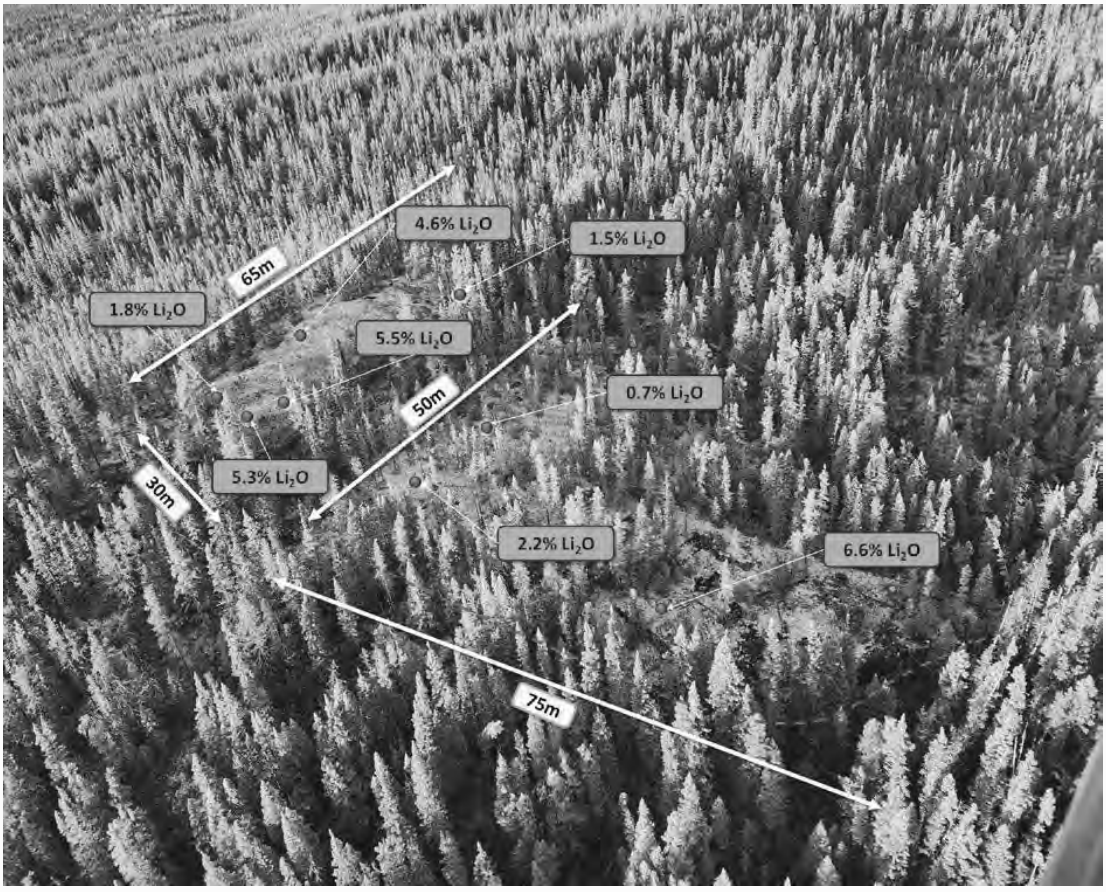



Figure 7: Rock chip samples returning up to 6.6% $Li_2O$ at the newly discovered Pegasus pegmatites at the Auclair Project.[3]

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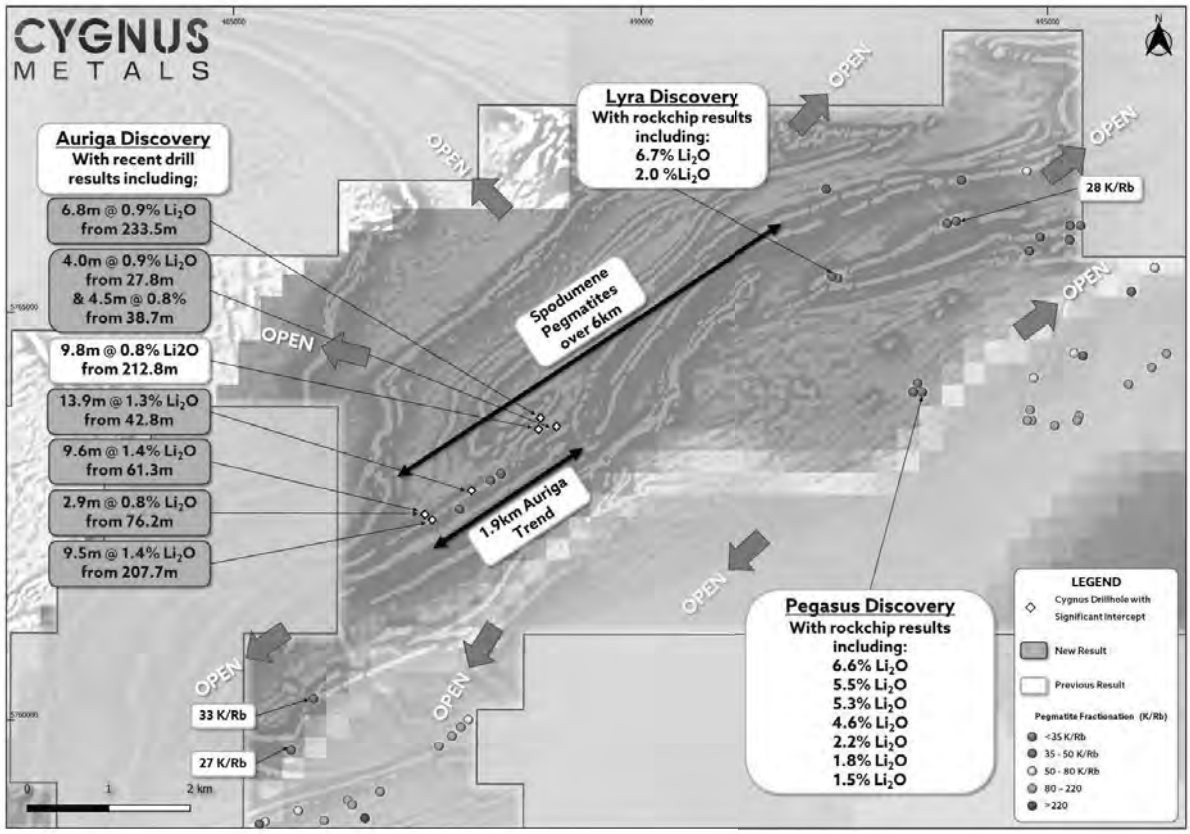



Figure 8: Illustrating mutiple spodumene-bearing pegmatites discoveries across 6km of strike with the Auriga, Lyra and Pegasus outcrops. Results from Auriga over 1.9km of strike and open in all directions.[3]

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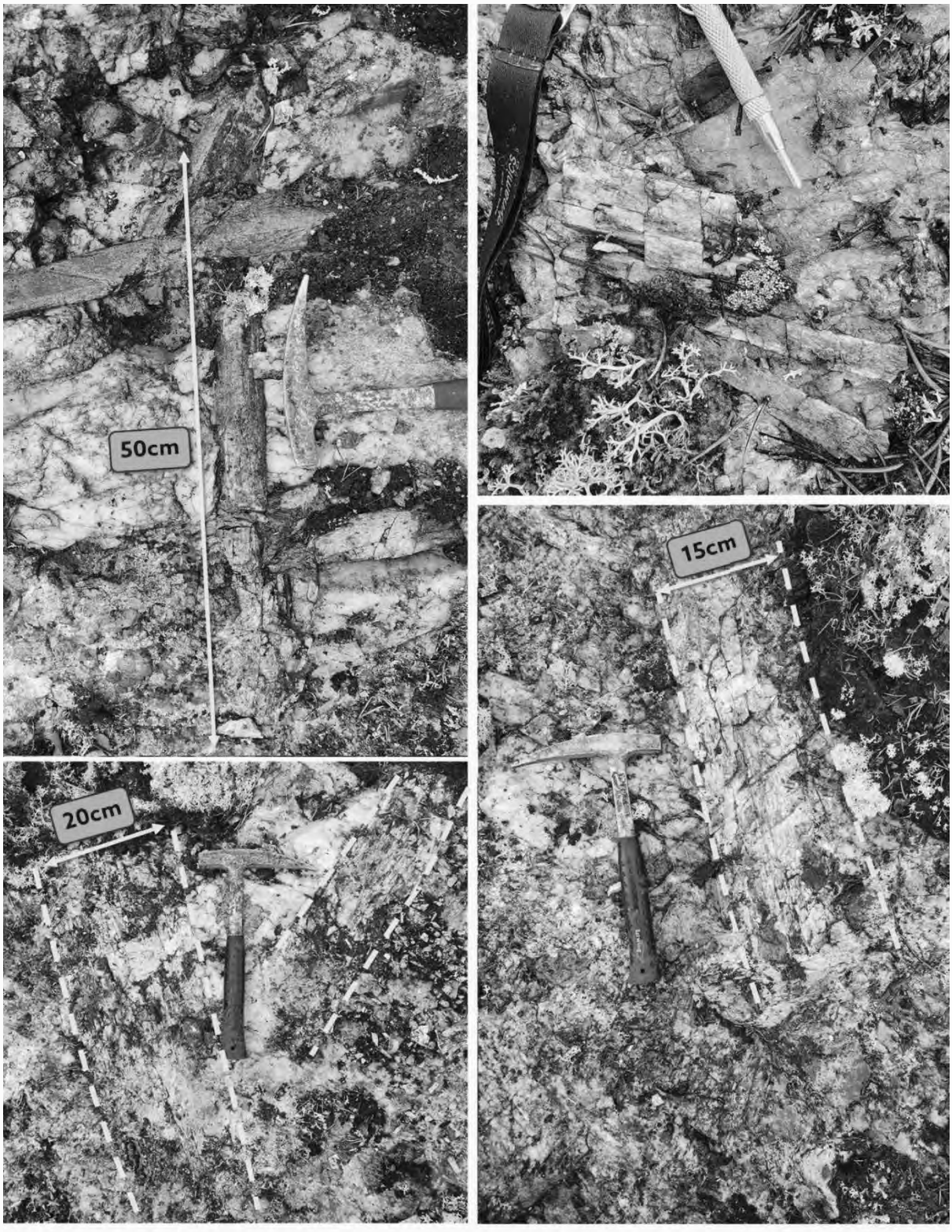



Figure 9: Abundant coarse spodumene crystals from the Pegasus discovery.[3]

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Figure 10: Over 1m long spodumene crystals from the Pegasus discovery.



Figure 11: Coarse grained spodumene crystals at the Lyra discovery. Sample 155790403 (6.7% $Li_2O$).

Planned Exploration

Auclair will be the main focus of exploration for Q1 2024, with drilling to test both the Pegasus and Lyra targets. Drilling will aim to test both the strike and depth extent of the mineralisation seen at surface, expand the mineralised footprint and build an understanding of the dyke morphology and structural setting.

In addition, the Company will continue ongoing targeting work across the wider project area. This will include utilising both geochemical and geophysical datasets. Recently, 257 till samples were taken across the high priority 10km fractionation trend aiming to generate targets through glacial overburden. The Company will use the results of this program in conjunction with the structural interpretation of the high-resolution magnetics to generate blind targets. The structural interpretation of the Auclair project is being conducted by NewGen Geo, a consultancy specialising in the application of contemporary geophysical techniques in exploration for lithium bearing pegmatites.

Location and Infrastructure

The Auclair property is ideally located just 80km northeast of the Nemiscau airport and 50km northeast of Whabouchi (55.7Mt @ 1.4% $Li_2O$), which is owned and operated by Nemaska Lithium.[2] The property can be accessed all-year round by all-weather roads and has Hydro Quebec high-voltage transmission lines running north-south through the project area.



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## SAKAMI LITHIUM PROJECT (100% CY5)

In March 2023, Cygnus announced the acquisition of the Sakami Lithium Project ("Sakami"). Located in the La Grande greenstone belt, one of the most prolific lithium districts in the world, Sakami is just 44km west of Patriot Battery Metals' Corvette project and adjacent to Winsome Resources' Cancet deposit. The project also has excellent infrastructure with both Hydro Quebec powerlines and the Tran-Taiga highway running through the project area.

Following acquisition, the Company completed an initial desktop study at Sakami which revealed multiple pegmatite targets visible in satellite imagery, with outcrops up to 140m long and 30m wide which have never been sampled. No lithium exploration has ever been completed at Sakami. The only drilling undertaken on the property was for gold and base metals in 1976 and comprised 5 diamond drill holes. The lack of targeted lithium exploration in this highly prospective greenstone belt presents Cygnus with an exceptional opportunity to make the next significant discovery in the region.

During FY2024 the Company completed a high resolution airborne magnetics survey alongside detailed LiDAR. The results of these surveys will be used to generate additional structural targets.

The 2023 exploration field season was severely impacted by an exceptional wildfire season in Quebec. This resulted in only a very short prospecting campaign which was completed at the end of October and curtailed due to early snow across the project. During this 10-day campaign 110 samples were collected, results from this work will be used to generate fractionation trends across the project and assist with targeted exploration.

During the 2024 field season, Cygnus plans to complete a prospecting and pegmatite sampling program.

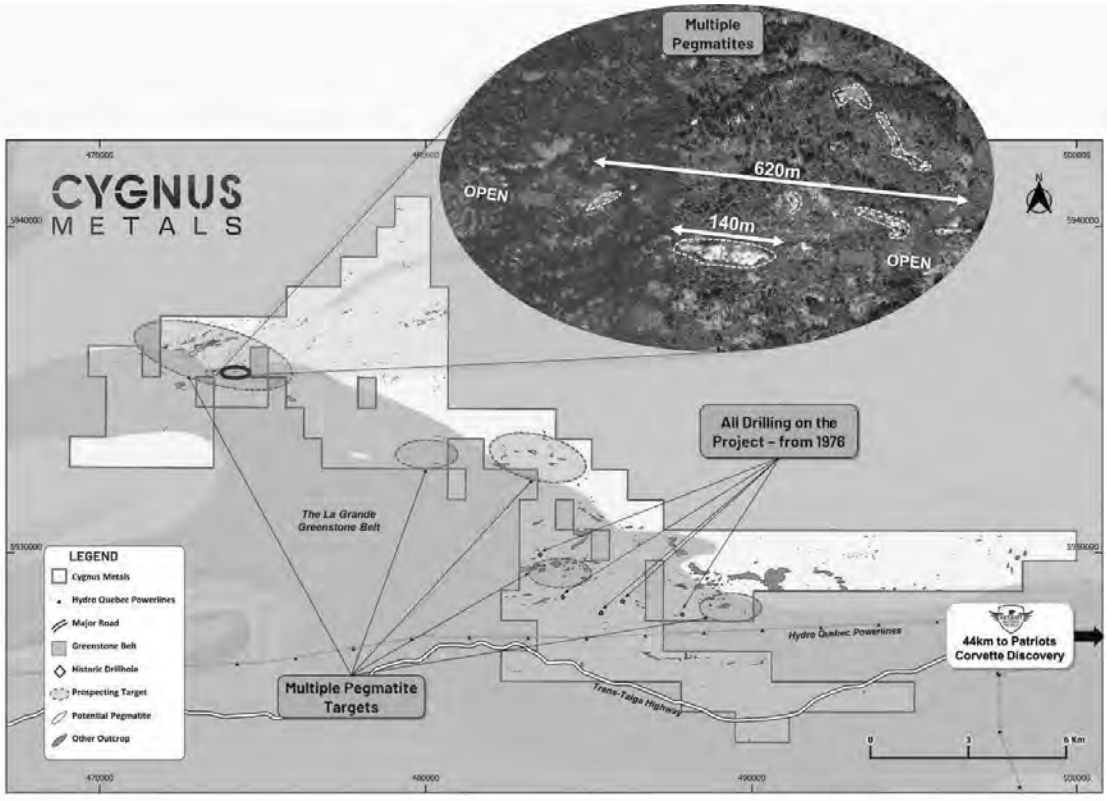



Figure 12: Multiple pegmatite targets[5] across the Sakami Project.[3] Sakami is located just 44km from Patriot Battery Metals' Corvette Project and in the same greenstone belt.

TRANSACTION DETAILS

On 28 March 2023, Cygnus announced that it had entered into option agreements with 9219-8845 QC. Inc. (Canadian Mining House) ("CMH"), Anna Rosa Giglio and Steve Labranche (together, the "Vendors") to acquire the additional ground comprised of two projects: Sakami and Auclair Extension (Beryl Property). The terms of these option agreements are outlined below:

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Sakami Project

In order for Cygnus to earn a 100% interest (in all mineral rights) at Sakami, Cygnus will be required to pay the Vendors C$300,000 in cash and issue 3,450,000 fully paid ordinary shares in Cygnus, in aggregate. In addition to the above payments, Cygnus must incur exploration expenditure to the amount of C$1,000,000 within the first 36 months of closing the Option Agreement.

The consideration is payable via the following stages, at the election of Cygnus (other than stage 1):

| Option Stage | Cash | Shares |
|---|---|---|
| 1. Within 5 business days following satisfaction of the last of the conditions precedent ("Sakami Approval Date") | C$75,000 | 1,500,000[1] |
| 2. The date that is 12 months from the Sakami Approval Date | C$75,000 | 900,000 |
| 3. The date that is 24 months from the Sakami Approval Date | C$75,000 | 600,000 |
| 4. The date that is 36 months from the Sakami Approval Date | C$120,000 | 450,000 |
| TOTAL | C$300,000 | 3,450,000 |

Note: Subject to a 6-month voluntary escrow period from the issue date.

Auclair Extension (Beryl Property)

In order for Cygnus to acquire a 100% interest in the project and all mineral rights, Cygnus will be required to pay the Vendors C$395,000 in cash and issue 4,000,000 fully paid ordinary shares in Cygnus, in aggregate. In addition to the above payments, Cygnus must incur exploration expenditure of the amount of C$1,000,000 within the first 36 months following the closing of the Option Agreement.

The consideration is payable via the following stages, at the election of Cygnus (other than stages 1 and 2):

| Option Stage | Cash | Shares |
|---|---|---|
| 1. Within 5 business days following satisfaction of the last of the conditions precedent ("Beryl Approval Date") | C$125,000 | 1,500,000[1] |
| 2. The date that is 12 months from the Beryl Approval Date | C$75,000 | 900,000 |
| 3. The date that is 24 months from the Beryl Approval Date | C$75,000 | 1,000,000 |
| 4. The date that is 36 months from the Beryl Approval Date | C$120,000 | 600,000 |
| TOTAL | C$395,000 | 4,000,000 |

Note: Subject to a 6-month voluntary escrow period from the issue date.

The above acquisitions are subject to the Company obtaining shareholder approval for the stage 1 consideration shares of the Sakami acquisition and stage 1 and 2 consideration shares of the Beryl acquisition, respectively, but if Cygnus elects to proceed with the remaining option stages, the remaining consideration shares are intended to be issued using the Company's available placement capacity under ASX Listing Rule 7.1.

Cygnus will grant a 2% net smelter royalty on both the Sakami Project and the Auclair Extension Project, payable to CMH and Anna Rosa Giglio in equal proportions. Completion occurred following receipt of shareholder approval at the Company's annual general meeting held in May 2023.

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## EXPLORATION - AUSTRALIA

Cygnus Metals' Australian exploration activities are focused in the Southwest Terrane (SWT), an underexplored region of highly prospective geology within the prolific Yilgarn Craton, Western Australia.

The Company has approximately 1,750km$^2$ (100% Cygnus) of granted tenements covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralisation.

Cygnus is actively exploring key prospective tenure for lithium as well as rare earth elements (REEs), nickel, copper, gold and PGEs.

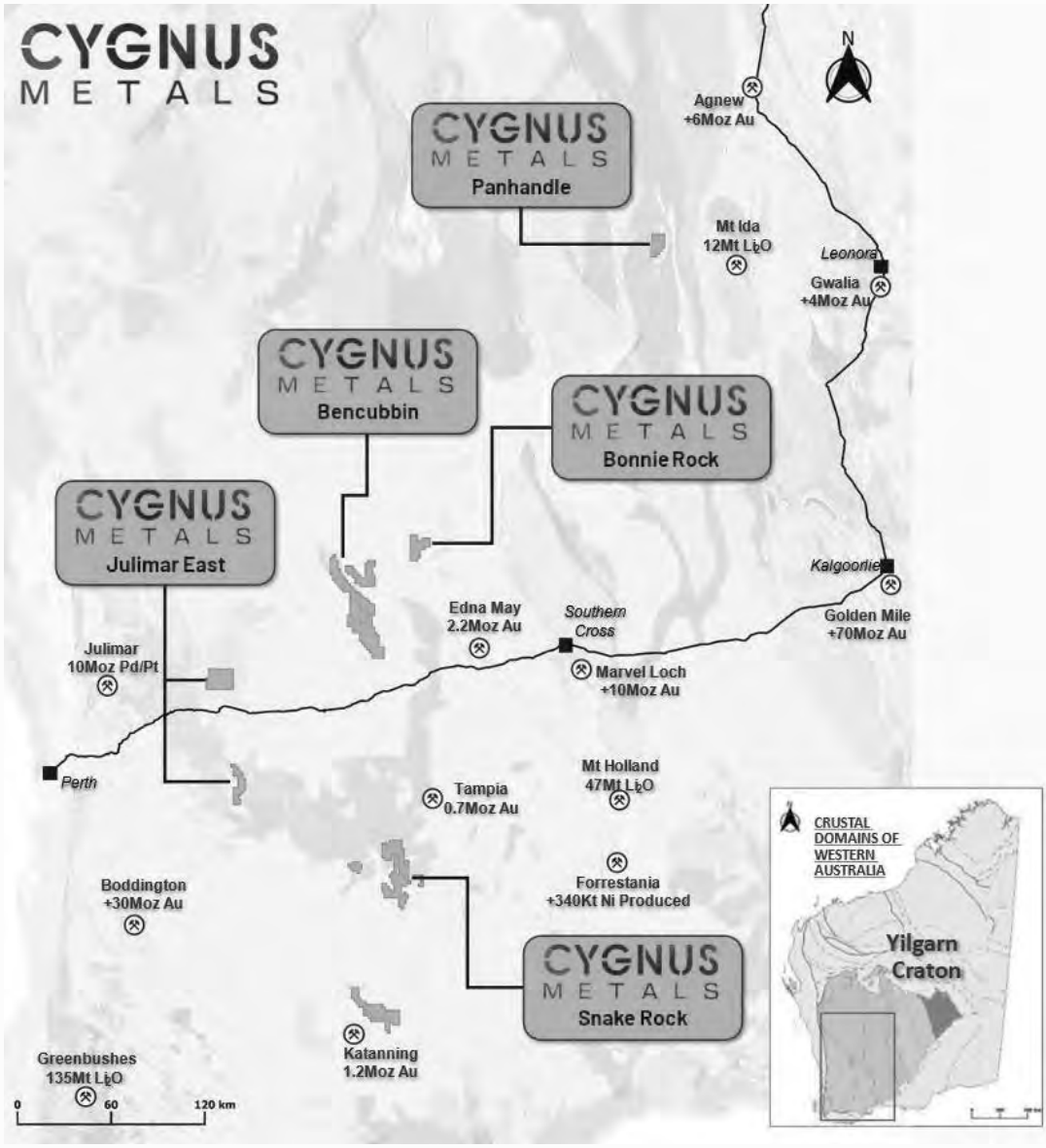



Figure 13: Cygnus current Australian tenure with background geology from GSWA mapped regional geology (1:500,000)

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## BENCUBBIN PROJECT (100% CY5)

The ~800km² Bencubbin Project is located ~220km northeast of Perth and covers the Bencubbin Greenstone Belt, an underexplored greenstone sequence extending for over 70km of strike and up to 5km in width. Greenstone belts such as Bencubbin are highly prospective for gold, LCT pegmatites, nickel, VMS and REEs.

During 2023 two separate campaigns of air-core drilling were completed at the Bencubbin REE discovery which continued to define mineralisation; this is now identified over 22km. Drilling campaigns in 2023 followed up on an initial 34-hole air core program drilled in December 2022 which led to the discovery of REEs at Bencubbin.

During 2023, 103 air core holes were drilled for a total of 4,543m. Results included;

- 79m @ 1,576ppm TREO from 32m including 8m @ 7,243ppm TREO;
- 40m @ 1,628ppm TREO from 8m;
- 19m @ 1,959ppm TREO from 4m including 4m @ 4,743ppm TREO;
- 25m @ 2,745ppm TREO from 52m, including 8m @ 5,617ppm TREO;
- 51m @ 1,108ppm TREO from 39m, including 14m @ 2,032ppm TREO; and
- 41m @ 1,219ppm TREO from 47m.

These results are in addition to results[6] from drilling in late 2022 of;

- 23m @ 1,862ppm TREO from 12m including 12m @ 2,405ppm TREO;
- 34m @ 1,276ppm TREO from 8m including 4m @ 2,112ppm TREO ;
- 19m @ 1,541ppm TREO from 8m including 11m @ 1,960ppm TREO and 4m @ 2,356ppm TREO; and
- 25m @ 1,117ppm TREO from 32m including 9m @ 1,608ppm TREO.

To date a total of 137 holes for 5,125 metres have been completed at the Bencubbin REE discovery. Recent results continue to identify thick clay profile which is mineralised in areas from close to surface and extends along the granite margin over widths of up to 2.8km within the body.

The latest results have returned some of the highest grades seen to date with results up to 7,243ppm TREO but have also significantly increased the scale of the mineralisation, extending it from a strike length of 4.5km to now greater than 22km and still open.[6] Importantly, the mineralisation continues to demonstrate enrichment above the entire granite intrusion, which is believed to be the potential source of mineralisation.

Samples have been selected for an initial metallurgy program to be conducted through industry leader ANSTO Minerals, the Australian Nuclear Science and Technology Organisation, which has extensive experience in REE processing.

These samples were selected from numerous drill-holes over the entire project, with a focus on variation down-hole and regionally, in line with best practice guidelines from ANSTO Minerals. This program has been developed through ANSTO to test the leachability of the rare earth and magnetic rare earth elements and is the first to be undertaken in the Bencubbin area.

Over the recent past, ANSTO Minerals has consulted for an increasing number of clay-hosted REE projects, including the Ionic Rare Earths (Uganda), Australian Rare Earths (South Australia) and Meteoric Resources (Brazil) projects. Work on these projects has included early leaching/desorption

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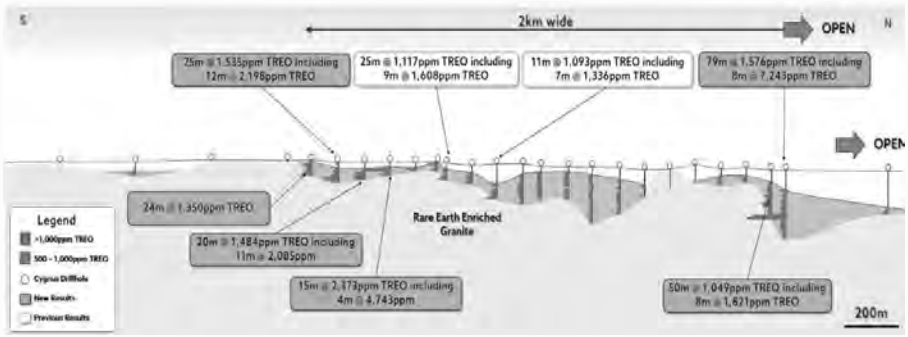



Figure 14: Significant clay profile up to 79m developed over rare earth enriched granite.[6] Mineralisation is high grade and near surface with very low stripping. Vertical exaggeration x2.

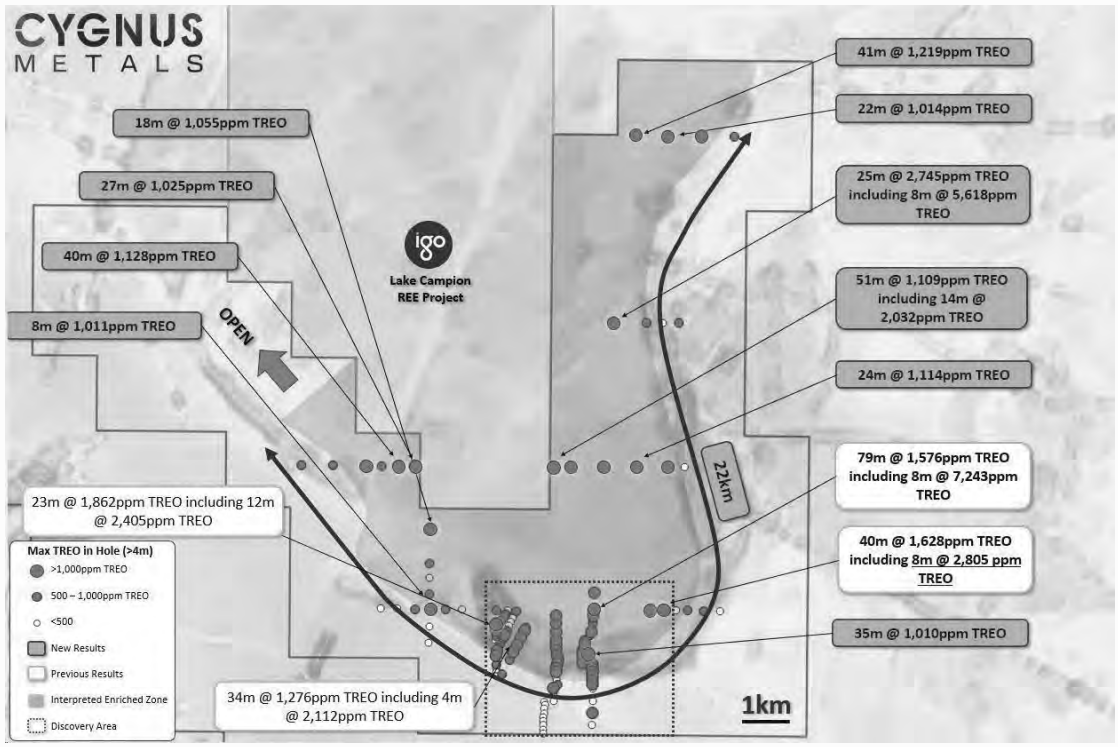



Figure 15: Location of collars highlighted by grades displaying an interpreted enriched zone over the distInct 22km long magnetic anomaly.[6] Interpreted red target area showing greater than 5m of clay development over the granite. Dashed box highlights the initial discovery area, being the area previously announced with near surface TREO results >1000ppm over 4.6km of strike and 2km width.

At Bencubbin North the Company completed 32 reverse circulation drillholes for 1,483m targeting auger anomalism defined in 2022. The auger anomaly identified elevated geochemical signature of Li, Ta and Nb, typically associated with LCT pegmatite mineralisation. Peak values of up to 152 ppm $Li_2O$, 55 ppm $Ta_2O_5$ and 152 ppm $Nb_2O_5$, were identified across two large coherent anomalies defined over 2.2km of strike, both proximal to late granite intrusions (refer ASX release dated 30 May 2022).

Results from reverse circulation drilling in March 2023 identified only simple pegmatites alongside some large tantalum enriched granites which are thought to be the source of the geochemical anomalism. No further follow up drilling is planned at this stage.

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## SNAKE ROCK PROJECT (100% CY5)

The Snake Rock Project (E70/4911, E70/5098, E70/4990, E70/6386 & E70/6385) is located 230km east of Perth, Western Australia in the South West Terrane of the Yilgarn Craton. The project covers 448km² of an area considered highly prospective for Ni, Cu and PGEs; covering the south eastern extent of the same mobile belt which hosts the Julimar Ni-Cu-PGE discovery (ASX:CHN). The project is also prospective for gold mineralisation, located just 30km south west and along the same structural lineament as the 700Koz Tampia gold deposit (ASX:RMS).

In March 2023, the Company completed a five-hole reverse circulation (RC) drill programme for 855m which was co-funded by the West Australian Government Exploration Initiative Scheme. Drilling was designed to target the intersections of the regional gravity high with northeast and northwest trending magnetic anomaly ridges.

Although no material results were received from the drill assays, geochemical analysis proved the existence of a mafic-ultramafic layered intrusion with coincidental magnetic and gravity anomalies. A total of 8 samples of both drill core and rock chips from EIS drilling were sent for petrographic thin section analysis with one sample for XRD analysis. The conclusions from this work indicated the presence of metamorphosed ultramafic rocks and fractionated mafic to ultramafic samples in the Snake Rock area.

Due to the lack of historical exploration for PGEs and Ni-Cu there remains excellent potential to identify a substantial layered intrusion containing either (high Cr) chromite reefs, economic PGE's and/or nickel-copper sulphides beneath a cover of Cenozoic and Quaternary regolith.

During 2023 the Company expanded the Snake Rock project with the addition of three new tenements and 19 blocks of E70/5098 were voluntarily surrendered on areas which were deemed too difficult to explore, including reserves and salt lakes.

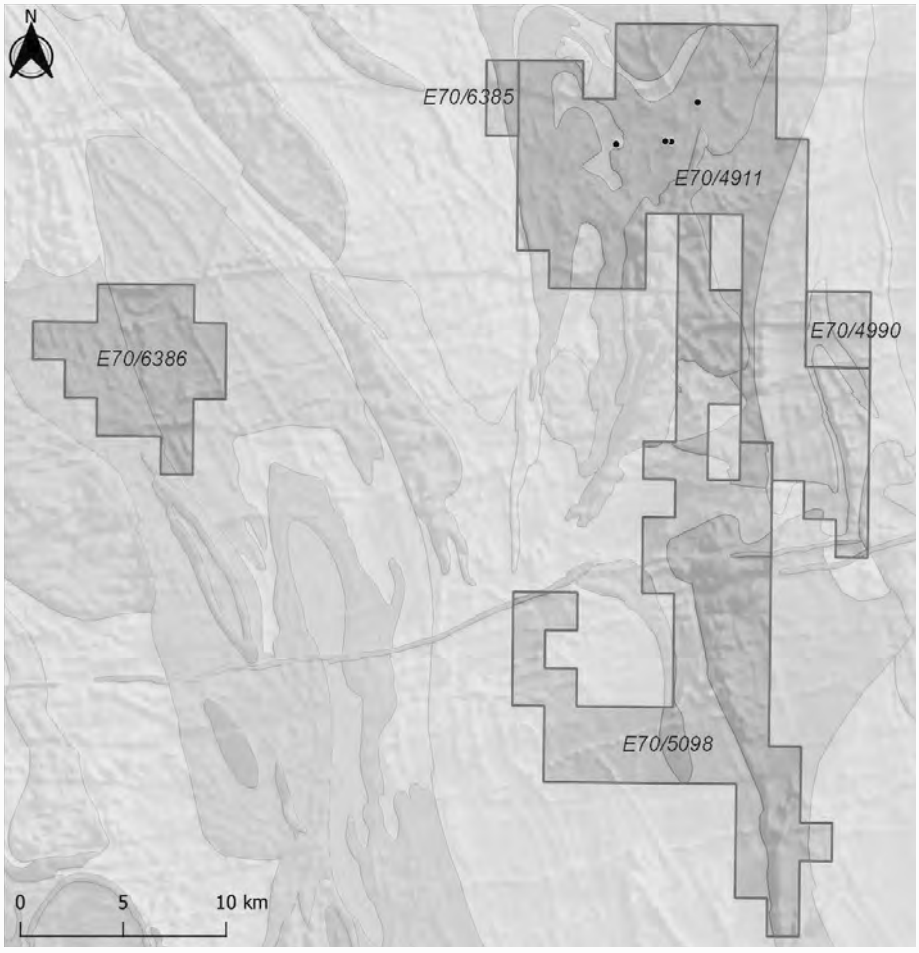



Figure 16: Map of the Snake Rock Project (E70/4911, E70/5098, E70/4990, E70/6386 & E70/6385). Location of the EIS drilling in the north is shown with black collar points.

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## CORPORATE

NAME CHANGE TO "CYGNUS METALS LIMITED"

The Company's change of name from Cygnus Gold Limited to Cygnus Metals Limited was implemented in February 2023 following official confirmation from the Australian Securities and Investments Commission.

The new name more accurately reflects the diversification of the commodities for which the Company is now actively exploring, in particular lithium in the James Bay region of Canada.

## PLACEMENTS

C$7,000,000 Flow-Through Share Placement

In August 2023, the Company raised approximately C$7,000,000 (A$8,094,402) through the issue of 18,934,273 fully paid ordinary shares at an issue price of C$0.37 (A$0.4275) per share ("Flow-Through Shares") as Canadian "flow-through shares", which provide tax incentives to those investors for expenditures that qualify as flow-through mining expenditures under the Income Tax Act (Canada). The Flow-Through Shares were issued at a premium to market pursuant to the Canadian flow-through shares regime. The term "flow-through share" is a defined term in the Income Tax Act (Canada) and is not a special type of share under corporate law.

Pursuant to a block trade agreement between PearTree Securities Inc ("Peartree"), Canaccord Genuity (Australia) Limited ("Canaccord") and Euroz Hartleys Limited ("Euroz"), Canaccord and Euroz facilitated the secondary sale of the Flow-Through Shares acquired by PearTree clients under the Flow-Through Share Placement to sophisticated and professional investors in Australia and certain other countries by way of a block trade at A$0.225 per Placement Share.

A cleansing prospectus under section 713 of the Corporations Act 2001 (Cth) was issued in connection with the Flow-Through Share Placement to facilitate secondary trading of the Flow-Through Shares.

The tax benefits associated with the Flow-Through Shares are available only to the original investors (who are Canadian residents) and not to any other person who acquires the Flow-Through Shares through the on-sale or transfer of those Flow-Through Shares.

A$3,000,000 Traditional Placement

In August 2023, Cygnus completed an additional placement to sophisticated and professional investors to raise approximately A$3,000,000 (before costs) through the issue of 13,333,333 fully paid ordinary shares in the Company at an issue price of A$0.225 per share.

Funds raised from the Flow-Through Share Placement and Traditional Placement have been and will be used for:

- Exploration activities at all three core Canadian Lithium Projects of Pontax, Auclair and Sakami in 2024; and
- General working capital and transaction costs

## BOARD AND MANAGEMENT CHANGES

David Southam appointed Managing Director

On 13 February 2023, David Southam commenced as Managing Director, having previously been appointed Non-Executive Director in November 2022.

Mr Southam's distinguished career as a senior executive of listed resources and industrial companies culminated in his appointment in 2019 as Managing Director of Mincor Resources (ASX: MCR), where he led that Company's highly successful return to the ranks of Australian nickel producers within a three-year period, overseeing a major greenfields discovery, resource definition, the completion of off-take arrangements, feasibility studies, project financing and construction of the Kambalda Nickel Operations, nearly all of which was completed during a global pandemic. During Mr Southam's tenure, the market capitalisation of Mincor increased from circa $70 million to $1 billion.

Importantly, he also has significant experience in battery metals through his non-executive director role at Kidman Resources, which was ultimately acquired by Wesfarmers, and through his work over a decade in the nickel industry.

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Michael Naylor board position change

On 1 March 2023, Michael Naylor transitioned from Executive Director to Non-Executive Director, following David Southam's appointment as Managing Director.

Kevin Tomlinson appointed Independent Non-Executive Chairman and Raymond Shorrocks board position change

On 3 April 2023, Kevin Tomlinson joined the Board as Independent Non-Executive Chairman, replacing Raymond Shorrocks who transitioned to Non-Executive Director.

Mr Tomlinson is a highly regarded Director who has led numerous Australian and Canadian resources companies from the early-exploration phase through to production and cashflow. As a Canadian resident, Kevin has many years experience of working with local stakeholders, institutions, and capital markets, at a time when Cygnus is rapidly growing its footprint in James Bay, Quebec. Kevin has more than three decades' experience in major discoveries, exploration and resource growth, mine development and financing of mining projects globally. He has also played leading roles in many successful mergers and acquisitions, including leading ASX/TSX-listed Cardinal Resources Ltd's C$587 million sale to Shandong Gold as former Chair of that entity.

He is currently Non-Executive Chairman of ASX300 company Bellevue Gold Limited (ASX: BGL) and FireFly Metals Ltd (ASX:FFM), and a Non-Executive Director of Kodiak Copper Corp (TSX-V:KDK).

Resignation of Shaun Hardcastle

On 3 April 2023, Shaun Hardcastle resigned from the Board of Directors after 3 years of service.

Carl Travaglini appointed Chief Financial Officer and Joint Company Secretary

Carl Travaglini was appointed Chief Financial Officer and Joint Company Secretary on 1 February 2023.

Mr Travaglini is a Chartered Accountant and Chartered Company Secretary with over 15 years' experience in the resources sector, having served in various finance and company secretarial roles in Australia, Canada and Africa. Mr Travaglini is currently Chief Financial Officer of Bellavista Resources Limited (ASX: BVR), Midas Minerals Limited (ASX: MM1) and Non Executive Director of Mitre Mining Corporation Ltd (ASX:MMC).

Before joining Cygnus, Mr Travaglini worked for and assisted a number of publicly listed lithium and gold companies through exploration, project development and production phases. Prior to that, he worked in assurance services. Mr Travaglini brings extensive experience in financial reporting, corporate governance and risk management.

## LISTED INVESTMENTS

The Company holds 1,400,000 TSX-V listed shares in unincorporated joint venture partner Stria Lithium Inc ("Stria") which represents approximately 7% of the total issued capital in Stria.

As at 31 December 2023, the value of the investment (based on a closing price of Stria of C$0.13) is $0.2m (2022: $0.4m).

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## END NOTES

1. Refer to Cygnus' ASX announcement dated 14 August 2023, titled 'Maiden Resource at Pontax Project'.

2. For: James Bay (40Mt @ 1.4% Li2O) operated by Arcadium Lithium Plc (refer to Arcadium's ASX Announcement dated 21 December 2021); Whabouchi (55.7Mt @ 1.4% Li2O) operated by Nemaska Lithium Inc (refer to Nemaska Lithium NI 43-101 dated 31 May 2019); Rose (34.2Mt @ 0.9% Li2O) operated by Critical Elements Lithium Corp (refer to Critical Elements' TSX-V Announcement dated 13 June 2022); Abitibi Lithium Hub (119.1Mt @ 1.1% Li2O) operated by Sayona Mining Limited/Piedmont Lithium Inc (refer to Sayona Mining's Annual Report ASX Release dated 13 October 2022); Moblan (70.9Mt @ 1.2% Li2O) operated by Sayona Mining/SOQUEM Inc (refer to Sayona Mining's ASX release dated 17 April 2023).

3. Refer to Cygnus' ASX announcements dated 29 July 2022, 14 February 2023, 28 February 2023, 21 March 2023, 19 April 2023, 22 May 2023, 4 July 2023, 12 July 2023, 29 August 2023, 21 September 2023, 19 October 2023, 25 October 2023, and 28 November 2023.

4. Refer to Cygnus' ASX announcement dated 18 January 2023 and Brunswick Exploration Inc's TSX-V announcement dated 24 May 2023.

5. In relation to the disclosure of visual intersections of pegmatite and spodumene, the Company cautions that visual intersections should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to confirm the widths and grade of visual intersections of pegmatite reported in the preliminary geological logging. The Company will update the market when laboratory analytical results become available.

6. Refer to Cygnus' ASX announcements dated 7 June 2023, 20 June 2023, 22 September 2023 and 8 January 2024.

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The Directors of Cygnus Metals Limited ("Cygnus" or "the Company") (formerly Cygnus Gold Limited) and its controlled entities ("Group") present their report, together with the financial statements for the year ended 31 December 2023.

**DIRECTORS**

The names and details of the Group's directors in office during the financial year and until the date of this report (unless otherwise stated) are as follows:

| KEVIN TOMLINSON | |
|---|---|
| Position | Non-Executive Chairman |
| Qualifications | HSBc. MSc. Geology, Grad Dip. Finance and Investment, Banking, Corporate Finance and Securities Law |
| Appointment date | 3 April 2023 |
| Resignation date | N/A |
| Length of service | 1 year |
| Biography | Mr Tomlinson has more than three decades' experience in major discoveries, exploration and resource growth, mine development and financing of mining projects globally. He has also played leading roles in many successful mergers and acquisitions.<br><br>Mr Tomlinson is currently Non-Executive Director of FireFly Metals Limited, Bellevue Gold Corp and Kodiak Copper Corp.<br><br>Mr Tomlinson was previously Managing Director of Investment Banking at Westwind Partners and Stifel Nicolaus (2006-2012), raising significant equity and providing M&A corporate advice, and is the former Chair of ASX/TSX-listed Cardinal Resources Ltd, leading its C$587 million sale to Shandong Gold. He was also a Non-Executive Director at Centamin Plc, which discovered and built a significant gold mine in Egypt.<br><br>Mr Tomlinson is a Fellow of the Charted Institute of Directors and a Liveryman of the Worshipful Company of International Bankers (UK). |
| Current ASX listed directorships | FireFly Metals Limited – December 2022 to present<br>Bellevue Gold Ltd - September 2019 to present<br>Kodiak Copper Corp – December 2020 to present |
| Former ASX and TSX listed directorships in the last three years | Churchill Resources Inc (TSX listed) – June 2021 – March 2023<br>C3 Metals Inc (TSX listed) – January 2021 – June 2022<br>Samco Gold Limited (TSX listed) – January 2012 – April 2021 |

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| RAYMOND SHORROCKS | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | BA (Hons), MBA (Finance) |
| Appointment date | 17 May 2023, previously appointed Non-Executive Director on 30 June 2020 and Executive Chairman on 8 November 2021 |
| Resignation date | N/A |
| Length of service | 4 years 10 months |
| Biography | Ray Shorrocks has over 28 years' experience working in the investment banking industry. He is highly conversant and experienced in all areas of mergers and acquisitions and equity capital markets, including a significant track record of transactions in the metals and mining sectors. He was previously Chairman of ASX listed Bellevue Gold Limited and Republic Gold Limited.<br><br>Mr Shorrocks is Interim Executive Director of Mitre Mining Corporation and Non-Executive Chairman of Alicanto Minerals Limited, Galilee Energy Limited and a number of private companies. Mr Shorrocks is former Director and Head of the Corporate Finance department of a major Australian investment services company based in Sydney. |
| Current ASX listed directorships | Galilee Energy Limited – December 2013 to present<br>HCD Limited – January 2016 to present<br>Alicanto Minerals Limited – August 2020 to present<br>Mitre Mining Corporation Limited – February 2023 to present |
| Former ASX listed directorships in the last three years | FireFly Metals Limited – January 2020 to March 2024 |

| DAVID SOUTHAM | |
|---|---|
| Position | Managing Director |
| Qualifications | B.Comm, FCPA, MAICD |
| Appointment date | 13 February 2023, previously appointed Non-Executive Director on 1 November 2022 |
| Resignation date | N/A |
| Length of service | 1 year 5 months |
| Biography | Mr Southam is a CPA with more than 30 years' experience in accounting, operations, capital markets and finance across the resources and industrial sectors. He was previously Managing Director of Mincor Resources NL. Prior to Mincor, David was Executive Director of ASX200 nickel company Western Areas Limited and has held senior executive roles within Brambles Group, ANZ Investment Bank and WMC Resources. David is currently a non-executive director of Ramelius Resources Ltd. |
| Current ASX listed directorships | Ramelius Resources Ltd – July 2018 to present |
| Former ASX listed directorships in the last three years | Mincor Resources NL – February 2019 to August 2022 |

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| MICHAEL NAYLOR | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | B.Com, CA |
| Appointment date | 1 March 2023, previously appointed Executive Director on 25 May 2022. |
| Resignation date | N/A |
| Length of service | 1 years 10 months |
| Biography | Mr Naylor has 26 years' experience in corporate advisory and public company management since commencing his career and qualifying as a Chartered Accountant with Ernst & Young. He has been involved in the financial management of mineral and resources focused public companies, serving on both the Board and Executive Management Team. He has significant experience in focusing on advancing and developing mineral resource assets and business development.<br><br>Michael has worked in Australia and Canada and has extensive experience in financial reporting, capital raisings, debt financings and treasury management of resource companies. |
| Current ASX listed directorships | Bellevue Gold Limited – July 2018 to present<br>FireFly Metals Limited – November 2018 to present<br>Midas Minerals Limited – June 2018 to present<br>Bellavista Resources Ltd – March 2023 to present |
| Former ASX listed directorships in the last three years | None |

| MICHAEL BOHM | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | B.AppSc (Mining Eng), MAusIMM, MAICD |
| Appointment date | 8 November 2021, previously appointed Non-Executive Chairman on 30 September 2016 |
| Resignation date | N/A |
| Length of service | 7 years 6 months |
| Biography | 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.<br><br>Mr Bohm currently serves as a Director of a number of ASX-listed companies and sits on their Audit Risk and Sustainability Committees and Chairs their Remuneration Committees. Prior to this, he has held a number of directorships including those with Perseus Mining Limited, Argyle Diamonds Mines, Sally Malay Mining Limited and Ashton Mining of Canada. |
| Current ASX listed directorships | Riedel Resources Limited – December 2020 to present |
| Former ASX listed directorships in the last three years | Ramelius Resources Limited – November 2012 to May 2022<br>Mincor Resources Limited – January 2017 to July 2023 |

| SHAUN HARDCASTLE | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | LLB, BA |
| Appointment date | 30 June 2020 |
| Resignation date | 3 April 2023 |
| Length of service | 2 years 9 months |
| Biography | Mr Hardcastle has over 15 years' experience as a corporate lawyer and extensive experience in corporate governance, risk management and compliance. He has been involved in a broad range of cross border and domestic transactions including equity capital markets, mergers & acquisitions, corporate governance and project finance. Mr Hardcastle has practised law both in Australia and overseas and currently works as a Partner with Hamilton Locke. He graduated from the University of Western Australia in 2005 with a Bachelor of Laws and Bachelor of Arts. |

**INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY**

As at the date of this report, the interests of the directors in the shares (direct and indirect) of the Company were:

| Director | Ordinary fully paid shares | Unlisted options | Unlisted performance rights |
|---|---|---|---|
| Mr Kevin Tomlinson | 375,000 | - | 700,000 |
| Mr Raymond Shorrocks | 4,388,449 | 3,500,000 | - |
| Mr David Southam | 4,285,715 | - | 17,178,809 |
| Mr Michael Naylor | 16,518,894 | 2,250,000 | - |
| Mr Michael Bohm | 7,860,036 | - | - |

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## COMPANY SECRETARIES

| MADDISON CRAMER | |
|---|---|
| Qualifications | LLB, BA (Hons) |
| Appointment date | 1 November 2022 |
| Resignation date | N/A |
| Length of service | 1 year 5 months |
| Biography | Ms Cramer is a corporate lawyer with a focus on mining and resources. She is a co-founder of boutique corporate services business Belltree Corporate and is currently a company secretary of a number of ASX-listed mining and resources companies. Ms Cramer is a former company secretary of ASX300 company Bellevue Gold Limited (ASX:BGL) and prior to this was an associate at Bellanhouse Legal and HWL Ebsworth Lawyers. |

| CARL TRAVAGLINI | |
|---|---|
| Qualifications | CA, ACG (CS) |
| Appointment date | 1 February 2023 |
| Resignation date | N/A |
| Length of service | 1 year 2 months |
| Biography | Mr Travaglini is a Chartered Accountant and Chartered Company Secretary with over 15 years' experience in the resources sector, having served in various finance and company secretarial roles in Australia, Canada and Africa. Mr Travaglini is currently Chief Financial Officer of Bellavista Resources Ltd (ASX: BVR) and Midas Minerals Limited (ASX: MM1) and a Non-Executive Director for Mitre Mining Limited (ASX: MMC). |

| SUSAN FIELD | |
|---|---|
| Qualifications | CA |
| Appointment date | 23 December 2020 |
| Resignation date | 1 February 2023 |
| Length of service | 2 years 1 month |

## OPERATING RESULTS

The Group's consolidated net loss for the year ended 31 December 2023 after providing for income tax amounted to $13,500,296 (2022: $2,761,228).

The loss included the following items:

- Share-based payments of $10,185,535 (2022: $394,157), refer Note 10(b)
- Exploration and evaluation expenditure written off of $634,937 (2022: $23,879), refer Note 19
- Payroll tax expense of $419,510 (2022: Nil)

## REVIEW OF FINANCIAL POSITION

The Group held net assets of $26,977,396 as at 31 December 2023 (2022: $17,402,441).

At year end the Group remains well financed with $9,316,782 in cash and cash equivalents (2022: $13,530,678).

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## PRINCIPAL ACTIVITIES

Cygnus Metals Limited's principal activities consist of exploration and evaluation of lithium deposits in the world class James Bay lithium district in Canada, and rare earth and base metals deposits in Western Australia.

There have been no significant changes in the nature of these activities during the period.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group is committed to:

- exploration of the Group's key assets in the James Bay district of Canada;
- exploration of the Group's assets in the Wheatbelt region of Western Australia; and
- implementing a strategy to seek out further exploration, acquisition and joint venture opportunities.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no changes in the state of affairs of the Group other than those outlined in the Operations Review.

## POST REPORTING DATE EVENTS

There have not been any events that have arisen between 31 December 2023 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

## ENVIRONMENTAL ISSUES

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The directors have considered the *National Greenhouse and Energy Reporting Act 2007* ('the NGER Act') and at the current stage of exploration and based on the locations of the Group's operations, the directors have determined that the NGER Act will have no effect on the Group for the current or subsequent financial year. The directors will reassess this position as and when the need arises.

No environmental breaches have occurred or have been notified by any Government agencies during the year ended 31 December 2023.

## CORPORATE GOVERNANCE

The directors of Cygnus believe that effective corporate governance improves company performance, enhances corporate social responsibility and benefits all stakeholders. Changes and improvements are made in a substance over form manner, which appropriately reflect the changing circumstances of the company as it grows and evolves. Accordingly, the Board has established a number of practices and policies to ensure that these intentions are met and that all shareholders are fully informed about the affairs of the Group.

The Company reviews all of its corporate governance practices and policies on an annual basis to ensure they are appropriate for the Company's current stage of exploration. This year, the review was made against the new ASX Corporate Governance Council's Principles and Recommendations (4th edition).

The Board has reviewed and approved its Corporate Governance Statement on 28 March 2024, and this is available on the Company's website at https://www.cygnusmetals.com/corporate-governancedetail

The Company has a corporate governance section on the website which includes details on the Company's governance arrangements and copies of relevant policies and charters.

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## CAPITAL STRUCTURE

### LISTED SHARES ON ISSUE

In August 2023, the Company raised approximately C$7,000,000 (A$8,094,401) through the issue of 18,934,273 fully paid ordinary shares ("Shares") at an issue price of C$0.37 (A$0.4275) each as Canadian "flow-through shares" which provide tax incentives to those investors for expenditures that qualify as flow-through mining expenditures under the *Income Tax Act* (Canada) ("Flow-Through Placement"). The Flow-Through Shares were issued at a premium to market pursuant to the Canadian flow-through shares regime. The term "flow-through share" is a defined term in the *Income Tax Act* (Canada) and is not a special type of share under corporate law.

Pursuant to a block trade agreement between PearTree Securities Inc ("Peartree"), Canaccord Genuity (Australia) Limited ("Canaccord") and Euroz Hartleys Limited ("Euroz"), Canaccord and Euroz facilitated the secondary sale of the Shares acquired by PearTree clients under the Flow-Through Placement to sophisticated and professional investors in Australia and certain other countries by way of a block trade at A$0.225 per Share.

In addition to the Flow-Through Placement the Company also completed a traditional placement to sophisticated and professional investors to raise approximately A$3,000,000 (before costs) through the issue of 13,333,333 fully paid ordinary shares in the Company at an issue price of A$0.225 per share.

As at the date of this report, the Company had 291,559,139 fully paid ordinary shares on issue (ASX: CY5) (2022: 183,874,212).

### SHARES UNDER OPTION OR TO BE ISSUED ON CONVERSION OF PERFORMANCE RIGHTS

Details of share options and performance rights on issue as at the date of this report are:

| Number | Security type | Exercise price | Expiry date | Class of shares | Issuing entity |
|---|---|---|---|---|---|
| 1,500,000 | Share Option | $0.25 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 1,500,000 | Share Option | $0.50 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 1,500,000 | Share Option | $0.75 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 1,500,000 | Share Option | $1.00 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 3,500,000 | Share Option | $0.16 | 20/01/2025 | Ordinary | Cygnus Metals Limited |
| 5,000,000 | Share Option | $0.16 | 15/11/2024 | Ordinary | Cygnus Metals Limited |
| 250,000 | Performance Right | N/A | 30/07/2025 | Ordinary | Cygnus Metals Limited |
| 100,000 | Performance Right | N/A | 30/11/2026 | Ordinary | Cygnus Metals Limited |
| 300,000 | Performance Right | N/A | 3/04/2028 | Ordinary | Cygnus Metals Limited |
| 3,000,000 | Performance Right | N/A | 21/10/2027 | Ordinary | Cygnus Metals Limited |
| 14,400,000 | Performance Right | N/A | 13/02/2028 | Ordinary | Cygnus Metals Limited |
| 3,178,809 | Performance Right | N/A | 5/09/2028 | Ordinary | Cygnus Metals Limited |
| 150,000 | Performance Right | N/A | 4/05/2028 | Ordinary | Cygnus Metals Limited |

The holders of these share options and performance rights do not have the right, by virtue of the option or right, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

### PERFORMANCE RIGHTS CONVERTED

There were 29,850,000 vested performance rights converted to 29,704,496 fully paid ordinary shares during 2023 (2022: Nil).

### SHARE OPTIONS EXERCISED

There were 27,400,000 unquoted share options exercised during 2023 (2022: Nil), and 2,100,000 lapsed (2022: Nil).

## DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

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## MATERIAL BUSINESS RISKS

The following describes the material business risks that could affect the Company, including any material exposure to economic, environmental and social sustainability risks, and how the Company seeks to manage them.

### CONTRACT RISK

The Company is party to various option and acquisition agreements to acquire interests in mining claims ("Mining Claims") in Canada ("Agreements"), which require further option exercise or deferred consideration payments to be made in the future in order to secure the rights to the Mining Claims, by way of further share issues and/or payments in cash. Some of the share issues are subject to future shareholder approvals. In the event that the Company is unable to satisfy the option exercise payments or issue the deferred consideration (including in circumstances where shareholder vote down proposed shareholder approvals), or the Company is unable to meet the mandatory expenditure obligations under the Agreements, the Company may not be able to complete some or all of the Agreements, which may reduce the number of Mining Claims in Canada it is able to acquire, or alternatively, reduce the interest it holds in these claims.

### FUTURE CAPITAL REQUIREMENTS AND MARKET RISKS

As an exploration entity, the Company is not generating net cash flow, meaning it is reliant on raising funds from investors or lenders in order to continue to fund its operations and to scale growth. The Company will require further funding in the future.

The Company is exposed to external market forces that impact on specific commodity prices and overarching market sentiment that may restrict the Company's access to new flows of capital if the Company's project pipeline is not ascribed value in the market at any given time. The Company manages this risk by ensuring a constant focus on the Company's current financial position and forecast working capital requirements. Discretionary exploration activities are focused on commodities and in jurisdictions that will ensure access to higher levels of capital in times of broader market depression.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing (while not currently a focus), if available, may involve restrictions on financing and operating activities.

Although the Company believes that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, the Company may be required to reduce the scope of its activities, which could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

### TENURE, ACCESS AND GRANT OF LICENCES / PERMITS

The Company's operations are subject to receiving and maintaining licences and permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary grants or renewals of licences / permits for the proposed operations, additional licences / permits for any possible future changes to operations, or additional permits associated with new legislation.

Prior to any development on any of its properties, subsidiaries of the Company must receive licences / permits from appropriate governmental authorities. There is no certainty that the Company will hold all licences / permits necessary to develop or continue operating at any particular property.

### LAND ACCESS RISK

Land access is critical for exploration and exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases, the acquisition of prospective exploration and mining licences is a competitive business in which proprietary knowledge or information is critical, and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral tenements that it owns or seeks to acquire.

Access to land for exploration and evaluation purposes can be obtained by:

(i) private access and compensation agreement with the landowner;
(ii) purchase of surface rights; or
(iii) through judicial rulings.

However, access rights to licences can be affected by many factors, including:

(i) surface title land ownership negotiations, which are required before ground disturbing exploration activities can commence within the jurisdictions in which the Company operates;
(ii) permitting for exploration activities, which are required in order to undertake most exploration and exploitation activities within the jurisdictions in which the Company operates; and
(iii) natural occurrences, including inclement weather, volcanic eruptions, lahars and earthquakes.

All of these issues have the potential to delay, curtail and preclude the Company's operations. While the Company will have the potential to influence some of these access issues, and retains staff to manage those instances where negotiations are required to gain access, it is not possible for the Company to predict the extent to which the above-mentioned risks and uncertainties may adversely impact the Company's operations.

**ACCESS TO SUFFICIENT USED AND NEW EQUIPMENT**

The Company is dependent on access to used and new mining equipment. In the event that the Company has difficulty in securing adequate supplies of mining equipment at appropriate prices, or if the quality of the equipment is not acceptable or suitable, its ability to perform or commence new projects may be adversely affected. This difficulty may have an adverse impact on the financial performance and financial position of the Company.

**DATA MANAGEMENT**

The risk of retaining or managing the Company's corporate data in a way that is inconsistent with the Company's regulatory obligations. This is considered to be a growing risk as the Company and related data volumes grow and cyber-security threats become more sophisticated. Failure to properly manage the Company's corporate data could result in significant financial and regulatory implications. The Company has implemented a number of company-wide controls to manage this risk, including the continuous review and updating of security controls on the Company's network based on known security threats and the latest intelligence.

**REGULATORY ENVIRONMENT**

The risk of failing to adapt and adhere to rapidly evolving regulatory environments in Australia and Canada. This can result in the increased complexity and cost of doing business and the risk of forfeiture of exploration and mining claims from the failure of complying with these complex regulatory environments. In Australia, significant compliance risk may arise from emerging changes to regulatory frameworks, including the Work Health and Safety (Mines) Regulations 2022. The Company's risk management strategy is designed to monitor and limit the adverse consequences of existing and new regulations in a way that is efficient and minimizes compliance costs.

**PEOPLE CAPABILITY**

The risk that the Company fails to attract and retain the talent and leadership required to execute the Company's strategies and objectives, including the technical expertise to explore for and discover economic mineral deposits, and the corporate talent to achieve value for shareholders via corporate activities, including project acquisitions, project divestments and joint venture activities. The intention of the Company's remuneration framework is to ensure remuneration and reward structures are aligned with shareholders' interests by being market competitive to attract and retain high calibre individuals, rewarding superior individual performance, recognising the contribution of each executive to the continued growth and success of the Company, and linking long-term incentives to shareholder value.

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**GENERAL ECONOMIC CLIMATE**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors.

**CLIMATE CHANGE**

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the ability of the Company to access and utilise its tenements and therefore the Company's ability to carry out operations.

Changes in policy, technological innovation, and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Company is committed to protecting and respecting the environment and local communities within which it operates and looks forward to enhancing its positive impact in these areas.

As the Company advances its strategies, it will be sharing its ESG efforts and impact regularly, in line with its annual reporting cycle.

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## AUDITED REMUNERATION REPORT

This remuneration report for the year ended 31 December 2023 outlines the remuneration arrangements of the Company and its controlled entities ("Group") in accordance with the requirements of the *Corporations Act 2001* (Cth) ("Act") and its Regulations. This information has been audited as required by section 300A of the Corporations Act.

The remuneration report details the remuneration arrangements for Directors and other Key Management Personnel ("KMP"), who are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the Company and Group, directly or indirectly, including any director (whether executive or otherwise) of the parent entity.

The table below outlines the Directors and other KMP of the Company during the financial year ended 31 December 2023. Unless otherwise indicated, the individuals were Directors or other KMP for the entire financial year.

For the purposes of this report, the term "Executive" includes the executive directors and senior executives of the Company.

| | |
|---|---|
| **Non-Executive Directors** | |
| Kevin Tomlinson | Non-Executive Chair (appointed 3 April 2023) |
| Raymond Shorrocks | Non-Executive Director (appointed 3 April 2023, previously appointed Non-Executive Chairman on 8 November 2021) |
| Michael Bohm | Non-Executive Director |
| Michael Naylor | Non-Executive Director (appointed 1 March 2023, previously appointed Executive Director on 25 May 2022) |
| Shaun Hardcastle | Non-Executive Director (resigned 3 April 2023) |
| **Executive Directors** | |
| David Southam | Managing Director (appointed 13 February 2023, previously appointed Non-Executive Director on 1 November 2022) |
| **Other KMP** | |
| Susan Field | Chief Financial Officer and Joint Company Secretary (resigned 1 February 2023) |
| Carl Travaglini | Chief Financial Officer and Joint Company Secretary (appointed 1 February 2023) |

There were no changes to Directors or other KMP after reporting date and before the date the financial report was authorised for issue.

### REMUNERATION GOVERNANCE

Due to the current size of the Group, it is more efficient and effective for the functions otherwise undertaken by a remuneration committee to be performed by the Board. All directors are therefore responsible for determining and reviewing compensation arrangements for key management personnel, including periodically assessing the appropriateness of the nature and amount of remuneration by reference to relevant market conditions and prevailing practices. Directors excuse themselves from discussions that are specific to their individual remuneration components and are not in relation to the remuneration of the group of non-executive directors as a collective.

The Board may obtain professional advice where necessary to ensure that the Group attracts and retains talented and motivated directors, executives and employees who can enhance Group performance through their contributions and leadership.

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**AUDITED REMUNERATION REPORT (Continued)**

**REMUNERATION FRAMEWORK**

The Board recognises that the Group's performance and ultimate success in project delivery depends on many factors including its ability to attract and retain highly skilled, qualified and motivated people. At the same time, remuneration practices must be transparent to shareholders and be fair and competitive, taking into account the nature and size of the organisation and its current stage of activities, funding and general market conditions.

The approach to remuneration has been structured with the following objectives:

- Fairness: provide a fair level of reward to all employees;
- Transparency: establish transparent links between reward and performance;
- Alignment: promote mutually beneficial outcomes by aligning employee, and shareholder interests; and
- Culture: drive leadership performance and behaviours that promote safety, diversity and employee engagement.

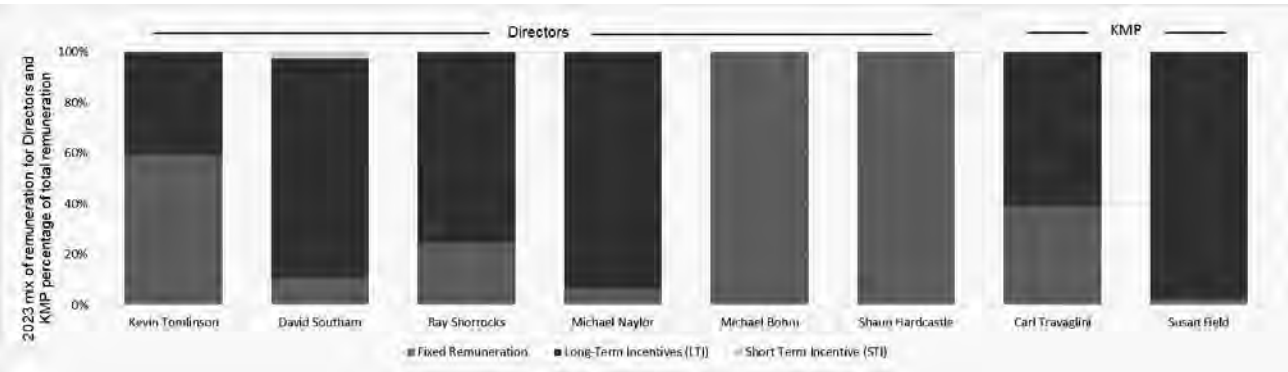
The remuneration for executives may have several components, including:

- Fixed remuneration, inclusive of superannuation and allowances;
- Short Term Incentives ("STI") under a performance-based cash or equity bonus incentive plan; and
- Long Term Incentives ("LTI") through participation in the Company's approved equity incentive plan.

These three components comprise each executive's total annual remuneration.

To link executive remuneration with the Group's performance, the Company's policy is to endeavour to provide a portion of each executive's total remuneration as "at risk".

**2023 MIX OF REMUNERATION FOR DIRECTORS AND OTHER KMP - PERCENTAGE OF TOTAL REMUNERATION**




As demonstrated above, the mix of remuneration for executive KMP is weighted towards variable long-term incentives in the interests of preserving cash and aligning KMP performance outcomes with the growth of shareholder wealth. Long-term incentive remuneration is comprised of the accounting based valuation of performance rights. These valuations are calculated at the time of grant and are based on the Company's share price and other market factors evident at that time. For clarity, the components of David Southam's share-based (LTI) remuneration for 2023 includes the following:

- $2,000,000 in remuneration relates to 4,000,000 performance rights that were valued at 50c at the time of grant, which vested and were converted into 4,000,000 shares during the year upon the Company successfully reporting a maiden JORC Inferred Mineral Resource Estimate of 10Mt for the Pontax Lithium Project. The Company's share price at the time of conversion was 27c. Mr Southam continues to hold these shares as at the date of this report.
- $1,692,141 in remuneration relates to 10,000,000 performance rights that were valued at between 46.3c and 50c at the time of grant. As at the date of this report, the related vesting conditions have not yet been met and these performance rights are not yet convertible into shares.
- $75,400 in remuneration relates to 3,178,809 performance rights that were valued at between 17c and 18.5c at the time of grant. As at the date of this report, the vesting conditions have not yet been met and these performance rights are not yet convertible into shares.

**AUDITED REMUNERATION REPORT (Continued)**

**OVERVIEW OF COMPANY PERFORMANCE**

In considering the Company's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current and the previous four financial years:

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Income | $2,875,304 | $685,203 | $30,311 | $439,311 | $231,203 |
| Net loss after tax | $13,500,296 | $2,761,228 | $2,081,181 | $7,720,430 | $870,917 |
| Share price at 31 December | $0.135 | $0.380 | $0.175 | $0.180 | $0.044 |

Currently, there is a portion of remuneration of certain executive KMP that is linked to share price performance. The rationale for this approach is that the Group is in the exploration phase, and it is currently not appropriate to link remuneration to any other factors such as profitability.

**KMP REMUNERATION**

A combination of fixed and variable reward may be provided to KMPs, based on their responsibility within the Group in relation to the achievement of its strategic objectives and their capacity to contribute to the generation of long-term shareholder value.

The components of KMP remuneration may consist of:

### Fixed Remuneration

KMP receive either an annual fixed base cash salary or fee and other associated benefits depending on the nature of their contract. Fixed remuneration includes statutory superannuation guarantee contributions required by Australian legislation, which was 10.5% up to 30 June 2023, and then increased to 11% from 1 July 2023. Directors and KMP do not receive any other retirement benefits.

Fixed remuneration of KMP will be set by the Board each year and is based on a number of factors. In setting fixed remuneration for KMP, individual performance, skills, expertise and experience are taken into account as well as the Group's current level of activity and funding.

Where appropriate, external remuneration consultants may be engaged to assist the Board.

### Short-Term Incentives

Under the Company's remuneration policy, employees are eligible to participate in the Company's Short-Term Incentive Program ("STIP") and earn short-term bonuses of up to a fixed percentage of their fixed total remuneration package, subject to achievement of STIP hurdles.

The objective of the STIP is to provide the opportunity to earn a cash or equity bonus by rewarding those employees who successfully achieve, in the opinion of the Board, the critical short-term objectives of the Company over a twelve-month period. Those short-term objectives for each employee are pre-determined and approved by the Board as being aligned with the Company's stated strategy to derive shareholder return.

For an employee who resigns or is terminated for cause before the end of the financial year, no STI is awarded for that year. Similarly, any deferred STI awards are forfeited, unless otherwise determined by the Board.

If an employee ceases employment during the performance period by reason of redundancy, ill health, death, or other circumstance approved by the Board, the employee will be entitled to a pro-rata cash payment based on an assessment of performance up to the date of ceasing employment for that year and any deferred STI awards will be retained (subject to Board discretion).

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**AUDITED REMUNERATION REPORT (Continued)**

2023 STI Awarded

After the end of the current reporting period the Board agreed to award Mr Southam an STI bonus of $120,000 including superannuation upon the successful achievement of the following critical short-term performance targets by 31 December 2023:

| Performance Target Summary | % of total fixed remuneration | Weighting |
|---|---|---|
| Acquisition of further tenure outside the main Pontax trend that is prospective for lithium in the James Bay region | 5% | 20% |
| Establishing adequate health and safety standards in Quebec | 7.5% | 30% |
| Establishing good Canadian community relations, including Canadian first nations strategy and meeting the first nations group. | 7.5% | 30% |
| Building an appropriate team that can adequately assist in implementing the Company's Canadian exploration strategy. | 5% | 20% |
| **Total** | | **100%** |

In the interests of conserving cash reserves, the Board agreed to pay Mr Southam this STI bonus in equity instruments, subject to receiving Shareholder approval at the Company's 2024 Annual General Meeting. Should Shareholders not approve the equity issue, the STI will become payable in cash.

This equated to 100% of the potential STI payable to Mr Southam in relation to the 2023 reporting period. Accordingly, there was no STI amount forfeited by Mr Southam for the 2023 reporting period.

Long-Term Incentives

The Group also awards its KMP with Long-Term Incentives ("LTIs"). LTIs are issued under the Company's Employee Incentives Securities Plan which was approved by Shareholders on 31 January 2023. The objective of LTIs is to provide potential rewards to KMP in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such LTIs can be awarded to KMP who are able to influence the generation of shareholder wealth and thus have an impact on the Group's performance.

If an employee resigns or is terminated for cause before the end of the financial year, no LTIs will vest for that year. Similarly, any vested and unexercised LTI awards are forfeited, unless otherwise determined by the Board.

If an employee ceases employment during the performance period by reason of redundancy, ill health, death, or other circumstance approved by the Board, the employee will be entitled to receive any vested but unexercised LTIs as at the date of ceasing employment, subject to Board discretion.

The treatment of vested and unexercised awards in all other circumstances will be determined by the Board with reference to the circumstances of cessation.

The Company prohibits directors or employees from entering into arrangements to protect the value of any Company shares, options or performance rights that the director or employee has become entitled to as part of their remuneration package. This includes entering into a contract to hedge their exposure.

*Unlisted Share Options*

There were no unlisted share options issued in 2023.

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**AUDITED REMUNERATION REPORT (Continued)**

*Performance Rights*

During 2023 the Company granted 22,678,809 Performance Rights to Director and other KMP as detailed on page 53. These rights were granted with a nil exercise price and a time to expiry of approximately five years. The following vesting conditions apply to various tranches of the total number of rights granted during 2023:

1. The Company reporting a JORC compliant Inferred Mineral Resource on any project of at least 5MT at a minimum grade of 0.8% $Li_2O$ on or before the vesting date.
2. The Company reporting a JORC compliant Inferred Mineral Resource on any project other (than the Pontax Project) of at least 5MT at a minimum grade of 0.8% $Li_2O$ on or before 31 December 2025
3. The Company reporting a JORC compliant Inferred Mineral Resource of at least 10MT at a minimum grade of 0.8% $Li_2O$ on or before the vesting date.
4. The Company reporting a JORC compliant Inferred Mineral Resource of at least 20MT at a minimum grade of 0.8% $Li_2O$ on or before 13 February 2028.
5. The Company has a market capitalisation of at least $150 million over at least 10 consecutive trading days on which trades actually occur.
6. The Company has a 10-day VWAP of at least $1.00 or a market capitalisation of at least $250 million over at least 10 consecutive trading days on which trades actually occur.
7. The Company's TSR exceeds the median TSR of its Peer Group for period 1 July 2023 to 31 December 2025.
8. Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including the vesting date.

In respect of items 1 and 3 above, the conditions for the performance rights were met and 14,300,000 performance rights were vested to KMP and converted into shares during the reporting period.

**NON-EXECUTIVE DIRECTOR REMUNERATION**

Non-Executive Director fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are determined in accordance with the rules set out in the Group's Constitution and the Corporations Act at the time of the director's retirement or termination.

Non-Executive Director remuneration may include an incentive portion consisting of performance rights and/or share options, as considered appropriate by the Board, which is subject to shareholder approval in accordance with the ASX Listing Rules.

The aggregate remuneration, and the manner in which it is apportioned amongst Non-Executive Directors, is reviewed annually. The Board considers the amount of director fees being paid by comparable companies with similar responsibilities and levels of experience of the Non-Executive Directors when undertaking the annual review process.

The maximum amount of Non-Executive Director fees payable is fixed at $600,000 in total, for each 12-month period commencing 1 January each year, until varied by ordinary resolution of shareholders. This amount of $600,000 was approved by shareholders in January 2023, up from $300,000.

Non-Executive Directors are not entitled to any termination payments.

| Director Fees | 2023 Fees Per Director Inclusive of Superannuation $A Per Annum | 2022 Fees Per Director Inclusive of Superannuation $A Per Annum |
|---|---|---|
| Chair of the Board | 150,000 | 82,875 |
| Other Non-Executive Directors | 55,249 | 55,000 |

**USE OF REMUNERATION CONSULTANTS**

During the year ended 31 December 2023, the Board did not engage the services of remuneration consultants (2022: None). This was considered appropriate whilst the Group is in the exploration phase.

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## AUDITED REMUNERATION REPORT (Continued)

### THE REMUNERATION OF THE DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

The Directors and other KMP of the Company, alongside their remuneration for the period, are set out in the following tables:

| | Fixed remuneration | | | Variable remuneration | | | |
|---|---|---|---|---|---|---|---|
| 2023 | Base Salary and Fees $ | Annual leave $ | Super-annuation $ | Bonus (non-cash) $ | Performance rights (non-cash) $ | Total $ | Performance based % |
| *Non-Executive Directors* | | | | | | | |
| K Tomlinson[1] | 149,889 | - | - | - | 101,818 | 251,707 | 40% |
| R Shorrocks | 57,956 | - | 4,044 | - | 193,109 | 255,109 | 76% |
| M Bohm | 55,375 | - | - | - | - | 55,375 | - |
| M Naylor | 93,356 | 2,564 | 9,730 | - | 1,544,872 | 1,650,522 | 94% |
| S Hardcastle[2] | 13,750 | - | - | - | - | 13,750 | - |
| *Executive Directors* | | | | | | | |
| D Southam[3] | 422,429 | 29,053 | 32,179 | 120,000 | 3,767,541 | 4,371,202 | 89% |
| *Other KMP* | | | | | | | |
| C Travaglini[4] | 137,500 | 5,433 | 14,813 | - | 245,000 | 402,746 | 61% |
| S Field[4] | 6,000[5] | - | - | - | 240,837 | 246,837 | 98% |
| **Totals** | **936,255** | **37,050** | **60,766** | **120,000** | **6,093,177[6]** | **7,247,248** | **86%** |

**Notes:**

1. Mr Tomlinson was appointed Non-Executive Chairman on 3 April 2023.
2. Mr Hardcastle resigned 3 April 2023. During 2023 Mr Hardcastle's non-executive director fees were paid up until his resignation date.
3. Mr Southam was appointed as Managing Director on 13 February 2023, previously appointed Non-Executive Director 1 November 2022.
4. Ms Field resigned and Mr Travaglini was appointed as Chief Financial Officer and Joint Company Secretary on 1 February 2023.
5. Ms Field's fees were paid by the Company to Blue Leaf Corporate Pty Ltd, a Company controlled by Mr Naylor.
6. The share price used in the valuation of share-based remuneration reported in the current period was required to be set at the time of the grant of the related performance right. The Company's share price at the time of each grant of performance rights to KMP was as follows:
    a. Kevin Tomlinson 22c
    b. Ray Shorrocks 25c
    c. Michael Naylor 25c
    d. David Southam 50c
    e. Carl Travaglini 49c
    f. Sue Field 24c

| | Fixed remuneration | | | | Variable remuneration | | | |
|---|---|---|---|---|---|---|---|---|
| 2022 | Base Salary $ | Director and consultant fees $ | Annual leave $ | Super-annuation $ | Bonus (cash) $ | Performance rights (non-cash) $ | Total $ | Performance based % |
| *Non-Executive Directors* | | | | | | | | |
| R Shorrocks[1] | 69,375 | 6,875 | - | 6,375 | - | 12,149 | 94,774 | 13% |
| D Southam[2] | - | 9,167 | - | - | - | - | 9,167 | - |
| M Bohm | - | 55,000 | - | - | - | - | 55,000 | - |
| S Hardcastle | - | 42,500 | - | - | - | - | 42,500 | - |
| S Jackson[3] | - | 11,855 | - | - | - | - | 11,855 | - |
| *Executive Directors* | | | | | | | | |
| M Naylor | 92,258 | - | 9,264 | 9,626 | 100,000[4] | 97,194 | 308,342 | 64% |
| *Other KMP* | | | | | | | | |
| S Field | - | 60,000[5] | - | - | - | 11,663 | 71,663 | 16% |
| **Totals** | **161,633** | **185,397** | **9,264** | **16,001** | **100,000** | **121,006** | **593,301** | **37%** |

**Notes:**

1. Mr Shorrocks was appointed Non-Executive Director on 25 May 2022, previously appointed Executive Chairman on 8 November 2021.
2. Mr Southam was appointed as Non-Executive Director 1 November 2022.
3. Mr Jackson resigned 25 May 2022. During 2022 Mr Jackson's non-executive director fees were paid up until his resignation date to Whistler Consulting Pty Ltd, a Company controlled by Mr Jackson.
4. Mr Naylor received a discretionary bonus as approved by the Board of Directors in recognition for his significant efforts throughout 2022.
5. Ms Field's fees were paid by the Company to Blue Leaf Corporate Pty Ltd, a company controlled by Mr Naylor.

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## AUDITED REMUNERATION REPORT (Continued)

### SHARES HELD BY DIRECTORS AND OTHER KMP, INCLUDING THEIR RELATED PARTIES

| | Balance at start of year | Held upon commencing as KMP | Acquired | Disposed | Held upon cessation as KMP | Balance at the end of the year |
|---|---|---|---|---|---|---|
| *Directors* | | | | | | |
| Kevin Tomlinson | - | - | 375,000 | - | - | 375,000 |
| Ray Shorrocks | 3,258,449 | - | 3,000,000 | (1,870,000) | - | 4,388,449 |
| Michael Naylor | 7,158,894 | - | 10,000,000 | (640,000) | - | 16,518,894 |
| David Southam | 285,715 | - | 4,000,000 | - | - | 4,285,715 |
| Michael Bohm | 6,500,036 | - | 2,000,000 | (640,000) | - | 7,860,036 |
| Shaun Hardcastle | 1,415,645 | - | - | - | (1,415,645) | - |
| *Other KMP* | | | | | | |
| Carl Travaglini | - | 50,000 | 500,000 | - | - | 550,000 |
| Susan Field | - | - | - | - | - | - |
| **Totals** | **18,618,739** | **50,000** | **19,875,000** | **(3,150,000)** | **(1,415,645)** | **33,978,094** |

### SHARES ISSUED ON EXERCISE OF OPTIONS AND PERFORMANCE RIGHTS

During 2023, there were 13,800,000 shares issued from the conversion of performance rights (2022: None) and 6,000,000 shares issued from the exercise of share options (2022: None) by KMP.

### UNLISTED OPTIONS HELD BY DIRECTORS AND OTHER KMP, INCLUDING THEIR RELATED PARTIES

| | Grant date | Expiry date | Fair value | Exercise price | Balance 1 Jan 2023 | Exercised | Held on resignation | Balance 31 Dec 2023 | Vested and exercisable 31 Dec 2023 |
|---|---|---|---|---|---|---|---|---|---|
| *Directors* | | | | | | | | | |
| Ray Shorrocks | 23/12/21 | 20/01/25 | $0.0917 | $0.16 | 3,500,000 | - | - | 3,500,000 | 3,500,000 |
| Ray Shorrocks | 20/09/20 | 20/09/23 | $0.1458 | $0.08 | 2,000,000 | (2,000,000) | - | - | - |
| Michael Naylor | 07/11/21 | 15/11/24 | $0.9500 | $0.16 | 2,250,000 | | - | 2,250,000 | 2,250,000 |
| Michael Naylor | 20/09/20 | 20/09/23 | $0.1458 | $0.08 | 2,000,000 | (2,000,000) | - | - | - |
| Michael Bohm | 20/09/20 | 20/09/23 | $0.1458 | $0.08 | 2,000,000 | (2,000,000) | - | - | - |
| Shaun Hardcastle | 20/09/20 | 20/09/23 | $0.1458 | $0.08 | 2,000,000 | - | (2,000,000) | - | - |
| *Other KMP* | | | | | | | | | |
| Susan Field | 07/11/21 | 15/11/24 | $0.095 | $0.16 | 250,000 | - | (250,000) | - | - |
| **Totals** | | | | | **6,000,000** | **(6,000,000)** | **(2,250,000)** | **5,750,000** | **5,750,000** |

### PERFORMANCE RIGHTS HELD BY DIRECTORS AND OTHER KMP, INCLUDING THEIR RELATED PARTIES

| | Grant date | Expiry date | Fair value | Exercise price | Balance 1 Jan 2023 | Granted | Exercised | Lapsed | Balance 31 Dec 2023 | Vested and convertible 31 Dec 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| *Directors* | | | | | | | | | | |
| K Tomlinson | 26/03/2023 | 13/02/2028 | $0.2200 | N/A | - | 300,000 | (300,000) | - | - | - |
| K Tomlinson | 26/03/2023 | 3/04/2028 | $0.2200 | N/A | - | 300,000 | - | - | 300,000 | - |
| K Tomlinson | 26/03/2023 | 13/02/2028 | $0.1723 | N/A | - | 400,000 | - | - | 400,000 | - |
| R Shorrocks | 28/09/2022 | 21/10/2027 | $0.2500 | N/A | 1,000,000 | - | (1,000,000) | - | - | - |
| M Naylor | 28/09/2022 | 21/10/2027 | $0.2500 | N/A | 8,000,000 | - | (8,000,000) | - | - | - |
| D Southam | 1/11/2023 | 13/02/2028 | $0.5000 | N/A | - | 5,000,000 | - | - | 5,000,000 | - |
| D Southam | 31/01/2023 | 13/02/2028 | $0.5000 | N/A | - | 8,000,000 | (4,000,000) | - | 4,000,000 | - |
| D Southam | 31/01/2023 | 13/02/2028 | $0.4750 | N/A | - | 2,500,000 | - | - | 2,500,000 | - |
| D Southam | 31/01/2023 | 13/02/2028 | $0.4630 | N/A | - | 2,500,000 | - | - | 2,500,000 | - |
| D Southam | 28/08/2023 | 5/09/2028 | $0.2825 | N/A | - | 1,059,603 | - | - | 1,059,603 | - |
| D Southam | 28/08/2023 | 5/09/2028 | $0.2950 | N/A | - | 2,119,206 | - | - | 2,119,206 | - |
| *Other KMP* | | | | | | | | | | |
| C Travaglini | 7/02/2023 | 21/10/2027 | $0.4900 | N/A | - | 500,000 | (500,000) | - | - | - |
| S Field | 15/08/2022 | 21/10/2027 | $0.2400 | N/A | 1,000,000 | - | (500,000) | (500,000) | - | - |
| **Totals** | | | | | **10,000,000** | **22,678,809** | **(14,300,000)** | **(500,000)** | **17,878,809** | **-** |

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**AUDITED REMUNERATION REPORT (Continued)**

**APPOINTMENT OF MANAGING DIRECTOR**

On 13 February 2023 Mr Southam commenced as Managing Director. The material terms of Mr Southam's Managing Director employment contract are:

- Commencement Date: 13 February 2023 on a part-time basis with transition arrangements to move to full-time.
- Term / Notice Period: Ongoing term, with termination by the Company on six months' written notice and termination by the Managing Director on three months' written notice. The Company may terminate the employment without notice in certain circumstances.
- Remuneration: A fixed Total Remuneration Package ("TRP") of $600,000 (Full Time Equivalent), inclusive of superannuation contributions.
- Short Term Incentive Program ("STIP"): Eligible to participate in a STIP of up to 25% of TRP subject to achievement of STIP hurdles.
- Employee Incentives Securities Plan ("EISP"): Eligible to participate in the EISP. The Company agreed to issue 18,000,000 performance rights to Mr Southam which are linked to his commencement in the role as Managing Director. Those performance rights were issued on 13 February 2023 following receipt of shareholder approval with the following vesting conditions:

| Director Performance Rights | Number | Vesting Condition | Expiry Date |
|---|---|---|---|
| Tranche M | 5,000,000 | 2 years continuous employment with the Company from the date of appointment (being 1 November 2022) | 13 February 2028 |
| Tranche N | 2,000,000 | The Company, in respect of any of the mining tenements or projects it holds an interest in at the issue date of the Performance Rights or acquires at any date in the future, announces a JORC 2012 compliant $Li_2O$ resource of at least 5Mt at a grade of no less than 0.8% lithium | 13 February 2028 |
| Tranche O | 2,000,000 | The Company, in respect of any of the mining tenements or projects it holds an interest in at the issue date of the Performance Rights or acquires at any date in the future, announces a JORC 2012 compliant $Li_2O$ resource of at least 10Mt at a grade of no less than 0.8% lithium | 13 February 2028 |
| Tranche P | 4,000,000 | The Company, in respect of any of the mining tenements or projects it holds an interest in at the issue date of the Performance Rights or acquires at any date in the future, announces a JORC 2012 compliant $Li_2O$ resource of at least 20Mt at a grade of no less than 0.8% lithium | 13 February 2028 |
| Tranche Q | 2,500,000 | The Company achieving a market capitalisation of at least A$150,000,000 over a period of not less than 10 consecutive trading days on which trades in the Company's Shares actually occur | 13 February 2028 |
| Tranche R | 2,500,000 | The Company's share price having a 10-day VWAP of at least $1.00 or a market capitalisation of at least $250,000,000 over a period of not less than 10 consecutive trading days on which trades in the Company's Shares actually occur | 13 February 2028 |

During the reporting period, the conditions of Tranches N and O were met and 4,000,000 performance rights were vested and subsequently exercised into shares which continue to be held by Mr Southam. All remaining 14,000,000 performance rights remain unvested as conditions have not yet been achieved.

**SERVICE AGREEMENTS**

Remuneration and other terms of employment for Executive Directors are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in short term and long-term incentives are at the discretion of the Board. Other major provisions of the agreements relating to remuneration are set out below.

| Name and Position | Term of Agreement | Base Salary Including Superannuation | Company/Employee Termination Notice Period | Termination Benefit |
|---|---|---|---|---|
| David Southam<br>Managing Director | Ongoing commencing 13 February 2023 | $600,000 p.a.<br>(Full-time equivalent) | 6 / 3 months | 6 months' base salary plus superannuation |

**LOANS TO DIRECTOR RELATED PARTIES**

There were no loans to Directors of the Company, including their personally related parties, as at 31 December 2023 (2022: None).

**OTHER TRANSACTIONS WITH DIRECTOR RELATED PARTIES**

The following transactions and arrangements with Director related parties occurred during the current and comparative reporting periods:

Former Director Shaun Hardcastle is a Partner of Hamilton Locke Lawyers which provided legal services to the Company to the value of $155,307 during 2023 (2022: $137,025). There was $995 owing to Hamilton Locke Lawyers by the Company at 31 December 2023 (2022: $36,910).

Blue Leaf Corporate Pty Ltd, a company owned by Michael Naylor, provided company secretarial and financial management services to the Company during 2023 to the value of $42,000 (2022: $118,500). Acting as joint company secretary up to her resignation on 1 February 2023, Susan Field was under contract with Blue Leaf Corporate Pty Ltd and was remunerated $5,000 (2022: $60,000) for her contribution of services to Cygnus Metals Limited which has been disclosed as remuneration in the table on page 52. There were no amounts owing to Blue Leaf Corporate Pty Ltd by the Company at 31 December 2023 (2022: Nil).

Belltree Corporate Pty Ltd, a company that Michael Naylor is a director of, and Michael Naylor and former Director Shaun Hardcastle have an indirect interest in, provided company secretarial services to the Company during the year ended 31 December 2023 totalling $89,500 (2022: $7,000). There were no amounts owing to Belltree Corporate Pty Ltd by the Company at 31 December 2023 (2022: Nil).

Exia-IT Pty Ltd, of which Belltree Corporate Pty Ltd holds an interest and Michael Naylor holds an interest in Belltree Corporate Pty Ltd, provided information technology management services to the Company during the year ended 31 December 2023 totalling $68,923 (2022: Nil). There were no amounts owing to Exia-IT Pty Ltd by the Company at 31 December 2023 (2022: Nil).

During the year ended 31 December 2023 the Company paid $196,960 (2022: $266,599) for shared administrative, head office rent and head office fit-out costs to FireFly Metals Limited (formerly Auteco Minerals Limited), of which Ray Shorrocks and Michael Naylor were directors in 2023. $25,385 was owing to FireFly Metals Limited by the Company at 31 December 2023 (2022: $151,716).

Bellavista Resources Ltd, a company that Michael Naylor is a director of, recharged shared office costs to the Company during the year ended 31 December 2023 totalling $64,987 (2022: $16,674). $3,399 was owing to Bellavista Resources Ltd by the Company at 31 December 2023 (2022: $13,114).



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**AUDITED REMUNERATION REPORT (Continued)**

**OTHER TRANSACTIONS WITH DIRECTOR RELATED PARTIES (Continued)**

Bellevue Gold Limited, a company that Michael Naylor is a director of, recharged shared administrative costs to the Company during the year ended 31 December 2023 totalling $20,480 (2022: $10,694). $14,440 was owing to Bellevue Gold Limited by the Company at 31 December 2023 (2022: Nil).

Mitre Mining Corporation Ltd, a company that Ray Shorrocks is a director of, recharged shared office costs to the Company during the year ended 31 December 2023 totalling $8,325 (2022: Nil). $8,325 was owing to Mitre Mining Corporation Ltd by the Company at 31 December 2023 (2022: Nil).

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured and interest-free and settlement occurs in cash and are presented as part of trade payables. There have been no bank guarantees provided for any related party payables. Amounts shown are net of GST paid or payable.

**VOTING AND COMMENTS MADE AT THE COMPANY'S LAST ANNUAL GENERAL MEETING**

Cygnus received 80.17% "yes" votes on its Remuneration Report for the year ended 31 December 2022.

**END OF AUDITED REMUNERATION REPORT**

**MEETINGS OF DIRECTORS**

During the financial year, seven meetings of directors were held and attendances by each director during the year were as follows:

| | Number attended | Number eligible to attend |
|---|---|---|
| Kevin Tomlinson | 5 | 5 |
| Michael Bohm | 7 | 7 |
| David Southam | 7 | 7 |
| Michael Naylor | 7 | 7 |
| Ray Shorrocks | 6 | 7 |
| Shaun Hardcastle | 2 | 2 |

Given the size of the Board, the Company has decided that there are no efficiencies to be gained from forming separate board committees.

**SHARE OPTIONS AND PERFORMANCE RIGHTS**

There are 14,500,000 share options on issue (2022: 44,000,000) and 21,378,809 performance rights on issue (2022: 47,900,000) at the date of this report.

**INDEMNIFYING OFFICERS**

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The terms of the policy prevent disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

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## INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement, against claims by third parties arising from the audit (for an unspecified amount). No payments have been made to indemnify Ernst & Young to the date of this report.

## PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

## NON-AUDIT SERVICES

Ernst & Young, the Company's auditors, have not performed any other services in addition to their statutory audit duties.

The total remuneration for audit services provided during the prior and current financial years is set out in note 12 of the financial statements.

## AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 31 December 2023 has been received and is attached to this Directors' Report.

## COMPLIANCE STATEMENTS AND DISCLAIMERS

Exploration Results - Canada

The information in this annual report relating to Exploration Results in Canada is based on, and fairly represents, information and supporting documentation reviewed by Ms Laurence Huss, Quebec In-Country Manager of Cygnus Metals Ltd. Ms Huss also holds performance rights in the Company. Ms Huss is a member of the Quebec Order of Geologists (OGQ #486), a Registered Overseas Professional Organisation as defined in the ASX Listing Rules, and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms Huss consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Exploration Results - Australia

The information in this annual report that relates to Exploration Results in Australia is based on and fairly represents information and supporting documentation compiled by Mr Duncan Grieve, a Competent Person who is a member of The Australasian Institute of Geoscientists. Mr Grieve is Chief Geologist and a full-time employee of Cygnus Metals and holds shares in the Company.

Mr Grieve has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Grieve consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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Mineral Resource Estimates

The information in this annual report that relates to the Pontax Lithium Project Mineral Resource Estimate is based on and fairly represents information and supporting documentation compiled by Mr Brian Wolfe, a Competent Person who is a member of The Australasian Institute of Geoscientists. Mr Brian Wolfe is an independent consultant specialising in Mineral Resource estimation, evaluation and exploration. Mr Brian Wolfe does not hold any interest in Cygnus Metals Limited, its related parties, or in any of the mineral properties that are the subject of this report.

Mr Brian Wolfe is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Brian Wolfe consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Forward Looking Statements

This report may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/ projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Cygnus Metals Limited. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

Cygnus Metals Limited does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward-looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Cygnus Metals or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of Cygnus Metals Limited, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this report.

## DIRECTORS' DECLARATION

This report is made in accordance with a resolution of the directors.



**David Southam**

**Managing Director**

Dated in Perth this 28th day of March 2024.

The Mineral Resource Estimate was prepared in accordance with the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) by Mr Brian Wolfe, an independent consultant specialising in Mineral Resource estimation, evaluation and exploration, with oversight from Cygnus personnel.

The Mineral Resource Estimate as at 31 December 2023 which was released on 14 August 2023 is presented in the table below:

| Resource Category | Cut-off Grade ($Li_2O$) | Tonnes (Mt) | Grade ($Li_2O$) | Contained $Li_2O$ (Tonnes) | Grade ($Ta_2O_5$ ppm) |
|---|---|---|---|---|---|
| Inferred | 0.5% | 10.1 | 1.04% | 105,280 | 74.79 |

Notes: Mineral Resources that are not Ore Reserves have not demonstrated economic viability and an Inferred Mineral Resource carries a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

The Mineral Resource Estimate has been independently estimated by Mr Brian Wolfe (see Competent Person statement).

Classification

The Mineral Resource Estimate has been classified in accordance with guidelines contained in the JORC Code (2012). This classification is based on assessment and understanding of the deposit style, geological and grade continuity, drill-hole spacing, input data quality (including drill collar surveys and bulk density).

The Mineral Resource Estimate was classified as Inferred, accounting for the level of geological understanding of the deposit, quality of samples, density data, drill-hole spacing and sampling, analytical and metallurgical processes. Material classified as Inferred was considered sufficiently informed by geological and sampling data to imply geological, grade and quality continuity between data points.

The classification reflects the level of data available for the estimate, including input drill-hole data spacing, and high level of confidence in geological continuity for this particular style of deposit.

Governance Controls

All Mineral Resource estimates are prepared by Competent Persons using data that they have reviewed and consider to have been collected using industry standard practices and which, to the most practical degree possible are representative, unbiased, and collected with appropriate QA/QC practices in place. The Mineral Resource Estimate quoted above has been estimated by Mr Brian Wolfe.

Mr Brian Wolfe is an independent consultant specialising in Mineral Resource estimation, evaluation and exploration. Mr Brian Wolfe does not hold any interest in Cygnus Metals Limited, its related parties, or in any of the mineral properties that are the subject of this report. Mr Brian Wolfe is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

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Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

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## Auditor's independence declaration to the Directors of Cygnus Metals Limited

As lead auditor for the audit of the financial report of Cygnus Metals Limited for the financial year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Cygnus Metals Limited and the entities it controlled during the financial year.

Ernst & Young

D Hall
Partner
28 March 2024

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These financial statements are the consolidated financial statements of the consolidated entity consisting of Cygnus Metals Limited (formerly Cygnus Gold Limited) and its subsidiaries. The financial statements are presented in the Australian currency.

Cygnus Metals Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Cygnus Metals Limited
Level 2, 8 Richardson Street
WEST PERTH WA 6005

A description of the nature of the consolidated entity's operations and its principal activities is included in pages 9 to 36 of the Operations Review on and pages 41 to 42 of the Directors' report, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 28 March 2024.

Through the use of the internet, the Company has ensured that its corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial statements and other information are available on our website: www.cygnusmetals.com.

# Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the year ended 31 December 2023

CYGNUS METALS

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| | Notes | 2023 $ | 2022 $ |
|---|---|---|---|
| **OTHER INCOME** | 3 | 2,875,304 | 685,203 |
| | | **2,875,304** | **685,203** |
| **EXPENSES** | | | |
| Audit and accounting | | (86,297) | (40,800) |
| Compliance expenses | | (130,884) | (94,402) |
| Consultants and contractors | | (486,979) | (491,519) |
| Corporate costs | | (561,864) | (443,820) |
| Depreciation – Property, plant and equipment | | (51,482) | (40,818) |
| Depreciation - Right of use assets | | - | (26,266) |
| Employee benefits expense | | (1,208,644) | (641,093) |
| Exploration expenditure written off | 19 | (634,937) | (23,879) |
| Exploration expensed | | (62,041) | (59,167) |
| Interest expense on lease liability | | - | (4,479) |
| Office rent & outgoings | | (155,479) | (38,823) |
| Payroll Tax expense | | (419,510) | - |
| Share-based payments | 10(b) | (10,185,535) | (394,157) |
| Travel and accommodation | | (249,301) | (405,161) |
| Foreign exchange losses | | (242,633) | (306,397) |
| | | **(14,475,586)** | **(3,010,781)** |
| **Results from operating activities** | | **(11,600,282)** | **(2,325,578)** |
| Finance income | | 118,519 | 5,123 |
| **Loss before income tax** | | **(11,481,763)** | **(2,320,455)** |
| Income tax expense | 22 | (2,018,533) | (440,773) |
| **Loss after income tax for the year attributable to equity holders of the Company** | | **(13,500,296)** | **(2,761,228)** |
| **Other comprehensive loss** | | | |
| *Items that may be reclassified subsequently to profit or loss:* | | | |
| Exchange differences on translation of foreign operations | | (113,473) | - |
| *Items that will not be reclassified subsequently to profit or loss:* | | | |
| Changes in fair value of financial assets | | (196,198) | (56,934) |
| **Total comprehensive loss for the year, net of tax attributable to equity holders of the Company** | | **(13,809,967)** | **(2,818,162)** |
| | | | |
| **Loss per share attributable to equity holders of the Company** | | | |
| Basic and diluted loss per share (cents per share) | 11 | (5.84) | (0.45) |

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.*

# Consolidated Statement of Financial Position

As at 31 December 2023

CYGNUS METALS

| | Notes | 2023 $ | 2022 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 4 | 9,316,782 | 13,530,678 |
| Trade and other receivables | 5 | 1,507,476 | 1,779,273 |
| **Total current assets** | | **10,824,258** | **15,309,951** |
| **Non-current assets** | | | |
| Exploration and evaluation | 19 | 23,926,379 | 5,538,857 |
| Property, plant and equipment | | 132,847 | 154,967 |
| Investments | | 201,698 | 397,895 |
| **Total non-current assets** | | **24,260,924** | **6,091,719** |
| **TOTAL ASSETS** | | **35,085,182** | **21,401,670** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 6 | 5,528,242 | 3,530,497 |
| Provisions | | 120,238 | 27,959 |
| **Total current liabilities** | | **5,648,480** | **3,558,456** |
| **Non-current liabilities** | | | |
| Deferred tax liabilities | 7 | 2,459,306 | 440,773 |
| **Total non-current liabilities** | | **2,459,306** | **440,773** |
| **TOTAL LIABILITIES** | | **8,107,786** | **3,999,229** |
| **NET ASSETS** | | **26,977,396** | **17,402,441** |
| **EQUITY** | | | |
| Contributed equity | 8 | 47,607,870 | 25,260,644 |
| Reserves | 9 | 7,779,313 | 7,051,288 |
| Accumulated losses | | (28,409,787) | (14,909,491) |
| **TOTAL EQUITY** | | **26,977,396** | **17,402,441** |

*The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.*

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# Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

CYGNUS METALS

| | Notes | Share Capital $ | Other Contributed Equity $ | Share-based Payment Reserve $ | Investment Revaluation Reserve $ | Foreign Currency Translation Reserve $ | Accumulated Losses $ | Total Equity $ |
|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2022** | | **10,044,146** | **105,000** | **5,109,203** | **-** | **-** | **(12,148,263)** | **3,110,086** |
| Loss for the year | | - | - | - | - | - | (2,761,228) | (2,761,228) |
| **Other comprehensive loss:** | | | | | | | | |
| Fair value adjustment of financial assets | | - | - | - | (56,934) | - | - | (56,934) |
| **Total comprehensive loss** | | **-** | **-** | **-** | **(56,934)** | **-** | **(2,761,228)** | **(2,818,162)** |
| **Transactions with owners:** | | | | | | | | |
| Placement of ordinary shares | | 13,195,913 | - | - | - | - | - | 13,195,913 |
| Placement of Flow-Through shares | | 6,334,806 | - | - | - | - | - | 6,334,806 |
| Flow-Through share placement premium | | (2,052,304) | - | - | - | - | - | (2,052,304) |
| Broker option issue expense | | (1,604,862) | - | 1,604,862 | - | - | - | - |
| Share issue expense | | (762,055) | - | - | - | - | - | (762,055) |
| Prior Placement approved by Shareholders | | 105,000 | (105,000) | - | - | - | - | - |
| Share-based payments | | - | - | 394,157 | - | - | - | 394,157 |
| **Balance at 31 December 2022** | 8 | **25,260,644** | **-** | **7,108,222** | **(56,934)** | **-** | **(14,909,491)** | **17,402,441** |
| Loss for the year | | - | - | - | - | - | (13,500,296) | (13,500,296) |
| **Other comprehensive loss:** | | | | | | | | |
| Fair value adjustment of financial assets | | - | - | - | (196,198) | - | - | (196,198) |
| Exchange differences on foreign operations | | - | - | - | - | (113,473) | - | (113,473) |
| **Total comprehensive loss** | | **-** | **-** | **-** | **(196,198)** | **(113,473)** | **(13,494,223)** | **(13,809,967)** |
| **Transactions with owners:** | | | | | | | | |
| Placement of ordinary shares | | 3,000,000 | - | - | - | - | - | 3,000,000 |
| Placement of Flow-Through shares | | 8,022,721 | - | - | - | - | - | 8,022,721 |
| Flow-Through share placement premium | | (3,858,181) | - | - | - | - | - | (3,858,181) |
| Issue of shares – Project acquisitions | | 4,552,486 | - | - | - | - | - | 4,552,486 |
| Issue of shares - Option conversions | | 2,192,000 | - | - | - | - | - | 2,192,000 |
| Issue of shares - Exercise of performance rights | | 9,119,251 | - | (9,119,251) | - | - | - | - |
| Share issue expense | | (710,620) | - | - | - | - | - | (710,620) |
| Share-based payments | | 29,569 | - | 10,156,947 | - | - | - | 10,186,516 |
| **Balance at 31 December 2023** | 8 | **47,607,870** | **-** | **8,145,918** | **(253,132)** | **(113,473)** | **(28,409,787)** | **26,977,396** |

*The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.*

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# Consolidated Statement of Cash Flows

For the year ended 31 December 2023

CYGNUS METALS

| | Notes | 2023 $ | 2022 $ |
|---|---|---|---|
| **Operating activities** | | | |
| Payments to suppliers and employees | | (3,188,633) | (2,124,114) |
| Payments for exploration expenditure | | (63,155) | (49,844) |
| Interest received | | 57,094 | 5,276 |
| Interest payments | | - | (4,510) |
| Other income | | 33,000 | 64,919 |
| Net refundable sales tax payments made | | (392,507) | - |
| **Net cash used in operating activities** | 13 | **(3,554,201)** | **(2,108,273)** |
| **Investing activities** | | | |
| Payments for acquisition of mining tenements | | (1,848,054) | (1,315,210) |
| Payments for capitalised exploration expenditure | | (10,998,818) | (3,292,312) |
| Purchase of property plant and equipment | | (28,779) | (22,704) |
| Payments to establish security deposits | | (128,950) | - |
| Receipts from sale of mining tenements | | - | 18,060 |
| Purchase of listed investments | | - | (454,830) |
| **Net cash used in investing activities** | | **(13,004,601)** | **(5,066,996)** |
| **Financing activities** | | | |
| Proceeds from shares issued | | 11,022,700 | 18,991,203 |
| Proceeds from exercise of options | | 2,192,000 | - |
| Share issue costs | 8 | (710,620) | (761,830) |
| Principal payment for leases | | - | (28,502) |
| **Net cash provided by financing activities** | | **12,504,080** | **18,200,871** |
| Net change in cash and cash equivalents | | (4,054,722) | 11,025,602 |
| Effect of movement in exchange rates on cash held | | (159,174) | (306,260) |
| Cash and cash equivalents, beginning of period | | 13,530,678 | 2,811,336 |
| **Cash and cash equivalents, end of year** | 4 | **9,316,782** | **13,530,678** |

*The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.*

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**1. Summary of Material Accounting Policies**

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the financial years presented, unless otherwise stated. These financial statements cover Cygnus Metals Limited (formerly Cygnus Gold Limited) as a consolidated, for-profit entity consisting of Cygnus Metals Limited and its subsidiaries ('the consolidated entity' or 'the Group').

**(a) Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements and the *Corporations Act 2001*.

*(i) Compliance with IFRS*

The financial statements of Cygnus Metals Limited also comply with International Financial Reporting Standards (IFRS).

*(ii) Historical cost convention*

These financial statements have been prepared under the historical cost convention except for investments held at fair value through other comprehensive income.

*(iii) Going Concern*

As at 31 December 2023 the Group had current assets of $10,824,258 (31 December 2022: $15,309,951), including cash and cash equivalents of $9,316,782 (31 December 2022: $13,530,678), and current liabilities of $5,648,480 (31 December 2022: $3,558,456).

The Group's cashflow forecasts through to the period ended 31 March 2025 reflect that the Group will be required to raise additional capital during this period to enable it to continue to meet its operational and planned exploration activities.

The Directors are satisfied that there is a reasonable basis to conclude that the Group can raise additional capital as and when required and thus it is appropriate to prepare the consolidated financial report on a going concern basis as the Group has potential options available to manage liquidity, including one or a combination of, a placement of shares, option conversion, entitlement offer or a change in the Company's expenditure profile.

In the event that all of the funding options available to the Group do not transpire and there is no change to the forecasted spending pattern, there is material uncertainty about whether the Group is able to continue as a going concern and, therefore, realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the financial report.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

**Principles of consolidation**

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year end is contained in note 15. The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

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**1. Summary of Material Accounting Policies (continued)**

**Parent entity disclosure**

The financial information for the parent entity, Cygnus Metals Limited, disclosed in Note 16 has been prepared on the same basis as the consolidated financial statements, other than investments in subsidiaries, which have been recorded at cost less impairments.

**(b) Functional and presentation currency**

The functional currency of each entity within the group is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

**(c) Other income**

(i) *Administrative and geology services*

The Company has recognised other income for the provision of administrative and geology services. In the comparative period the Group provided vehicles for hire under short-term (daily) arrangements and geology services. Other income was recognised over time as service was delivered or provided respectively.

(ii) Settlement of *Flow-Through Share Liability*

The issue of Flow-Through Shares ("FTS") includes an issue of ordinary shares and the sale of tax deductions. At the time the FTS are issued, the sale of tax deductions is deferred and presented as current liabilities in the statement of financial position because the Company has not yet fulfilled its obligations to pass on the tax deductions to the investor. When the Company fulfills its obligation the sale of tax deductions is recognised in the income statement as other income.

**(d) Operating expenses**

Operating expenses are recognised in profit or loss on an accruals basis.

**(e) Cash and cash equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, which are considered an integral part of the Group's cash management.

**(f) Equity and reserves**

Share capital represents the fair value of consideration received for shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Where, at balance date, the Group has received applications for shares and the corresponding subscription monies before issuing shares, the Group accounts for the receipt of funds at the fair value of the consideration received as Other Contributed Equity.

Retained earnings include all current and prior period retained profits.

Refer to Note 1(p) for the Group's accounting policy on Flow-Through Shares.

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**1. Summary of Material Accounting Policies (continued)**

The Group maintains a share base payments reserve which accumulates the value recognised as a result of share-based awards issued to employees or contractors for services rendered. Where amounts have accumulated in the reserve and the underlying instruments expire, amounts are transferred from the reserve to retained earnings. Where amounts have accumulated in the reserve and the underlying instruments have vested or been exercised, amounts are transferred from the reserve to share capital. In the event that awards are forfeited, balances that have accumulated in the reserve are reversed through the profit or loss.

**(g) Income taxes**

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office ('ATO') and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint arrangements is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are always provided for in full. The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

**(h) Employee benefits**

Wages and salaries and annual leave:

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

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**1. Summary of Material Accounting Policies (continued)**

**(i) Financial instruments**

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Financial Assets**

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

***Classification of financial assets***

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(i) Amortised costs and effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Interest income is recognised in profit or loss and is included in the 'finance income' line item.

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**1. Summary of Material Accounting Policies (continued)**

**(ii) Equity instruments designated as at FVTOCI**

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the Investment Revaluation Reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

**Foreign exchange gains and losses**

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss. Other exchange differences are recognised in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

**Impairment of financial assets**

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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**1. Summary of Material Accounting Policies (continued)**

The Group always recognises lifetime ECL (expected credit losses) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

**Derecognition of financial assets**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

**Financial liabilities and equity**

**Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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**1. Summary of Material Accounting Policies (continued)**

**Financial liabilities**

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

**Financial liabilities measured subsequently at amortised cost**

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

**Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

**Derecognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability.

It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (i) the carrying amount of the liability before the modification; and (ii) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

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**1. Summary of Material Accounting Policies (continued)**

**(j) Impairment of assets (other than exploration and evaluation assets)**

**Non-financial assets**

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to the carrying amounts of the assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(k) Other receivables**

Other receivables, which generally have 30-day terms, are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method, less an allowance for expected credit loss if required. Bad debts are written off when identified.

**(l) Trade and other payables**

Liabilities for creditors and other amounts are carried at amortised cost, which is the present value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity. The carrying period is generally between 30 to 45 days, which is within the Groups accepted terms.

**(m) Exploration and evaluation expenditure**

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

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**1. Summary of Material Accounting Policies (continued)**

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

**(n) Share-based payments**

The Group operates equity-settled share-based remuneration plans for its employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees have been rewarded using share-based payments, the fair values have been determined indirectly by reference to the fair value of the equity instruments granted. Where consultants have been rewarded using share-based payments, the Group determines the fair value with direct reference to the fair value of the service unless this cannot be determined at which point the fair value is determined indirectly by reference to the fair value of the equity instrument granted. In the circumstances for this financial report, for consultants, the fair value of the services could not be readily determined with reference to a service contract and the contracts have no defined period of service to which the award pertains. Therefore, the fair value has been determined indirectly by reference to the fair value of the equity instrument granted. Fair value with reference to the equity instrument is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to the share-based payment reserve. Where vesting periods exist, the total expense is recognised straight-line over the vesting period. Where vesting conditions are non-market based, the expense is based on the best available estimate of the number of instruments expected to vest. Where the vesting conditions are market based, the Group uses a pricing model to determine the fair value of each instrument.

The fair value of share-based payments to asset vendors is determined with reference to the fair value of the equity instruments issued as consideration for the assets acquired per the terms of the relevant asset purchase agreement. If the fair value of the transactions cannot be estimated with direct reference to the fair value of the asset received given limited fair value information over the asset available at the time of the transaction, the fair value of each instrument is estimated using the latest trading price of the shares relative to the date of completion of the sale.

**(o) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**1. Summary of Material Accounting Policies (continued)**

**(p) Flow-Through Shares**

Flow-through shares may be issued to finance a portion of an exploration program. A flow-through share agreement transfers the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company divides the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognised as a liability, and ii) issued capital. Share capital for shares issued is recongised at fair value with the residual value, or flow-through share premium, recognised as current liabilities.

The Company has elected to apply the renunciation process prospectively and has relied upon the "look-back" rule which allows the Company to renounce eligible expenditures incurred up to an entire calendar year (i.e. 2024) following the last day of the calendar year in which the FTS are issued (i.e. 2023)

At initial recognition the sale of tax deductions is deferred and presented as other liabilities in the balance sheet as the entity has not yet fulfilled its obligations to pass on the tax deductions to the investor.

Upon expenses being incurred, the Company derecognises the liability and the premium is recognised as other income. The exploration spend also gives rise to a deferred tax liability which is recognised as the difference between the carrying value and tax base of the qualifying expenditure for the amount of the tax reduction renounced to the investors.

**(q) New and amended accounting standards and interpretations issued but not yet effective**

Certain new and amended accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Company.

The Group has assessed these new and amended standards and has determined that they do not have a material impact on the current reporting period and are not expected to have a material impact on the Company when adopted in future reporting periods.

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## 2. Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this Annual Financial Report, the significant judgements and estimates made by management in applying the Entity's accounting policies and the key sources of estimation uncertainty are detailed below.

**Critical Estimates**

Exploration and Evaluation Expenditure – Impairment

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Group's accounting policy requires estimates and assumptions as to future events and circumstances. In particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment is estimates and assumptions as to the presence of mineral reserves, timing of expected cash flows, exchange rates, commodity prices and future capital requirements.

Changes in these estimates and assumptions as new information about the presence or recoverability of a mineral reserve becomes available, may impact the assessment of the recoverable amount of exploration and evaluation assets. If, after having capitalised the expenditure a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the statement profit or loss and other comprehensive income.

Share-Based Payments

Share-based compensation benefits are provided to employees via the Cygnus Employee Securities Incentive Plan.

Performance rights are issued for nil consideration and the term of the performance rights is determined by the Board in its absolute discretion but will ordinarily have a three-year term up to a maximum of five years. Performance rights are subject to lapsing if performance conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated. The fair value of performance rights has been calculated at the grant date and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of fair value of the rights allocated to this reporting period.

The valuation models used to fair value options and performance rights take into account the exercise price (where applicable), the term to expiry, the vesting period, the impact of dilution, the non-tradeable nature of the options or performance rights, the share price at grant date and assumptions on the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the options and performance rights. Expected share price volatility was determined with reference to actual share price volatility over the historic term of the Company's share price at grant date commensurate with the length of the related option or performance right's future vesting period.

Additionally, assumptions are made about the number of options and performance rights that are expected to vest, which could change from period to period. A change in any, or a combination, of these assumptions used in the valuation model could have a material impact on the total valuation of the options and performance rights.

**Critical Judgments**

Exploration and Evaluation Expenditure

The entity carries exploration and evaluation expenditure as assets for expenditure accumulated on areas of interest where it is considered likely to be recoverable. The Group judges this to be the case where the Group has right of tenure over an area of interest, has substantive expenditure budgeted for the area of interest and the exploration activities have not yet resulted in sufficient information that would indicate the amounts are not recoverable up to the asset carrying value.

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### 3. Other income

| | 2023 $ | 2022 $ |
|---|---|---|
| Provision of geology and administrative services | 8,700 | 92,498 |
| Proceeds from the sale of tenements | - | 18,060 |
| Settlement of 2022 flow-through share liability | 1,477,659 | 574,645 |
| Settlement of 2023 flow-through share liability | 1,388,945 | - |
| **Other income** | **2,875,304** | **685,203** |

### 4. Cash and cash equivalents

| | 2023 $ | 2022 $ |
|---|---|---|
| Cash at bank and on hand | 1,883,853 | 13,510,678 |
| Short-term deposits | 7,432,929 | 20,000 |
| **Cash and cash equivalents** | **9,316,782** | **13,530,678** |

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made and have original maturities of less than 3 months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

### 5. Trade and other receivables

| | 2023 $ | 2022 $ |
|---|---|---|
| Trade and other receivables[1] | 546,130 | 167,267 |
| Security deposits | 149,165 | 20,000 |
| Prepayments[2] | 812,181 | 1,592,006 |
| **Trade and other receivables** | **1,507,476** | **1,779,273** |

**Note:**

1 - Relates to GST/QST receivables and amounts owing from the recharged of shared administration costs.

2 - $799,994 (2022: $1,516,406) relates to a deposit paid to the Company's Canadian contractor responsible for undertaking the Company's Canadian exploration campaigns.

All amounts are short-term. The carrying values of trade and other receivables are considered to be a reasonable approximation of fair value.

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## 6. Trade and other payables

| | 2023 $ | 2022 $ |
|---|---|---|
| Trade payables | 1,931,448 | 1,278,254 |
| Other payables | 1,127,558 | 774,584 |
| Flow-through share premium liability | 2,469,236 | 1,477,659 |
| **Trade and other payables** | **5,528,242** | **3,530,497** |

All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

## 7. Non-current liabilities – Deferred tax liabilities

| *Deferred tax liability comprises temporary differences attributable to:* | 2023 $ | 2022 $ |
|---|---|---|
| Opening balance | 440,773 | - |
| Temporary difference on relinquishment of qualifying expenditure to investors | 2,018,533 | 440,773 |
| **Deferred tax liability** | **2,459,306** | **440,773** |

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**8. Share capital and other contributed equity**

The share capital of Cygnus consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholder meetings of the Company.

Other contributed equity comprises share subscription monies received in advance of issuing of the shares.

| | 2023 Shares on issue | 2022 Shares on issue | 2023 $ | 2022 $ |
|---|---|---|---|---|
| Issued capital net of share issue costs | 291,259,139 | 183,874,212 | 38,488,618 | 25,260,644 |
| | **Date** | **Shares** | **Issue Price $** | **Total $** |
| **Opening balance 1 January 2022** | | **117,321,005** | | **10,149,146** |
| Share issue – Placement | 21/01/22 | 664,310 | 0.1150 | 76,760 |
| Share issue – Placement | 08/08/22 | 29,200,000 | 0.1250 | 3,650,000 |
| Share issue – Director placement | 21/10/22 | 4,240,000 | 0.1250 | 530,000 |
| Share issue – Advisor placement | 21/10/22 | 2,000,000 | - | - |
| Share issue – Employee placement | 18/11/22 | 500,000 | - | - |
| Share issue – Flow-through share placement | 23/11/22 | 8,677,817 | 0.7300 | 6,334,806 |
| Share issue – Director placement | 29/11/22 | 1,142,861 | 0.3500 | 400,000 |
| Share issue – Project acquisition | 29/11/22 | 1,946,400 | 0.2770 | 539,153 |
| Share issue - Placement | 16/12/22 | 18,181,819 | 0.4400 | 8,000,000 |
| Less flow-through share premium | | - | - | (2,052,304) |
| Less broker option issue cost | | - | - | (1,604,862) |
| Less share issue costs | | - | - | (762,055) |
| **Closing balance at 31 December 2022** | | **183,874,212** | | **25,260,644** |
| Share issue – Project acquisition | 11/04/23 | 3,250,000 | 0.2450 | 796,250 |
| Share issue – Option conversion | 02/05/23 | 22,800,000 | 0.0800 | 1,824,000 |
| Share issue – Project acquisition | 18/05/23 | 4,216,500 | 0.2500 | 1,054,125 |
| Share issue – Project acquisition | 06/07/23 | 9,129,825 | 0.2475 | 2,265,140 |
| Share issue – Project acquisition | 25/08/23 | 500,000 | 0.2000 | 100,000 |
| Share issue - Placement | 29/08/23 | 13,333,333 | 0.2250 | 3,000,000 |
| Share issue – Flow-through share placement | 24/08/23 | 18,934,273 | 0.4275 | 8,022,721 |
| Share issue – Performance right conversion | 06/09/23 | 28,950,000 | - | 8,796,751 |
| Share issue – Performance right conversion | 22/09/23 | 300,000 | - | 145,500 |
| Share issue – Option conversion | 22/09/23 | 4,600,000 | 0.0800 | 368,000 |
| Share issue – Performance right conversion | 22/09/23 | 154,496 | - | 66,000 |
| Share issue – Project acquisition | 17/11/23 | 1,216,500 | 0.2770 | 336,971 |
| Share issue – Performance right conversion | 30/11/23 | 300,000 | - | 140,569 |
| Less flow-through share premium | | - | - | (3,858,181) |
| Less share issue costs | | - | - | (710,620) |
| **Closing balance at 31 December 2023** | | **291,559,139** | | **47,607,870** |

Each share has the same right to receive dividend and the repayment of capital and represents one vote at the shareholders' meeting of Cygnus Metals Limited.

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## 9. Reserves

| | 2023 $ | 2022 $ |
|---|---|---|
| Share-based payment reserve | 8,145,918 | 7,108,222 |
| Investment revaluation reserve | (253,132) | (56,934) |
| Foreign currency translation reserve | (113,473) | - |
| **Total reserves** | **7,779,313** | **7,051,288** |

## 10. Share-based payments

### (a) Share options

The share-based payment reserve records items recognised on valuation of director, employee and contractor share options and performance rights. Information relating to options issued, exercised and lapsed during the current and comparative financial year and outstanding at the end of the current and comparative financial year, is set out below.

| Grant Date | Expiry date | Exercise price | Balance at start of year | Issued | Exercised | Lapsed | Balance at the end of the period | Vested and exercisable at end of the period |
|---|---|---|---|---|---|---|---|---|
| **2023** | | | | | | | | |
| 22/09/2020 | 22/09/2023 | $0.08 | 29,500,000 | - | 27,400,000 | (2,100,000) | - | - |
| 07/11/2021 | 15/11/2024 | $0.16 | 5,000,000 | - | - | - | 5,000,000 | 5,000,000 |
| 23/12/2021 | 21/01/2025 | $0.16 | 3,500,000 | - | - | - | 3,500,000 | 3,500,000 |
| 21/10/2022 | 21/10/2025 | $0.25 | 1,500,000 | - | - | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $0.50 | 1,500,000 | - | - | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $0.75 | 1,500,000 | - | - | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $1.00 | 1,500,000 | - | - | - | 1,500,000 | 1,500,000 |
| | | | **44,000,000** | **-** | **27,400,000** | **(2,100,000)** | **14,500,000** | **14,500,000** |
| Weighted average exercise price: | | | $0.20 | - | $0.08 | $0.08 | $0.34 | $0.34 |
| Weighted average remaining contractual life: | | | | | | | | 1.26 years |
| **2022** | | | | | | | | |
| 22/09/2020 | 22/09/2023 | $0.08 | 29,500,000 | - | - | - | 29,500,000 | 29,500,000 |
| 07/11/2021 | 15/11/2024 | $0.16 | 5,000,000 | - | - | - | 5,000,000 | 5,000,000 |
| 23/12/2021 | 21/01/2025 | $0.16 | 3,500,000 | - | - | - | 3,500,000 | 3,500,000 |
| 21/10/2022 | 21/10/2025 | $0.25 | - | 1,500,000 | - | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $0.50 | - | 1,500,000 | - | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $0.75 | - | 1,500,000 | - | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $1.00 | - | 1,500,000 | - | - | 1,500,000 | 1,500,000 |
| | | | **38,00,000** | **6,000,000** | **-** | **-** | **44,000,000** | **44,000,000** |
| Weighted average exercise price: | | | $0.14 | $0.63 | | | $0.17 | $0.17 |
| Weighted average remaining contractual life: | | | | | | | | 1.25 years |

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**10. Share-based payments (continued)**

**Fair value of unlisted options granted**

There were no options granted during the current or comparative reporting periods.

**(b) Performance rights**

Information relating to performance rights issued and lapsed during the current financial year and outstanding at the end of the current financial year, is set out below.

| Tranche | Grant Date | Vesting date | Expiry date | Balance at start of year | Granted | Exercised | Lapsed | Balance at end of year | Vested and exercisable at end of the period | Value of rights expensed during the year $ |
|---|---|---|---|---|---|---|---|---|---|---|
| A | 15/08/22 | 29/08/23 | 21/10/27 | 8,350,000 | - | (6,600,000) | (250,000) | 1,500,000 | 1,500,000 | 1,575,688 |
| B | 15/08/22 | 29/08/23 | 21/10/27 | 8,350,000 | - | (6,600,000) | (250,000) | 1,500,000 | 1,500,000 | 1,575,688 |
| C | 28/09/22 | 29/08/23 | 21/10/27 | 4,500,000 | - | (4,500,000) | - | - | - | 868,990 |
| D | 28/09/22 | 29/08/23 | 21/10/27 | 4,500,000 | - | (4,500,000) | - | - | - | 868,990 |
| E | 4/10/22 | 29/08/23 | 21/10/27 | 150,000 | - | (150,000) | - | - | - | 42,309 |
| F | 4/10/22 | 29/08/23 | 21/10/27 | 150,000 | - | (150,000) | - | - | - | 42,309 |
| G | 16/11/22 | 29/08/23 | 30/07/25 | 250,000 | - | (250,000) | - | - | - | 95,391 |
| H | 16/11/22 | 15/06/24 | 30/07/25 | 250,000 | - | - | - | 250,000 | - | 76,701 |
| I | 16/11/22 | 30/11/24 | 30/11/26 | 100,000 | - | - | - | 100,000 | - | 23,762 |
| J | 16/11/22 | 30/09/23 | 30/09/25 | 300,000 | - | (300,000) | - | - | - | 124,910 |
| K | 19/11/22 | 29/08/23 | 21/10/27 | 1,000,000 | - | (1,000,000) | - | - | - | 374,699 |
| L | 19/11/22 | 29/08/23 | 21/10/27 | 1,000,000 | - | (1,000,000) | - | - | - | 374,699 |
| M | 31/01/23 | 01/11/24 | 13/02/28 | - | 5,000,000* | - | - | 5,000,000 | - | 1,279,904 |
| N | 31/01/23 | 29/08/23 | 13/02/28 | - | 2,000,000* | (2,000,000) | - | - | - | 1,000,000 |
| O | 31/01/23 | 29/08/23 | 13/02/28 | - | 2,000,000* | (2,000,000) | - | - | - | 1,000,000 |
| P | 31/01/23 | 13/02/28 | 13/02/28 | - | 4,000,000* | - | - | 4,000,000 | - | - |
| Q | 31/01/23 | 13/02/28 | 13/02/28 | - | 2,500,000* | - | - | 2,500,000 | - | 208,755 |
| R | 31/01/23 | 13/02/28 | 13/02/28 | - | 2,500,000* | - | - | 2,500,000 | - | 203,482 |
| S | 07/02/23 | 29/08/23 | 21/10/27 | - | 250,000 | (250,000) | - | - | - | 122,500 |
| T | 07/02/23 | 29/08/23 | 21/10/27 | - | 250,000 | (250,000) | - | - | - | 122,500 |
| U | 26/03/23 | 29/08/23 | 13/02/28 | - | 300,000 | (300,000) | - | - | - | 66,000 |
| V | 26/03/23 | 13/02/28 | 13/02/28 | - | 400,000 | - | - | 400,000 | - | 10,811 |
| W | 26/03/23 | 05/04/25 | 03/04/28 | - | 300,000 | - | - | 300,000 | - | 25,007 |
| X | 02/03/23 | 24/02/24 | 04/05/28 | - | 50,000 | - | - | 50,000 | - | 14,819 |
| Y | 02/03/23 | 24/02/25 | 04/05/28 | - | 50,000 | - | - | 50,000 | - | 7,338 |
| Z | 02/03/23 | 24/02/26 | 04/05/28 | - | 50,000 | - | - | 50,000 | - | 4,881 |
| A1 | 20/04/23 | 22/05/24 | 04/05/28 | - | 50,000 | - | (50,000) | - | - | - |
| A2 | 20/04/23 | 22/05/25 | 04/05/28 | - | 50,000 | - | (50,000) | - | - | - |
| A3 | 20/04/23 | 22/05/26 | 04/05/28 | - | 50,000 | - | (50,000) | - | - | - |
| A4 | 28/08/23 | 31/12/25 | 05/09/28 | - | 1,059,603* | - | - | 1,059,603 | - | 36,151 |
| A5 | 28/08/23 | 31/12/25 | 05/09/28 | - | 1,059,603* | - | - | 1,059,603 | - | - |
| A6 | 28/08/23 | 31/12/25 | 05/09/28 | - | 1,059,603* | - | - | 1,059,603 | - | 39,248 |
| | | | | **28,900,000** | **22,978,809** | **(29,850,000)** | **(650,000)** | **21,378,809** | **3,000,000** | **10,185,535** |

Note * Approval for the issue of these securities was obtained under Listing Rule 10.14.

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**10. Share-based payments (continued)**

The terms of performance rights issued during the year include:

| Tranche | Vesting conditions |
|---|---|
| M | 2 years' continuous employment with the Company from the date of appointment (ie. up to and including 1 November 2024). |
| S | The Company reporting a JORC compliant Inferred Mineral Resource of 5MT at a minimum grade of 0.8% $Li_20$ on or before 21 October 2026. |
| N | The Company reporting a JORC compliant Inferred Mineral Resource of 5MT at a minimum grade of 0.8% $Li_20$ on or before 13 February 2028. |
| T | The Company reporting a JORC compliant Inferred Mineral Resource of 10MT at a minimum grade of 0.8% $Li_20$ on or before 21 October 2026. |
| O, U | The Company reporting a JORC compliant Inferred Mineral Resource of 10MT at a minimum grade of 0.8% $Li_20$ on or before 13 February 2028. |
| P | The Company reporting a JORC compliant Inferred Mineral Resource of 20MT at a minimum grade of 0.8% $Li_20$ on or before 13 February 2028. |
| Q,V | The Company achieving a market capitalisation of at least $150,000,000 over a period of not less than 10 consecutive trading days on which trades in the Company's shares actually occur. |
| R | The Company's share price having a 10-day VWAP of at least $1.00 or a market capitalisation of at least $250,000,000 over a period of not less than 10 consecutive trading days on which trades in the Company's shares actually occur. |
| W | Remaining engaged by the Company as a Director for a continuous period of 24 months from the date of appointment (ie. up to and including 3 April 2025). |
| X | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 24 February 2024. |
| Y | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 24 February 2025. |
| Z | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 24 February 2026. |
| A1 | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 22 May 2024. |
| A2 | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 22 May 2025. |
| A3 | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 22 May 2026. |
| A4 | The Company's TSR exceeds the median TSR of the Peer Group for the Performance Period. The proportion to vest will be calculated as:<br>- If TSR >50$^{th}$ percentile – 100% vesting<br>- If TSR between 25$^{th}$ and 50$^{th}$ percentile – 50% vesting<br>- If TSR <25% percentile – 0% vesting |
| A5 | The Company reporting the discovery or acquisition of a JORC compliant Inferred Mineral Resource of 5MT on any project (excluding the Pontax Project) at a minimum grade of 0.8% $Li_20$ on or before 31 December 2025. |
| A6 | Continuous employment with the Company up to and including 31 December 2025. |

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**10. Share-based payments (continued)**

**Fair value of performance rights**

The following table illustrates the inputs used to calculate the fair value of performance rights issued during the current reporting period:

| Tranche | M | N,O,P | Q | R | S,T | U |
|---|---|---|---|---|---|---|
| Share price at grant date | $0.46 | $0.46 | $0.46 | $0.46 | $0.49 | $0.22 |
| Vesting test date | 01/11/24 | 13/02/28 | 13/02/28 | 13/02/28 | 21/10/26 | 13/02/28 |
| Expiry date | 13/02/28 | 13/02/28 | 13/02/28 | 13/02/28 | 21/10/27 | 13/02/28 |
| Days to expiry | 1,505 | 1,505 | 1,505 | 1,505 | 1,390 | 1,505 |
| Number issued | 5,000,000 | 8,000,000 | 2,500,000 | 2,500,000 | 500,000 | 300,000 |
| Valuation per right | $0.50 | $0.50 | $0.475 | $0.463 | $0.49 | $0.22 |
| Probability | 100% | 30% | 100% | 100% | 100% | 100% |
| Valuation per class of rights | $2,500,000 | $2,600,000 | $1,187,500 | $1,157,500 | $245,000 | $66,000 |
| **Tranche** | **V** | **W** | **X** | **Y** | **Z** | **A1** |
| Share price at grant date | $0.22 | $0.22 | $0.35 | $0.35 | $0.35 | $0.29 |
| Vesting test date | 13/02/28 | 03/04/25 | 24/02/24 | 24/02/25 | 24/02/26 | 22/05/24 |
| Expiry date | 13/02/28 | 13/02/28 | 04/05/28 | 04/05/28 | 04/05/28 | 04/05/28 |
| Days to expiry | 1,505 | 1,505 | 1,586 | 1,586 | 1,586 | 1,586 |
| Number issued | 400,000 | 300,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Valuation per right | $0.1723 | $0.22 | $0.35 | $0.35 | $0.35 | $0.29 |
| Probability | 100% | 100% | 100% | 100% | 100% | 0% |
| Valuation per class of rights | $68,920 | $66,000 | $17,500 | $17,500 | $17,500 | $14,500 |
| **Tranche** | **A2** | **A3** | **A4** | **A5** | **A6** | |
| Share price at grant date | $0.29 | $0.29 | $0.185 | $0.185 | $0.185 | |
| Vesting test date | 22/05/25 | 22/05/26 | 31/12/25 | 31/12/25 | 31/12/25 | |
| Expiry date | 04/05/28 | 04/05/28 | 05/09/28 | 05/09/28 | 05/09/28 | |
| Days to expiry | 1,586 | 1,586 | 1,710 | 1,710 | 1,710 | |
| Number issued | 50,000 | 50,000 | 1,059,603 | 1,059,603 | 1,059,603 | |
| Valuation per right | $0.29 | $0.29 | $0.2825 | $0.295 | $0.295 | |
| Probability | 0% | 0% | 100% | 100% | 100% | |
| Valuation per class of rights | $14,500 | $14,500 | $299,338 | $312,583 | $312,583 | |

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### 11. Loss per share

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of the Company as the numerator (i.e. no adjustments to loss were necessary in either 2023 or 2022).

| | 2023 $ | 2022 $ |
|---|---|---|
| Net loss attributable to ordinary equity holders of the Company | (13,500,296) | (2,761,228) |
| Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted loss per share | 231,027,237 | 132,735,993 |
| **Basic and diluted loss per share (cents per share)** | **(5.84)** | **(0.45)** |

As at 31 December 2023, the Group had 14,500,000 unlisted share options exercisable (2022: 44,000,000) and 21,378,809 performance rights (2022: 28,900,000), which are not included in diluted loss per share since they are antidilutive for the periods presented.

### 12. Auditor remuneration

| | 2023 $ | 2022 $ |
|---|---|---|
| **Audit and review of financial statements** | | |
| Auditors of Cygnus Metals Limited – Ernst & Young | 85,000 | 40,000 |
| **Total auditor's remuneration** | **85,000** | **40,000** |

### 13. Reconciliation of cash flows from operating activities

| | 2023 $ | 2022 $ |
|---|---|---|
| Loss for the period | (13,500,297) | (2,761,228) |
| Depreciation and amortisation | 51,482 | 40,818 |
| Depreciation on right of use assets | - | 26,266 |
| Exploration and evaluation costs written-off | 634,937 | 23,879 |
| Share-based payment expense | 10,185,535 | 394,157 |
| Unrealised foreign exchange losses | 242,633 | 306,397 |
| Deferred tax expense | 2,018,533 | 440,773 |
| Net movement in Flow-Through Share liability | (2,866,604) | 574,645 |
| Other | 184,363 | 384,407 |
| Net changes in working capital: | | |
| Change in trade and other receivables | 271,797 | 1,704,179 |
| Change in provisions | 92,279 | 21,675 |
| Change in trade and other payables | (868,859) | (3,264,241) |
| **Net cash used in operating activities** | **(3,554,201)** | **(2,108,273)** |

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## 14. Related Party Transactions

*KMP remuneration*

| | 2023 $ | 2022 $ |
|---|---|---|
| Short term employee benefits | 1,093,305 | 456,294 |
| Post-employment benefits | 60,766 | 16,001 |
| Share-based payments | 6,093,177 | 121,006 |
| **Total** | **7,247,248** | **593,301** |

*Individual Directors' and executives' compensation disclosures*

Information regarding individual directors and executive's compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' Report on pages 47 to 56.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at the end of the current period.

### 14.1 Other related party transactions and arrangements

The following transactions and arrangements with Director related parties occurred during the current and comparative reporting periods:

Former Director Shaun Hardcastle is a Partner of Hamilton Locke Lawyers which provided legal services to the Company to the value of $155,307 during 2023 (2022: $137,025). There was $995 owing to Hamilton Locke Lawyers by the Company at 31 December 2023 (2022: $36,910).

Blue Leaf Corporate Pty Ltd, a company owned by Michael Naylor, provided company secretarial and financial management services to the Company during 2023 to the value of $42,000 (2022: $118,500). Acting as joint company secretary up to her resignation as joint company secretary on 1 February 2023, Susan Field was under contract with Blue Leaf Corporate Pty Ltd and was remunerated $5,000 (2022: $60,000) for her contribution of services to Cygnus Metals Limited which has been disclosed as remuneration in the table on page 46. There were no amounts owing to Blue Leaf Corporate Pty Ltd by the Company at 31 December 2023 (2022: Nil).

Belltree Corporate Pty Ltd, a company that Michael Naylor is a director of, and Michael Naylor and former Director Shaun Hardcastle have an indirect interest in, provided company secretarial services to the Company during the year ended 31 December 2023 totalling $89,500 (2022: $7,000). There were no amounts owing to Belltree Corporate Pty Ltd by the Company at 31 December 2023 (2022: Nil).

Exia-IT Pty Ltd, of which Belltree Corporate Pty Ltd holds an interest and Michael Naylor holds an interest in Belltree Corporate Pty Ltd, provided information technology management services to the Company during the year ended 31 December 2023 totalling $68,923 (2022: Nil). There were no amounts owing to Exia-IT Pty Ltd by the Company at 31 December 2023 (2022: Nil).

During the year ended 31 December 2023 the Company paid $196,960 (2022: $266,599) for shared administrative, head office rent and head office fit-out costs to FireFly Metals Limited (formerly Auteco Minerals Limited), of which Ray Shorrocks and Michael Naylor were directors in 2023. $25,385 was owing to FireFly Metals Limited by the Company at 31 December 2023 (2022: $151,716).

Bellavista Resources Ltd, a company that Michael Naylor is a director of, recharged shared office costs to the Company during the year ended 31 December 2023 totalling $64,987 (2022: Nil). $3,399 was owing to Bellavista Resources Ltd by the Company at 31 December 2023 (2022: $13,114).

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**14. Related Party Transactions (continued)**

Bellevue Gold Limited, a company that Michael Naylor is a director of, recharged shared administrative costs to the Company during the year ended 31 December 2023 totalling $20,480 (2022: Nil). $14,440 was owing to Bellevue Gold Limited by the Company at 31 December 2023 (2022: Nil).

Mitre Mining Corporation Ltd, a company that Ray Shorrocks is a director of, recharged shared office costs to the Company during the year ended 31 December 2023 totalling $8,325 (2022: Nil). $8,325 was owing to Mitre Mining Corporation Ltd by the Company at 31 December 2023 (2022: Nil).

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured and interest-free and settlement occurs in cash and are presented as part of trade payables. There have been no bank guarantees provided for any related party payables. Amounts shown are net of GST paid or payable.

**15. Subsidiaries**

| Name of Entity | Country of Incorporation | 2023 % equity interest | 2022 % equity interest |
|---|---|---|---|
| **Parent Entity** | | | |
| Cygnus Metals Limited | Australia | 100 | 100 |
| **Subsidiaries** | | | |
| Deneb Resources Pty Ltd | Australia | 100 | 100 |
| Cygnus Gold (Projects) Pty Ltd | Australia | 100 | 100 |
| Cygnus (JV Projects) Pty Ltd | Australia | 100 | 100 |
| Avenir Metals (Australia) Pty Ltd | Australia | 100 | 100 |
| Avenir Metals (Canada) Limited | Canada | 100 | 100 |

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## 16. Parent entity disclosure

| Result of the parent entity | 2023 $ | 2022 $ |
|---|---|---|
| Loss for the year after tax | 27,464,733 | 2,716,982 |
| Other comprehensive loss | 309,672 | 56,934 |
| **Total comprehensive loss for the year** | **27,774,405** | **2,773,916** |
| **Financial position of the parent entity at year end:** | | |
| Current assets | 10,469,508 | 15,267,672 |
| Non-current assets | 25,842,007 | 6,552,212 |
| **Total assets** | **36,311,515** | **21,819,884** |
| Current liabilities | 5,553,081 | 3,562,117 |
| Non-current liabilities | 17,217,088 | 440,773 |
| **Total liabilities** | **22,770,169** | **4,002,890** |
| **Total equity of the parent entity comprising of:** | **13,541,126** | **17,816,994** |
| Contributed equity | 47,607,870 | 25,260,644 |
| Reserves | 7,892,787 | 7,051,149 |
| Accumulated losses | (41,959,531) | (14,494,799) |

## 17. Financial risk management

**Credit risk**

The carrying amount of the Group's financial assets represents the Group's maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

| | 2023 $ | 2022 $ |
|---|---|---|
| Cash and cash equivalents | 9,316,782 | 13,530,678 |
| Trade and other receivables | 21,490 | 41,290 |

The Group's cash and cash equivalents and term deposits at call are held with bank and financial institution counterparties, which are rated at least AA-, based on rating agency S&P Global Ratings.

For trade receivables, the Group applies a simplified approach in calculating Expected Credit Losses ("ECLs"). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

As at 31 December 2023, no receivables were more than 30 days past due (2022: Nil). No receivables are considered to have a material credit risk.

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**17. Financial risk management (continued)**

**Liquidity risk**

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by monitoring forecast cash flows, only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Group in managing its cash flows. Financial liabilities are expected to be settled on the following basis:

| | 2023 $ | 2022 $ |
|---|---|---|
| Not later than 45 days | 3,059,900 | 2,050,844 |
| Greater than 45 days and less than 12 months | 2,469,236 | 1,447,659 |
| Total | 5,529,136 | 3,498,503 |

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Price risk on investments**

The Group is exposed to equity price risks arising from equity investments. The Group's investments are listed on the Toronto Stock Exchange (TSXV).

| | Carrying Amount 31 December 2023 $ | Carrying Amount 31 December 2022 $ |
|---|---|---|
| Listed investments – CAD$182,000 (2022: CAD$406,250) | 201,698 | 454,830 |
| A change of 10% in the share price at the end of the reporting period would have increased/(decreased) the investment revaluation reserve component of equity as a result of gains/losses on equity securities classified as FVOCI by the amounts shown below.<br>The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2022. | | |
| 10% increase | 20,170 | 45,483 |
| 10% decrease | (20,170) | (45,483) |

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**17. Financial risk management (continued)**

**Foreign exchange rate risk**

The Group is exposed to foreign exchange rate risk arising from equity investments listed on the Toronto Stock Exchange (TSXV), although given the size of these investments the directors do not anticipate that significant fluctuations in related foreign currencies would result in a material change to the valuation of these assets at the end of the current reporting period.

The Group is also exposed to foreign exchange rate risk arising from cash and deposits held in Canadian dollars. At the reporting date the sensitivity for the Group's foreign exchange exposures was:

| | Carrying Amount 31 December 2023 $ | Carrying Amount 31 December 2022 $ |
|---|---|---|
| Cash on deposit – CAD$5,097,476 (2022: CAD$5,336,389) | 5,649,187 | 5,882,264 |
| Deposits with suppliers – CAD$543,000 (2022: CAD$1,300,000) | 601,770 | 1,516,406 |
| Listed investments – CAD$182,000 (2022: CAD$406,250) | 201,698 | 454,830 |
| **Totals** | **6,452,655** | **7,853,500** |

A change of 10% in CAD:AUD foreign exchange rates at the end of the reporting period would have increased/(decreased) profit and loss and equity by the amounts shown below.

The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2021.

| | | |
|---|---|---|
| 10% increase | 645,265 | 785,350 |
| 10% decrease | (645,265) | (785,350) |

**Interest rate risk**

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash. Cash includes funds held in term deposits and cheque accounts during the year, which earned variable interest at rates ranging between 0.05% and 3.00% (2022: 0.05 % and 0.30%), depending on the bank account type and account balances.

The Group has no loans or borrowings.

At the reporting date the interest rate sensitivity for the Group's interest-bearing financial instruments was:

| | Carrying Amount 31 December 2023 $ | Carrying Amount 31 December 2022 $ |
|---|---|---|
| Variable rate financial assets | 9,316,782 | 13,530,678 |

A change of 100 basis points in the interest rates at the end of the reporting period would have increased/(decreased) profit and loss and equity by the amounts shown below.

The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2021.

| | | |
|---|---|---|
| 100bp increase | 9,317 | 13,531 |
| 100bp decrease | (9,317) | (13,531) |

**Capital management policies and procedures**

The Board policy is to maintain a capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares and retained earnings (or accumulated losses). The Board of Directors manages the capital of the Group to ensure that the Group can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

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## 18. Commitments and contingent assets and liabilities

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure in order to retain present interests in mineral tenements. Annual rents on exploration licenses held by the Group are $154,251 (2022: $169,994) with a minimum exploration commitment of $990,334 (2022: $899,500) per annum.

The Group does not have any capital commitments at 31 December 2023 (2022: Nil).

## 19. Exploration and evaluation

| | 2023 $ | 2022 $ |
|---|---|---|
| **Opening balance** | **5,538,857** | **453,546** |
| Expenditure incurred during the year – Australian tenements | 1,319,326 | 1,119,654 |
| Expenditure incurred during the year – Canadian tenements | 11,207,656 | 2,135,709 |
| Acquisition costs – Canadian tenements | 6,495,477 | 1,853,827 |
| Exploration expenditure written off | (634,937) | (23,879) |
| **Closing balance** | **23,926,379** | **5,538,857** |

**Asset Acquisitions**

On 28 March 2023, Cygnus announced that it had entered into option agreements with 9219-8845 QC. Inc. (Canadian Mining House) ("CMH"), Anna Rosa Giglio and Steve Labranche (together, the "Vendors") to acquire additional ground comprised of two projects: Sakami and Auclair Extension (Beryl Property). The terms of these option agreements are outlined below:

*Auclair Extension (Beryl Property)*

In order for Cygnus to acquire a 100% interest in the project and all mineral rights, Cygnus is required to pay the Vendors C$395,000 in cash and 4,000,000 fully paid ordinary shares in Cygnus, in aggregate. In addition to the above payments, Cygnus must incur C$1,000,000 in exploration expenditure within the first 36 months following the closing of the Option Agreement.

*Sakami Project*

In order for Cygnus to earn a 100% interest (in all mineral rights) at Sakami, Cygnus is required to pay the Vendors C$300,000 in cash and 3,450,000 fully paid ordinary shares in Cygnus, in aggregate. In addition to the above payments, Cygnus must incur exploration expenditure to the amount of C$1,000,000 within the first 36 months of closing the Option Agreement.

*Sirios Project*

In February 2023, Cygnus completed a third land acquisition surrounding Pontax. The additional land, comprising 70 individual claims covering 40km$^2$, was acquired from TSXV-listed Sirios Resources Inc. ("Sirios") and sits immediately north-east of, and adjacent to, Cygnus' Pontax Project.

Cygnus acquired the additional ground through an outright purchase from Sirios comprising an upfront payment of C$1.2m in cash plus 750,000 fully paid ordinary shares.

None of the above acquisitions constitute a business combination in accordance with AASB 3 Business Combinations and were accounted for as asset acquisitions.

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**19. Exploration and evaluation (continued)**

**Project earn-in and acquisition milestones**

The following outlines the remaining terms of existing project option earn-in or acquisition agreements that the Group was a party to prior to the commencement of the current reporting period.

*Pontax Lithium Project (CY5 51%)*

The Company may earn a further 19% interest (to 70%) in the Project ("Stage 2 Earn-In") from Stria Lithium Inc by:

- expending C$6,000,000 on exploration in the 30-month period commencing on the date that the Company satisfies the Stage 1 Earn-in (ie. by January 2026); and
- making a cash payment to Stria of C$3,000,000.

*Megawatt Lithium Projects*

In order to exercise the first option and acquire a 51% interest in the MegaWatt Projects ("First Option"), the Company must commit C$2,000,000 towards exploration on the MegaWatt Projects, as follows:

- C$500,000 of exploration expenditure within the first 12 months of the MegaWatt Option Agreement ("Agreement") (completed in October 2023);
- a further C$500,000 of exploration expenditure within the second 12 months of the Agreement; and
- a further C$1,000,000 of exploration expenditure within the third 12 months of the Agreement.

In order to acquire a further 29% interest in the MegaWatt Projects ("Second Option"), Cygnus must:

- pay cash consideration to MegaWatt of $50,000 within 30 days of the satisfaction of the First Option;
- file a NI 43-101 or JORC Code compliant mineral resource estimate which establishes a lithium oxide resource on the Property of at least 5MT with an average grade of not less than 0.8% Li2O in any resource category as defined in NI43-101 or the JORC Code, by the date which is no later than 5 years from the exercise of the First Option; and
- pay cash consideration to MegaWatt of $1,000,000 within 3 days of filing the above report.

*Pontax Extension Lithium Project (Canadian Mining House)*

In order to complete the acquisition of the project claims, the Company must 24 months after the Approval Date (November 2022), pay a further C$30,000 in cash and issue a further 486,801 Shares. The Company must also incur total expenditure of C$1,000,000 inside the first 36 months of the Approval Date (C$250,000 inside the first 12 months (completed in 2022, C$750,000 inside the first 24 months and C$1,000,000 inside the first 36 months).

**Fair Value of Share-Based Payments**

The fair value of share-based payments to asset vendors, which includes the shares issued as described and valued above, have been determined with reference to the fair value of the equity instruments. For shares granted, the fair value of each instrument has been estimated using the latest trading price of the shares relative to the date of completion of the sale. The fair value of the transactions could not be estimated with direct reference to the fair value of the asset received given limited fair value information over the asset available at the time of the transaction.

**Capitalised expenditure written off**

Impairment of specific exploration and evaluation assets during the year have occurred where Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation.

During the year indicators of impairment were identified on certain exploration and evaluation assets in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. As a result of this review, write-offs totalling $634,937 have been recognised (2022: $23,879) in relation to areas of interest where the directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation.

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**20. Operating segments**

The Group has identified the Managing Director in consultation with the full board of directors as the chief operating decision maker ("CODM"). The CODM receives details of expenditure incurred across three segments being exploration in Canada, exploration in Western Australia and corporate and unallocated expenditure.

**21. Post reporting date events**

There have not been any events that have arisen between 31 December 2023 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

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**22. Income tax expense**

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of Cygnus Metals Limited at 25% (2022: 25%) and the reported tax expense in profit or loss are as follows:

| | 2023 $ | 2022 $ |
|---|---|---|
| *Tax expense comprises:* | | |
| Deferred tax expense | 2,018,533 | 440,773 |
| Tax expense | 2,018,533 | 440,773 |
| | | |
| Accounting loss excluding income tax | (11,481,763) | (2,320,455) |
| Total income tax expense | (2,870,440) | (580,114) |
| | | |
| *Non-deductible expenses for tax purposes:* | | |
| Share-based payments expense | 2,539,271 | 101,665 |
| Foreign expenditure | 9,233 | 5,467 |
| Other | 19,164 | 11,417 |
| Non-assessable income – flow-through shares | (716,651) | (143,661) |
| Settlement of flow-through share liability | 2,018,533 | 440,773 |
| | | |
| *Deferred tax:* | | |
| Relating to origination or reversal of temporary differences | 1,031,418 | 605,226 |
| | | |
| Subsidiary tax rate differential | (11,996) | - |
| **Income tax expense attributable to entity** | **2,018,533** | **440,773** |
| | | |
| *Recognised deferred tax balances:* | | |
| Deferred tax asset temporary differences: | | |
| Trade and other receivables | (12,642) | (11) |
| Prepayments | (16,826) | (8,893) |
| Receivables - Assets | (47,681) | - |
| Other | 323,418 | 205,727 |
| Exploration assets | (718,124) | (388,220) |
| Employee entitlements | 35,794 | 13,342 |
| Accrued expenses and provisions | 2,875 | 10,000 |
| Deferred tax asset losses | 433,185 | 168,055 |
| **Recognised deferred taxes** | - | - |
| | | |
| *Deferred taxes arising from temporary differences and unused tax losses not brough to account:* | | |
| Deferred tax asset losses – Australian activities | 3,882,826 | 2,863,302 |
| Deferred tax asset losses – Canadian activities | 239,020 | - |
| **Total deferred tax assets not brought to account** | **4,121,846** | **2,863,302** |

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In the opinion of the Directors of Cygnus Metals Limited:

a. The financial statements and notes of Cygnus Metals Limited are in accordance with the *Corporations Act 2001* (Cth), including:

   I. Giving a true and fair view of its consolidated financial position as at 31 December 2023 and of its performance for the year ended on that date; and

   II. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001 (Cth)*; and

b. There are reasonable grounds to believe that Cygnus Metals Limited will be able to pay its debts as and when they become due and payable, subject to the matters set out in Note 1(a) to the financial report.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* (Cth) from the Managing Director and Chief Financial Officer for the year ended 31 December 2023.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:



David Southam
Managing Director

Perth, Western Australia, 28 March 2024

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

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# Independent auditor's report to the members of Cygnus Metals Limited

## Report on the audit of the financial report

### Opinion

We have audited the financial report of Cygnus Metals Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including a summary of material accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001* , including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial report which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty*

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*related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, Including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

**1. Carrying value of exploration and evaluation assets**

| Why significant | How our audit addressed the key audit matter |
|---|---|
| As disclosed in Note 19 of the financial report, the Group carries exploration and evaluation assets of $23,926,379 as at 31 December 2023.<br><br>The carrying amount of exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that an exploration and evaluation asset may exceed its recoverable amount.<br><br>The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgments including whether the Group has tenure, will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. During the year, the Group determined that there had been no indicators of impairment of its exploration and evaluation assets.<br><br>Given the size of the balance and the judgmental nature of impairment indicator assessments associated with exploration and evaluation assets, we consider this a key audit matter. | We evaluated the Group's assessment as to whether there were any indicators of impairment which would require the carrying value of exploration and evaluation assets to be tested for impairment. In performing our audit procedures, we:<br><br>▸ Considered the Group's rights to explore in the relevant exploration areas which included obtaining and assessing supporting documentation such as license agreements and correspondence with relevant government agencies.<br><br>▸ Considered the Group's intention to carry out significant exploration and evaluation activities in the relevant exploration areas which included assessing whether the Group's cash-flow forecasts included planned exploration and evaluation activities, and enquiring with senior management and Directors as to the intentions and strategy of the Group.<br><br>▸ Assessed whether any exploration and evaluation data existed to indicate that the carrying amount of exploration and evaluation assets is unlikely to be recovered through development or sale.<br><br>▸ Assessed the adequacy of disclosures in the financial report. |

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## Information other than the financial statements and auditor's report

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial report and our knowledge obtained in the audit or otherwise doesn't appear to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the*Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

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error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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# Report on the audit of the Remuneration Report

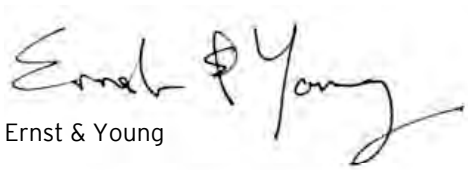
## Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' report for the year ended 31 December 2023.

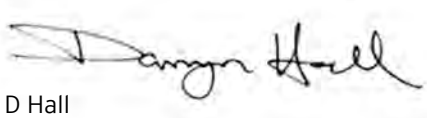
In our opinion, the Remuneration Report of Cygnus Metals Limited for the year ended 31 December 2023, complies with section 300A of the *Corporations Act 2001*.

## Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001* . Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



D Hall
Partner
Perth
28 March 2024

# ASX Additional Information

In accordance with ASX Listing Rule 4.10, the following information is provided as at 8 March 2024.

**Top 20 holders of ordinary shares**

| Rank | Name | Units | % of issued capital |
|---|---|---|---|
| 1 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 19,948,906 | 6.84 |
| 2 | SYMORGH INVESTMENTS PTY LTD <SYMORGH A/C> | 16,500,000 | 5.66 |
| 3 | GOLD LEAF CORPORATE PTY LTD <GOLD LEAF CORPORATE A/C> | 13,211,504 | 4.53 |
| 4 | STRIA LITHIUM INC | 9,129,825 | 3.13 |
| 5 | CITICORP NOMINEES PTY LIMITED | 9,082,372 | 3.12 |
| 6 | SYMORGH INVESTMENTS PTY LTD <SYMORGH SUPER FUND A/C> | 7,559,199 | 2.59 |
| 7 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 7,521,201 | 2.58 |
| 8 | MS CHARMAINE LINDA LOBO | 6,697,780 | 2.30 |
| 9 | CERTANE CT PTY LTD <ARGONAUT NATURAL RES FUND> | 6,000,000 | 2.06 |
| 10 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C> | 5,163,989 | 1.77 |
| 11 | GLEESON MINING PTY LTD <GLEESON FAMILY A/C> | 5,155,486 | 1.77 |
| 12 | SOUTHERN CROSS CAPITAL PTY LTD | 4,827,451 | 1.66 |
| 13 | MS LYNNETTE EDWARDS | 4,285,715 | 1.47 |
| 14 | MR MANUEL SYRIANOS | 4,050,001 | 1.39 |
| 15 | SPRING STREET HOLDINGS PTY LTD | 3,724,139 | 1.28 |
| 16 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2 | 3,672,945 | 1.26 |
| 17 | MR ALAN FRANK CLELAND <DA EXPLORATION A/C> | 3,028,335 | 1.04 |
| 18 | ROD DOG PTY LTD | 2,775,645 | 0.95 |
| 19 | BNP PARIBAS NOMS PTY LTD | 2,723,970 | 0.93 |
| 20 | SYMORGH INVESTMENTS PTY LTD <SYMORGH A/C> | 2,661,112 | 0.91 |
| **Totals: Top 20 holder of Ordinary Fully Paid Shares** | | **137,719,575** | **47.24** |
| **Total Remaining Holders Balance** | | **153,839,564** | **52.76** |

**Substantial Holders**

The names of substantial shareholders as disclosed in substantial shareholding notices given to the Company are:

| | Units | % of issued capital |
|---|---|---|
| Steve Parsons | 27,025,288 | 9.26 |
| Sarah June Naylor and Michael Dylan Naylor | 16,518,894 | 5.66 |

**Spread of Holdings**

*Fully Paid Ordinary Shares*

| Range | Total holders | Units | % of issued capital |
|---|---|---|---|
| 1 - 1,000 | 58 | 22,167 | 0.01 |
| 1,001 - 5,000 | 233 | 716,912 | 0.25 |
| 5,001 - 10,000 | 197 | 1,643,130 | 0.56 |
| 10,001 - 100,000 | 748 | 31,293,842 | 10.73 |
| 100,001 and over | 320 | 257,883,088 | 88.45 |
| **Total** | **1,556** | **291,559,139** | **100.00** |

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*Options*

| Range | Total holders | Units | % of issued options |
|---|---|---|---|
| 1 - 1,000 | - | - | - |
| 1,001 - 5,000 | - | - | - |
| 5,001 - 10,000 | - | - | - |
| 10,001 - 100,000 | - | - | - |
| 100,001 Over | 5 | 14,500,000 | 100.00 |
| **Total** | **5** | **14,500,000** | **100.00** |

*Performance Rights*

| Range | Total holders | Units | % of issued options |
|---|---|---|---|
| 1 - 1,000 | - | - | - |
| 1,001 - 5,000 | - | - | - |
| 5,001 - 10,000 | - | - | - |
| 10,001 - 100,000 | 1 | 100,000 | 0.47 |
| 100,001 and over | 5 | 21,278,809 | 99.53 |
| **Total** | **6** | **21,378,809** | **100.00** |

**Unquoted Securities**

*Options*

| Expiry Date | Exercise Price | No. Of Options | Number of Holders |
|---|---|---|---|
| 15/11/2024 | $0.16 | 5,000,000 | 3[1] |
| 20/01/2025 | $0.16 | 3,500,000 | 1[2] |
| 21/10/2025 | $0.25 | 1,500,000 | 1[3] |
| 21/10/2025 | $0.50 | 1,500,000 | 1[3] |
| 21/10/2025 | $0.75 | 1,500,000 | 1[3] |
| 21/10/2025 | $1.00 | 1,500,000 | 1[3] |

The names of holders and number of unquoted equity securities held for each class the holding was 20% or more of each class of security are as follows:

1. Symorgh Investments Pty Ltd <Symorgh Super Fund A/C> holds 50.0% and Gold Leaf Corporate Pty Ltd <Gold Leaf Corporate A/C> holds 45.0% of this class of options.
2. Spring Street Holdings Pty Ltd holds 100% of this class of options.
3. CG Nominees (Australia) Pty Ltd holds 100% of this class of options.

Options do not carry a right to vote.

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*Performance rights*

| Class | Expiry Date | Number of Rights | Number of Holders* |
|---|---|---|---|
| F | 21/10/2027 | 1,500,000 | 1 |
| G | 21/10/2027 | 1,500,000 | 1 |
| I | 30/07/2025 | 250,000 | 1 |
| K | 30/11/2026 | 100,000 | 1 |
| P | 13/02/2028 | 5,000,000 | 1 |
| S | 13/02/2028 | 4,000,000 | 1 |
| T | 13/02/2028 | 2,900,000 | 2 |
| U | 13/02/2028 | 2,500,000 | 1 |
| V | 03/04/2028 | 300,000 | 1 |
| W | 04/05/2028 | 150,000 | 1 |
| X | 05/09/2028 | 1,059,603 | 1 |
| Y | 05/09/2028 | 1,059,603 | 1 |
| Z | 05/09/2028 | 1,059,603 | 1 |

* The names of holders and number of unquoted equity securities held for each class the holding was 20% or more of each class of security are as follows: Class F and G are held 100% by Mr Samuel Richard Brooks. Details of holders of performance rights issued under an employee incentive scheme are exempt from disclosure under Chapter 4 of the Listing Rules.

**Unmarketable Parcels**

There were 387 shareholders with less than a marketable parcel of shares, based on the closing price $0.057.

**Restricted and Escrowed Securities**

The Company does not have any restricted securities on issue.

The following securities are subject to voluntary escrow:

| No of Shares | Date escrow period ends |
|---|---|
| 2,000,000 | 20/10/2024 |
| 2,875,000 | 11/04/2024 |

**Voting Rights**

In accordance with the Company's constitution, on a show of hands every member present in person or by proxy or attorney or duly appointed representative has one vote. On a poll every member present or by proxy or attorney or duly authorised representative has one vote for every fully paid share held. There are no voting rights attached to unexercised options or performance rights.

**Joint Company Secretaries**

Ms Maddison Cramer and Mr Carl Travaglini

**Corporate Governance Statement**

In accordance with Listing Rule 4.10.3, the Company's Corporate Governance Statement can be found on the Company's website. Refer to https://www.cygnusmetals.com/corporate-governancedetail

**On-Market Buy Back**

The Company has not initiated an on-market buy back.

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

For personal use only

Australian Projects (100% owned)

| Property Description | Tenement | Location | Registered Owner | Ownership |
|---|---|---|---|---|
| Perrinvale | E29/1075 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Snake Rock | E70/4911 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| Bencubbin | E70/4988 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Hardies Extension | E70/4990 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| Burracoppin South | E70/5050 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Bencubbin South | E70/5168 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Bencubbin North | E70/5169 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Bonnie Rock | E70/5196 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Mackie | E70/5397 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Culbarting | E70/5492 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Welbungin | E70/5617 | Western Australia | Deneb Resources Pty Ltd | 100% |
| Weydenying Hills | E70/5098 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| Little Snake | E70/6385 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| Big Snake | E70/6386 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| Grace | E70/6563 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |

Auclair Property (100% owned)

| Property Description | Title Type and Number | Location | Registered Owner | Structure and Ownership |
|---|---|---|---|---|
| Auclair | 1129237 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129238 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129239 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129243 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129244 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129245 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129246 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129247 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129248 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129249 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129250 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129251 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129252 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129253 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129254 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129255 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129256 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129257 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129258 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129259 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129260 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129261 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129262 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Registered Owner | Structure and Ownership |
|---|---|---|---|---|
| Auclair | 1129263 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129264 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129265 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129266 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129267 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129268 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129269 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129270 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129279 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129280 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129281 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129282 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129283 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129284 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129285 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129286 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129287 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129288 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129289 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129290 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129291 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129292 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129304 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129305 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 1129306 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771077 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771078 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771079 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771080 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771081 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771082 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771083 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771084 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771085 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771086 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771087 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771088 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771089 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771090 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771091 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771092 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771093 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771094 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771095 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771096 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771097 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771098 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771099 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771100 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771101 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771102 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |

For personal use only

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Registered Owner | Structure and Ownership |
|---|---|---|---|---|
| Auclair | 2771103 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771104 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771105 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771106 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771107 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771108 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771109 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771110 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771111 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771112 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771113 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771114 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771115 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771116 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771117 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771118 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771119 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771120 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771121 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771122 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771123 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771124 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771125 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771126 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771127 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771128 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771129 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771130 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771131 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771132 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771133 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771134 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771135 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771136 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771137 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771138 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771139 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771140 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771141 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771142 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771143 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771144 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771145 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771146 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771147 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771148 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771149 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771150 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771151 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771152 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771153 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Registered Owner | Structure and Ownership |
|---|---|---|---|---|
| Auclair | 2771154 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771155 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771156 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771157 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771158 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771159 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771160 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771161 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771162 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771163 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771164 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771165 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771166 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771167 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771168 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771169 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771170 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771171 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771172 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771173 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771174 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771175 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771176 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2771177 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773255 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773256 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773257 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773258 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773259 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773260 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773261 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773262 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773263 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773264 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773265 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773266 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773267 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773268 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773269 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773270 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773271 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773272 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773273 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773274 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773275 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773276 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773277 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773278 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773279 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |
| Auclair | 2773280 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) | 100% |

For personal use only

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**Beneficial percentage interests held in farm in or farm-out agreements:**

*Farm Out*

| Tenement | Location | Registered Owner | Structure and Ownership |
|---|---|---|---|
| E70/4787 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% (diluting to 15%) |
| E70/5131 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% (diluting to 15%) |

*Farm In*

Pontax Lithium Project (51% interest, earning up to 70%)

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax-Lithium | CDC 2002627 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002628 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002629 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002630 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002631 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002632 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002633 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002634 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002635 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002636 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002637 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002638 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002639 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002640 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002641 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002642 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002643 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002646 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002647 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002648 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002649 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax-Lithium | CDC 2002650 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002651 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002652 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002655 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002656 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002657 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002658 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002659 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2002664 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 86421 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84701 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84702 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84703 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84704 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84705 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85802 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84710 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84711 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85803 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85804 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85805 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85806 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85807 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84717 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85808 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85809 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85810 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85811 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| | | | Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 85812 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84718 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 84719 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 80466 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 80467 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 80468 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 80469 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 80483 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197182 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197183 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197184 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197185 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197186 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197187 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197188 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197190 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 2197191 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 89173 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |
| Pontax-Lithium | CDC 89174 | Quebec, Canada | Avenir Metals (Canada) Limited (103257) 51%<br>Stria Lithium Inc. (96388) 49% |

Route 381 Claims (Earning up to 80%)

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Route 381 | 2595278 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595279 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595280 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595281 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595282 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595283 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595284 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595285 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595286 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595287 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595288 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Route 381 | 2595289 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595290 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595291 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595292 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595293 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595294 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595302 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595295 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595303 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595296 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595304 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595297 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595305 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595298 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595306 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595299 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595307 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595300 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595308 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595301 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595309 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595310 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595311 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595312 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595313 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595314 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595315 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595316 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595317 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

Mitsumis Claims (Earning up to 80%)

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mitsumis | 2595278 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629111 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629112 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629113 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629114 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629115 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629116 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629117 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629118 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629119 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629120 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629121 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629122 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629123 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629124 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629125 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629126 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629127 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629128 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mitsumis | 2629129 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629130 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629131 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629132 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629133 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629134 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629135 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629136 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629137 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629138 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629139 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629140 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629141 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629142 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629143 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629144 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629145 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629146 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629147 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629148 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629149 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629150 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629228 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629229 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629230 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629231 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629232 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629233 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629234 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629235 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629236 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629237 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629238 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629239 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629240 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629241 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629242 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629243 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629244 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629245 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629246 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629247 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629248 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629249 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629250 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629251 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629252 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629253 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629254 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629255 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629256 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629257 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mitsumis | 2629258 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629259 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629260 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629261 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629262 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629263 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629264 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629265 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629266 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629267 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629268 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629269 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629270 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629271 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629272 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629273 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629274 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629275 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629276 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629277 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629278 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629279 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
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| Mitsumis | 2629287 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629288 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629289 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629290 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629291 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
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| Mitsumis | 2629298 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
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| Mitsumis | 2629300 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629301 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629302 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629303 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629304 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629305 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629306 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629307 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629308 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629309 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mitsumis | 2629310 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629311 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629312 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629313 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629314 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629315 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629316 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629317 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629318 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629319 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629320 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629321 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629322 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629323 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629324 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629325 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629326 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629327 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629328 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629329 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629330 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629331 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629332 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629333 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629334 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629435 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629436 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629437 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629438 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629439 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629440 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629441 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629442 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629443 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629444 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629445 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629446 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629447 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629448 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629461 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629462 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629463 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629464 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629465 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629466 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629467 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629468 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629469 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629470 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629471 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629472 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629473 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mitsumis | 2629474 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629475 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629476 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629477 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629478 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 262479 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 262480 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629481 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629482 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629483 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629484 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629485 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629805 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629806 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629807 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629808 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629809 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629810 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629811 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629812 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629813 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629814 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629815 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629816 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629817 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mitsumis | 2629818 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

Pontax Extension Property (Earning up to 100%)

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2616420 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616421 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616422 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616423 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616424 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616425 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616426 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616427 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616428 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616429 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616430 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616431 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616432 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616433 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616434 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616435 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616436 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616437 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616438 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616439 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616440 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2616441 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616442 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616443 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616444 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616445 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616446 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616447 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616448 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616449 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616450 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616451 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616452 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616453 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616454 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616455 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616456 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616457 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616458 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616459 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616460 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616461 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616462 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616463 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616464 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616465 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616466 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616467 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616468 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615893 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615699 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615700 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615701 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615702 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615703 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615704 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615705 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615706 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615707 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615708 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615709 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615710 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615711 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615712 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615713 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615714 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615715 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615716 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615717 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615718 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615719 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615720 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615721 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |

For personal use only

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2615722 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615723 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615724 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615725 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615726 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615727 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615728 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615611 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615612 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615613 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615614 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615615 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615616 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615617 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615618 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615619 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615620 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615621 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615622 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615623 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615624 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615625 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615626 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615627 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615628 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615629 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615630 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615631 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615632 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615633 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615634 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615635 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615636 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615637 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615638 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615639 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615640 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615641 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615642 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615643 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615644 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615645 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615646 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615647 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615648 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615649 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615650 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615651 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615652 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615653 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615654 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615655 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |

For personal use only

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2615656 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615657 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615658 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615659 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615660 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615661 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615662 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615663 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615664 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615665 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615666 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615667 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615668 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615669 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615670 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615671 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615672 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615673 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615674 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615675 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615676 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615677 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615678 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615679 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615680 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615681 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615682 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615683 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615684 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615685 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615686 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615687 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615688 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615689 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615746 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615747 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615748 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615751 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615752 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615753 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615754 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |

Beryl Lake Property (Earning up to 100%)

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2631893 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631894 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631895 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631896 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631897 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2631898 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631899 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631900 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631901 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631902 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631903 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631904 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631905 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631906 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631907 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631908 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631909 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631910 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2631911 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2632764 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2632765 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2632766 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2632767 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2632768 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2632769 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633497 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633498 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633499 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633500 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633501 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633502 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2633700 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634637 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634638 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634639 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634640 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634641 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634642 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634643 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634644 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634645 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634646 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634647 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634648 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644720 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644721 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644722 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644723 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644724 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644725 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644726 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644727 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644728 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644729 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644730 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644731 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

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# Schedule of Tenements

As at 31 December 2023

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2644732 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644733 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644734 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644735 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644736 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644737 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644738 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644739 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644740 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644741 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644742 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644743 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644744 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644745 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644746 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2644747 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2645212 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2645213 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2645214 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2645215 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2563578 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2563579 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2563580 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2563581 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2563582 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651042 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651043 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651044 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651045 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651046 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651047 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651048 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651049 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651050 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651051 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651052 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651053 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651054 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651055 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651056 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651057 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651058 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651059 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651060 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651061 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651062 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651063 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651064 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651065 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651066 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651067 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2651068 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651069 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651070 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651071 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651072 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651073 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651074 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651075 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651076 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651077 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651078 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651599 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651600 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651601 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651602 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651603 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651604 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651605 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651606 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651607 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651608 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651609 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651610 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651611 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2651612 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2687865 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2687866 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2687867 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2687868 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2687869 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689270 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689271 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689272 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689273 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689274 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689275 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689276 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689277 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689278 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689279 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689280 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689281 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689282 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689283 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689284 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689285 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689286 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689287 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689288 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689289 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689290 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2689291 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689292 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689293 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689360 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689361 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689362 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689363 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689364 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689552 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689553 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689554 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689555 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689556 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689557 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689558 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689559 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689560 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689561 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689562 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2689563 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712913 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712914 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712915 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712916 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712917 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712918 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712919 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712920 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712921 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712922 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712923 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712924 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712925 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712926 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712927 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712928 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712929 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712930 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712931 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712932 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712933 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712934 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712935 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712936 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712937 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712938 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712939 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712940 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712941 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712942 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2712943 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2714584 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2714585 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2714586 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2714587 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2714588 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556226 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556227 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556228 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556229 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556230 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556231 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556232 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556233 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556234 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556235 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556236 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556237 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2556238 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Auclair | 2634305 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634306 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634307 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634308 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634309 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634310 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634311 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634312 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634313 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634314 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634315 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634316 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634317 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634318 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634319 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634320 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634321 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634322 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634323 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634324 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634325 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634326 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634327 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634328 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634329 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634330 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634331 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634332 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634333 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634334 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634335 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634336 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634337 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

# Schedule of Tenements

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2634338 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634339 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634340 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634341 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634342 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634343 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634344 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634345 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634346 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634347 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634348 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634349 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634350 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634351 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634352 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634353 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634354 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634355 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634356 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634357 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634358 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634359 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634360 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634361 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634362 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634363 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634364 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634365 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634366 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634367 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634368 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634369 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634370 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634371 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634372 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634373 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634374 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634375 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634376 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634377 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634378 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634379 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634380 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634381 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2634382 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635050 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635051 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635052 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635053 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635054 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635055 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2635056 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635057 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635058 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635059 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635060 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635061 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635062 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635063 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635064 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635065 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635066 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635067 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635068 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635069 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635070 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2635071 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641989 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641990 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641991 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641992 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641993 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641994 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641995 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641996 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641997 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641998 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2641999 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642000 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642001 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642002 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642003 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642004 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642005 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642006 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642007 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642008 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642009 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642010 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642011 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642012 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642013 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642014 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642015 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2642016 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651342 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651343 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651344 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651345 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651346 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651347 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2651348 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2651349 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2652176 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2652177 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2652178 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2652179 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2652180 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2652181 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687786 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687787 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687788 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687789 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687790 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687791 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687792 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687793 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687794 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687795 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687796 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687797 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687798 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687799 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687800 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687801 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687802 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687803 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687804 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687805 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687806 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687807 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687808 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687809 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687810 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687811 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687812 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687813 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687814 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687815 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687816 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687817 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687818 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687819 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687820 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687821 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687822 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687823 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687824 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687825 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687826 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687827 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687828 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687829 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2687830 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687831 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687832 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687833 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687834 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687835 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687836 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687837 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687838 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687839 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687840 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687841 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687842 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687843 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687844 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687845 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687846 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687847 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687848 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687849 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687850 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687851 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687852 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687853 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687854 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687855 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687856 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687857 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687858 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687859 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687860 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687861 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687862 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687863 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2687864 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689189 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689190 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689191 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689192 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689193 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689194 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689195 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689196 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689197 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689198 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689199 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689200 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689201 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689202 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689203 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689204 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2689205 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689206 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689207 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689208 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689209 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689210 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689211 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689212 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689213 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689214 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689215 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689216 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689217 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689218 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689219 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689220 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689221 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689222 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689223 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689224 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689225 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689226 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689227 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689228 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689229 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689230 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689231 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689232 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689233 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689234 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689235 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689236 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689237 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689238 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689239 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689240 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689241 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689242 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689243 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689244 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689245 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689246 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689247 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689248 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689249 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689250 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689251 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689252 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689253 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689254 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689255 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2689256 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689257 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689258 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689259 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689260 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689261 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689262 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689263 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689264 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689265 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689266 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689267 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689268 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2689269 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693539 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693540 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693541 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693542 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693543 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693544 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693545 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693546 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693547 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693548 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693549 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693550 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693551 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693552 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693553 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693554 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693555 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693556 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693557 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693558 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693559 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693560 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693561 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693562 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693563 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693564 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693565 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693566 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693567 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693568 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693569 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693570 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693571 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693572 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693573 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693574 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693575 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Auclair | 2693576 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693577 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693578 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693579 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693580 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693581 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693582 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693583 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693584 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693585 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693586 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693587 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693588 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693589 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693590 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693591 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693592 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693593 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693594 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693595 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2693596 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2694507 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Auclair | 2694508 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

Sakami Property (Earning up to 100%)

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Sakami | 2563097 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563098 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563099 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563100 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563236 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563237 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563238 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563239 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563240 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563241 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563242 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2563243 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564258 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564259 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564260 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564261 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564262 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564263 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564264 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564265 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2564266 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2565670 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Sakami | 2565671 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2565672 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2565673 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2565674 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2571971 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2571972 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2571973 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2629676 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2629677 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2629678 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2630117 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641977 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641978 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641979 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641980 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641981 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641982 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641983 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641984 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641985 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641986 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641987 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2641988 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642182 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642183 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642184 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642185 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642186 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642187 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642188 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642189 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642190 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642191 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642192 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642193 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642194 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642195 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642196 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642197 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642198 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642199 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642200 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642201 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642202 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642203 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642204 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642205 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642206 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642207 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642208 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642209 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Sakami | 2642210 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642211 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642212 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642213 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642214 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642215 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2642216 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662756 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662757 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662758 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662759 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662760 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662761 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662762 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662763 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662764 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662765 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662766 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662767 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662768 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662769 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662770 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662771 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662772 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662773 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2662774 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663155 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663156 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663157 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663158 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663159 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663160 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663161 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663162 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663163 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663164 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663165 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663166 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663167 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663168 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663169 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663170 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663171 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663172 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663173 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663174 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663175 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663176 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663177 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663178 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663179 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Sakami | 2663180 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663181 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663182 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663183 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663184 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663185 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663186 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663187 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663188 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663189 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663190 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663191 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663192 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663193 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663194 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663195 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663196 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663197 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663198 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663199 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663200 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663201 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663202 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663203 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663204 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663205 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663206 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663207 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663208 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663209 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663210 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663211 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663212 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663213 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663214 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663215 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663216 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663217 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663218 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663219 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663220 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663221 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663222 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663223 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663224 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663225 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663226 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663227 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663228 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663229 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663230 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Sakami | 2663231 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663232 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663233 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663234 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663235 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663236 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663237 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663238 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663239 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663240 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663241 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663242 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663243 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663244 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663245 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663246 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663247 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663248 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2663249 | Quebec, Canada | Anna Rosa Giglio (96501) 100% |
| Sakami | 2717593 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717594 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717595 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717596 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717597 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717598 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717599 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717600 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717601 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717602 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717603 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717604 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717605 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717606 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717607 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717608 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717609 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717610 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717611 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717612 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717613 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717614 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717615 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717616 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717617 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717618 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717619 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717620 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717621 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717622 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717623 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717624 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

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# Schedule of Tenements

As at 31 December 2023

CYGNUS METALS

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Sakami | 2717625 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717626 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717627 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717628 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |
| Sakami | 2717629 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) (85234) 100% |

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CYGNUS
METALS

Level 2, 8 Richardson
Street, West Perth, Perth,
WA 6005, Australia

+61 (0)8 6118 1627

info@cygnusmetals.com
www.cygnusmetals.com



CYGNUS METALS

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# ANNUAL REPORT 2022

Formerly Cygnus Gold Limited

ABN: 80 609 094 653

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# CORPORATE DIRECTORY

## PRINCIPAL PLACE OF BUSINESS & REGISTERED OFFICE
Level 2, 8 Richardson Street, West Perth, WA 6005

## CONTACT INFORMATION
Phone: +61 8 6118 1627

Email: info@cygnusmetals.com

Website: www.cygnusmetals.com

## AUSTRALIAN BUSINESS NUMBER
80 609 094 653

## DIRECTORS

| | |
|---|---|
| Mr Raymond Shorrocks | Non-Executive Chairman |
| Mr David Southam | Managing Director |
| Mr Michael Naylor | Non-Executive Director |
| Mr Michael Bohm | Non-Executive Director |
| Mr Shaun Hardcastle | Non-Executive Director |

## JOINT COMPANY SECRETARIES
Ms Maddison Cramer

Mr Carl Travaglini

## AUDITORS
Ernst & Young

11 Mounts Bay Road, Perth WA 6000

## STOCK EXCHANGE LISTING
Primary listing: Australian Securities Exchange

ASX Code: CY5

## SHARE REGISTER
Computershare Investor Services Pty Ltd

GPO Box 2975, Melbourne VIC 3001

Phone: +61 3 9415 5000
Fax: +61 3 9473 250

## BANKERS
National Australia Bank

100 St Georges Terrace, Perth WA 6000

## SOLICITORS
Hamilton Locke

Level 48, Central Park

152-158 St Georges Terrace, Perth WA 6000

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Dear Fellow Shareholder,

Welcome to the 2022 Annual Report for our company as we reflect on a period that has been transformative for Cygnus Metals Limited (ASX: CY5, formerly Cygnus Gold Limited), not only in our new name but also our newly diversified project portfolio.

We've made pivotal moves over the past 12 months to shift our focus to critical minerals, acquiring the game-changing Pontax Lithium Project in Quebec, Canada and further adding to our portfolio of lithium projects in the James Bay region by picking up the Auclair and Mitsumis projects. James Bay is emerging as one of the world's premier lithium regions, home to Allkem's James Bay Project, Nemaska Lithium's Whabouchi Project and Critical Elements' Rose Project. We are excited to have staked a major landholding in the heart of this area.

Pontax is an outstanding opportunity for Cygnus to create value for our shareholders. With 44km of strike along a fertile greenstone belt, Pontax remains underexplored despite hosting known spodumene pegmatites. High-grade lithium spodumene has been established through limited previous drilling, with results of 15.6m at 1.6% $Li_2O$ from 83.9m and 4.8m at 2.6% $Li_2O$.[1]

We have three drill rigs on site at Pontax and have already delivered promising results, with our first holes intersecting multiple spodumene pegmatites over 700m strike and 75m wide and extending the mineralisation at depth, as well as intersecting a new mineralised trend to the north. Mineralisation remains open, providing the opportunity for growth. We're on track to deliver a maiden resource for Pontax by mid-2023, using assays from current drilling to build on previous results, and we are working hard to achieve this.

Our acquisition of the Auclair project, announced in February 2023, expanded our landholding in the James Bay region to more than 330km². We've already confirmed a spodumene pegmatite here using historical drill core, however previously exploration focused solely on gold. We're busy planning our

1. Refer to CY5 ASX announcement dated 29 July 2022

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exploration for this project to advance it as quickly as possible in parallel with Pontax.

In addition to these, we will continue to explore our portfolio of Australian projects, including the Bencubbin Project in Western Australia that is prospective for lithium, nickel, copper, platinum group elements (PGEs) and gold. We've recently completed reverse circulation (RC) drilling at Bencubbin to test its lithium-caesium-tantalum (LCT) anomalies and we look forward to results from this. We'll continue to assess our other Australian projects for opportunities to deliver shareholder value.

Our move into lithium reflects the emerging needs of the world as we move towards electrification and decarbonisation. Lithium plays an important role in this as a key component of batteries for electric vehicles (EVs) and other new technologies, and we expect to see demand for this and other battery metals grow exponentially over the next decade.

In line with our changing focus and name, we have welcomed several new faces to our Board and Management team over the past 12 months as we look to bolster and round out our leadership skillset. David Southam joined our Board as a Non-Executive Director during the year and recently took up the role of Managing Director. David is well known as the former MD of Mincor Resources (ASX: MCR), where he led its highly successful return to the ranks of Australian nickel producers within a three-year period, overseeing a major greenfields discovery, resource definition, completed off-take arrangements, feasibility studies, project financing and construction of the Kambalda Nickel Operations, with most of these achievements during the peak of Covid-19. We are thrilled to have such an experienced resources professional to take the reins of Cygnus during such an important time in its development.

In addition, we appointed two highly experienced lithium experts to help drive the exploration and development strategy at Pontax with Gareth Reynolds appointed as Head of Business Development and Mark Calderwood as Board Advisor. Gareth is a geologist with more than 18 years' experience having held senior positions at major lithium projects including Bald Hill, Wodgina and Mt Marion Lithium Projects, while Mark has more than 30 years' experience in exploration and production across gold and lithium projects in Australia and internationally.

During 2022 we also welcomed Maddison Cramer as a Company Secretary. Maddison is a corporate lawyer with extensive experience in both the listed and unlisted space, advising entities across a variety of different sectors, but with a focus on mining and resources. After the end of the year we also appointed Carl Travaglini as our Chief Financial Officer and joint Company Secretary, working alongside Maddison Cramer in this role. Carl is a Chartered Accountant and Chartered Company Secretary with nearly 15 years' experience in the resources sector, having served in various finance and company secretarial roles in Australia, Canada and Africa. I believe these appointments will serve Cygnus well as we continue to grow our position as an emerging lithium explorer and developer. I thank my fellow Directors along with our staff and management for their excellent contributions across the year, and look forward to working together to further progress Cygnus in the year to come.

I thank our Shareholders for your support over the past 12 months, particularly through our capital raising activities which have enabled Cygnus to achieve important progress and plan future exploration goals. We have a strong cash position as we head into 2023 and we look forward to executing our exploration strategy.

We have important milestones ahead and I am excited to see what we can achieve over the coming months. I hope you will continue to share this journey with us.

**Ray Shorrocks**
**Non-Executive Chairman**
**Cygnus Metals Limited**

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# INVESTMENT HIGHLIGHTS



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- Four lithium projects, Pontax, Auclair, Mitsumis and Sakami, in the James Bay region of Quebec with a total landholding of 756km²
- All projects boast excellent access and nearby infrastructure including access to Quebec's hydroelectricity network
- Exploration at Pontax has outlined spodumene over 700m strike, with clearly visible pegmatites mapped and sampled over 20km
- Pontax has returned shallow, high-grade lithium intersections with mineralisation remaining open in all directions
- Pegmatite containing spodumene identified at Auclair with mineralisation open and limited lithium-focused exploration completed
- Cygnus is well funded to accelerate exploration at Pontax and Auclair in 2023, with A$13 million cash at bank[2]
- 15,000m drill program underway to infill and extend pegmatite corridor at Pontax
- Highly experienced Board and management team with track record of lithium exploration success.

2. As at 31 December 2022

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# OPERATIONS REVIEW




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# EXPLORATION - CANADA

Cygnus Metals Limited ("Cygnus" or the "Company") (ASX: CY5) is exploring for lithium in the world-class James Bay lithium region of Quebec. The Company has 756km² of prospective greenstone belt and is focused on generating shareholder value through exploring the:

1. Pontax Lithium Project and surrounding exploration tenements, with the target of releasing a maiden Resource in mid-2023.
2. Auclair Lithium Project, which has known spodumene occurrences in historic drill holes.
3. Mitsumis Project, which is an early-stage lithium exploration project.
4. Sakami Project, which is an early-stage lithium exploration project in the La grande greenstone belt.

## Pontax Lithium Project (Earning Up To 70%)

In July 2022, Cygnus announced it had entered into a binding agreement to acquire up to a 70 per cent of the Pontax Lithium Project in Quebec, Canada.

High-grade lithium spodumene was established through previous drilling at Pontax and there is immense scope to continue growing the mineralisation through exploration.

Pontax has spodumene-hosted LCT (lithium-caesium-tantalum) pegmatites with limited diamond drilling returning numerous high-grade lithium intersections from outcropping mineralisation. Mineralisation at Pontax remains open along strike and at depth with multiple walk-up drill targets.

The Project is located in the prolific Superior Province of Quebec, within the James Bay region, one of the most endowed lithium terranes in the world, even though only minimal modern lithium exploration has been seen over the past 20 years.

Advanced significant lithium projects of northern Quebec[1] include:

- Abitibi Lithium Hub (119.1Mt @ 1.1% $Li_2O$) operated by Sayona Mining Limited/Piedmont Lithium Inc
- James Bay (40.3Mt @ 1.4% $Li_2O$) operated by Allkem Ltd
- Whabouchi (55.7Mt @ 1.4% $Li_2O$) operated by Nemaska Lithium Inc
- Rose (34.2Mt @ 0.9% $Li_2O$) operated by Critical Elements Lithium Corp
- Moblan (16.1Mt @ 1.4% $Li_2O$) operated by Sayona Mining/SOQUEM Inc

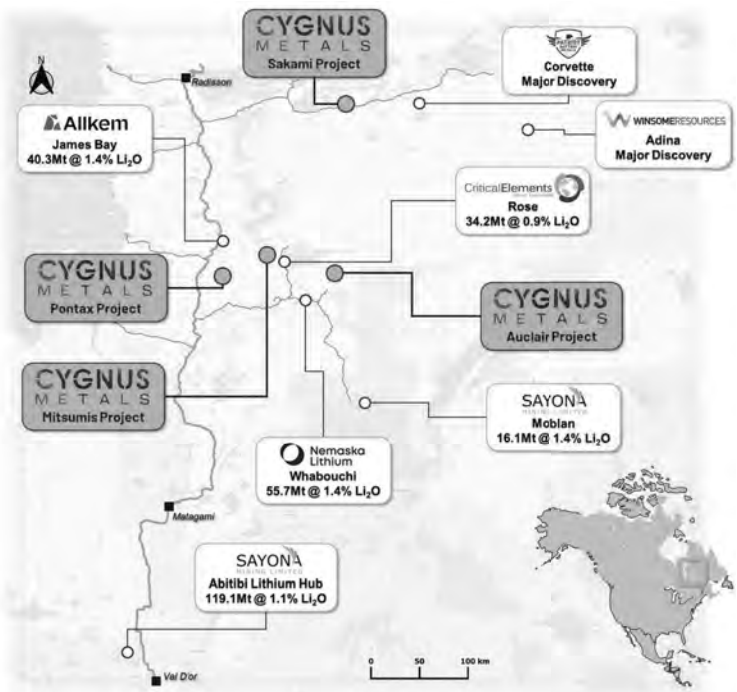



*Figure 1 - Location of the Pontax, Mitsumis, Auclair and Sakami Lithium Projects in relation to other significant lithium deposits in the James Bay Area and major access routes through the region[1].*



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The Pontax Lithium Project is host to numerous pegmatite swarms with the only explored swarm being Central Pontax which outcrops over 700m of strike and remains open along strike and at depth. There are untested pegmatite outcrops north of the central outcrop that have never been drilled and multiple targets for follow up drilling.

The pegmatites at Pontax Central have previously been drill tested to a vertical depth of 115m with 25 historical diamond holes for ~3,286m. All historic holes intersected spodumene-bearing LCT pegmatites with mineralisation remaining open in all directions. Significant historical intersections (refer ASX release dated 29 July 2022) include:

- 9.0m @ 1.7% $Li_2O$ from 46.9m
- 15.6m @ 1.6% $Li_2O$ from 83.9m
- 8m @ 2.6% $Li_2O$ from 19.4m
- 13.0m @ 1.4% $Li_2O$ from 36m.

## PONTAX BACKGROUND

*Geology and Mineralisation*

The Pontax Lithium Project is hosted in the world-class Archean Superior Province of the Canadian Shield, which hosts some of the largest and most significant hard rock lithium resources in the world. The Project is hosted in the Chambois Greenstone Belt, which sits on the southern margin of the granitic basement block which also bounds the James Bay Deposit (ASX:Allkem) in the Eastmain Greenstone Belt to the north. Like the other major greenstone belt hosted deposits in the region, the Chambois Greenstone Belt has been metamorphosed to upper greenschist/amphibolite facies with pegmatites hosted in a combination of metamorphosed basalts and metasediments.

The Central Pontax Pegmatite Swarm is hosted in multiple parallel dykes which individually are up to 15m thick. The pegmatites of the Central Pontax Swarm are LCT type pegmatites with high amounts of the lithium bearing mineral spodumene, which in places can reach up to 40% of the rock mass. The spodumene forms aggregated crystal masses with individual crystals up to 40cm in length, characterised by a light green colour. Spodumene is the only known lithium bearing mineral hosted in the pegmatites at Central Pontax.

*Excellent Location and Infrastructure*

The Project is well situated in the emerging James Bay territory in northern Québec, which is the focus of significant investment from the Quebec government under Québec's "Plan Nord" economic development strategy that offers significant tax incentives for mining companies to invest in and explore the province's vast northern mineral wealth.

The project itself is situated only 4km off the James Bay Road (State Route 109) which connects Matagami, 350km to the south, to the village of Radisson, 240km to the north. Matagami

has both an airport and major railway which connects directly to major infrastructure throughout North America. Major development projects surround the Pontax Project including James Bay, Rose and Whabouchi which only enhances the viability of commercial production from the area with continued investment from major lithium companies.

In addition, Quebec is strategically well-positioned regarding the critical transitioning energy and e-mobility markets in Europe and the United States and boasts excellent infrastructure including low cost and low carbon electricity through Hydro-Quebec.

*Metallurgy*

Two series of preliminary metallurgical test work, aimed at demonstrating the amenability of the Pontax pegmatites to standard beneficiation techniques, were carried out in 2015/2016 at SGS laboratories in Lakefield, Ontario. Samples for variability and bulk testing were largely obtained from channel sampling of near surface and outcrop pegmatites from within the identified spodumene bearing zones.

The first test series utilised the recognised heavy liquid separation ("HLS") technique to test the response to a more economic gravity process flowsheet. These tests indicated 6% $Li_2O$ concentrates, at a mass yield of 10%, could be produced after crushing to either 9.5mm or 6.3mm.

Mineralogical examination of the ore by x-ray diffraction (XRD) confirmed the main lithium bearing mineral was spodumene, while physical testing confirmed the mineralisation was of medium hardness and it was further demonstrated that overall lithium recovery may be increased by flotation of the fine material.

In the second test series, a bulk sample of 14 tonnes with a head grade of 1.48% $Li_2O$, was processed through a pilot scale dense medium separation plant (DMS) and flotation facilities and not only confirmed the findings of the first test series but indicated an improved performance of 84% overall lithium recovery into 6% $Li_2O$ concentrates.

The programme also included a sighter test on the amenability of the spodumene concentrates to downstream production of lithium carbonate or hydroxide with almost 100% conversion of the spodumene to the acid soluble version being achieved under standard conditions of heating to 1050°C for 30 minutes.

The results reported from these test series and the manner in which they were performed have provided Cygnus with insight into suitability of the Pontax pegmatites to economic recovery.

*LiDAR and Magnetic Results*

Results from the first stage of exploration at the Pontax Lithium Project were received ahead of the mapping campaign which commenced in October. This work included detailed magnetics alongside LiDAR and high-resolution aerial photography. This was the first time the project has been systematically explored using fundamental exploration tools, in particular for regional targeting. Results from this work delivered numerous walk-up targets which the Cygnus team mapped and sampled during the October field campaign, delivering further regional drill targets ahead of the 15,000m drill campaign.

Detailed airborne magnetics is crucial in understanding project scale geology especially in areas where there is limited outcrop. The recently acquired magnetics is currently being interpreted and will be used to underpin the geological interpretation of the belt and to assist with regional targeting. A main focus is delineating the metavolcanic-metasedimentary belts which are known to be the preferred host rock for LCT pegmatite emplacement. Already with the preliminary results the geological understanding has been significantly improved, with the team able to delineate multiple repetitions of the prospective mafic horizon throughout the 10km trend which to date had not been formally recognised.

LiDAR and high-resolution imagery have also provided a comprehensive assessment of the terrane and outcrop coverage throughout the Pontax Lithium Project. Multiple walk-up targets were generated that appear to represent outcropping pegmatites that have never been mapped or sampled.

Collectively, the geophysics and LiDAR results have demonstrated that the project remains totally unexplored, covered by sparse low-level vegetation and minor marshy areas. The LiDAR generated a high quality digital elevation model (DEM) which has identified multiple areas of elevated topography along prospective trends that may represent areas of outcrop beneath thin vegetation. These are significant targets for stripping and trenching as exploration advances into the summer season.

The geophysics and LiDAR campaign has only been completed over the main Pontax Lithium Project (ie 10km of strike). The Company plans to complete a similar exploration program over the recently acquired Pontax extensions in the second quarter of next year, where the Company has over 40km of strike along the highly prospective Chambois Greenstone Belt.

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*Figure 2: Utilizing the LiDAR to uncover pegmatite dykes beneath vegetation cover[3]*

**SURFACE SAMPLE RESULTS**

In October 2022, the Company completed an initial on-ground reconnaissance mapping and sampling program of the Pontax project following up on targets generated from early-stage LiDAR and airborne magnetics. This initial work is the first time the wider Pontax area has been systematically explored for lithium using fundamental exploration tools.

Results from surface sampling show significant results of up to 3.3% $Li_2O$ and 857ppm $Ta_2O_5$ (refer ASX release dated 18 January 2023). Samples were taken across the project focusing on areas of pegmatite outcrop interpreted from the aerial photography as well as targets generated from the LiDAR thought to represent outcrop beneath thin vegetation.

Results were received from Pontax Central with a new 4m wide spodumene-bearing pegmatite identified 80m southwest of the current extent of the known mineralisation, returning results of 3.3% $Li_2O$, 2.3% $Li_2O$,1.8% $Li_2O$ and 1.4% $Li_2O$ (refer ASX release dated 18 January 2023).

These results expanded the known mineralised envelope at Pontax Central to 700m, with mineralisation remaining completely open along strike and at depth. This strongly mineralised pegmatite exposure is the last outcrop before the trend is covered by fluvial glacial sediments. Exploration drilling to test the along-strike extents of Pontax Central is planned for the current program.

At Pontax North, multiple spodumene-bearing pegmatites up to 5m wide returned results of up to 2.5% $Li_2O$, 1.4% $Li_2O$ and 1.3% $Li_2O$ (refer ASX release dated 18 January 2023). This was the first time spodumene had been identified in the Pontax North pegmatites, which have not previously been the focus of exploration. The pegmatites at Pontax North are exposed over 160m with significant potential to expand the strike length through ongoing exploration drilling.

Outside of the main targets at Pontax Central and Pontax North, rock chip samples have returned significant tantalum grades from pegmatites exposed in sparse outcrop in areas that are mainly undercover. High grade tantalum ($Ta_2O_5$) in pegmatite rock chips is highly significant as one of the diagnostic signature elements of LCT pegmatites. Results include up to 857ppm $Ta_2O_5$ with numerous

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significant results of +50ppm $Ta_2O_5$ from areas adjacent and along strike from Pontax Central, increasing the current envelope of LCT type pegmatites to over 2.5km of strike in the main Pontax Central target area (refer ASX release dated 18 January 2023). The recent results are also highly significant for the greater potential of the Pontax area with LCT pegmatites now recorded over a 20km strike length, indicating the potential for a large LCT pegmatite system that to date has only been explored around the major outcrop. This is particularly important taking into consideration the amount of cover across the project (with less than 2% visible outcrop). These areas undercover will be systematically explored by step out drilling targeting the mafic host stratigraphy identified through the project magnetics.

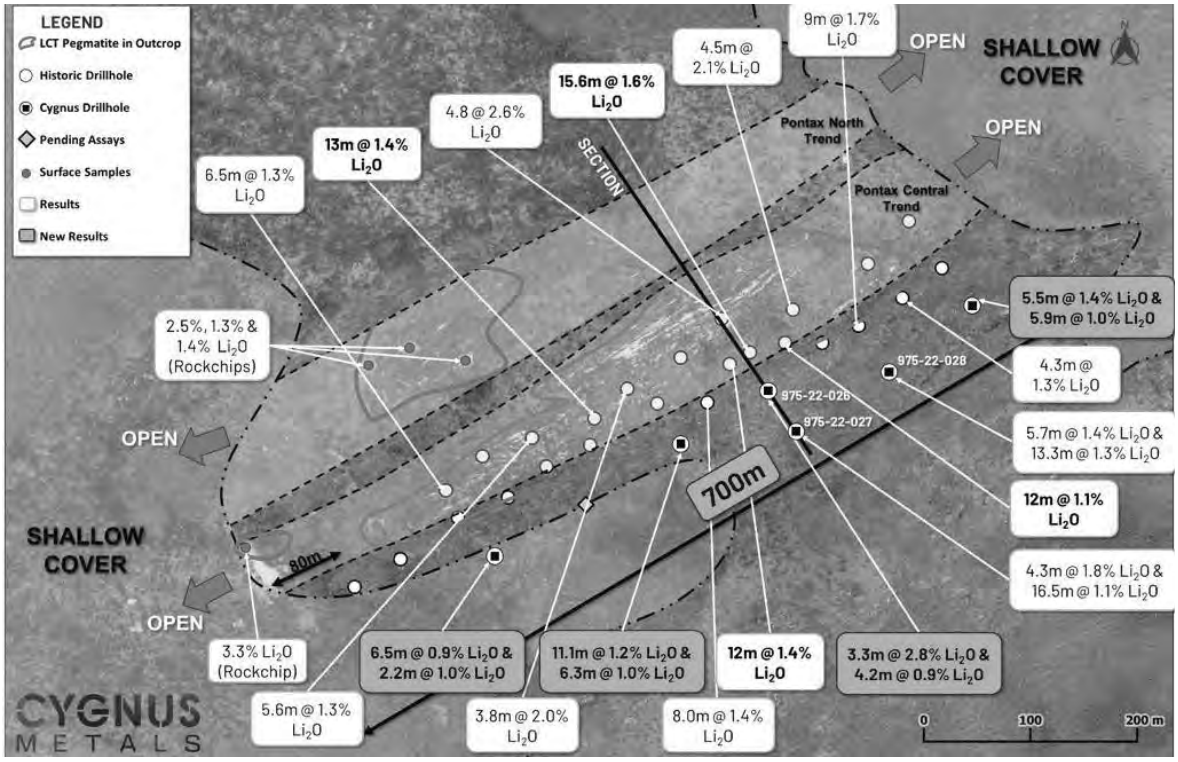



*Figure 3. Plan view of Pontax Central with the location of all reported drilling to date², highlighting recent intersections and demonstrating mineralisation remains open along strike. Also illustrating rock chip results from Pontax North*

**PONTAX MAIDEN DRILLING PROGRAM**

In November 2022, Cygnus commenced its maiden 15,000m diamond drill program which was designed to systematically step out from known mineralisation at Pontax Central where the extensive spodumene-bearing pegmatite swarm outcrops over 700m of strike. This drill program is focused on delivering a maiden resource for Pontax Central by mid-2023 while also drilling some exploration holes away from Pontax Central focussed on discovery.

Results for six diamond holes have been released to date for a total of 1,788 drill metres. These holes are drilled on 100m spaced sections stepping out 50m to 100m below existing mineralisation with results doubling the known depth of mineralisation to 230m vertical depth from surface.

Spodumene has been observed throughout these holes and is the only lithium mineral observed within the mineralised dykes, with up to 40% spodumene in places. The spodumene forms aggregated crystal masses with individual crystals up to 40cm in length, characterised by a cream to light green colour.

Assay results were received in early 2023 (refer ASX releases dated 14 February 2023 and 21 March 2023) included:

- DDH975-22-027: **16.5m @ 1.1% $Li_2O$** from 239.8m (including an interval of **6.0m @ 1.8% $Li_2O$**) and **4.3m @ 1.8% $Li_2O$** from 227.6m
- DDH975-22-028: **13.3m @ 1.3% Li2O** from 300.2m (including an interval of **3.7m @ 2.1% $Li_2O$**) and 5.7m @ 1.4% $Li_2O$ from 194.3m.
- DDH975-22-029: **11.1m @ 1.2% $Li_2O$** from 146.3m (including **2.5m @ 2.6% $Li_2O$**), 3.6m @ 1.4% $Li_2O$ from 65.6m & 6.3m @ 1.0%

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$Li_2O$ from 94.9m

- DDH975-22-032: **5.5m @ 1.4% $Li_2O$** from 178.7m & 5.9m @ 1.0% $Li_2O$ from 262.0m
- DDH975-22-026: 3.3m @ 2.8% $Li_2O$ from 107m (including 1.0m @ 5.0% $Li_2O$) & 4.2m @ 0.9% $Li_2O$ from 124.4m

These results confirm Pontax Central as a sub-vertically dipping spodumene-bearing pegmatite swarm with multiple pegmatite dykes over a 75m wide zone. Individual pegmatite dykes returned up to 16.5m intersections, with multiple pegmatites intercepted in each drill hole. In drill hole 975-22-027, multiple intersections returned a cumulative thickness of 36.3m of spodumene bearing pegmatite, while 975-22-028 returned a cumulative thickness of 27.1m.

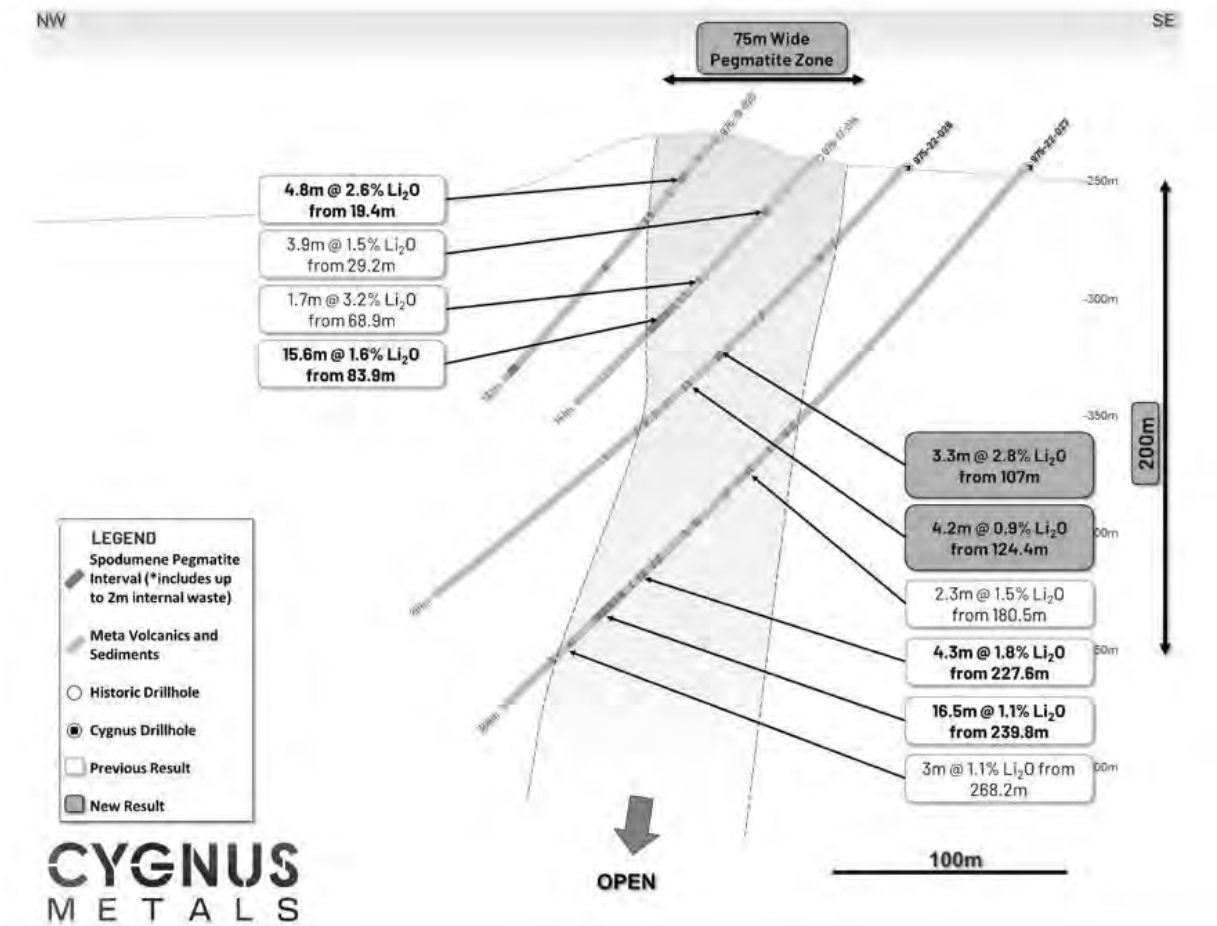



*Figure 4: Cross section though Pontax Central looking towards the NE, showing both shallow historic drillholes and the recent deeper drillholes completed by Cygnus. Observed geology illustrating multiple spodumene-bearing pegmatites focussed over a 75m wide zone. The recent drilling is the deepest drilling on the project to date stepping out over 100m from existing drilling with mineralisation remaining open in all directions.*

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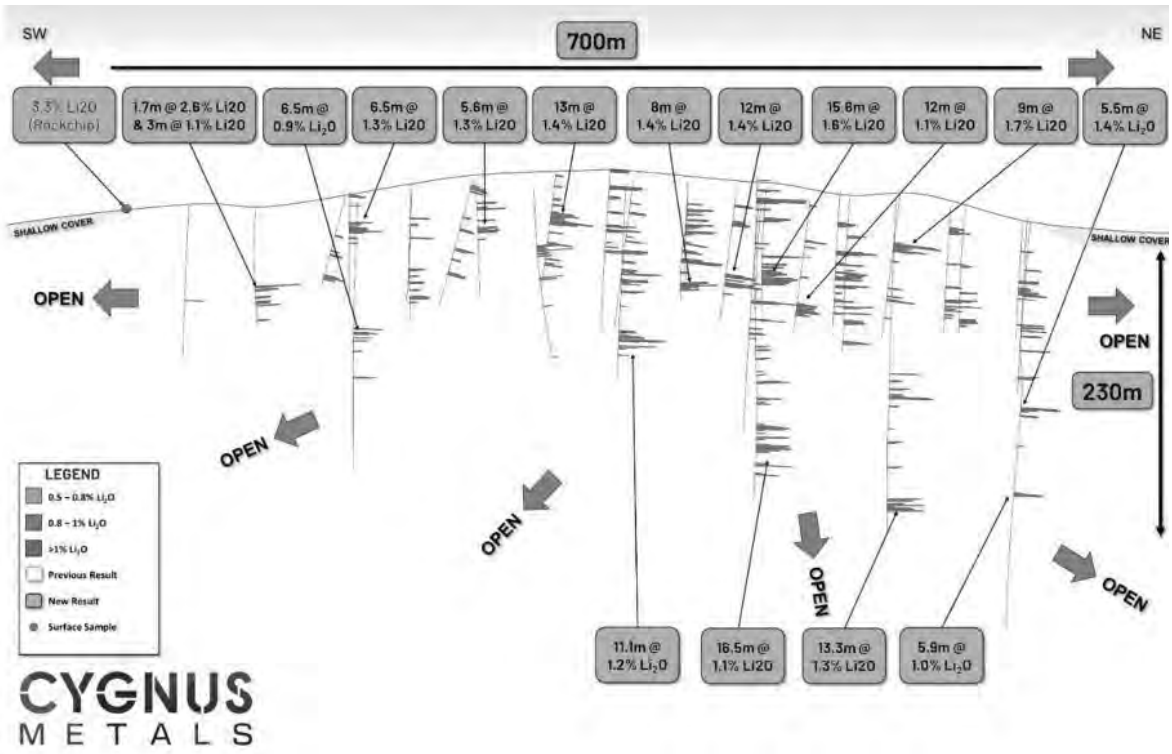



*Figure 5. Longsection view through Pontax Central showing mineralisation is open in all directions with recent significant intersections up to 11.1m @ 1.1% $Li_2O$. All mineralisation sits within 230m of surface.*

**2023 DRILL PROGRAM**

Ongoing resource definition drilling at Pontax is systematically exploring Pontax Central on 100m spaced sections, extending the known mineralisation at depth and along strike. The program has recently been expanded to 15,000m to facilitate both ongoing resource drilling as well as step out and discovery focused drilling along strike of Pontax Central. Multiple rigs are now on site to continue this aggressive exploration strategy which aims to establish a maiden resource by mid-2023.

## PONTAX EXTENSIONS (OPTION TO EARN UP TO 100% CY5)

Cygnus significantly increased its land position at the Pontax Lithium Project to 180km², through two separate land acquisitions, the first in September 2022 and the second in February 2023.

In September 2022, the Company acquired additional ground adjacent and along strike to the Pontax Lithium Project with the entire project covering an additional 30km of strike along the highly prospective Chambois Greenstone Belt. This ground is host to known LCT pegmatites with limited historical rock chip sampling returning high grades of up to 2.8% $Li_2O$ and 524ppm tantalum ($Ta_2O_5$) (refer release dated 27 September 2022).

High grade tantalum in pegmatite rock chips is highly significant, indicating enrichment in incompatible elements which are likely to include lithium and caesium, part of the diagnostic signature elements of LCT pegmatites. These rock chip results are significant for the regional potential of the project with LCT pegmatites identified over an area of at least 20km of strike length, with no follow up work completed. This is highly encouraging for the exploration team as they continue the first systematic exploration of Pontax.

Cygnus signed two option agreements:

1. With MegaWatt Lithium and Battery Minerals Corp (“MegaWatt”) (“MegaWatt Option Agreement”) - Under the terms of the MegaWatt Option Agreement, Cygnus is granted an exclusive option to acquire an 80% interest in the 40 mining claims known as the Route 381 Project and an additional 229 claims known as the Mitsumis project located in Quebec, Canada.
2. With 9219-8845 QC. INC. (Canadian Mining House) (“CMH”) (“CMH Option Agreement”). Under the terms of the CMH

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Option Agreement, Cygnus is granted an exclusive option to acquire a 100% interest in the 166 mining claims known as the Pontax Extension Property located in Quebec, Canada ("CMH Projects").

In February 2023, Cygnus signed an agreement for a third land acquisition surrounding Pontax.

The additional land, comprising 70 individual claims covering 40km², was acquired from TSXV-listed Sirios Resources Inc. ("Sirios") and sits immediately north-east of, and adjacent to, Cygnus' Pontax Project. The acquisition provides Cygnus a further ~9km of continuous strike length (now 20km continuous) of the highly prospective Chambois Greenstone Belt which hosts the spodumene-bearing pegmatites at Pontax, taking the Company's total strike length to ~44km.

Exploration by previous explorers has focused on silver-lead-zinc anomalies to the south-east of the greenstone belt with no lithium exploration recorded on the property.

As with the Pontax project area, much of the newly acquired property is covered by shallow glacial cover and thick vegetation with very little outcrop. This is particularly notable along the trend of the greenstone belt and provides potential for utilising modern geophysics to target pegmatites under cover. An initial program planned for Spring 2023 comprising magnetics and LiDAR will be carried out to assist with regional targeting and follow up reconnaissance mapping.

Refer to the Corporate Section for full details of the transactions.

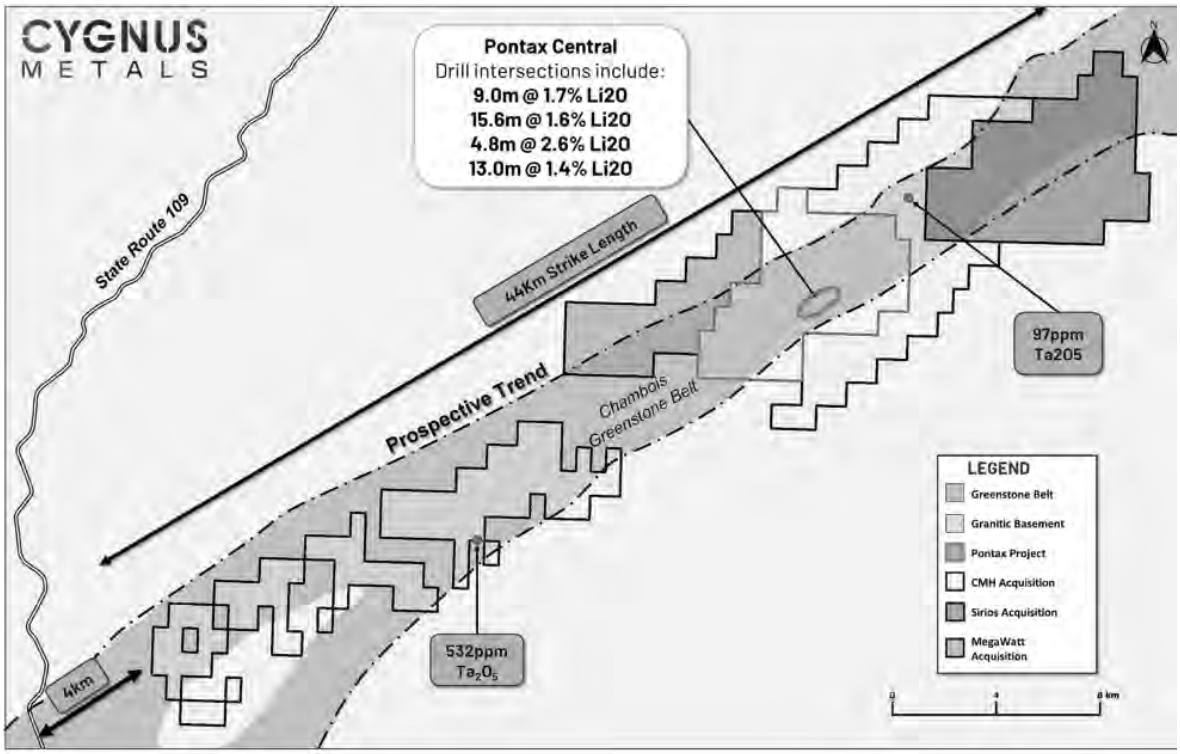



*Figure 6: Showing acquisitions around Pontax, increasing strike length of project to 44km²*

## MITSUMIS LITHIUM PROJECTS ACQUISITIONS (OPTION TO EARN UP TO 80% CY5)

As part of the same transaction with MegaWatt, the Company also has the right to earn up to 80% in the Mitsumis Project.

The 121km² Mitsumis Project is just 12km from the 34Mt @ 0.9% $Li_2O$ Rose Deposit, currently in feasibility with Critical Elements Lithium (TSXV:CRE) and is underexplored with only minor amounts of mapping and sampling. Given the proximity to Rose, the comparable geology and the lack of exploration to date there is high potential for similar style LCT pegmatite mineralisation within the Mitsumis Project.





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# EXPLORATION - AUSTRALIA

Cygnus Metals' Australian exploration activities are also focused in the Southwest Terrane (SWT), an underexplored region of highly prospective geology within the prolific Yilgarn Craton, Western Australia.

The Company has approximately 1,750km² (100% Cygnus) granted tenements covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralisation.

Cygnus continued exploration on priority tenure prospective for lithium as well as gold, nickel, copper and PGE's during 2022.

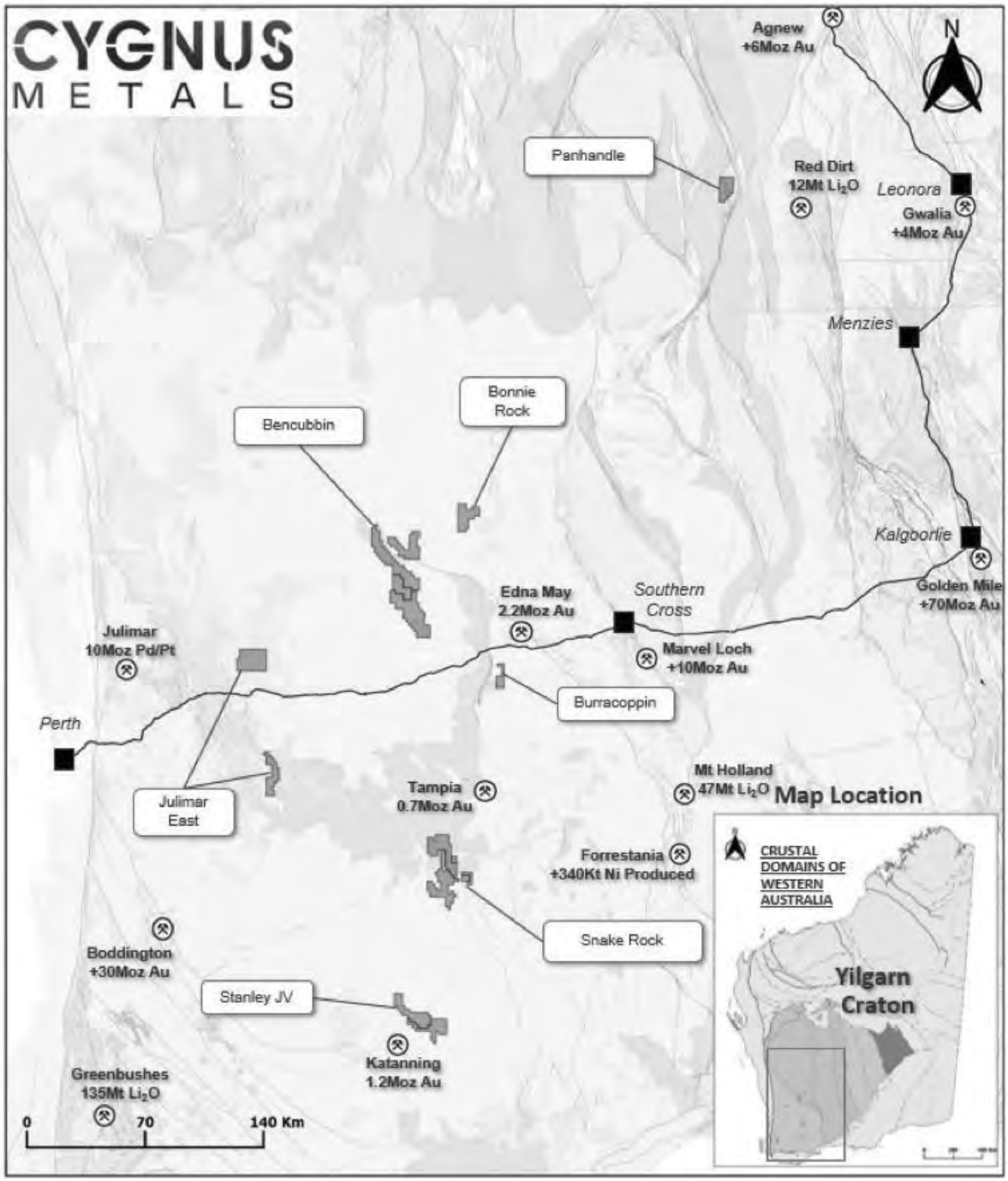



*Figure 7: Cygnus current Australian tenure with background geology from GSWA mapped regional geology (1:500,000) (December QR)*

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## BENCUBBIN PROJECT (100% CY5)

The ~800km² Bencubbin Project is located ~220km northeast of Perth and covers the Bencubbin Greenstone Belt, an underexplored greenstone sequence extending for over 70km of strike, and up to 5km in width. Greenstone belts such as Bencubbin are highly prospective for LCT pegmatites around late granitoid intrusions, many of which have recently been identified in the newly flown airborne magnetics.

An extensive and significant auger geochemical pathfinder anomaly with elevated Li, Ta and Nb, typically associated with LCT pegmatite mineralisation, has been identified in the project auger data. Peak values in the auger returned values up to 152 ppm $Li_2O$, 55 ppm $Ta_2O_5$ and 152 ppm $Nb_2O_5$, with two large coherent anomalies defined over 2.2km of strike, both proximal to late granite intrusions (refer ASX release dated 30 May 2022). These values are comparable to soil signatures over major lithium deposits in the southwestern regolith environment including Greenbushes Lithium mine with up to 100ppm Li and 75ppm Nb recorded in the pisolitic laterite[5]. Both significant areas of anomalism are open to the north while there is no existing geochemistry surrounding some of the other late granite intrusions.

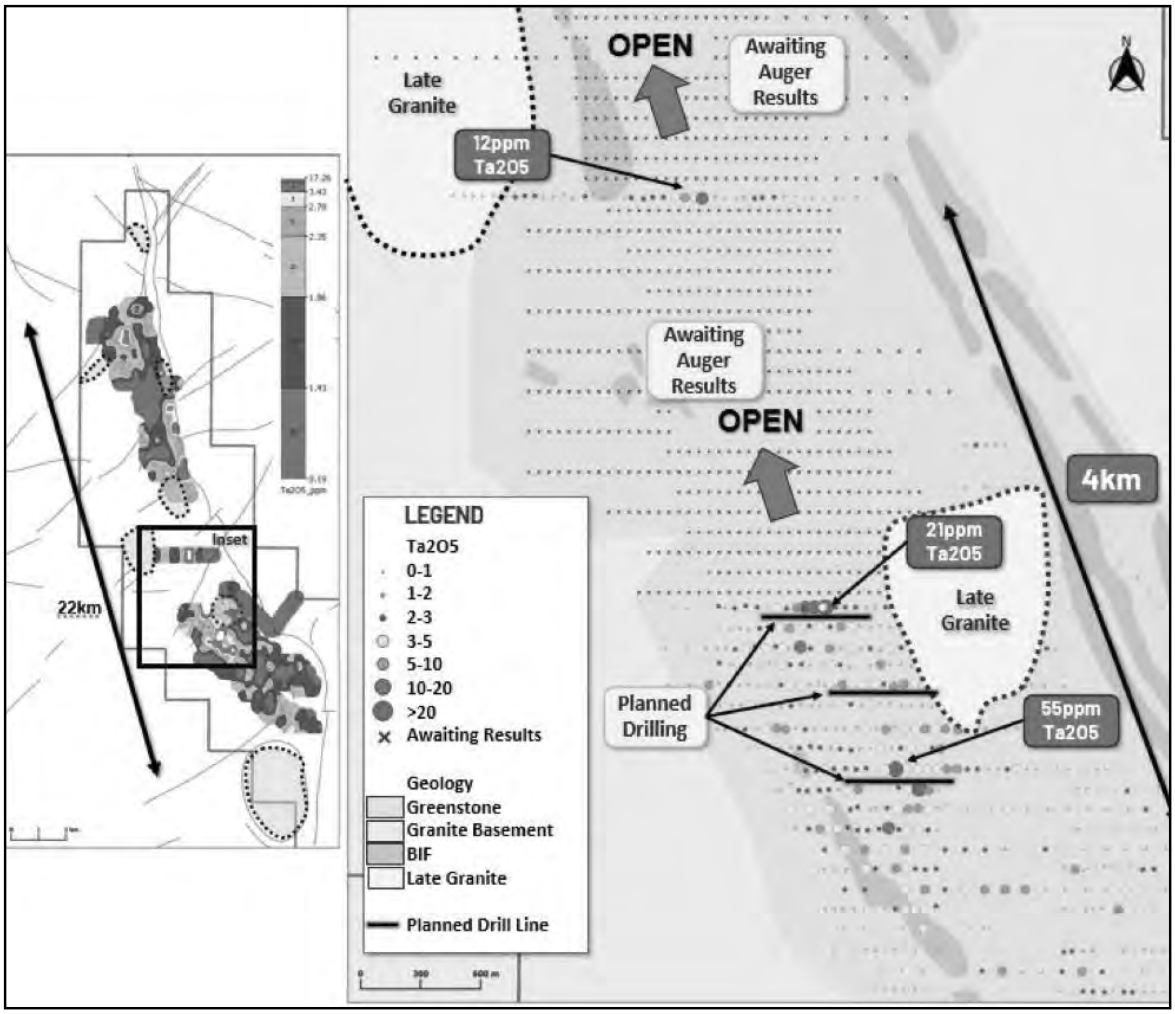



*Figure 8: Right - Significant $Ta_2O_5$ anomalism over 4km which remains open along strike to the north. Planned RC drilling over signifcant $Ta_2O_5$ anomalsim surrounding late granite intrusion. Left – Multiple anomolies along 22km long Bencubbin Greenstone Belt[4]*

### CURRENT EXPLORATION AND NEXT STEPS

An initial phase of auger geochemistry has commenced at 50m spaced samples and 100m spaced lines to infill the existing wide spaced anomalism which is currently on 100m spaced samples and 200m spaced lines where it has been completed. This spacing is considered broad when looking to define LCT pegmatite mineralisation, with many of the elements having minimal dispersion. Sampling aims to tighten the geochemistry and refine the anomaly ahead of drill testing in the summer drill season. This phase of auger geochemistry was completed having been delayed several times due to inclement weather over the winter period.

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A secondary phase of auger was completed in December to test the southern anomaly where a significant 2km long LCT pathfinder anomaly has been defined with values of up to 55ppm $Ta_2O_5$ (refer ASX release dated 30 May 2022). This area is an open 4km area along strike of the existing trend however it has been under crop for the exploration period and was sampled when access was granted. RC drill lines are planned on a 500m spacing to test the bedrock around late granite intrusions. Results from the additional auger are expected prior to drilling and results will be integrated into further step-out drill lines.

## SNAKE ROCK PROJECT (100% CY5)

The Snake Rock Project (E70/4911, E70/5098 & E70/4990) is located 230km east of Perth, Western Australia in the Yilgarn Craton, south-west terrane. The project covers 448km² of an area considered highly prospective for Ni, Cu and PGEs; covering the south eastern extent of the same mobile belt which hosts the Julimar Ni-Cu-PGE discovery (ASX:CHN). The project is also prospective for gold mineralisation, located just 30km south west and along the same structural lineament as the 700Koz Tampia gold deposit (ASX:RMS).

In May 2022, Cygnus completed a 19-hole air core programme designed to test a distinct gravity anomaly defined through ground gravity completed in 2018. The programme has successfully defined prospective mafic to intermediate lithologies with 11 out of the 19 holes intersecting a medium to coarse grained mafic gneiss and granodiorite at bottom of hole.

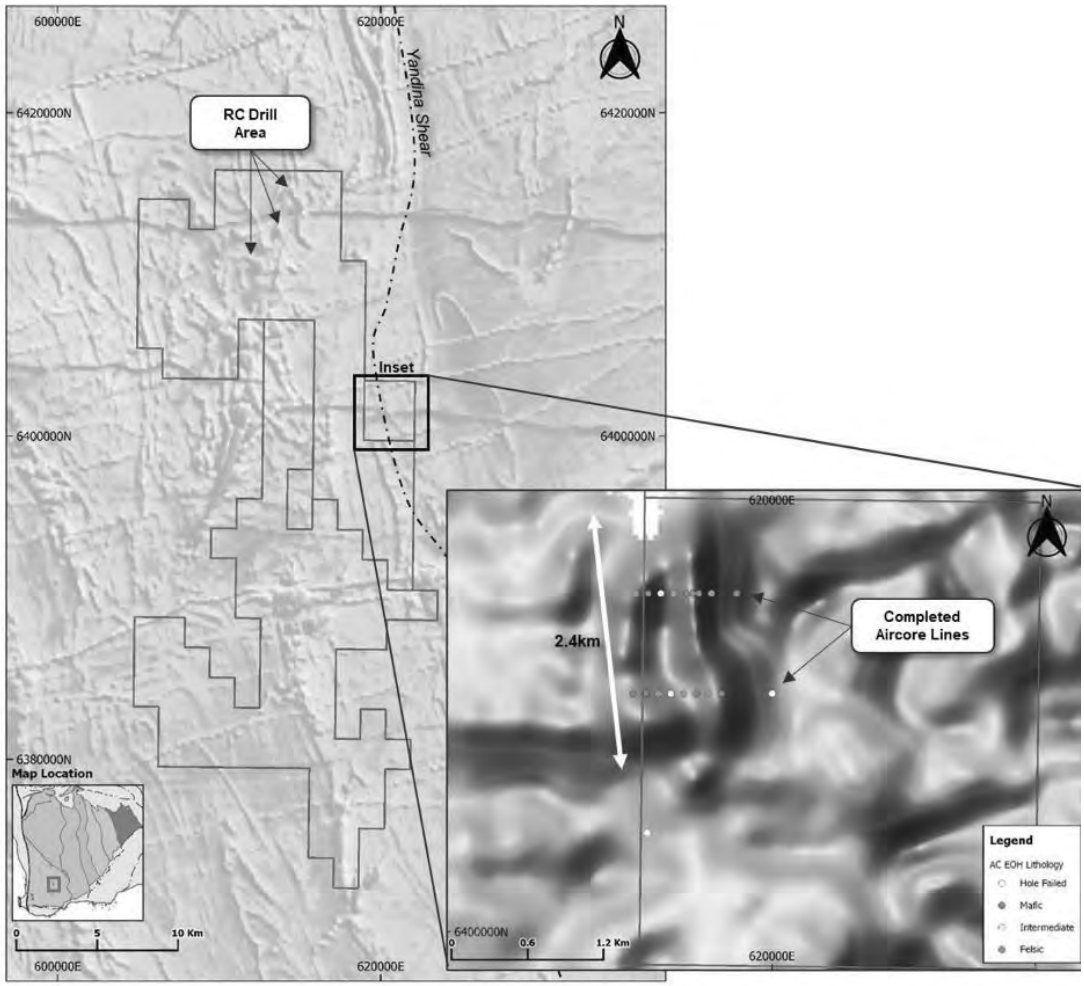



*Figure 9: Map of the Snake Rock Project (E70/4911, E70/5098 & E70/4990). Inset on right showing location of completed AC holes on both E70/4990 and E70/4911 with bottom of hole geology*

In July 2022, the Company completed a seven-hole reverse circulation (RC) drill programme for 776m which has since been followed up by a 91m diamond tail on SRRCDD0007. This drilling targeted areas of high magnetism, analogous to the geophysical signature of the prospective ultramafic lithology on the adjacent tenure, being targeted by Sultan Resources (ASX:SLZ).

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Project-wide exploration to assist in targeting has been completed which has consisted of roadside gravity traverses with roadside sampling to be completed in 2023. The gravity traverses were completed during the year to assess the distribution of dense ultramafic lithologies to further prioritise drilling areas. Ground magnetics was completed over prospective targets and magnetic modelling completed by Southern Geoscience consultants.

**DRILLING RESULTS**

All drill holes successfully intersected mafic to ultramafic lithologies with a significant 74.5m wide zone with 0.15g/t gold and 0.1% copper intersected in SRRCDD0007. Significant intervals within the 74.5m zone include (refer ASX release dated 31 January 2023):

- 6.2m @ 0.7 g/t Au & 0.3% Cu including 0.6m @ 2.7g/t Au & 0.6% Cu
- 3.0m @ 1.1 g/t Au & 0.4%Cu including 0.5m @ 2.6g/t Au & 0.3% Cu

Significantly, these zones of mineralisation are coincident with highly elevated pathfinder elements for intrusion related gold which includes tellurium up to 21ppm and bismuth up to 32ppm. The mineralisation is hosted within a differentiated gabbro with abundant magnetite and garnet alteration, with the magnetite providing a valuable vector in utilising the existing magnetic data for ongoing targeting. With only seven holes completed across more than 8km of strike over similar magnetic and gravity targets, the area remains totally underexplored.

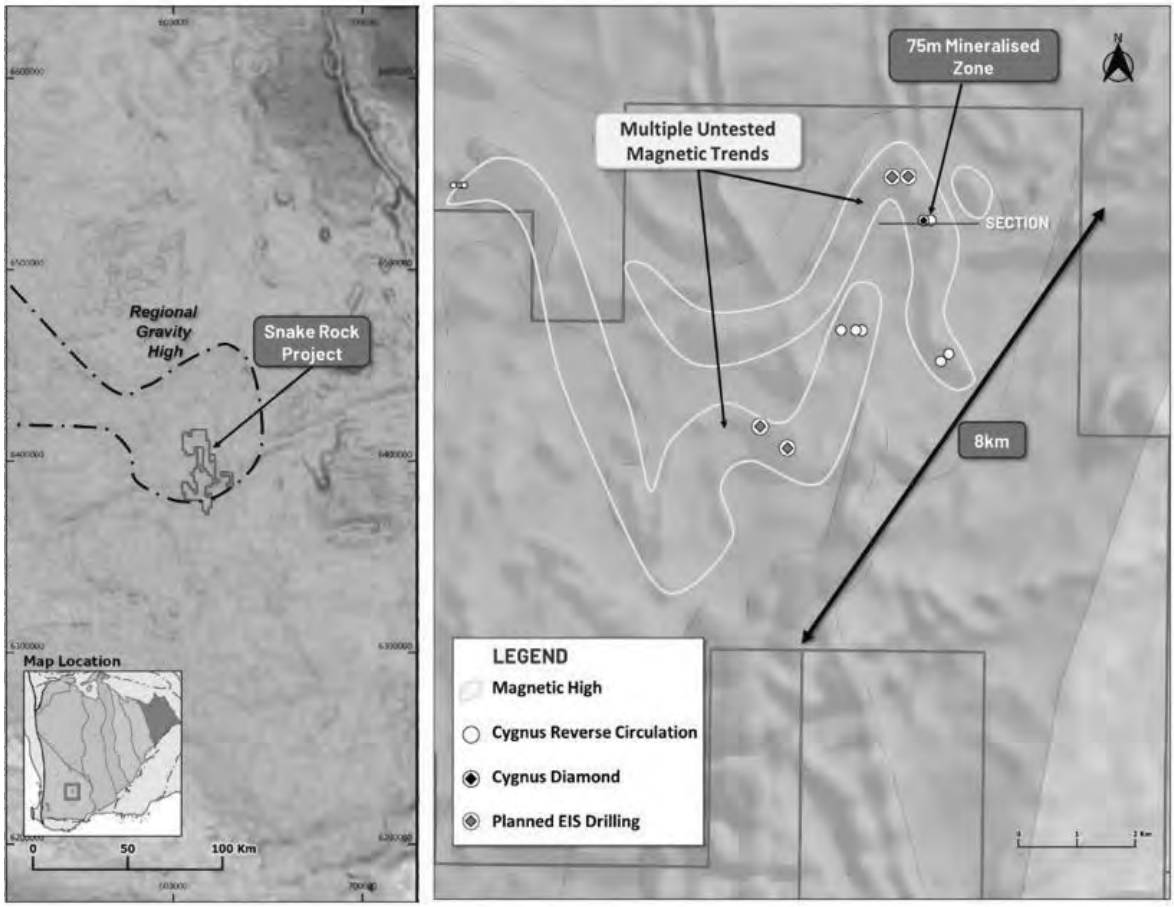



*Figure 10: Location of drilling at Snake Rock Project with significant scale magnetic and gravity anomalies over 8km of strike. Map on the left showing background GSWA regional gravity*

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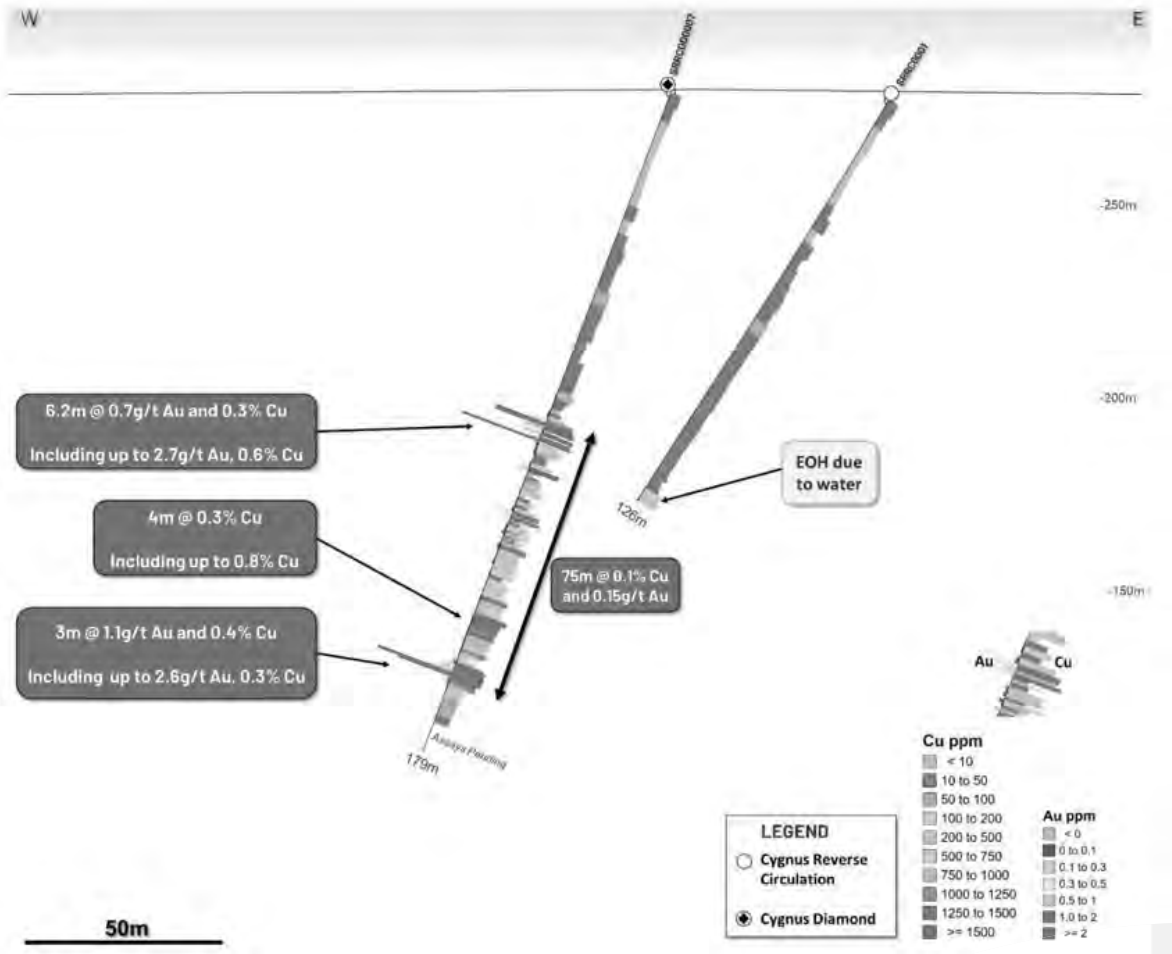



*Figure 11: 74.5m mineralised zone with up to 2.7g/t gold and 0.8% copper in SRRCDD0007. Elevated gold intersections associated with high tellurium and bismuth. Reverse circulation hole to the east had to be abandoned due to excessive water[4]*

**ONGOING EXPLORATION**

The initial round of drilling demonstrates that Snake Rock Project is highly prospective for copper-gold as well as ultramafic hosted Ni, Cu and PGEs. With the lack of exploration and the significance of recent results, follow up exploration has been planned for early 2023. This will include DHEM on SRRCDD0007 and further geophysical testing on both the core and the surrounding tenement area. A six-hole RC program testing further magnetic and gravity targets is scheduled to be completed in early 2023 which is expected to be co-funded by the West Australian Government Exploration Initiative Scheme.

## PANHANDLE PROJECT (100% CY5)

Cygnus Metals' E29/1075 (Panhandle Project) is located in the Central Yilgarn Craton, approximately 50km north-west of the Mt Ida lithium deposit (ASX:RDT). The ~100km² Panhandle tenement covers a 13km section of the Panhandle Greenstone Belt (Youanmi Terrane, Yilgarn Craton) where the Company's review of historical exploration has revealed no drilling and limited surface sampling and geophysical surveys.

Assays for the initial rock chip sampling of pegmatite outcrop have confirmed a geochemistry indicative of lithium, caesium, tantalum (LCT) fertile pegmatites. The K:Rb ratio derived from recent assays highlights the prospectivity of the southern pegmatites. The ratio is an indicator of a fractionated pegmatite, the lower the K:RB ratio, the more fractionated and prospective the pegmatites. The occurrence of these fractionated pegmatites in a cluster in the south is highly encouraging for the potential for lithium mineralisation to be associated with these pegmatites. Phase 1 rock chipping of the large area returned results of up to 517ppm $Li_2O$, 78ppm $Ta_2O_5$ and 265ppm $Nb_2O_5$ from pegmatites up to 16m wide at surface refer ASX release dated 31 January 2023). Pegmatites are dominantly trending northeas t with a shallow dip and hosted in basalts and dolerites near a major shear zone, which shows similarities to Red Dirt Metals' (ASX:RDT) Mt Ida Lithium Deposit.



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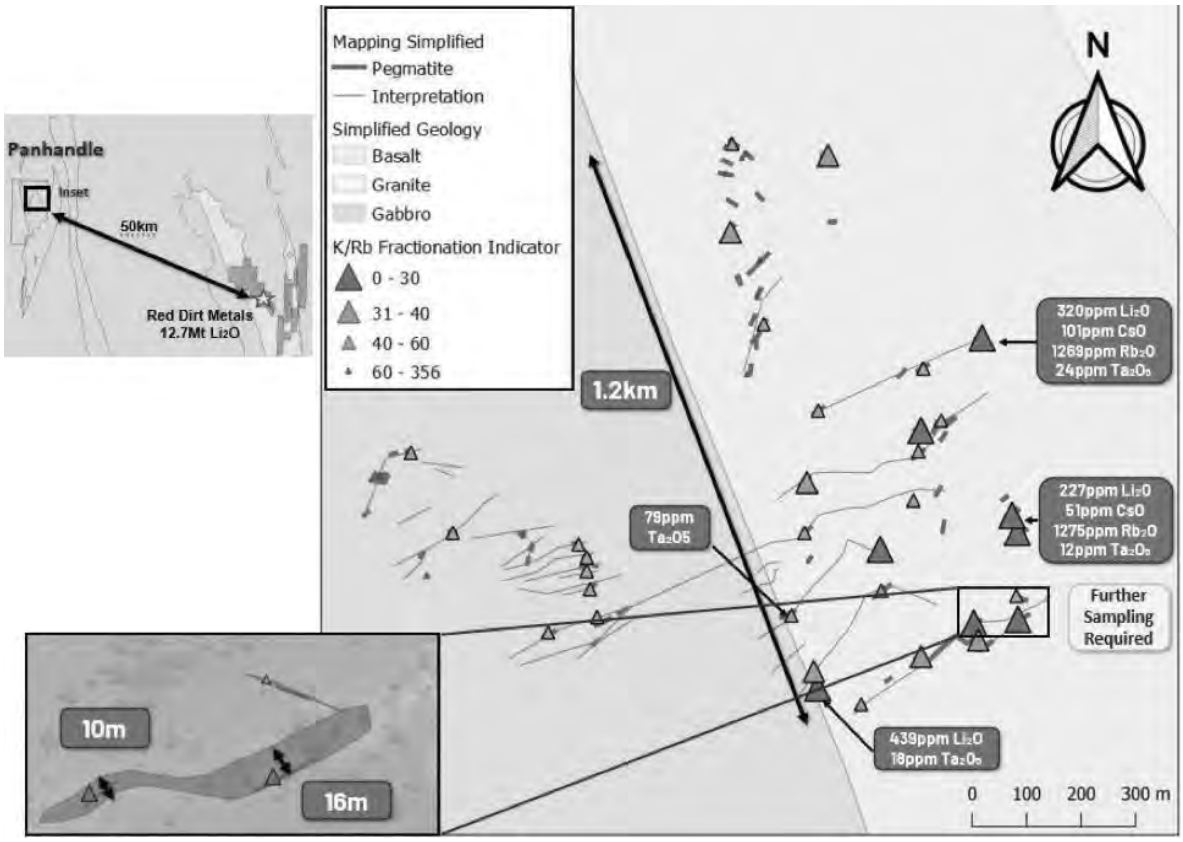



*Figure 12: Cygnus' Panhandle project interpreted geology with inset of recent pegmatite mapping and sampling points[4]. The K/Rb ratio is an indicator of a fractionated pegmatites, the lower the K:RB ratio, the more fractionated and prospective the pegmatites. Bottom left image shows thicknesses at surface indicating further sampling required.*

**EXPLORATION PLANS**

Follow-up rock chipping and mapping in the south-eastern target area is planned for 2023 to further delineate the prospective trends and to test the strike and width of these pegmatites which are up to 16m wide at the surface in currently mapped areas. A heritage survey has been completed which will accommodate a follow up drilling program from the most prospective areas.

## JULIMAR EAST PROJECT (100% CY5)

The Julimar East Project is made up of two tenements, Culbarting (E70/5492) and Mackie (E70/5397) for a combined 325km² located in the highly prospective Julimar district. The tenements, like Chalice Mining's (ASX:CHN) Julimar discovery, sit on the margin of the Jimperding metamorphic belt and are adjacent to Anglo-American's significant ground holding of >10,000km² picked up in 2020 following the Julimar discovery.

On both tenements, magnetic and gravity anomalies considered prospective for nickel sulphide mineralisation have been identified, analogous to Julimar's Ni-Cu-PGE discovery within the Southwest Terrane.

Recently completed 1km x 100m auger traverses over the 9km long x 2km wide gravity high returned results elevated in Au & PGE's in multiple locations along the edges of the interpreted ultramafic body modelled by Southern Geoscience which sits under a thin veneer of cover. Values up to 23ppb Au, 21ppb Pt, 28ppb Pd & 66ppm Co were returned on geochemical results which indicates potential for ultramafic hosted Ni-Cu-PGE mineralisation (refer ASX release dated 31 January 2023).

**EXPLORATION PLANS**

These recent auger results were part of a wide spaced reconnaissance programme which has successfully defined potential for ultramafic hosted Ni-Cu-PGE mineralisation associated with a significant gravity anomaly. Infill and extensional auger are planned for Q1 this year ahead of potential drill programs based on prospective results. Ongoing work to secure land access is progressing at Mackie while Culbarting remains with historic land access issues.

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## CORPORATE

### NAME CHANGE TO "CYGNUS METALS LIMITED"

The Company's change of name from Cygnus Gold Limited to Cygnus Metals Limited was implemented on 8 February 2023 following official confirmation from the Australian Securities and Investments Commission.

The new name more accurately reflects the diversification of the commodities the Company is now actively exploring, in particular lithium in the James Bay region of Canada.

### PLACEMENTS

*A$3,650,000 Placement*

In July 2022, Cygnus completed a placement to sophisticated and professional investors to raise approximately $3,650,000 (before costs) through the issue of 29,200,000 fully paid ordinary shares in the Company at an issue price of $0.125 per Share.

The Placement excluded participation by directors and management of the Company, who subscribed for a total of 4,240,000 shares at $0.125 each following receipt of approval by shareholders in September 2022.

*C$5,500,000 Placement*

In October 2022, the Company completed another Placement to raise approximately C$5,500,000 (A$6,347,823) through the issue of 8,677,817 fully paid ordinary shares at an issue price of C$0.6338 (A$0.73) per share ("Flow-Through Shares") as Canadian "flow-through shares", which provide tax incentives to those investors for expenditures that qualify as flow-through mining expenditures under the Income Tax Act (Canada). The Flow-Through Shares were issued at a premium to market pursuant to the Canadian flow-through shares regime. The term "flow-through share" is a defined term in the Income Tax Act (Canada) and is not a special type of share under corporate law.

Pursuant to a block trade agreement between PearTree and Canaccord, Canaccord facilitated the secondary sale of the Flow-Through Shares acquired by PearTree clients under the Flow-Through Share Placement to sophisticated and professional investors in Australia and certain other countries by way of a block trade at $0.35 per Placement Share.

A cleansing prospectus under section 713 of the Corporations Act 2001 (Cth) was issued in connection with the Placement to facilitate secondary trading of the Shares the subject of the Placement in November 2022.

The tax benefits associated with the Flow-Through Shares are available only to the original investors (who are Canadian residents) and not to any other person who acquires the Flow-Through Shares through the on-sale or transfer of those Flow-Through Shares.

Given the Directors were not eligible to participate in the Flow-Through Placement and following shareholder approval, the Directors (including David Southam who joined the Company on 1 November 2022) also subscribed for a total of $400,000 worth of shares at the same price as the block trade, being $0.35 per share.

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*A$8,000,000 Placement*

In December 2022, Cygnus completed an additional placement to sophisticated and professional investors to raise approximately $8,000,000 (before costs) through the issue of 18,181,819 fully paid ordinary shares in the Company at an issue price of $0.44 per share.

Funds raised from the Placement will be used for:

- Exploration activities at the Pontax and James Bay Projects in Canada;
- Exploration activities at the Company's Australian projects;
- Acquisition costs and potential corporate activity; and
- General working capital and transaction costs

Canaccord Genuity (Australia) Limited acted as lead manager for the placement and Euroz Hartleys Limited acted as Co-Manager.

## BOARD AND MANAGEMENT CHANGES

*David Southam appointed Managing Director*

In November 2022, David Southam joined the Board of Directors and commenced as Managing Director on 13 February 2023.

Mr Southam's distinguished career as a senior executive of listed resources and industrial companies culminated in his appointment in 2019 as Managing Director of Mincor Resources (ASX: MCR), where he led that Company's highly successful return to the ranks of Australian nickel producers within a three-year period, overseeing a major greenfields discovery, resource definition, the completion of off-take arrangements, feasibility studies, project financing and construction of the Kambalda Nickel Operations, nearly all of which was completed during a global pandemic. During Mr Southam's tenure, the market capitalisation of Mincor increased from circa $70 million to $1 billion.

Importantly, he also has significant experience in battery metals through his non-executive director role at Kidman Resources, which was ultimately acquired by Wesfarmers, and through his work over a decade in the nickel industry.

*Maddison Cramer appointed Joint Company Secretary*

In November 2022, Cygnus appointed Ms Maddison Cramer as a Joint Company Secretary of the Company.

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Ms Cramer is a corporate lawyer with experience in both the listed and unlisted space, advising entities across a variety of different sectors, but with a focus on mining and resources. She recently co-founded boutique corporate services business Belltree Corporate and is currently a company secretary at ASX-listed junior exploration companies AuTECO Minerals Ltd (ASX:AUT), Midas Minerals Ltd (ASX:MM1), Bellavista Resources Ltd (ASX:BVR) and Mitre Mining Limited (ASX:MMC).

Prior to this, Ms Cramer was Joint Company Secretary at ASX300 Bellevue Gold Limited (ASX:BGL) and was an Associate at Bellanhouse Legal and HWL Ebsworth Lawyers. Ms Cramer specialises in corporate and commercial transactions, including capital raisings, IPOs and backdoor listings, and corporate governance issues.

***Carl Travaglini appointed Chief Financial Officer and Joint Company Secretary***

Carl Travaglini was appointed Chief Financial Officer and Joint Company Secretary on 1 February 2023.

Mr Travaglini is a Chartered Accountant and Chartered Company Secretary with over 14 years' experience in the resources sector, having served in various finance and company secretarial roles in Australia, Canada and Africa. Mr Travaglini is currently Chief Financial Officer of Bellavista Resources Limited (ASX: BVR) and Midas Minerals Limited (ASX: MM1).

Before joining Cygnus, Mr Travaglini worked for and assisted a number of publicly listed lithium and gold companies through exploration, project development and production phases. Prior to that, he worked in assurance services. Mr Travaglini brings extensive experience in financial reporting, corporate governance and risk management.

***Former SQM Chief Exploration Geologist Gareth Reynolds and WA lithium expert Mark Calderwood join Cygnus***

During the year Cygnus also appointed two highly experienced lithium experts to help drive the exploration and development strategy at its Pontax Lithium Project in James Bay, Canada.

Gareth Reynolds was appointed as Head of Business Development and Mark Calderwood as Board Advisor.

Mr Reynolds is a geologist with more than 18 years' experience having held senior positions at major lithium projects including Bald Hill, Wodgina and Mt Marion Lithium Projects.

His previous roles include Chief Exploration Geologist for Sociedad Química y Minera (SQM) identifying and assessing lithium projects for acquisition in Western Australia and abroad; Exploration Manager for Tawana Resources undertaking a lead role in the development and implementation of the exploration program which defined the 26MT+ lithium deposit at Bald Hill; and Senior Geologist for Mineral Resources where he undertook management and supervision of the resource definition program at Mt Mario n and early-stage exploration at Wodgina.

Mr Calderwood has more than 30 years' experience in exploration and production. He has played key roles in the discovery of sever al world-class gold deposits including Edikan (Perseus), Kibali (Barrick-AGA) and Tarmoola (King of the Hills) in Western Australia.

His previous roles include Chief Executive of Perseus Mining, where he led the Company from a micro-cap explorer to a $1.6B, ASX-100 gold producer. Mr Calderwood also has significant experience with lithium exploration and mine development and is a co-autho r of a guidebook to the pegmatites of Western Australia.

## TRANSACTION DETAILS - PONTAX LITHIUM PROJECT

In July 2022 Cygnus entered into a binding term sheet to acquire up to 70% of the Pontax Lithium Project from Strian Lithium Inc (TSX-V: SRA) ("Stria").

The key acquisition terms are as follows:

- A payment of C$1,000,000 to be made to Stria within five days of signing.
- Cygnus may earn an initial 51% interest in the Project ("Stage 1 Earn-In") by:
  - expending C$4,000,000 on exploration over an 18-month period; and
  - making a cash payment to Stria of C$2,000,000 at the end of the Stage 1 Earn-in period.
- Cygnus may earn a further 19% interest in the Project ("Stage 2 Earn-In") by:
  - expending C$6,000,000 on exploration in the 30-month period commencing on the date that Cygnus satisfies the Stage 1 Earn-in; and
  - making a cash payment to Stria of C$3,000,000.
- A Joint Operation will be formed on the earlier of:

- the end of the Stage 2 Earn-in period; and
- the date that Cygnus withdraws from the Stage 2 Earn-in (if it elects to do so).

- Subject to Cygnus completing the Stage 2 Earn-in and formation of the Joint Operation, Cygnus will free carry Stria's remaining 30% interest through to completion of a Feasibility Study. Following the free carry period, Cygnus and Stria must each fund all expenditure under the Joint Operation on a pro-rata basis in proportion to their respective interest in the Joint Operation from time to time.
- Cygnus shall be reimbursed for Stria's 30% proportionate share of the cost of any Joint Operation activities undertaken or incurred during the free carry period (that has been funded by Cygnus) out of cash flows generated from production.

In October 2022, Cygnus and Stria completed the formal agreement via an unincorporated joint venture.

**TRANSACTION DETAILS - MEGAWATT PROJECTS**

In September 2022 Cygnus entered into an option agreement with MegaWatt Lithium and Battery Minerals Corp ("MegaWatt") ("MegaWatt Option Agreement"). Under the terms of the MegaWatt Option Agreement, Cygnus is granted an exclusive option to acquire a 51% interest in the 40 mining claims known as the Route 381 Project and an additional 229 claims known as the Mitsumis project located in Quebec, Canada ("MegaWatt Projects"). Following the exercise of the first option, MegaWatt has granted Cygnus the right to acquire an additional 29% interest in the claims.

In order to exercise the first option and acquire the 51% interest in the MegWatt Projects ("First Option"), Cygnus must commit $2,000,000 towards exploration on the MegaWatt Projects, as follows:

- $500,000 of exploration expenditure within the first 12 months of the MegaWatt Option Agreement;
- a further $500,000 of exploration expenditure within the second 12 months of the MegaWatt Option Agreement; and
- a further $1,000,000 of exploration expenditure within the third 12 months of the MegaWatt Option Agreement.

In order to acquire a further 29% interest in the MegaWatt Projects ("Second Option"), Cygnus must:

- pay cash consideration to MegaWatt of $50,000 within 30 days of the satisfaction of the First Option;
- file a NI 43-101 or JORC Code compliant mineral resource estimate which establishes a lithium oxide resource on the Property of at least 5MT with an average grade of not less than 0.8% $Li_2O$ in any resource category as defined in NI43-101 or the JORC Code, by the date which is no later than 5 years from the exercise of the First Option; and
- pay cash consideration to MegaWatt of $1,000,000 within 3 days of filing the above report.

Upon satisfaction of the Second Option, Cygnus will free carry MegaWatt until a feasibility study is successfully announced on the ASX. After the release of the feasibility study, or in the event the Second Option is not exercised by Cygnus, the parties will enter into a formal joint venture agreement in accordance with their participating interests, on standard terms. The Route 381 Project is subject to a 2% net smelter royalty in favour of 9219-8845 QC. INC. (Canadian Mining House).

**TRANSACTION DETAILS - CANADIAN MINING HOUSE PONTAX EXTENSION PROPERTY**

In September 2022 Cygnus entered into an option agreement with 9219-8845 QC. INC. (Canadian Mining House) ("CMH") ("CMH Option Agreement"), pursuant to which Cygnus was granted an exclusive option to acquire a 100% interest in the 166 mining claims known as the Pontax Extension Property located in Quebec, Canada ("CMH Projects").

It was a condition precedent to the CMH Option Agreement that Cygnus obtain shareholder approval to satisfy the option terms. In order to acquire the CMH Projects, Cygnus must:

- make an upfront cash payment of $120,000 and issue approximately 1,946,400 fully paid ordinary shares in the capital of Cygnus (Shares);
- 6 months after receiving shareholder approval (Approval Date), pay a further $75,000 in cash and issue a further 1,217,001 Shares;
- 12 months after the Approval Date, pay a further $75,000 in cash and issue a further 1,217,001 Shares;
- 24 months after the Approval Date, pay a further $30,000 in cash and issue a further 486,801 Shares.

The CMH Projects are subject to a 2% net smelter return royalty in favour of CMH.

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## LISTED INVESTMENTS

The Company has 1,650,000 TSX-V listed shares in unincorporated joint venture partner Stria Lithium Inc ("Stria") which represents approximately 7% of the total issued capital in Stria.

As at 31 December 2022, the value of the investment (based on a closing price of Stria of C$0.215) is $0.4m (2021: Nil).

## CHANGE OF COMPANY ADDRESS

In November 2022, Cygnus's registered address and principal place of business changed to Level 2, 8 Richardson Street, West Perth WA 6005. The Company's telephone number remains the same.

## END NOTES

1. James Bay (40Mt @ 1.4% $Li_2O$) operated by Allkem Ltd (refer to Allkem's ASX Announcement dated 21 December 2021); Whabouchi (55.7Mt @ 1.4% $Li_2O$) operated by Nemaska Lithium Inc (refer to Nemaska Lithium NI 43-101 dated 31 May 2019); Rose (34.2Mt @ 0.9% $Li_2O$) operated by Critical Elements Lithium Corp (refer to Critical Elements' TSX-V Announcement dated 13 June 2022); Abitibi Lithium Hub (119.1Mt @ 1.1% $Li_2O$) operated by Sayona Mining Limited/Piedmont Lithium Inc (refer to Sayona Mining's Annual Report ASX Release dated 13 October 2022); Moblan (16.1Mt @ 1.4% $Li_2O$) operated by Sayona Mining/ SOQUEM Inc (refer to Sayona Mining's ASX Presentation dated 27 May 2022).
2. Refer to Cygnus' ASX announcements dated 29 July 2022, 27 September 2022, 18 January 2023, 14 February 2023 and 21 March 2023.
3. In relation to the disclosure of visual intersections of pegmatite and spodumene, the Company cautions that visual intersections should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to confirm the widths and grade of visual intersections of pegmatite reported in the preliminary geological logging. The Company will update the market when laboratory analytical results become available.
4. Refer to Cygnus' ASX announcements dated 31 January 2023.
5. Refer to scientific paper 'Recent pegmatite-hosted spodumene discoveries in Western Australia: insights for lithium exploration in Australia and globally written by Zoe Phelps-Barber, Allan Trench & David I. Groves. Paper available at: https://www.tandfonline.com/doi/=fll/10.1080/25726838.2022.2065450?scroll=top&needAccess=true

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The Directors of Cygnus Metals Limited ("Cygnus" or the "Company") (formerly Cygnus Gold Limited) and the entities controlled ("Group") present their report, together with the financial statements for the year ended 31 December 2022.

**DIRECTORS**

The names and details of the Group's directors in office during the financial year and until the date of this report (unless otherwise stated) are as follows:

| RAYMOND SHORROCKS | |
|---|---|
| Position | Non-Executive Chairman |
| Qualifications | BA (Hons), MBA (Finance) |
| Appointment date | 25 May 2022, previously appointed Non-Executive Director on 30 June 2020 and Executive Chairman on 8 November 2021 |
| Resignation date | N/A |
| Length of service | 2 years 9 months |
| Biography | Ray Shorrocks has over 28 years' experience working in the investment banking industry. He is highly conversant and experienced in all areas of mergers and acquisitions and equity capital markets, including a significant track record of transactions in the metals and mining sectors. He was previously Chairman of ASX listed Bellevue Gold Limited and Republic Gold Limited.<br><br>Mr Shorrocks is Executive Chairman of AuTECO Minerals Limited and Non-Executive Chairman of Alicanto Minerals Limited, Galilee Energy Limited and a number of private companies. Mr Shorrocks is former Director and Head of the Corporate Finance department of a major Australian investment services company based in Sydney. |
| Current ASX listed directorships | AuTECO Minerals Limited – January 2020 to present<br>Galilee Energy Limited – December 2013 to present<br>HCD Limited – January 2016 to present<br>Alicanto Minerals Limited – August 2020 to present<br>Mitre Mining Corporation Limited – February 2023 to present |
| Former ASX listed directorships in the last three years | None |
| DAVID SOUTHAM | |
| Position | Managing Director |
| Qualifications | B.Comm, CPA, MAICD |
| Appointment date | 13 February 2023, previously appointed Non-Executive Director on 1 November 2022 |
| Resignation date | N/A |
| Length of service | 5 months |
| Biography | Mr Southam is a CPA with more than 30 years' experience in accounting, operations, capital markets and finance across the resources and industrial sectors. He was previously Managing Director of Mincor Resources NL. Prior to Mincor, David was Executive Director of ASX200 nickel company Western Areas Limited and has held senior executive roles within Brambles Group, ANZ Investment Bank and WMC Resources. David is currently a non-executive director of Ramelius Resources Ltd. |
| Current ASX listed directorships | Ramelius Resources Ltd – July 2018 to present |
| Former ASX listed directorships in the last three years | Mincor Resources NL – February 2019 to August 2022 |

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| MICHAEL NAYLOR | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | B.Com, CA |
| Appointment date | 1 March 2023, previously appointed Executive Director on 25 May 2022. |
| Resignation date | N/A |
| Length of service | 1 year 4 months |
| Biography | Mr Naylor has 25 years' experience in corporate advisory and public company management since commencing his career and qualifying as a Chartered Accountant with Ernst & Young. He has been involved in the financial management of mineral and resources focused public companies, serving on both the Board and Executive Management Team. He has significant experience in focusing on advancing and developing mineral resource assets and business development.<br>Michael has worked in Australia and Canada and has extensive experience in financial reporting, capital raisings, debt financings and treasury management of resource companies. |
| Current ASX listed directorships | Bellevue Gold Limited – July 2018 to present<br>AuTECO Minerals Limited – November 2018 to present<br>Midas Minerals Limited – June 2018 to present<br>Bellavista Resources Ltd – March 2023 to present |
| Former ASX listed directorships in the last three years | None |

| MICHAEL BOHM | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | B.AppSc (Mining Eng), MAusIMM, MAICD |
| Appointment date | 8 November 2021, previously appointed Non-Executive Chairman on 30 September 2016 |
| Resignation date | N/A |
| Length of service | 6 years 6 months |
| Biography | 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.<br><br>Mr Bohm currently serves as a Director of a number of ASX-listed companies and sits on their Audit Risk and Sustainability Committees and Chairs their Remuneration Committees. Prior to this, he has held a number of directorships including those with Perseus Mining Limited, Argyle Diamonds Mines, Sally Malay Mining Limited and Ashton Mining of Canada. |
| Current ASX listed directorships | Mincor Resources Limited – January 2017 to present<br>Riedel Resources Limited – December 2020 to present |
| Former ASX listed directorships in the last three years | Ramelius Resources Limited – November 2012 to May 2022 |

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| SHAUN HARDCASTLE | |
|---|---|
| Position | Non-Executive Director |
| Qualifications | LLB, BA |
| Appointment date | 30 June 2020 |
| Resignation date | N/A |
| Length of service | 2 years 10 months |
| Biography | Mr Hardcastle has over 15 years' experience as a corporate lawyer and extensive experience in corporate governance, risk management and compliance. He has been involved in a broad range of cross border and domestic transactions including equity capital markets, mergers & acquisitions, corporate governance and project finance. Mr Hardcastle has practised law both in Australia and overseas and currently works as a Partner with Hamilton Locke. He graduated from the University of Western Australia in 2005 with a Bachelor of Laws and Bachelor of Arts. |
| Current ASX listed directorships | Rare X Limited – December 2017 to present |
| Former ASX listed directorships in the last three years | Hawkstone Mining Ltd – February 2015 to July 2020<br>Schrole Group Ltd – October 2017 to May 2021 |
| SIMON JACKSON | |
| Position | Non-Executive Director |
| Qualifications | CA |
| Appointment date | 17 November 2017 |
| Resignation date | 25 May 2022 |
| Length of service | 4 years 6 months |
| Biography | Mr Jackson is a Chartered Accountant with over 30 years' experience in the gold industry. He previously held a number of senior executive positions including CEO of Kopore Metals Limited, CEO of Beadell Resources and President and CEO of TSXV-listed Orca Gold Inc, which recently announced it is being acquired by Perseus Mining.<br><br>From 1999 to 2010, he was an integral part of the senior management team at Red Back Mining Inc, which grew from a small West Perth-based junior to a TSX-listed intermediate producer that was taken over by Kinross Gold Corp in 2010. Mr Jackson's career includes corporate transactions and equity financings involving assets in Australia, Africa, Asia and South America. |

**INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY**

As at the date of this report, the interests of the directors in the shares (direct and indirect) of the Company were:

| Director | Ordinary shares | Unlisted options | Unlisted performance rights |
|---|---|---|---|
| Mr Ray Shorrocks | 3,258,449 | 5,500,000 | 1,000,000 |
| Mr David Southam | 285,715 | - | 18,000,000 |
| Mr Michael Naylor | 7,158,894 | 4,250,000 | 8,000,000 |
| Mr Michael Bohm | 6,500,036 | 2,000,000 | - |
| Mr Shaun Hardcastle | 1,415,645 | 2,000,000 | - |

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**COMPANY SECRETARIES**

| MADDISON CRAMER | |
|---|---|
| Qualifications | LLB, BA (Hons) |
| Appointment date | 1 November 2022 |
| Resignation date | N/A |
| Length of service | 5 months |
| Biography | Ms Cramer is a corporate lawyer with experience in both the listed and unlisted space, advising entities across a variety of different sectors, but with a focus on mining and resources. Ms Cramer is currently a company secretary of Bellavista Resources Ltd (ASX: BVR), Midas Minerals Limited (ASX: MM1), Alicanto Minerals Limited (ASX: AQI), AuTECO Minerals Limited (ASX: AUT) and Mitre Mining Corporation Limited (ASX: MMC). |
| CARL TRAVAGLINI | |
| Qualifications | CA, ACG (CS) |
| Appointment date | 1 February 2023 |
| Resignation date | N/A |
| Length of service | 2 months |
| Biography | Mr Travaglini is a Chartered Accountant and Chartered Company Secretary with over 14 years' experience in the resources sector, having served in various finance and company secretarial roles in Australia, Canada and Africa. Mr Travaglini is currently Chief Financial Officer of Bellavista Resources Ltd (ASX: BVR) and Midas Minerals Limited (ASX: MM1). |
| SUSAN FIELD | |
| Qualifications | CA |
| Appointment date | 23 December 2020 |
| Resignation date | 1 February 2023 |
| Length of service | 2 years 1 month |
| Biography | Susan is a Chartered Accountant with 29 years' experience in the corporate sector and in public practice. Since qualifying as a Chartered Accountant with Ernst & Young, Ms Field has worked in several management roles in both the public and private sector. Prior to entering public practice, Ms Field also spent over 11 years in the financial services and retail banking industry where she held various positions in several operational management roles. |
| MICHAEL NAYLOR | |
| Appointment date | 4 October 2016 |
| Resignation date | 1 November 2022 |
| Length of service | 6 years 1 month |

**OPERATING RESULTS**

The Group's consolidated net loss for the year ended 31 December 2022 after providing for income tax amounted to $2,761,228 (2021: $2,081,181).

The loss included the following items:

- Share-based payment of $394,157 (2021: $795,814), refer Note 11.1(b)
- Exploration and evaluation expenditure written off or impaired of $23,879 (2021: $318,162)

**REVIEW OF FINANCIAL POSITION**

The Group held net assets of $17,402,441 as at 31 December 2021 (2021: $3,110,086).

At year end the Group remains well financed with $13,530,678 in cash and cash equivalents (2021: $2,811,336).

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## PRINCIPAL ACTIVITIES

Cygnus is an exploration company that during 2022 changed focus to advancing the Pontax Lithium Project (earning up to 70%), the Mitsumis Lithium Project (earning up to 80%) and the Auclair Lithium Project in the world class James Bay lithium district in Canada, as well as continuing to explore for and advance lithium, gold and base metals deposits in the southwest Yilgarn of Western Australia.

There have been no significant changes in the nature of these activities during the period other than as stated above.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group is committed to:

- exploration of the Group's key assets in the James Bay district of Canada;
- exploration of the Group's assets in the Wheatbelt region of Western Australia; and
- implementing a strategy to seek out further exploration, acquisition and joint venture opportunities.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no changes in the state of affairs of the Group other than those outlined in the Operations Review.

## POST REPORTING DATE EVENTS

### NAME CHANGE

On 8 February 2023, the Company announced that it had changed name from Cygnus Gold Limited to Cygnus Metals Limited to more accurately reflect the diversification of the commodities the Company is now actively exploring.

### PONTAX EXTENSION PROPERTY – SIRIOS RESOURCES INC.

On 17 February 2023, the Company announced that it had entered into an agreement to acquire an additional ~9km of strike on the Chambois Greenstone Belt, which hosts the Company's Pontax Lithium Project, giving the Company a continuous 20km strike length on the prospective greenstone belt. The additional ground will be acquired through an outright purchase from TSXV-listed Sirios Resources Inc. comprising:

- An upfront payment of C$1.2m in cash plus 750,000 fully paid ordinary shares, with 50% of the shares to be subject to voluntary escrow for 12 months.
- Milestone payment 1: The Company must, upon defining a JORC Resource of 4 million tonnes at a minimum grade of 0.8% $Li_2O$ or more, make a further payment of C$1.0 million, plus subject to the receipt of shareholder approval and the milestone being met within 5 years of the date of the agreement, issue 500,000 fully paid ordinary shares.
- Milestone payment 2: The Company must, upon defining a JORC Resource of 6 million tonnes at a minimum grade of 0.8% $Li_2O$ or more, make a further payment of C$2.0 million, plus subject to the receipt of shareholder approval and the milestone being met within 5 years of the date of the agreement, issue 500,000 fully paid ordinary shares.

In the event that shareholders do not approve the Milestone 1 Shares and/or Milestone 2 Shares, Cygnus must pay the equivalent value of the relevant tranche in cash to Sirios based on the 10 day VWAP of Cygnus Shares calculated form the date the relevant milestone was met.

The Sale and Purchase Agreement with Sirios is subject to the following conditions precedent, which the Company expects will be completed shortly:

- The execution of a Deed of Assignment and Assumption with an existing royalty holder (and a related Deed of Hypothec in relation to this royalty). The project has an existing 0.5% net smelter return royalty, with the right to buy back half for C$200,000.
- The execution and delivery of a mutually agreeable Royalty Deed with Sirios for a 1.5% net smelter return royalty payable on base metals and precious metals extracted from the Sirios tenements. Cygnus has the right to buy half the royalty back for C$600,000.

- The execution and delivery of a mutually agreeable Voluntary Restriction Deed in relation to the escrow of the consideration shares.

**AUCLAIR LITHIUM PROJECT – OSISKO DEVELOPMENT CORP.**

On 28 February 2023, the Company announced that it would be acquiring the Auclair Lithium Project in James Bay, Quebec covering 25.5km$^2$ from Osisko Development Corp. Transaction details of the outright purchase include:

- C$247,164.62 in cash or shares, which is for the reimbursement of costs of the exploration licenses.
- 1,000,000 fully paid ordinary shares, subject to 12 months' voluntary escrow.
- Deferred consideration of:
  - C$3,000,000 in shares or cash (at the Company's election) when the Company achieves a JORC Resource of 3 million tonnes at a minimum grade of 1.2% Li2O.
  - C$3,000,000 in shares or cash (at the Company's election) when the Company achieves a JORC Resource of 1Moz Au or greater at a minimum grade of 3 g/t.

The additional gold milestone was inserted by Osisko as the property was previously explored for gold by Osisko. Cygnus remains soley focussed on the exploration for lithium.

**SAKAMI PROJECT AND AUCLAIR EXTENSION PROPERTY – CANADIAN MINING HOUSE**

On 28 March 2023, the Company announced that had entered into option agreements with Canadian Mining House to acquire a 100% interest in the Sakami Project in the La Grande greenstone belt, just 44km west of Patriot Battery Metals' Corvette Project, and the additional ground immediately adjacent to and surrounding the Auclair Project.
The terms of these option agreements are outlined below.

- Sakami Project:
  - Cygnus will be required to pay the Vendors C$300,000 cash payment and 3,450,000 fully paid ordinary shares in Cygnus, in aggregate.
  - The consideration is payable in 4 stages over 3 years, at the election of Cygnus, other than stage 1. Stage 1 comprises of C$75,000 in cash and 1,500,000 Shares (subject to 6 months' voluntary escrow) payable upfront, subject to the receipt of shareholder approval.
  - In addition to the above payments, Cygnus must incur exploration expenditure to the amount of C$1,000,000 within the first 36 months of closing the Option Agreement.
- Beryl Project (surrounding the Auclair Project):
  - Cygnus will be required to pay the Vendors C$395,000 cash payment and 4,000,000 fully paid ordinary shares in Cygnus, in aggregate.
  - The consideration is payable in 4 stages over 3 years, at the election of Cygnus, other than stages 1 and 2. Stage 1 comprises of C$125,000 in cash and 1,500,000 Shares (subject to 6 months' voluntary escrow) payable upfront, subject to the receipt of shareholder approval. Stage 2 comprises C$75,000 and 900,000 shares payable in 12 months, subject to the receipt of shareholder approval.
  - In addition to the above payments, Cygnus must incur exploration expenditure to the amount of CAD$1,000,000 within the first 36 months of closing the Option Agreement.

Cygnus will grant the vendors a 2% net smelter royalty on both the Sakami Project and the Beryl Project. There are no other substantive conditions precedent outstanding and Cygnus expects completion to occur following shareholder approval, which will be sought at the Company's annual general meeting in May 2023.

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**APPOINTMENT OF MANAGING DIRECTOR**

On 4 October 2022 the Company announced the appointment of Mr David Southam as Non-Executive Director from 1 November 2022 and as Managing Director from mid-February 2023. On 13 February 2023 Mr Southam commenced as Managing Director. The material terms of Mr Southam's Managing Director employment contract are:

- Commencement Date: 13 February 2023 on a part-time basis with transition arrangements to move to full-time
- Term / Notice Period: Ongoing term, with termination by the Company of six months and termination by the Managing Director of three months. The Company may terminate the employment without notice in certain circumstances.
- Remuneration: A fixed Total Remuneration Package ("TRP") of $600,000 (Full Time Equivalent), inclusive of superannuation contributions.
- Short Term Incentive Program ("STIP"): Eligible to participate in a STIP of up to 25% of TRP subject to achievement of STIP hurdles.
- Employee Incentives Securities Plan ("EISP"): Eligible to participate in the EISP. The Company agreed to issue 18,000,000 performance rights to Mr Southam which are linked to his commencement in the role as Managing Director on 13 February 2023.
- The Company has also agreed to issue Long Term Incentives to Mr Southam up to 150% of the base salary component of his TRP commencing 1 July 2023.

## ENVIRONMENTAL ISSUES

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The directors have considered the *National Greenhouse and Energy Reporting Act 2007* ('the NGER Act') and at the current stage of exploration and based on the locations of the Group's operations, the directors have determined that the NGER Act will have no effect on the Group for the current or subsequent financial year. The directors will reassess this position as and when the need arises.

No environmental breaches have occurred or have been notified by any Government agencies during the year ended 31 December 2022.

## CORPORATE GOVERNANCE

The directors of Cygnus believe that effective corporate governance improves company performance, enhances corporate social responsibility and benefits all stakeholders. Changes and improvements are made in a substance over form manner, which appropriately reflect the changing circumstances of the company as it grows and evolves. Accordingly, the Board has established a number of practices and policies to ensure that these intentions are met and that all shareholders are fully informed about the affairs of the Group.

The Company reviews all of its corporate governance practices and policies on an annual basis to ensure they are appropriate for the Company's current stage of exploration. This year, the review was made against the new ASX Corporate Governance Council's Principles and Recommendations (4th edition).

The Board has reviewed and approved its Corporate Governance Statement on 31 March 2023, and this is available on the Company's website at https://www.cygnusmetals.com/corporate-governancedetail

The Company has a corporate governance section on the website which includes details on the Company's governance arrangements and copies of relevant policies and charters.

## CAPITAL STRUCTURE

**LISTED SHARES ON ISSUE**

In January 2022, the Company completed the first part of a placement (announced in November 2021) to participating directors (as approved by Shareholders at a General Meeting of Shareholders on 23 December 2021) by issuing 913,044 fully paid ordinary shares at an issue price of $0.115 per share raising $105,000 before issue costs. Application monies were received during December 2021 and are recognised in 'other contributed equity' in the 2021 financial year, refer details at Note 9.

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In January 2022, the Company completed the final part of the placement (announced in November 2021) to participating directors (as approved by Shareholders at a General Meeting of Shareholders on 23 December 2021) by issuing 664,310 fully paid ordinary shares at an issue price of $0.115 per share raising $76,396 before issue costs

In August 2022, the Company completed a placement to sophisticated and professional investors to raise approximately $3,650,000 (before costs) through the issue of 29,200,000 fully paid ordinary shares in the Company at an issue price of $0.125 per Share. Directors and management of the Company were issued a further 4,240,000 shares at $0.125 each in October 2022 following receipt of shareholder approval.

In November 2022, the Company completed a Placement to raise approximately C$5,500,000 (A$6,347,823) through the issue of 8,677,817 fully paid ordinary shares at an issue price of C$0.6338 (A$0.73) each (Flow-Through Shares) as Canadian "flow-through shares", which provide tax incentives to those investors for expenditures that qualify as flow-through mining expenditures under the Income Tax Act (Canada).

Pursuant to a block trade agreement between PearTree and Canaccord, Canaccord facilitated the secondary sale of the Flow-Through Shares acquired by PearTree clients under the Flow-Through Share Placement to sophisticated and professional investors in Australia and certain other countries by way of a block trade at $0.35 per Placement Share.

Given the Directors were not eligible to participate in the Flow-Through Placement and following shareholder approval, the Directors (including David Southam who joined the Company on 1 November 2022) also subscribed for a total of $400,000 worth of shares at the same price as the block trade, being $0.35 per share.

In December 2022, Cygnus completed an additional placement to sophisticated and professional investors to raise approximately $8,000,000 (before costs) through the issue of 18,181,819 fully paid ordinary shares in the Company at an issue price of $0.44 per share.

As at the date of this report, the Company had 183,874,212 fully paid ordinary shares on issue (ASX: CY5) (2021: 117,985,315).

**SHARES UNDER OPTION OR ISSUED ON EXERCISE OF PERFORMANCE RIGHTS**

Details of unissued shares or interests under option as at the date of this report are:

| Number | Security type | Exercise price | Expiry date | Class of shares | Issuing entity |
|---|---|---|---|---|---|
| 1,500,000 | Share Option | $0.25 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 1,500,000 | Share Option | $0.50 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 1,500,000 | Share Option | $0.75 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 1,500,000 | Share Option | $1.00 | 21/10/2025 | Ordinary | Cygnus Metals Limited |
| 3,500,000 | Share Option | $0.16 | 20/01/2025 | Ordinary | Cygnus Metals Limited |
| 29,500,000 | Share Option | $0.08 | 22/09/2023 | Ordinary | Cygnus Metals Limited |
| 5,000,000 | Share Option | $0.16 | 15/11/2024 | Ordinary | Cygnus Metals Limited |
| 300,000 | Performance Right | N/A | 30/09/2025 | Ordinary | Cygnus Metals Limited |
| 500,000 | Performance Right | N/A | 30/07/2025 | Ordinary | Cygnus Metals Limited |
| 100,000 | Performance Right | N/A | 30/11/2026 | Ordinary | Cygnus Metals Limited |
| 300,000 | Performance Right | N/A | 3/04/2028 | Ordinary | Cygnus Metals Limited |
| 28,000,000 | Performance Right | N/A | 21/10/2027 | Ordinary | Cygnus Metals Limited |
| 18,700,000 | Performance Right | N/A | 13/02/2028 | Ordinary | Cygnus Metals Limited |

The holders of these share options and performance rights do not have the right, by virtue of the option or right, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

On 20 January 2022, the Company issued 3,500,000 unlisted share options to director Mr Ray Shorrocks (or his nominee) which was approved by Shareholders at a General Meeting of Shareholders held on 23 December 2021, with an exercise price of $0.16, expiring on 20 January 2025.

**PERFORMANCE RIGHTS CONVERTED**

No performance rights vested or were converted during 2022.

**SHARE OPTIONS EXERCISED**

No unquoted share options vested or were exercised during 2022.

## DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

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## MATERIAL BUSINESS RISKS

The following describes the material business risks that could affect the Company, including any material exposure to economic, environmental and social sustainability risks, and how the Company seeks to manage them.

### CONTRACT RISK

The Company is party to various option and acquisition agreements to acquire interests in mining claims ("Mining Claims") in Canada ("Agreements"), which require further option exercise or deferred consideration payments to be made in the future in order to secure the rights to the Mining Claims, by way of further share issues and/or payments in cash. Some of the share issues are subject to future shareholder approvals. In the event that the Company is unable to satisfy the option exercise payments or issue the deferred consideration (including in circumstances where shareholder vote down proposed shareholder approvals), or the Company is unable to meet the mandatory expenditure obligations under the Agreements, the Company may not be able to complete some or all of the Agreements, which may reduce the number of Mining Claims in Canada it is able to acquire, or alternatively, reduce the interest it holds in these claims.

### FUTURE CAPITAL REQUIREMENTS AND MARKET RISKS

As an exploration entity, the Company is not generating net cash flow, meaning it is reliant on raising funds from investors or lenders in order to continue to fund its operations and to scale growth. The Company will require further funding in the future.

The Company is exposed to external market forces that impact on specific commodity prices and overarching market sentiment that may restrict the Company's access to new flows of capital if the Company's project pipeline is not ascribed value in the market at any given time. The Company manages this risk by ensuring a constant focus on the Company's current financial position and forecast working capital requirements. Discretionary exploration activities are focused on commodities and in jurisdictions that will ensure access to higher levels of capital in times of broader market depression.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing (while not currently a focus), if available, may involve restrictions on financing and operating activities.

Although the Company believes that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, the Company may be required to reduce the scope of its activities, which could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

### TENURE, ACCESS AND GRANT OF LICENCES / PERMITS

The Company's operations are subject to receiving and maintaining licences and permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary grants or renewals of licences / permits for the proposed operations, additional licences / permits for any possible future changes to operations, or additional permits associated with new legislation.

Prior to any development on any of its properties, subsidiaries of the Company must receive licences / permits from appropriate governmental authorities. There is no certainty that the Company will hold all licences / permits necessary to develop or continue operating at any particular property.

### LAND ACCESS RISK

Land access is critical for exploration and exploitation to succeed. It requires both access to the mineral rights and access to the surface rights.

Minerals rights may be negotiated and acquired. In all cases, the acquisition of prospective exploration and mining licences is a competitive business in which proprietary knowledge or information is critical, and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral tenements that it owns or seeks to acquire.

Access to land for exploration and evaluation purposes can be obtained by:
(i) private access and compensation agreement with the landowner;
(ii) purchase of surface rights; or
(iii) through judicial rulings.

However, access rights to licences can be affected by many factors, including:
(i) surface title land ownership negotiations, which are required before ground disturbing exploration activities can commence within the jurisdictions in which the Company operates;
(ii) permitting for exploration activities, which are required in order to undertake most exploration and exploitation activities within the jurisdictions in which the Company operates; and
(iii) natural occurrences, including inclement weather, volcanic eruptions, lahars and earthquakes.

All of these issues have the potential to delay, curtail and preclude the Company's operations. While the Company will have the potential to influence some of these access issues, and retains staff to manage those instances where negotiations are required to gain access, it is not possible for the Company to predict the extent to which the above-mentioned risks and uncertainties may adversely impact the Company's operations.

**ACCESS TO SUFFICIENT USED AND NEW EQUIPMENT**

The Company is dependent on access to used and new mining equipment. In the event that the Company has difficulty in securing adequate supplies of mining equipment at appropriate prices, or if the quality of the equipment is not acceptable or suitable, its ability to perform or commence new projects may be adversely affected. This difficulty may have an adverse impact on the financial performance and financial position of the Company.

**DATA MANAGEMENT**

The risk of retaining or managing the Company's corporate data in a way that is inconsistent with the Company's regulatory obligations. This is considered to be a growing risk as the Company and related data volumes grow and cyber-security threats become more sophisticated. Failure to properly manage the Company's corporate data could result in significant financial and regulatory implications.

The Company has implemented a number of company-wide controls to manage this risk, including the continuous review and updating of security controls on the Company's network based on known security threats and the latest intelligence.

**REGULATORY ENVIRONMENT**

The risk of failing to adapt and adhere to rapidly evolving regulatory environments in Australia and abroad. This can result in the increased complexity and cost of doing business and the risk of forfeiture of exploration and mining claims from the failure of complying with these complex regulatory environments. The Company's exposure to this risk has now broadened with the recent extension of exploration activities into Canada where government and regulatory environments are less familiar.

In Australia, significant compliance risk may arise from emerging changes to regulatory frameworks, including the Work Health and Safety (Mines) Regulations 2022.

The Company's risk management strategy is designed to monitor and limit the adverse consequences of existing and new regulations in a way that is efficient and minimizes compliance costs.

**PEOPLE CAPABILITY**

The risk that the Company fails to attract and retain the talent and leadership required to execute the Company's strategies and objectives, including the technical expertise to explore for and discover economic mineral deposits, and the corporate talent to achieve value for shareholders via corporate activities, including project acquisitions, project divestments and joint venture activities.

The intention of the Company's remuneration framework is to ensure remuneration and reward structures are aligned with shareholders' interests by being market competitive to attract and retain high calibre individuals, rewarding superior individual performance, recognising the contribution of each executive to the continued growth and success of the Company, and linking long-term incentives to shareholder value.



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**GENERAL ECONOMIC CLIMATE**

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors.

**CLIMATE CHANGE**

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the ability of the Company to access and utilise its tenements and therefore the Company's ability to carry out operations.

Changes in policy, technological innovation, and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Company is committed to protecting and respecting the environment and local communities within which it operates and looks forward to enhancing its positive impact in these areas.

As the Company advances its strategies, it will be sharing its ESG efforts and impact regularly, in line with its annual reporting cycle.

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## AUDITED REMUNERATION REPORT

This remuneration report for the year ended 31 December 2022 outlines the remuneration arrangements of the Company and its controlled entities ("Group") in accordance with the requirements of the *Corporations Act 2001* (Cth) (the "Act") and its Regulations. This information has been audited as required by section 300A of the Corporations Act.

The remuneration report details the remuneration arrangements for Directors and Key Management Personnel ("KMP"), who are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the Company and Group, directly or indirectly including any director (whether executive or otherwise) of the parent entity.

The table below outlines the Directors and KMP of the Company during the financial year ended 31 December 2022. Unless otherwise indicated, the individuals were Directors or KMP for the entire financial year.

For the purposes of this report, the term "executive" includes the executive directors and senior executives of the Company.

| | |
|---|---|
| **Non-Executive Directors** | |
| Raymond Shorrocks | Non-Executive Chairman (appointed 25 May 2022, previously appointed Non-Executive Director on 30 June 2020 and Executive Chairman on 8 November 2021) |
| David Southam | Non-Executive Director (appointed 1 November 2022) |
| Michael Bohm | Non-Executive Director |
| Shaun Hardcastle | Non-Executive Director |
| Simon Jackson | Non-Executive Director (resigned 25 May 2022) |
| **Executive Directors** | |
| Michael Naylor | Executive Director (appointed 25 May 2022, previously appointed Joint Company Secretary on 4 October 2016) |
| **Other KMP** | |
| Susan Field | Chief Financial Officer and Joint Company Secretary |

After the reporting date and before the date the financial report was authorised for issue the following changes to KMP occurred:

- David Southam was appointed as Managing Director on 13 February 2023.
- Michael Naylor was appointed as Non-Executive Director on 1 March 2023.
- Carl Travaglini was appointed and Susan Field resigned as Chief Financial Officer and Joint Company Secretary on 1 February 2023.

There were no other changes to Directors or KMPs after reporting date and before the date the financial report was authorised for issue.

### REMUNERATION GOVERNANCE

Due to the current size of the Group, it is more efficient and effective for the functions otherwise undertaken by a remuneration committee to be performed by the Board. All directors are therefore responsible for determining and reviewing compensation arrangements for key management personnel, including periodically assessing the appropriateness of the nature and amount of remuneration by reference to relevant market conditions and prevailing practices. Directors excuse themselves from discussions that are specific to their individual remuneration components and are not in relation to the remuneration of the group of non-executive directors as a collective.

The Board may obtain professional advice where necessary to ensure that the Group attracts and retains talented and motivated directors, executives and employees who can enhance Group performance through their contributions and leadership.

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**AUDITED REMUNERATION REPORT (Continued)**

**REMUNERATION FRAMEWORK**

The Board recognises that the Group's performance and ultimate success in project delivery depends on many factors including its ability to attract and retain highly skilled, qualified and motivated people. At the same time, remuneration practices must be transparent to shareholders and be fair and competitive, taking into account the nature and size of the organisation and its current stage of activities, funding and general market conditions.

The approach to remuneration has been structured with the following objectives:

- Fairness: provide a fair level of reward to all employees;
- Transparency: establish transparent links between reward and performance;
- Alignment: promote mutually beneficial outcomes by aligning employee, and shareholder interests; and
- Culture: drive leadership performance and behaviours that promote safety, diversity and employee engagement.

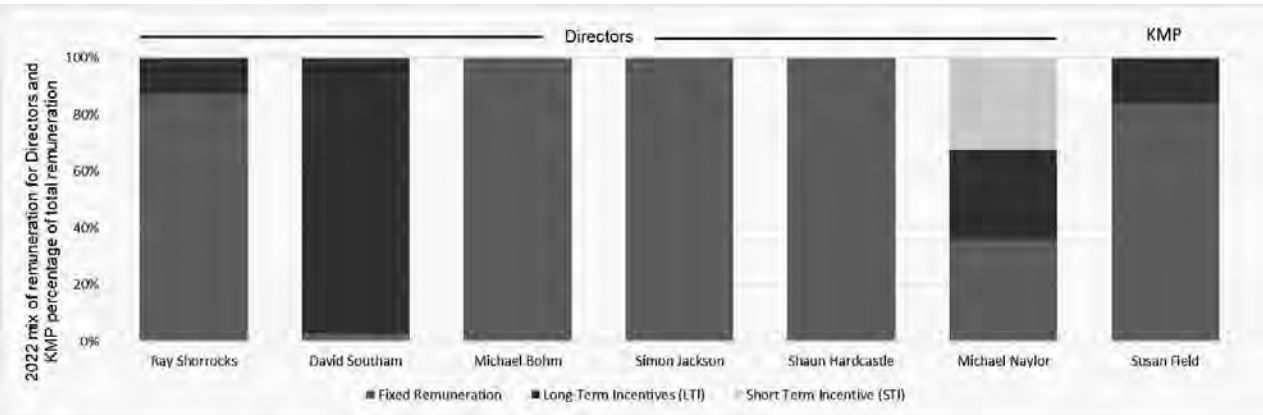
The remuneration for executives may have several components, including:

- Fixed remuneration, inclusive of superannuation and allowances;
- Short Term Incentives ("STI") under a performance-based cash or equity bonus incentive plan; and
- Long Term Incentives ("LTI") through participation in the Company's approved equity incentive plan.

These three components comprise each executive's total annual remuneration.

To link executive remuneration with the Group's performance, the Company's policy is to endeavour to provide a portion of each executive's total remuneration as "at risk".

**2022 MIX OF REMUNERATION FOR DIRECTORS AND KMP PERCENTAGE OF TOTAL REMUNERATION**




**OVERVIEW OF COMPANY PERFORMANCE**

In considering the Company's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current and the previous four financial years:

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|
| Income | $685,203 | $30,311 | $439,311 | $231,203 | $198,317 |
| Net loss after tax | $2,761,228 | $2,081,181 | $7,720,430 | $870,917 | $638,119 |
| Share price at 31 December | $0.38 | $0.175 | $0.180 | $0.044 | $0.065 |

Currently, there is a portion of remuneration of certain executive KMP that is linked to share price performance. The rationale for this approach is that the Group is in the exploration phase, and it is currently not appropriate to link remuneration to any other factors such as profitability.

**AUDITED REMUNERATION REPORT (Continued)**

**KMP REMUNERATION**

A combination of fixed and variable reward may be provided to KMPs, based on their responsibility within the Group in relation to the achievement of its strategic objectives and capacity to contribute to the generation of long-term shareholder value.

The components of KMP remuneration may consist of:

### Fixed Remuneration

KMPs receive either an annual fixed base cash salary or fee and other associated benefits depending on the nature of their contract. Fixed remuneration includes statutory superannuation guarantee contributions required by Australian legislation, which was 10.5% on 31 December 2022. Directors and KMP do not receive any other retirement benefits.

Fixed remuneration of KMPs will be set by the Board each year and is based on a number of factors. In setting fixed remuneration for KMPs, individual performance, skills, expertise and experience are taken into account as well as the Group's current level of activity and funding.

Where appropriate, external remuneration consultants may be engaged to assist the Board.

### Short-Term Incentives

Under the Company's remuneration policy, employees are eligible to participate in the Company's Short-Term Incentive Program ("STIP") and earn short-term bonuses of up to a fixed % of their fixed total remuneration package, subject to achievement of STIP hurdles.

The objective of the STIP is to provide the opportunity to earn a cash or equity bonus by rewarding those employees who successfully achieve, in the opinion of the Board, the critical short-term objectives of the Company over a twelve-month period. Those short-term objectives for each employee are pre-determined and approved by the Board as being aligned with the Company's stated strategy to derive shareholder return.

For an employee who resigns or is terminated for cause before the end of the financial year, no STI is awarded for that year. Similarly, any deferred STI awards are forfeited, unless otherwise determined by the Board.

If an employee ceases employment during the performance period by reason of redundancy, ill health, death, or other circumstance approved by the Board, the employee will be entitled to a pro-rata cash payment based on assessment of performance up to the date of ceasing employment for that year and any deferred STI awards will be retained (subject to Board discretion).

### Long-Term Incentives

The Group also awards its KMP with Long-Term Incentives ("LTIs"). LTIs are issued under the Company's Employee Incentives Securities Plan which was approved by Shareholders on 28 September 2022. The objective of LTIs is to provide potential reward to KMP in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such LTIs can be awarded to KMP who are able to influence the generation of shareholder wealth and thus have an impact on the Group's performance.

If an employee resigns or is terminated for cause before the end of the financial year, no LTIs will vest for that year. Similarly, any vested and unexercised LTI awards are forfeited, unless otherwise determined by the Board.

If an employee ceases employment during the performance period by reason of redundancy, ill health, death, or other circumstance approved by the Board, the employee will be entitled to receive any vested but unexercised LTIs as at the date of ceasing employment, subject to Board discretion.

The treatment of vested and unexercised awards in all other circumstances will be determined by the Board with reference to the circumstances of cessation.

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**AUDITED REMUNERATION REPORT (Continued)**

The Company prohibits directors or employees from entering into arrangements to protect the value of any Company shares, options or performance rights that the director or employee has become entitled to as part of their remuneration package. This includes entering into contract to hedge their exposure.

*Unlisted Share Options*

During 2022 the Company issued 3,500,000 unlisted share options to Ray Shorrocks (or his nominee) as detailed on page 47. These options were granted with an exercise price of $0.16 and time to expiry of three years. There are no service conditions nor vesting conditions attaching to the options. The options were issued on 20 January 2022 after being approved by Shareholders at a General Meeting held on 23 December 2021 (considered the options' grant date).

*Performance Rights*

During 2022 the Company granted 10,000,000 Performance Rights to KMP as detailed on page 47. These rights were granted with a nil exercise price and a time to expiry of approximately five years. The following vesting conditions apply to various tranches of the total number of rights granted during 2022:

- The Company reporting a JORC compliant Inferred Mineral Resource of 5MT at a minimum grade of 0.8% $Li_2O$ on or before 21 October 2026.
- The Company reporting a JORC compliant Inferred Mineral Resource of 10MT at a minimum grade of 0.8% $Li_2O$ on or before 21 October 2026.
- Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including the vesting date.

**NON-EXECUTIVE DIRECTOR REMUNERATION**

Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are determined in accordance with the rules set out in the Group's Constitution and the Corporations Act at the time of the director's retirement or termination.

Non-Executive Directors' remuneration may include an incentive portion consisting of performance rights and/or share options, as considered appropriate by the Board, which is subject to shareholder approval in accordance with the ASX Listing Rules.

The aggregate remuneration, and the manner in which it is apportioned amongst Non-Executive Directors, is reviewed annually. The Board considers the amount of director fees being paid by comparable companies with similar responsibilities and levels of experience of the non-executive directors when undertaking the annual review process.

The maximum amount of non-executive directors' fees payable is fixed at $300,000 in total, for each 12-month period commencing 1 January each year, until varied by ordinary resolution of shareholders. This amount was increased to $600,000 as approved by shareholders in January 2023.

Non-Executive directors are not entitled to any termination payments.

**USE OF REMUNERATION CONSULTANTS**

During the year ended 31 December 2022, the Board did not engage the services of remuneration consultants (2021: None). This was considered appropriate whilst the Group is in the exploration phase.

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**AUDITED REMUNERATION REPORT (Continued)**

**THE REMUNERATION OF THE DIRECTORS AND KEY MANAGEMENT PERSONNEL**

The Directors and KMP of the Company, alongside their remuneration for the period, are set out in the following tables:

| | Fixed remuneration | | | | Variable remuneration | | | |
|---|---|---|---|---|---|---|---|---|
| 2022 | Base Salary $ | Director and consultant fees $ | Annual & long service leave $ | Super-annuation $ | Bonus (cash) $ | Performance rights (non-cash) $ | Total $ | Performance based % |
| *Non-Executive Directors* | | | | | | | | |
| R Shorrocks[1] | 69,375 | 6,875 | - | 6,375 | - | 12,149 | 94,774 | 13% |
| D Southam[2] | - | 9,167 | - | - | - | - | 9,167 | - |
| M Bohm | - | 55,000 | - | - | - | - | 55,000 | - |
| S Hardcastle | - | 42,500 | - | - | - | - | 42,500 | - |
| S Jackson[3] | - | 11,855 | - | - | - | - | 11,855 | - |
| *Executive Directors* | | | | | | | | |
| M Naylor | 92,258 | - | 9,264 | 9,626 | 100,000[4] | 97,194 | 308,342 | 64% |
| *Other KMP* | | | | | | | | |
| S Field | - | 60,000[5] | - | - | - | 11,663 | 71,663 | 16% |
| **Totals** | **161,633** | **185,397** | **9,264** | **16,001** | **100,000** | **121,006** | **593,301** | **37%** |

**Notes:**

1. Mr Shorrocks was appointed Non-Executive Director on 25 May 2022, previously appointed Executive Chairman on 8 November 2021.
2. Mr Southam was appointed as Non-Executive Director 1 November 2022. Subsequent to year end Mr Southam was appointed Managing Director on 13 February 2023.
3. Mr Jackson resigned 25 May 2022. During 2022 Mr Jackson's non-executive director fees were paid up until his resignation date to Whistler Consulting Pty Ltd, a Company controlled by Mr Jackson.
4. Mr Naylor received a discretionary bonus as approved by the Board of Directors in recognition for his significant efforts throughout 2022.
5. Ms Field's fees were paid by the Company to Blue Leaf Corporate Pty Ltd, a Company controlled by Mr Naylor.

| | Fixed remuneration | | | | Variable remuneration | | |
|---|---|---|---|---|---|---|---|
| 2021 | Base Salary $ | Director and consultant fees $ | Annual leave $ | Super-annuation $ | Unlisted options (non-cash) $ | Total $ | Performance based % |
| *Non-Executive Directors* | | | | | | | |
| M Bohm | - | 54,875 | - | - | - | 54,875 | 0% |
| S Hardcastle | - | 40,000 | - | - | - | 40,000 | 0% |
| S Jackson[1] | 136,667 | - | 6,835 | 13,367 | - | 156,869 | 0% |
| R Shorrocks[2] | 12,500 | 33,333 | - | 1,250 | 320,872 | 367,955 | 87.2% |
| *Other KMP* | | | | | | | |
| M Naylor | - | 60,000 | - | - | 213,724 | 273,724 | 78.1% |
| S Field | - | 30,000 | - | - | 23,747 | 53,747 | 44.2% |
| **Totals** | **149,167** | **218,208** | **6,835** | **14,617** | **558,343** | **947,170** | **58.9%** |

**Notes:**

1. Mr Jackson was appointed Non-Executive Director on 8 November 2021, previously appointed Executive Director on 31 August 2020, and formerly Non-Executive Director appointed 17 November 2017. The salary reported in this table includes amounts entitled under his Executive Director contract up to 8 February 2022, the end of his notice period.
2. Mr Shorrocks was appointed Executive Chairman on 8 November 2021, previously Non-Executive Director appointed on 30 June 2020.

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**AUDITED REMUNERATION REPORT (Continued)**

**SHARES HELD BY DIRECTORS AND KMP, INCLUDING THEIR RELATED PARTIES**

| | Balance at start of year | Acquired during the period | Held on resignation | Balance at the end of the year |
|---|---|---|---|---|
| *Directors* | | | | |
| Ray Shorrocks | 2,051,281 | 1,207,168 | - | 3,258,449 |
| Michael Naylor | 6,073,179 | 1,085,715 | - | 7,158,894 |
| David Southam | - | 285,715 | - | 285,715 |
| Michael Bohm | 6,157,178 | 342,858 | - | 6,500,036 |
| Shaun Hardcastle | 1,089,930 | 325,715 | - | 1,415,645 |
| Simon Jackson | 2,732,948 | - | (2,732,948) | - |
| *Other KMP* | | | | |
| Susan Field | - | - | - | - |
| **Totals** | **18,104,516** | **3,247,171** | **(2,732,948)** | **18,618,739** |

**SHARES ISSUED ON EXERCISE OF OPTIONS AND PERFORMANCE RIGHTS**

There were no shares issued during 2022 (2021: None) from the conversion of performance rights or exercise of share options by KMP.

**UNLISTED OPTIONS HELD BY DIRECTORS AND KMP, INCLUDING THEIR RELATED PARTIES**

| | Grant date | Expiry date | Fair value | Exercise price | Balance 1 Jan 2022 | Held on resignation | Balance 31 Dec 2022 | Vested and exercisable 31 Dec 2022 |
|---|---|---|---|---|---|---|---|---|
| *Directors* | | | | | | | | |
| Ray Shorrocks | 22/09/20 | 22/09/23 | $0.1458 | $0.08 | 2,000,000 | - | 2,000,000 | 2,000,000 |
| Ray Shorrocks | 23/12/21 | 20/01/25 | $0.0917 | $0.16 | 3,500,000 | - | 3,500,000 | 3,500,000 |
| Michael Bohm | 22/09/20 | 22/09/23 | $0.1458 | $0.08 | 2,000,000 | - | 2,000,000 | 2,000,000 |
| Simon Jackson | 22/09/20 | 22/09/23 | $0.1458 | $0.08 | 2,000,000 | (2,000,000) | - | - |
| Shaun Hardcastle | 22/09/20 | 22/09/23 | $0.1458 | $0.08 | 2,000,000 | - | 2,000,000 | 2,000,000 |
| Michael Naylor | 22/09/20 | 22/09/23 | $0.1458 | $0.08 | 2,000,000 | - | 2,000,000 | 2,000,000 |
| Michael Naylor | 07/11/21 | 15/11/24 | $0.9500 | $0.16 | 2,250,000 | - | 2,250,000 | 2,250,000 |
| David Southam | - | - | - | - | - | - | - | - |
| *Other KMP* | | | | | | | | |
| Susan Field | 07/11/21 | 15/11/24 | $0.095 | $0.16 | 250,000 | - | 250,000 | 250,000 |
| **Totals** | | | | | **16,000,000** | **(2,000,000)** | **14,000,000** | **14,000,000** |

**PERFORMANCE RIGHTS HELD BY DIRECTORS AND KMP, INCLUDING THEIR RELATED PARTIES**

| | Grant date | Expiry date | Fair value | Exercise price | Balance 1 Jan 2022 | Granted | Balance 31 Dec 2022 | Vested and convertible 31 Dec 2022 |
|---|---|---|---|---|---|---|---|---|
| *Directors* | | | | | | | | |
| Ray Shorrocks | 28/09/2022 | 21/10/2027 | $0.250 | N/A | - | 1,000,000 | 1,000,000 | - |
| Michael Naylor | 28/09/2022 | 21/10/2027 | $0.250 | N/A | - | 8,000,000 | 8,000,000 | - |
| David Southam | - | - | - | - | - | - | - | - |
| Shaun Hardcastle | - | - | - | - | - | - | - | - |
| Michael Bohm | - | - | - | - | - | - | - | - |
| Simon Jackson | - | - | - | - | - | - | - | - |
| *Other KMP* | | | | | | | | |
| Susan Field | 15/08/202 | 21/10/2027 | $0.240 | N/A | - | 1,000,000 | 1,000,000 | - |
| **Totals** | | | | | **-** | **10,000,000** | **10,000,000** | **-** |

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**AUDITED REMUNERATION REPORT (Continued)**

**SERVICE AGREEMENTS**

Remuneration and other terms of employment for Executives are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in short term and long-term incentives are at the discretion of the Board. Other major provisions of the agreements relating to remuneration are set out below.

| Name and Position | Term of Agreement | Base Salary Excluding Superannuation | Company/Employee Termination Notice Period | Termination Benefit |
|---|---|---|---|---|
| Michael Naylor<br>Executive Director | Ongoing commencing 25 May 2022 | $120,000 p.a. | 3 / 3 months | 3 months' base salary plus superannuation |

The Company has an agreement with Blue Leaf Corporate Pty Ltd, a company owned by Mr Michael Naylor, which provided company secretarial and financial management services provided in part by Ms Susan Field at a total cost of $118,500 in 2022 (2021: $90,000). Mr Naylor is required to give the Company 90 days' notice to terminate the contract and the Company is required to give Mr Naylor 90 days' notice to terminate the contract or payment in lieu.

**LOANS TO DIRECTOR RELATED PARTIES**

There were no loans to Directors of the Company, including their personally related parties, as at 31 December 2022 (2021: None).

**OTHER TRANSACTIONS WITH DIRECTOR RELATED PARTIES**

Shaun Hardcastle was a Partner of HWL Ebsworth Lawyers which provided legal services to the Company to the value of $4,358 during 2022 (2021: $38,787). There were no amounts owing to HWL Ebsworth Lawyers by the Company at 31 December 2022 (2021: $7,330).

Shaun Hardcastle is a Partner of Hamilton Locke Lawyers which provided legal services to the Company to the value of $137,025 during 2022 (2021: Nil). There were no amounts owing to HWL Ebsworth Lawyers by the Company at 31 December 2022 (2021: $7,330).

Blue Leaf Corporate Pty Ltd, a company owned by Michael Naylor, provided company secretarial and financial management services to the Company during 2022 to the value of $118,500 (2021: $90,000). Acting as joint company secretary, Susan Field is under contract with Blue Leaf Corporate Pty Ltd and was remunerated $60,000 (2021: $30,000) for her contribution of services to Cygnus Metals Limited which has been disclosed as remuneration in the table on page 46. There were no amounts owing to Blue Leaf Corporate Pty Ltd by the Company at 31 December 2022 (2021: $7,500).

Belltree Corporate Pty Ltd, a Company that Director Michael Naylor is a Director of, and Michael Naylor and Shaun Hardcastle have an indirect interest in, provided company secretarial services to the Company during the year ended 31 December 2022 totalling $7,000 (2021: Nil). There were no amounts owing to Belltree Corporate Pty Ltd by the Company at 31 December 2022 (2021: Nil).

During the year ended 31 December 2022 the Company paid $266,599 (2021: $36,155) for shared administrative, head office rent and head office fit-out costs to Auteco Minerals Limited, of which Ray Shorrocks and Michael Naylor are Directors. $166,887 was owing to Auteco Minerals Limited by the Company at 31 December 2022 (2021: Nil).

During the year ended 31 December 2022 the Company paid $10,694 (2021: $153,438) for shared administrative costs to Bellevue Gold Limited, a Company that Michael Naylor is a Director. There were no amounts owing to Bellevue Gold Limited by the Company at 31 December 2022 (2021: $Nil).

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**AUDITED REMUNERATION REPORT (Continued)**

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured and interest-free and settlement occurs in cash and are presented as part of trade payables. There have been no bank guarantees provided for any related party payables.

**VOTING AND COMMENTS MADE AT THE COMPANY'S LAST ANNUAL GENERAL MEETING**

Cygnus received 94.64% "yes" votes on its Remuneration Report for the year ended 31 December 2021.

**APPOINTMENT OF MANAGING DIRECTOR**

On 4 October 2022 the Company announced the appointment of Mr David Southam as Non-Executive Director from 1 November 2022 and as Managing Director from mid-February 2023. On 13 February 2023 Mr Southam commenced as Managing Director. The material terms of Mr Southam's Managing Director employment contract are:

- Commencement Date: 13 February 2023 on a part-time basis with transition arrangements to move to full-time
- Term / Notice Period: Ongoing term, with termination by the Company of six months and termination by the Managing Director of three months. The Company may terminate the employment without notice in certain circumstances.
- Remuneration: A fixed Total Remuneration Package ("TRP") of $600,000 (Full Time Equivalent), inclusive of superannuation contributions.
- Short Term Incentive Program ("STIP"): Eligible to participate in a STIP of up to 25% of TRP subject to achievement of STIP hurdles.
- Employee Incentives Securities Plan ("EISP"): Eligible to participate in the EISP. The Company agreed to issue 18,000,000 performance rights to Mr Southam which are linked to his commencement in the role as Managing Director on 13 February 2023.
- The Company has also agreed to issue Long Term Incentives to Mr Southam up to 150% of the base salary component of his TRP commencing 1 July 2023.

**END OF AUDITED REMUNERATION REPORT**

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**MEETINGS OF DIRECTORS**

During the financial year, five meetings of directors were held and attendances by each director during the year were as follows:

| | Number attended | Number eligible to attend |
|---|---|---|
| Michael Bohm | 5 | 5 |
| David Southam | 2 | 2 |
| Michael Naylor | 5 | 5 |
| Simon Jackson | - | - |
| Ray Shorrocks | 5 | 5 |
| Shaun Hardcastle | 5 | 5 |

Given the size of the Board the Company has decided that there are no efficiencies to be gained from forming separate committees.

**SHARE OPTIONS AND PERFORMANCE RIGHTS**

There are 44,000,000 share options on issue (2021: 38,000,000) and 47,900,000 performance rights on issue (2021: Nil) at the date of this report.

**INDEMNIFYING OFFICERS**

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The terms of the policy prevent disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

**INDEMNIFYING OF AUDITORS**

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement, against claims by third parties arising from the audit (for an unspecified amount). No payments have been made to indemnify Ernst & Young to the date of this report.

**PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

**NON-AUDIT SERVICES**

Ernst & Young, the Company's auditors, have not performed any other services in addition to their statutory audit duties.

The total remuneration for audit services provided during the prior and current financial years is set out in note 13 of the financial statements.

**AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration for the year ended 31 December 2022 has been received and is attached to this Directors' Report.

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**DIRECTORS' DECLARATION**

This report is made in accordance with a resolution of the directors.



**David Southam**

**Managing Director**

Dated in Perth this 31st day of March 2023.

**COMPETENT PERSONS STATEMENT**

The information in this annual report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Duncan Grieve, a Competent Person who is a member of The Australasian Institute of Geoscientists. Mr Grieve is Chief Geologist and a full-time employee of Cygnus Metals and holds shares in the Company.

Mr Grieve has sufficient experience relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Grieve consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

**FORWARD LOOKING STATEMENTS**

This report may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/ projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Cygnus Metals Limited. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

Cygnus Metals Limited does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward-looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Cygnus Metals or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of Cygnus Metals Limited, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this report.

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Building a better working world

# Auditor's independence declaration to the Directors of Cygnus Metals Limited

As lead auditor for the audit of the financial report of Cygnus Metals Limited for the financial year ended 31 December 202 2, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b) no contraventions of any applicable code of professional conduct in relation to the audit; and

c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Cygnus Metals Limited and the entities it controlled during the financial year.

Ernst & Young

RJ Curtin
Partner
31 March 2023

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These financial statements are the consolidated financial statements of the consolidated entity consisting of Cygnus Metals Limited (formerly Cygnus Gold Limited) and its subsidiaries. The financial statements are presented in the Australian currency.

Cygnus Metals Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Cygnus Metals Limited
Level 2, 8 Richardson Street
WEST PERTH WA 6005

A description of the nature of the consolidated entity's operations and its principal activities is included in the Operations Review on pages 11 to 29 in the Directors' report, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 31 March 2023.

Through the use of the internet, the Company has ensured that its corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial statements and other information are available on our website: www.cygnusmetals.com.

# Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the year ended 31 December 2022

CYGNUS METALS

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| | Notes | 2022 $ | 2021 $ |
|---|---|---|---|
| **OTHER INCOME** | 3 | 685,203 | 24,883 |
| | | **685,203** | **24,883** |
| **EXPENSES** | | | |
| Audit and accounting | | (40,800) | (35,550) |
| Compliance expenses | | (94,402) | (67,600) |
| Consultants and contractors | | (491,519) | (452,800) |
| Corporate costs | | (443,820) | (135,733) |
| Depreciation – Property, plant and equipment | 21 | (40,818) | (25,812) |
| Depreciation - Right of use assets | 22 | (26,266) | (16,698) |
| Loss on sale of asset | | - | (488) |
| Employee benefits expense | | (641,093) | (338,647) |
| Exploration expenditure impaired | 20 | (841) | (313,881) |
| Exploration and evaluation written off | 20 | (23,038) | (4,281) |
| Exploration and evaluation costs | | (59,167) | (63,865) |
| Interest expense on lease liability | 7 | (4,479) | (3,546) |
| Share-based payments | 11(b) | (394,157) | (558,343) |
| Office rental & outgoings | | (38,823) | (90,227) |
| Travel and accommodation | | (405,161) | (4,021) |
| Unrealised FX losses | 18 | (306,397) | - |
| | | **(3,010,781)** | **(2,111,492)** |
| | | | |
| **Results from operating activities** | | **(2,325,578)** | **(2,086,609)** |
| Finance income | | 5,123 | 5,428 |
| **Loss before income tax** | | **(2,320,455)** | **(2,081,181)** |
| Income tax expense | 26 | (440,773) | - |
| **Loss after income tax for the year attributable to equity holders of the Company** | | **(2,761,228)** | **(2,081,181)** |
| **Other comprehensive loss** | | | |
| *Items that will not be reclassified subsequently to profit or loss:* | | | |
| Changes in fair value of financial assets | | (56,934) | - |
| **Total comprehensive loss for the year, net of tax attributable to equity holders of the Company** | | **(2,818,162)** | **(2,081,181)** |
| | | | |
| **Loss per share attributable to equity holders of the Company:** | | | |
| Basic and diluted loss per share (cents per share) | 12 | (0.45) | (1.91) |

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.*

# Consolidated Statement of Financial Position

As at 31 December 2022

CYGNUS METALS

| | Notes | 2022 $ | 2021 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 4 | 13,530,678 | 2,811,336 |
| Trade and other receivables | 5 | 1,779,273 | 75,094 |
| **Total current assets** | | **15,309,951** | **2,886,430** |
| **Non-current assets** | | | |
| Exploration and evaluation | 20 | 5,538,857 | 453,546 |
| Property, plant and equipment | 21 | 154,967 | 44,886 |
| Right of use assets | 22 | - | 114,527 |
| Investments | 23 | 397,895 | - |
| **Total non-current assets** | | **6,091,719** | **612,959** |
| **TOTAL ASSETS** | | **21,401,670** | **3,499,389** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 6 | 3,530,497 | 266,256 |
| Provisions | | 27,959 | 6,284 |
| Lease liabilities | 7 | - | 25,908 |
| **Total current liabilities** | | **3,558,456** | **298,448** |
| **Non-current liabilities** | | | |
| Lease liabilities | 7 | - | 90,855 |
| Deferred tax liabilities | 8 | 440,773 | - |
| **Total non-current liabilities** | | **440,773** | **90,855** |
| **TOTAL LIABILITIES** | | **3,999,229** | **389,303** |
| **NET ASSETS** | | **17,402,441** | **3,110,086** |
| **EQUITY** | | | |
| Share capital and other contributed equity | 9 | 25,260,644 | 10,149,146 |
| Reserves | 10 | 7,051,288 | 5,109,203 |
| Accumulated losses | | (14,909,491) | (12,148,263) |
| **TOTAL EQUITY** | | **17,402,441** | **3,110,086** |

*The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.*

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| | Notes | Share Capital $ | Other Contributed Equity $ | Share-based Payment Reserve $ | Asset Revaluation Reserve $ | Accumulated Losses $ | Total Equity $ |
|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2021** | | **9,130,519** | **-** | **4,313,389** | **-** | **(10,067,082)** | **3,376,826** |
| Loss for the year | | - | - | - | - | (2,081,181) | (2,081,181) |
| **Total comprehensive loss** | | **-** | **-** | **-** | **-** | **(2,081,181)** | **(2,081,181)** |
| **Transactions with owners:** | | | | | | | |
| Issue of share capital | | 918,604 | - | - | - | - | 918,604 |
| Proceeds from share applications | | - | 105,000 | - | - | - | 105,000 |
| Share issue expense | | (4,977) | - | - | - | - | (4,977) |
| Share-based payments | | - | - | 795,814 | - | - | 795,814 |
| **Balance at 31 December 2021** | | **10,044,146** | **105,000** | **5,109,203** | **-** | **(12,148,263)** | **3,110,086** |
| Loss for the year | | - | - | - | - | (3,142,960) | (3,142,960) |
| **Other comprehensive loss:** | | | | | | | |
| Fair value adjustment of financial assets | | - | - | - | (56,934) | - | (56,934) |
| **Total comprehensive loss** | | **-** | **-** | **-** | **(56,934)** | **(3,142,960)** | **(3,199,894)** |
| **Transactions with owners:** | | | | | | | |
| Placement of ordinary shares | 9 | 13,195,913 | - | - | - | - | 13,195,913 |
| Placement of Flow-Through shares | 9 | 6,334,806 | - | - | - | - | 6,334,806 |
| Flow-Through share raise premium | | (2,052,304) | - | - | - | - | (2,052,304) |
| Broker option issue expense | | (1,604,862) | - | 1,604,862 | - | - | - |
| Share issue expense | 9 | (762,055) | - | - | - | - | (762,055) |
| Prior Placement approved by Shareholders | | 105,000 | (105,000) | - | - | - | - |
| Share-based payments | 10.1(a) | - | - | 394,157 | - | - | 394,157 |
| **Balance at 31 December 2022** | | **25,260,644** | **-** | **7,108,222** | **(56,934)** | **(14,909,491)** | **17,402,441** |

*The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.*

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| | Notes | 2022 $ | 2021 $ |
|---|---|---|---|
| **Operating activities** | | | |
| Payments to suppliers and employees | | (2,124,114) | (842,715) |
| Payments for exploration expenditure | | (49,844) | (63,865) |
| Interest received | | 5,276 | 5,365 |
| Interest payments | | (4,510) | (3,546) |
| Other income | | 64,919 | 19,746 |
| **Net cash used in operating activities** | 14 | **(2,108,273)** | **(885,015)** |
| **Investing activities** | | | |
| Payments for acquisition of mining tenements | | (1,315,210) | (4,032) |
| Payments for capitalised exploration expenditure | | (3,292,312) | (672,896) |
| Purchase of property plant and equipment | | (22,704) | (15,833) |
| Receipts from sale of mining tenements | | 18,060 | - |
| Purchase of listed investments | | (454,830) | - |
| **Net cash used in investing activities** | | **(5,066,996)** | **(692,761)** |
| **Financing activities** | | | |
| Proceeds from shares issued | 9 | 18,991,203 | 918,604 |
| Proceeds received in advance of shares issued | | - | 105,000 |
| Costs of shares issued | 9 | (761,830) | (4,977) |
| Principal payment for leases | | (28,502) | (15,449) |
| **Net cash provided by financing activities** | | **18,200,871** | **1,003,178** |
| Net change in cash and cash equivalents | | 11,025,602 | (574,598) |
| Effect of movement in exchange rates on cash held | | (306,260) | - |
| Cash and cash equivalents, beginning of period | | 2,811,336 | 3,385,934 |
| **Cash and cash equivalents, end of year** | 4 | **13,530,678** | **2,811,336** |

*The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.*

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**1. Summary of Significant Accounting Policies**

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the financial years presented, unless otherwise stated. These financial statements cover Cygnus Metals Limited (formerly Cygnus Metals Limited) as a consolidated, for-profit entity consisting of Cygnus Metals Limited and its subsidiaries ('the consolidated entity' or 'the Group').

**(a) Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements and the *Corporations Act 2001*.

*(i) Compliance with IFRS*

The financial statements of Cygnus Metals Limited also comply with International Financial Reporting Standards (IFRS).

*(ii) Historical cost convention*

These financial statements have been prepared under the historical cost convention except for investments held at fair value through other comprehensive income.

*(iii) Going Concern*

The Directors believe it is appropriate to prepare the consolidated financial report on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 31 December 2022 the Group had current assets of $15,309,951 (2021: $2,886,430), including cash and cash equivalents of $13,530,678 (2021: 2,811,336), and current liabilities of $3,558,456 (2021: $298,448).

Management has prepared cash flow forecasts for the next twelve months under various scenarios, a number of which contemplate potential future capital raisings or other transactions and delivery of exploration projects as currently forecast. Based on these scenarios the Directors are of the view that the Group will be able to meet its commitments and pay its debts as and when they fall due, while meeting its objectives of exploring its projects as presently forecast.

The Group has potential options available to manage liquidity, including one or a combination of, a placement of shares, option conversion, entitlement offer, joint venture arrangements or sale of certain assets, and as such, the Directors have a reasonable basis to believe that the Group will have sufficient working capital for at least twelve months from the date this financial report is approved.

In the event that all of the funding options available to the Group do not transpire or there is no change to the forecasted spending pattern, there may be material uncertainty about whether it would be able to continue as a going concern and, therefore, realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the financial report. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

**Principles of consolidation**

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year end is contained in note 16. The financial statements of subsidiaries are prepared for the same reporting period the parent entity, using consistent accounting policies.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

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**1. Summary of Significant Accounting Policies (continued)**

**Parent entity disclosure**

The financial information for the parent entity, Cygnus Metals Limited, disclosed in Note 17 has been prepared on the same basis as the consolidated financial statements, other than investments in subsidiaries, which have been recorded at cost less impairments.

**(b) Functional and presentation currency**

The functional currency of each entity within the group is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

**(c) Other income**

(i) *Administrative and geology services*

The Company has recognised other income for the provision of administrative and geology services. In the comparative period the Group provided vehicles for hire under short-term (daily) arrangements and geology services. Other income was recognised over time as service was delivered or provided respectively.

(ii) Settlement of *Flow-Through Share Liability*

The issue of Flow-Through Shares ("FTS") includes an issue of ordinary shares and the sale of tax deductions. At the time the FTS are issued, the sale of tax deductions is deferred and presented as current liabilities in the statement of financial position because the Company has not yet fulfilled its obligations to pass on the tax deductions to the investor. When the Company fulfills its obligation the sale of tax deductions is recongised in the income statement as other income.

*(iii) Proceeds from sale of tenements*

The Company has recognised other income for the sale of tenements that it has no longer deemed to be prospective.

**(d) Operating expenses**

Operating expenses are recognised in profit or loss on an accruals basis.

**(e) Cash and cash equivalents**

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short- term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, which are considered an integral part of the Group's cash management.

**(f) Equity and reserves**

Share capital represents the fair value of consideration received for shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Where, at balance date, the Group has received applications for shares and the corresponding subscription monies before issuing shares, the Group accounts for the receipt of funds at the fair value of the consideration received as Other Contributed Equity.

Retained earnings include all current and prior period retained profits.

Refer to Note 1(p) for the Group's accounting policy on Flow-Through Shares.

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**1. Summary of Significant Accounting Policies (continued)**

The Group maintains a share base payments reserve which accumulates the value recognised as a result of share-based awards issued to employees or contractors for services rendered. Where amounts have accumulated in the reserve and the underlying instruments expire, amounts are transferred from the reserve to retained earnings. Where amounts have accumulated in the reserve and the underlying instruments have vested or been exercised, amounts are transferred from the reserve to share capital. In the event that awards are forfeited, balances that have accumulated in the reserve are reversed through the profit or loss.

**(g) Income taxes**

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office ('ATO') and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint arrangements is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non- taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full. Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

**(h) Employee benefits**

Wages and salaries and annual leave:

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

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**1. Summary of Significant Accounting Policies (continued)**

**(i) Financial instruments**

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Financial Assets**

All recongised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

***Classification of financial assets***

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(i) Amortised costs and effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Interest income is recognised in profit or loss and is included in the 'finance income' line item.

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**1. Summary of Significant Accounting Policies (continued)**

**(ii) Equity instruments designated as at FVTOCI**

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the Investment Revaluation Reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see Note 23).

**Foreign exchange gains and losses**

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other gains and losses' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss. Other exchange differences are recognised in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

**Impairment of financial assets**

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

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**1. Summary of Significant Accounting Policies (continued)**

The Group always recognises lifetime ECL (expected credit losses) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic

conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

**Derecognition of financial assets**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

**Financial liabilities and equity**

**Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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**1. Summary of Significant Accounting Policies (continued)**

**Financial liabilities**

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

**Financial liabilities measured subsequently at amortised cost**

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

**Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

**Derecognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability.

It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (i) the carrying amount of the liability before the modification; and (ii) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

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**1. Summary of Significant Accounting Policies (continued)**

**(h) Impairment of assets (other than exploration and evaluation assets)**

**Non-financial assets**

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to the carrying amounts of the assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(i) Other receivables**

Other receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method, less an allowance for expected credit loss if required. Bad debts are written off when identified.

**(j) Trade and other payables**

Liabilities for creditors and other amounts are carried at amortised cost, which is the present value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity. The carrying period is generally between 30 to 45 days, which is within the Groups accepted terms.

**(j) Exploration and evaluation expenditure**

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

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**1. Summary of Significant Accounting Policies (continued)**

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

**(k) Property, plant and equipment**

*Recognition and Measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Costs include expenditures that are directly attributable to the acquisition of the asset.

Subsequent Costs

Subsequent expenditure is only capitalised when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Ongoing repairs and maintenance are expensed as incurred.

*Depreciation*

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The expected useful lives in the current and comparative period are as follows:

| | |
|---|---|
| IT equipment | 2 – 3 years |
| Plant and equipment | 2 – 3 years |
| Motor vehicle | 5 years |

The estimated useful lives, depreciation methods and residual values are reviewed at the end of each reporting period.

**(l) Share-based payments**

The Group operates equity-settled share-based remuneration plans for its employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees have been rewarded using share-based payments, the fair values have been determined indirectly by reference to the fair value of the equity instruments granted. Where consultants have been rewarded using share-based payments, the Group determines the fair value with direct reference to the fair value of the service unless this cannot be determined at which point the fair value is determined indirectly by reference to the fair value of the equity instrument granted. In the circumstances for this financial report, for consultants, the fair value of the services could not be readily determined with reference to a service contract and the contracts have no defined period of service to which the award pertains. Therefore, the fair value has been determined indirectly by reference to the fair value of the equity instrument granted. Fair value with reference to the equity instrument is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to the share-based payment reserve. Where vesting periods exist, the total expense is recognised straight-line over the vesting period. Where vesting conditions are non-market based, the expense is based on the best available estimate of the number of instruments expected to vest. Where the vesting conditions are market based, the Group uses a pricing model to determine the fair value of each instrument.

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**1. Summary of Significant Accounting Policies (continued)**

The fair value of share-based payments to asset vendors is determined with reference to the fair value of the equity instruments issued as consideration for the assets acquired per the terms of the relevant asset purchase agreement. If the fair value of the transactions cannot be estimated with direct reference to the fair value of the asset received given limited fair value information over the asset available at the time of the transaction, the fair value of each instrument is estimated using the latest trading price of the shares relative to the date of completion of the sale.

**(o) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**(p) Flow-Through Shares**

Flow-through shares may be issued to finance a portion of an exploration program. A flow-through share agreement transfers the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company divides the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognised as a liability, and ii) issued capital. Share capital for shares issued is recongised at fair value with the residual value, or flow-through share premium, recognised as current liabilities.

The Company has elected to apply the renunciation process prospectively and has relied upon the “look-back” rule which allows the Company to renounce eligible expenditures incurred up to an entire calendar year (i.e. 2023) following the last day of the calendar year in which the FTS are issued (i.e. 2022)

At initial recognition the sale of tax deductions is deferred and presented as other liabilities in the balance sheet as the entity has not yet fulfilled its obligations to pass on the tax deductions to the investor.

Upon expenses being incurred, the Company derecognises the liability and the premium is recognised as other income. The exploration spend also gives rise to a deferred tax liability which is recognised as the difference between the carrying value and tax base of the qualifying expenditure for the amount of the tax reduction renounced to the investors.

**(q) Interests in joint arrangements**

Joint arrangements are those arrangements in which the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions. Joint arrangements are classified as either joint operations or a joint venture, based on the contractual rights and obligations between the parties to the arrangement.

Joint operations: In a joint operation the Group has rights to the assets and obligations for the liabilities relating to the arrangement. This includes situations in which the parties benefit from the joint activity through the sharing of output, rather than by receiving a share of results of trading. Interests in joint operations are reported in the Financial Statements by including the Group’s proportionate share of assets employed in the arrangement, the share of liabilities incurred in relation to the arrangement and the share of any revenue or expenses earned or incurred.

Joint ventures: A joint venture is a joint arrangement in which the parties that share joint control have rights to the net assets of the arrangement. A separate vehicle, not the parties, will have the rights to the assets and obligations to the liabilities relating to the arrangement. More than an insignificant amount of output is sold to third parties, which indicates the joint venture is not dependent on the parties to the arrangement for funding. Joint ventures are accounted for using the equity accounting method.

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**1. Summary of Significant Accounting Policies (continued)**

**(r) New and amended accounting standards and interpretations issued but not yet effective**

Certain new and amended accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Company.

The Group has assessed these new and amended standards and has determined that they do not have a material impact on the current reporting period and are not expected to have a material impact on the Company when adopted in future reporting periods.

**2. Critical Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this Annual Financial Report, the significant judgements and estimates made by management in applying the Entity's accounting policies and the key sources of estimation uncertainty are detailed below.

**Critical Estimates**

Exploration and Evaluation Expenditure – Impairment

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Group's accounting policy requires estimates and assumptions as to future events and circumstances. In particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment is estimates and assumptions as to the presence of mineral reserves, timing of expected cash flows, exchange rates, commodity prices and future capital requirements.

Changes in these estimates and assumptions as new information about the presence or recoverability of a mineral reserve becomes available, may impact the assessment of the recoverable amount of exploration and evaluation assets. If, after having capitalised the expenditure a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the statement profit or loss and other comprehensive income.

**Critical Judgments**

Exploration and Evaluation Expenditure

The entity carries exploration and evaluation expenditure as assets for expenditure accumulated on areas of interest where it is considered likely to be recoverable. The Group judges this to be the case where the Group has right of tenure over an area of interest, has substantive expenditure budgeted for the area of interest and the exploration activities have not yet resulted in sufficient information that would indicate the amounts are not recoverable up to the asset carrying value.

**3. Other income**

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| Provision of geology and administrative services | 92,498 | 24,883 |
| Proceeds from the sale of tenements | 18,060 | - |
| Settlement of flow-through share liability | 574,645 | - |
| **Other income** | **685,203** | **24,883** |

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## 4. Cash and cash equivalents

| | 2022 $ | 2021 $ |
|---|---|---|
| Cash at bank and on hand | 13,510,678 | 1,031,336 |
| Short-term deposits | 20,000 | 1,780,000 |
| **Cash and cash equivalents** | **13,530,678** | **2,811,336** |

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made and have original maturities of less than 3 months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

## 5. Trade and other receivables

| | 2022 $ | 2021 $ |
|---|---|---|
| Trade and other receivables | 167,267[1] | 25,101 |
| Advances to joint operations manager | - | 36,210 |
| Prepayments | 1,592,006[2] | 13,783 |
| **Trade and other receivables** | **1,779,273** | **75,094** |

**Note:**

[1] – Relates to GST receivable and amounts owing from the recharged of share administration costs.

2 - $1,516,406 relates to a deposit paid to the Company's Canadian contractor responsible for undertaking the Company's Canadian drill campaigns.

All amounts are short-term. The carrying values of trade and other receivables are considered to be a reasonable approximation of fair value.

## 6. Trade and other payables

| | 2022 $ | 2021 $ |
|---|---|---|
| Trade payables | 1,278,254 | 93,857 |
| Other payables | 774,584 | 172,406 |
| Flow-through share premium liability | 1,477,659 | - |
| **Trade and other payables** | **3,530,497** | **266,256** |

All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value

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## 7. Lease liabilities

| | 2022 $ | 2021 $ |
|---|---|---|
| Current | - | 25,908 |
| Non-Current | - | 90,855 |
| **Lease liabilities** | **-** | **116,763** |
| *Amount recognised in profit or loss* | | |
| Interest expense incurred on lease liability | 4,479 | 3,546 |

During the current reporting period the Company terminated its lease agreement for its Perth head office. From November 2022 the Company is party to a cost sharing agreement for its new Perth head office premises and no related Right-of-Use asset or lease liability has been recognised.

## 8. Non-current liabilities – Deferred tax liabilities

| *Deferred tax liability comprises temporary differences attributable to:* | 2022 $ | 2021 $ |
|---|---|---|
| Opening balance | - | - |
| Temporary difference on relinquishment of qualifying expenditure to investors | 440,773 | - |
| **Deferred tax liability** | **440,773** | **-** |

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## 9. Share capital and other contributed equity

The share capital of Cygnus consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholder meetings of the Company.

Other contributed equty comprises share subscription monies received in advance of issuing of the shares.

| | 2022 Shares and shares to be issued | 2021 Shares and shares to be issued | 2022 $ | 2021 $ |
|---|---|---|---|---|
| Issued capital | 183,874,212 | 116,407,961 | 28,917,672 | 10,044,147 |
| Other contributed equity | - | 913,044 | - | 105,000 |
| **Share capital and other contributed equity** | **183,874,212** | **117,321,005** | **28,917,672** | **10,149,147** |

| | Date | Shares | Issue Price $ | Total $ |
|---|---|---|---|---|
| **Opening balance 1 January 2021** | | **108,070,098** | | **9,130,519** |
| Shares issued on vesting of performance rights | | 350,000 | - | - |
| Share issue | 16/11/21 | 7,987,863 | 0.115 | 918,604 |
| Other contributed equity | 20/01/22[1] | 913,044 | 0.115 | 105,000 |
| Share issue costs | | - | | (4,977) |
| **Closing balance at 31 December 2021** | | **117,321,005** | | **10,149,146** |
| Share issue | 21/01/22 | 664,310 | 0.115 | 76,760 |
| Share issue | 8/08/22 | 29,200,000 | 0.125 | 3,650,000 |
| Share issue | 21/10/22 | 4,240,000 | 0.125 | 530,000 |
| Share issue – Advisors | 21/10/22 | 2,000,000 | - | - |
| Share issue – Employee | 18/11/22 | 500,000 | - | - |
| Share issue – Flow-through shares | 23/11/22 | 8,677,817 | 0.730 | 6,334,806 |
| Share issue - Directors | 29/11/22 | 1,142,861 | 0.350 | 400,000 |
| Share issue – Project acquisition | 29/11/22 | 1,946,400 | 0.277 | 539,153 |
| Share issue | 16/12/22 | 18,181,819 | 0.440 | 8,000,000 |
| Less flow-through share premium | | - | - | (2,052,304) |
| Broker option issue cost | | - | - | (1,604,498) |
| Share issue costs | | - | - | (762,055) |
| **Closing balance at 31 December 2022** | | **183,874,212** | | **25,260,644** |

**Note:**

1 - Share application monies were received from participating directors in advance, pending shareholder approval which was sought and was received at a General Meeting of Shareholders, held on 23 December 2021. These shares were subsequently issued on 20 January 2022.

Each share has the same right to receive dividend and the repayment of capital and represents one vote at the shareholders' meeting of Cygnus Metals Limited.

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## 10. Reserves

| | 2022 $ | 2021 $ |
|---|---|---|
| Share-based payment reserve | 7,108,222 | 5,109,203 |
| Investment revaluation reserve | (56,934) | - |
| **Total reserves** | **7,051,288** | **5,109,203** |

## 11. Share-based payments

### (a) Share options

The share-based payment reserve records items recognised on valuation of director, employee and contractor share options and performance rights. Information relating to options issued, exercised and lapsed during the current and comparative financial year and outstanding at the end of the current and comparative financial year, is set out below.

| Grant Date | Expiry date | Exercise price | Balance at start of year | Granted during the period | Exercised during the period | Balance at the end of the period | Vested and exercisable at end of the period |
|---|---|---|---|---|---|---|---|
| **2022** | | | | | | | |
| 22/09/2020 | 22/09/2023 | $0.08 | 29,500,000 | - | - | 29,500,000 | 29,500,000 |
| 07/11/2021 | 15/11/2024 | $0.16 | 5,000,000 | - | - | 5,000,000 | 5,000,000 |
| 23/12/2021 | 21/01/2025 | $0.16 | 3,500,000 | - | - | 3,500,000 | 3,500,000 |
| 21/10/2022 | 21/10/2025 | $0.25 | - | 1,500,000 | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $0.50 | - | 1,500,000 | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $0.75 | - | 1,500,000 | - | 1,500,000 | 1,500,000 |
| 21/10/2022 | 21/10/2025 | $1.00 | - | 1,500,000 | - | 1,500,000 | 1,500,000 |
| | | | **38,000,000** | **6,000,000** | **-** | **44,000,000** | **44,000,000** |
| Weighted average exercise price: | | | $0.14 | $0.63 | | $0.17 | $0.17 |
| Weighted average remaining contractual life: | | | | | | | 1.25 years |
| | | | | | | | |
| **2021** | | | | | | | |
| 22/09/2020 | 22/09/2023 | $0.08 | 29,500,000 | - | - | 29,500,000 | 29,500,000 |
| 07/11/2021 | 16/11/2024 | $0.16 | - | 5,000,000 | - | 5,000,000 | 5,000,000 |
| 23/12/2021 | 21/01/2025 | $0.16 | - | 3,500,000 | | 3,500,000 | 3,500,000 |
| | | | **29,500,000** | **8,500,000** | **-** | **38,000,000** | **38,000,000** |
| Weighted average exercise price: | | | $0.08 | $0.16 | | $0.10 | $0.10 |
| Weighted average remaining contractual life: | | | | | | | 2.00 years |

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**11. Share-based payments (continued)**

**Fair value of unlisted options granted**

There were no options granted during the current reporting period.

The fair value at grant date stated in the table for options on issue at the end of the current reporting period was determined using the Black-Scholes valuation methodology for options granted and takes into account the following inputs set out in the table below.

Share price volatility has been based on the normalised volatility of the Group's shares for a historical period equivalent to the time to expiry of the unlisted options issued. Total share-based payment transactions recognised during the comparative period are as set out below.

| Number | Grant date & vesting date | Expiry date | Fair value of option at grant date | Option exercise price | Risk free interest rate | Expected volatility | Notes | Total value |
|---|---|---|---|---|---|---|---|---|
| | | | $ | $ | % | % | | $ |
| **2021** | | | | | | | | |
| 5,000,000[1] | 07/11/2021 | 16/11/2024 | 0.0950 | 0.16 | 0.90 | 100 | | 474,942 |
| 3,500,000[2] | 23/12/2021 | 20/01/2025 | 0.0917 | 0.16 | 0.90 | 100 | | 320,872 |
| **8,500,000** | | | | | | | 11(c) | **795,814** |

**Notes:**

1 - On 16 November 2021 there was a total of 5,000,000 unlisted options issued to key management personnel and a consultant, with an exercise price of $0.16 and expiring on 16 November 2024.
2 - Shareholders approved at a General Meeting of Shareholders held on 23 December 2021 the issue of 3,500,000 unlisted options to Ray Shorrocks (or his nominee), with an exercise price of $0.16. The unlisted options were subsequently issued on 20 January 2022, expiring on 20 January 2025.

**(b) Performance rights**

Information relating to performance rights issued and lapsed during the current financial year and outstanding at the end of the current financial year, is set out below. There were no performance rights issued in the comparative period.

| Tranche | Grant Date | Vesting date | Expiry date | Balance at start of year | Granted | Balance at end of year | Vested and exercisable at end of the period | Value of rights expensed during the year $ |
|---|---|---|---|---|---|---|---|---|
| A | 15/08/2022 | 21/10/2026 | 21/10/2027 | - | 8,350,000 | 8,350,000 | - | 97,388 |
| B | 15/08/2022 | 21/10/2026 | 21/10/2027 | - | 8,350,000 | 8,350,000 | - | 97,388 |
| C | 28/09/2022 | 21/10/2026 | 21/10/2027 | - | 4,500,000 | 4,500,000 | - | 54,671 |
| D | 28/09/2022 | 21/10/2026 | 21/10/2027 | - | 4,500,000 | 4,500,000 | - | 54,671 |
| E | 4/10/2022 | 21/10/2026 | 21/10/2027 | - | 150,000 | 150,000 | - | 2,697 |
| F | 4/10/2022 | 21/10/2026 | 21/10/2027 | - | 150,000 | 150,000 | - | 2,697 |
| G | 16/11/2022 | 15/06/2023 | 30/07/2025 | - | 250,000 | 250,000 | - | 25,859 |
| H | 16/11/2022 | 15/06/2024 | 30/07/2025 | - | 250,000 | 250,000 | - | 9,456 |
| I | 16/11/2022 | 30/11/2024 | 30/11/2026 | - | 100,000 | 100,000 | - | 2,930 |
| J | 16/11/2022 | 30/09/2023 | 30/09/2025 | - | 300,000 | 300,000 | - | 20,590 |
| K | 19/11/2022 | 21/10/2026 | 21/10/2027 | - | 1,000,000 | 1,000,000 | - | 12,905 |
| L | 19/11/2022 | 21/10/2026 | 21/10/2027 | - | 1,000,000 | 1,000,000 | - | 12,905 |
| | | | | **-** | **28,900,000** | **28,900,000** | **-** | **394,157** |

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**11. Share-based payments (continued)**

The terms of performance rights issued during the year include:

| Tranche | Vesting conditions |
|---|---|
| A,C,E,K | The Company reporting a JORC compliant Inferred Mineral Resource of 5MT at a minimum grade of 0.8% $Li_20$ on or before 21 October 2026. |
| B,D,F,L | The Company reporting a JORC compliant Inferred Mineral Resource of 10MT at a minimum grade of 0.8% $Li_20$ on or before 21 October 2026. |
| G | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 15 June 2023. |
| H | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 15 June 2024. |
| I | Remaining an officeholder, employee or consultant of the Company (or a wholly owned subsidiary) at all times up to and including 30 November 2024. |
| J | Vesting of 30 September 2023 subject to remaining an officeholder, employee or consultant of the Company at all times up to and including the vesting date, zero breaches of heritage and safety systems, and other exploration related vesting conditions. |

**Fair value of performance rights**

The following table illustrates the inputs used to calculate the fair value of performance rights issued during the current reporting period:

| Tranche | A,B | C,D | E,F | G |
|---|---|---|---|---|
| Share price at grant date | $0.240 | $0.25 | $0.37 | $0.485 |
| Vesting test date | 21/10/26 | 21/10/26 | 21/10/26 | 15/6/23 |
| Expiry date | 21/10/27 | 21/10/27 | 21/10/27 | 30/7/25 |
| Days to expiry | 1,893 | 1,849 | 1,843 | 987 |
| Number issued | 16,700,000 | 9,000,000 | 300,000 | 250,000 |
| Valuation per right | $0.24 | $0.25 | $0.37 | $0.485 |
| Valuation per class of rights | $4,008,000 | $2,250,000 | $111,000 | $121,250 |
| **Tranche** | **H** | **I** | **J** | **K,L** |
| Share price at grant date | $0.485 | $0.485 | $0.485 | $0.440 |
| Vesting test date | 15/6/24 | 30/11/24 | 30/09/23 | 21/10/26 |
| Expiry date | 30/7/25 | 30/11/26 | 30/09/25 | 21/10/27 |
| Days to expiry | 987 | 1,475 | 1,049 | 1,797 |
| Number issued | 250,000 | 100,000 | 300,000 | 2,000,000 |
| Valuation per right | $0.485 | $0.485 | $0.485 | $0.440 |
| Valuation per class of rights | $121,250 | $48,500 | $145,500 | $880,000 |

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**11. Share-based payments (continued)**

**(c) Summary of share-based payments**

| | 2022 | 2021 |
|---|---|---|
| Share-based payments – Unlisted Options – Key Management Personnel | - | 558,343 |
| Share-based payments – Performance Rights | 394,157 | - |
| Share-based payments – Unlisted Options – Consultants[1] | - | 237,471 |
| **Totals** | **394,157** | **795,814** |

**Note:**

1 - The fair value determined for these unlisted Options is included in consultants and contractor expenses for the comparative period of $452,800 as disclosed in the Statement of Profit or Loss and Other Comprehensive Income.

**12. Loss per share**

Both the basic and diluted loss per share have been calculated using the loss attributable to shareholders of the Company as the numerator (i.e. no adjustments to loss were necessary in either 2022 or 2021).

| | 2022 $ | 2021 $ |
|---|---|---|
| Net loss attributable to ordinary equity holders of the Company | (2,761,228) | (2,081,181) |
| Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted loss per share | 618,913,430 | 109,313,665 |
| **Basic and diluted loss per share (cents per share)** | **(0.45)** | **(1.91)** |

As at 31 December 2022, the Group had 44,000,000 unlisted share options exercisable (2021: 38,000,000), which are not included in diluted loss per share since they are antidilutive for the periods presented.

**13. Auditor remuneration**

| | 2022 $ | 2021 $ |
|---|---|---|
| **Audit and review of financial statements** | | |
| Auditors of Cygnus Metals Limited – Ernst & Young | 40,000 | 30,000 |
| **Total auditor's remuneration** | **40,000** | **30,000** |

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### 14. Reconciliation of cash flows from operating activities

| | Notes | 2022 $ | 2021 $ |
|---|---|---|---|
| Loss for the period | | (2,761,228) | (2,081,181) |
| Depreciation and amortisation | | 40,818 | 25,812 |
| Depreciation on right of use assets | | 26,266 | 16,698 |
| Exploration and evaluation impairment costs | | 841 | 313,881 |
| Exploration and evaluation write-off costs | | 23,038 | 4,281 |
| Share-based payment expense – Unlisted Options - Consultants | 11(c) | - | 237,471 |
| Share-based payment expense – Unlisted options - KMP | 11(c) | - | 558,343 |
| Share-based payment expense – Performance rights | 11(c) | 394,157 | - |
| Unrealised foreign exchange losses | | 306,397 | - |
| Deferred tax expense | | 440,773 | - |
| Settlement of Flow-Through Share liability | | 574,645 | - |
| Other | | 384,408 | (8,252) |
| Net changes in working capital: | | | |
| Change in trade and other receivables | | 1,704,179 | (42,973) |
| Change in employee benefits provisions | | 21,675 | 12,968 |
| Change in trade and other payables | | (3,264,241) | 77,937 |
| **Net cash used in operating activities** | | **(2,108,273)** | **(885,015)** |

### 15. Related Party Transactions

*KMP remuneration*

| | 2022 $ | 2021 $ |
|---|---|---|
| Short term employee benefits | 456,294 | 374,210 |
| Post-employment benefits | 16,001 | 14,617 |
| Share-based payments | 121,006 | 558,343 |
| **Total** | **593,301** | **947,170** |

*Individual Directors and executive's compensation disclosures*

Information regarding individual directors and executive's compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' Report on pages 42 to 49.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at the end of the current period.

### 15.1 Other related party transactions and arrangements

All other transactions and arrangements with other related parties are made on normal commercial terms and conditions and at deemed market rates. These included the following.

Shaun Hardcastle was a Partner of HWL Ebsworth Lawyers which provided legal services to the Company to the value of $4,358 during 2022 (2021: $38,787). There were no amounts owing to HWL Ebsworth Lawyers by the Company at 31 December 2022 (2021: $7,330).

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Shaun Hardcastle is a Partner of Hamilton Locke Lawyers which provided legal services to the Company to the value of $137,025 during 2022 (2021: Nil). There were no amounts owing to HWL Ebsworth Lawyers by the Company at 31 December 2022 (2021: $7,330).

Blue Leaf Corporate Pty Ltd, a company owned by Michael Naylor, provided company secretarial and financial management services to the Company during 2022 to the value of $118,500 (2021: $90,000). Acting as joint company secretary, Susan Field is under contract with Blue Leaf Corporate Pty Ltd and was remunerated $60,000 (2021: $30,000) for her contribution of services to Cygnus Metals Limited. There were no amounts owing to Blue Leaf Corporate Pty Ltd by the Company at 31 December 2022 (2021: $7,500).

Belltree Corporate Pty Ltd, a Company that Director Michael Naylor is a Director of and Shaun Hardcastle has an indirect interest in, provided company secretarial services to the Company during the year ended 31 December 2022 totalling $7,000 (2021: Nil). There were no amounts owing to Belltree Corporate Pty Ltd by the Company at 31 December 2022 (2021: Nil).

During the year ended 31 December 2022 the Company paid $18,342 (2021: Nil) for shared administrative costs to Bellavista Resources Ltd, a Company that Michael Naylor is a Non-Executive Director. $14,425 was owing to Bellavista Resources Ltd by the Company at 31 December 2022 (2021: Nil).

During the year ended 31 December 2022 the Company paid $266,599 (2021: $36,155) for shared administrative and head office fit-out costs to Auteco Minerals Limited, a Company that Michael Naylor is a Non-Executive Director. $166,887 was owing to Auteco Minerals Limited by the Company at 31 December 2022 (2021: Nil).

During the year ended 31 December 2022 the Company paid $10,694 (2021: $153,438) for shared administrative costs to Bellevue Gold Limited, a Company that Michael Naylor is a Non-Executive Director. There were no amounts owing to Bellevue Gold Limited by the Company at 31 December 2022 (2021: $Nil).

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured and interest-free and settlement occurs in cash and are presented as part of trade payables. There have been no bank guarantees provided for any related party payables.

## 16. Subsidiaries

| Name of Entity | Country of Incorporation | 2022 | 2021 |
|---|---|---|---|
| **Parent Entity** | | | |
| Cygnus Metals Limited | Australia | 100 | 100 |
| **Subsidiary** | | | |
| Deneb Resources Pty Ltd | Australia | 100 | 100 |
| Cygnus Gold (Projects) Pty Ltd | Australia | 100 | 100 |
| Cygnus (JV Projects) Pty Ltd | Australia | 100 | 100 |
| Avenir Metals (Australia) Pty Ltd | Australia | 100 | - |
| Avenir Metals (Canada) Limited | Canada | 100 | - |

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## 17. Parent entity disclosure

| Result of the parent entity | 2022 $ | 2021 $ |
|---|---|---|
| Loss for the year | 2,276,209 | 2,153,601 |
| Other comprehensive expenses | 56,934 | - |
| **Total comprehensive loss for the year** | **2,773,916** | **2,153,601** |
| **Financial Position of the parent entity at year end:** | | |
| Current assets | 15,267,672 | 2,850,219 |
| Non-current assets | 6,552,212 | 576,750 |
| **Total assets** | **21,819,884** | **3,426,969** |
| Current liabilities | 3,562,117 | 298,448 |
| Non-current liabilities | 440,773 | 90,855 |
| **Total Liabilities** | **4,002,890** | **389,303** |
| **Total equity of the parent entity comprising of:** | **17,816,994** | **3,037,666** |
| Contributed equity | 25,260,644 | 10,149,147 |
| Reserves | 7,051,149 | 5,109,202 |
| Accumulated losses | (14,494,799) | (12,220,683) |
| **Total equity** | **17,816,994** | **3,037,666** |

## 18. Financial risk management

**Credit risk**

The carrying amount of the Group's financial assets represents the Group's maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

| | Notes | 2022 $ | 2021 $ |
|---|---|---|---|
| Cash and cash equivalents | 4 | 13,530,678 | 2,811,336 |
| Trade and other receivables | 5 | 41,290 | 75,094 |

The Group's cash and cash equivalents and term deposits at call are held with bank and financial institution counterparties, which are rated at least AA-, based on rating agency S&P Global Ratings.

For trade receivables, the Group applies a simplified approach in calculating Expected Credit Losses ("ECLs"). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

As at 31 December 2022, no receivables were more than 30 days past due (2021: Nil). No receivables are considered to have a material credit risk.

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**18. Financial risk management (continued)**

**Liquidity risk**

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by monitoring forecast cash flows, only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Group in managing its cash flows. Financial liabilities are expected to be settled on the following basis:

| | Notes | 2022 $ | 2021 $ |
|---|---|---|---|
| Not later than 45 days | | 2,050,844 | 266,256 |
| Greater than 45 days and less than 12 months | | 1,447,659 | |
| Total | 6 | 3,498,503 | 266,256 |

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Price risk on investments**

The Group is exposed to equity price risks arising from equity investments. The Group's investments are listed on the Toronto Stock Exchange (TSXV).

| | Carrying Amount 31 December 2022 $ | Carrying Amount 31 December 2021 $ |
|---|---|---|
| Listed investments – CAD$406,250 | 454,830 | - |

A change of 10% in the share price at the end of the reporting period would have increased/(decreased) the investment revaluation reserve component of equity as a result of gains/losses on equity securities classified as FVOCI by the amounts shown below.

The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2021.

| | | |
|---|---|---|
| 10% increase | 45,483 | - |
| 10% decrease | (45,483) | - |

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**18. Financial risk management (continued)**

**Foreign exchange rate risk**

The Group is exposed to foreign exchange rate risk arising from equity investments listed on the Toronto Stock Exchange (TSXV), although given the size of these investments the directors do not anticipate that significant fluctuations in related foreign currencies would result in a material change to the valuation of these assets at the end of the current reporting period.

The Group is also exposed to foreign exchange rate risk arising from cash and deposits held in Canadian dollars. At the reporting date the sensitivity for the Group's foreign exchange exposures was:

| | Carrying Amount 31 December 2022 $ | Carrying Amount 31 December 2021 $ |
|---|---|---|
| Cash on deposit – CAD$5,336,389 | 5,882,264 | - |
| Deposits with suppliers – CAD$1,300,000 | 1,516,406 | |
| Listed investments – CAD$406,250 | 454,830 | - |
| **Totals** | **7,853,500** | **-** |

A change of 10% in CAD:AUD foreign exchange rates at the end of the reporting period would have increased/(decreased) profit and loss and equity by the amounts shown below.

The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2021.

| | | |
|---|---|---|
| 10% increase | 785,350 | - |
| 10% decrease | (785,350) | - |

**Interest rate risk**

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash. Cash includes funds held in term deposits and cheque accounts during the year, which earned variable interest at rates ranging between 0.05% and 3.00% (2021: 0.05 % and 0.30%), depending on the bank account type and account balances.

The Group has no loans or borrowings.

At the reporting date the interest rate sensitivity for the Group's interest-bearing financial instruments was:

| | Carrying Amount 31 December 2022 $ | Carrying Amount 31 December 2021 $ |
|---|---|---|
| Variable rate financial assets | 13,530,678 | 2,811,336 |

A change of 100 basis points in the interest rates at the end of the reporting period would have increased/(decreased) profit and loss and equity by the amounts shown below.

The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2021.

| | | |
|---|---|---|
| 100bp increase | 13,531 | 2,811 |
| 100bp decrease | (13,531) | (2,811) |

**Capital management policies and procedures**

The Board policy is to maintain a capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares and retained earnings (or accumulated losses). The Board of Directors manages the capital of the Group to ensure that the Group can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

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**19. Commitments and contingent assets and liabilities**

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure in order to retain present interests in mineral tenements. Annual rents on exploration licenses held by the Group are $169,994 (2021: $164,494) with a minimum exploration commitment of $899,500 (2021: $649,954) per annum.

The Group has the following project earn-in expenditure commitments at 31 December 2022:

*Pontax Lithium Project:*

The Company may earn an initial 51% interest in the Project ("Stage 1 Earn-In") by:

- expending C$4,000,000 on exploration over an 18-month period from the commencement of the earn-in period in July 2022;
- making a cash payment to Stria of C$2,000,000 at the end of the Stage 1 Earn-in period;

The Company may earn a further 19% interest in the Project ("Stage 2 Earn-In") by:

- expending C$6,000,000 on exploration in the 30-month period commencing on the date that the Company satisfies the Stage 1 Earn-in; and
- making a cash payment to Stria of C$3,000,000.

*Megawatt Lithium Project*

In order to exercise the first option and acquire the 51% interest in the MegWatt Projects (First Option), the Company must commit C$2,000,000 towards exploration on the MegaWatt Projects, as follows:

- C$500,000 of exploration expenditure within the first 12 months of the MegaWatt Option Agreement (commencing September 2022);
- a further C$500,000 of exploration expenditure within the second 12 months of the MegaWatt Option Agreement; and
- a further C$1,000,000 of exploration expenditure within the third 12 months of the MegaWatt Option Agreement.

*Pontax Extension Lithium Project (Canadian Mining House)*

In order to acquire the project claims, the Company must:

- 6 months after receiving shareholder approval (Approval Date), pay C$75,000 in cash and issue 1,217,001 Shares;
- 12 months after the Approval Date, pay a further C$75,000 in cash and issue a further 1,217,001 Shares;
- 24 months after the Approval Date, pay a further C$30,000 in cash and issue a further 486,801 Shares.

**20. Exploration and evaluation**

| | 2022 $ | 2021 $ |
|---|---|---|
| Opening balance | 453,546 | - |
| Expenditure incurred during the year – Australian tenements | 1,119,654 | 771,708 |
| Expenditure incurred during the year – Pontax Canada | 1,567,287 | - |
| Acquisition costs – Pontax Canada | 1,124,088 | - |
| Expenditure incurred during the year – Pontax extension Canada | 9,074 | - |
| Acquisition costs – Pontax extension Canada | 671,689 | - |
| Expenditure incurred during the year – MegaWatt Canada | 559,348 | - |
| Acquisition costs – MegaWatt Canada | 58,050 | - |
| Exploration expenditure impaired | (841) | (313,881) |
| Exploration and evaluation expenditures written off | (23,038) | (4,281) |
| **Closing balance** | **5,538,857** | **453,546** |

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**Impairment**

Impairment of specific exploration and evaluation assets during the year have occurred where Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation.

During the year indicators of impairment were identified on certain exploration and evaluation assets in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. As a result of this review, an impairment loss and write-offs totalling $23,879 has been recognised (2021: $318,162) in relation to areas of interest where the directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation.

## 21. Property, plant and equipment

| | 2022 $ | 2021 $ |
|---|---|---|
| Assets at cost | 318,257 | 181,549 |
| Accumulated depreciation | (163,290) | (136,663) |
| **Carrying value 31 December** | **154,967** | **44,886** |

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current year, is as follows:

| | IT equipment $ | Field equipment $ | Motor vehicles $ | Low value assets $ | Leasehold improvements $ | Total $ |
|---|---|---|---|---|---|---|
| Balance at 1 January 2022 | 7,502 | 6,381 | 22,100 | 1,340 | 7,563 | 44,886 |
| Additions | 17,416 | - | - | 1,323 | 132,160 | 150,899 |
| Disposals | - | - | - | - | - | - |
| Depreciation expense | (9,063) | (4,638) | (12,925) | (2,663) | (11,529) | (40,818) |
| **Balance at 31 December 2022** | **15,855** | **1,742** | **9,175** | **-** | **128,194** | **154,967** |

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## 22. Right of use assets

| | | Notes | 2022 $ | 2021 $ |
|---|---|---|---|---|
| | Right of use lease asset | (a) | - | 122,517 |
| | Accumulated depreciation – lease assets | (b) | - | (7,990) |
| | **Net carrying amount** | | **-** | **114,527** |
| | *Adjustments recognised during the period* | | | |
| **(a)** | **Right of use assets** | | | |
| | Opening balance | | 122,517 | 74,311 |
| | Adjustment | | - | (74,311) |
| | Addition | | - | 122,517 |
| | Disposals | | (122,517) | - |
| | **Closing balance** | | **-** | **122,517** |
| **(b)** | **Accumulated depreciation** | | | |
| | Opening balance | | (7,990) | (6,192) |
| | Depreciation | | (26,266) | (16,698) |
| | Adjustment | | - | 14,900 |
| | Disposals | | 34,256 | - |
| | **Closing balance** | | **-** | **(7,990)** |
| | **Amount recognised in profit and loss** | | | |
| | Depreciation expense on right to use lease asset | | (26,266) | (16,698) |

The Company has a sub-license over part of the premises at Level 2, 8 Richardson Street, West Perth. From 31 November 2022, the previous lease agreement has been terminated pursuant to mutual agreement between the parties and as a result, the previous Right of Use Asset and Lease Liability has been derecognised and replaced by a cost sharing agreement.

## 23. Investments

**Classification of financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income (FVOCI) comprise of equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

The following table shows the movement in equity instruments at FVOCI during the current and previous reporting periods:

| | 2022 $ | 2021 $ |
|---|---|---|
| Opening balance | - | - |
| Acquisition of equity investments[1] | 454,829 | - |
| Changes in fair value recognised in other comprehensive income | (56,934) | - |
| **Closing balance** | **397,895** | **-** |

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**24. Operating segments**

The Group has identified the board of directors as the chief operating decision maker ("CODM"). The CODM receives details of expenditure incurred across three segments being exploration in Canada, exploration in Western Australia and corporate and unallocated expenditure. The Canadian segment is new for the current reporting period and was not reported on in the comparative period.

**25. Post reporting date events**

On 8 February 2023, the Company announced that it had changed the Company's name from Cygnus Gold Limited to Cygnus Metals Limited to more accurately reflect the diversification of the commodities the Company is now actively exploring.

On 17 February 2023, the Company announced that it had acquired an additional ~9km of strike on the Chambois Greenstone Belt, which hosts the Company's Pontax Lithium Project, giving the Company a continuous 20km strike length on the prospective greenstone belt. The Company acquired the additional ground through an outright purchase from TSXV-listed Sirios Resources Inc. comprising:

- An unfront payment of C$1.2m in cash plus 750,000 fully paid ordinary shares with 50% of the shares to be subject to voluntary escrow for 12 months.
- Milestone payment 1: The Company must, upon defining a JORC Resource of 4 million tonnes at a minimum grade of 0.8% $Li_2O$ or more, make a further payment of C$1.0 million plus, issue 500,000 fully paid ordinary shares.
- Milestone payment 2: The Company must, upon defining a JORC Resource of 6 million tonnes at a minimum grade of 0.8% $Li_2O$ or more, make a further payment of C$2.0 million plus, issue 500,000 fully paid ordinary shares.

On 28 February 2023, the Company announced that it would be acquiring the Auclair Lithium Project in James Bay, Quebec covering 25.5$km^2$ from Osisko Development Corp. Transaction details of the outright purchase include:

- C$247,164.62 in cash or shares, which is for the reimbursement of costs of the exploration licenses.
- 1,000,000 fully paid ordinary shares.
- Deferred consideration of:
  - C$3,000,000 in shares or cash (at the Company's election) when the Company achieves a JORC Resource of 3 million tonnes at a minimum grade of 1.2% $Li_2O$.
  - C$3,000,000 in shares or cash (at the Company's election) when the Company achieves a JORC Resource of 1Moz Au or greater at a minimum grade of 3 g/t.

There have not been any other events that have arisen between 31 December 2022 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to materially affect the operations of the Group, the results of those operations or the state of affairs of the Group, in subsequent financial years.

On 28 March 2023, the Company announced that had entered into option agreements with Canadian Mining House to acquire a 100% interest in the Sakami Project in the La Grande greenstone belt, just 44km west of Patriot Battery Metals' Corvette Project, and the additional ground immediately adjacent to and surrounding the Auclair Project.
The terms of these option agreements are outlined below.

Sakami Project:

- Cygnus will be required to pay the Vendors C$300,000 cash payment and 3,450,000 fully paid ordinary shares in Cygnus, in aggregate.
- The consideration is payable in 4 stages over 3 years, at the election of Cygnus, other than stage 1. Stage 1 comprises of C$75,000 in cash and 1,500,000 Shares (subject to 6 months' voluntary escrow) payable upfront, subject to the receipt of shareholder approval.
- In addition to the above payments, Cygnus must incur exploration expenditure to the amount of C$1,000,000 within the first 36 months of closing the Option Agreement.

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**25. Post reporting date events (continued)**

Beryl Project (surrounding the Auclair Project):

- Cygnus will be required to pay the Vendors C$395,000 cash payment and 4,000,000 fully paid ordinary shares in Cygnus, in aggregate.
- The consideration is payable in 4 stages over 3 years, at the election of Cygnus, other than stages 1 and 2. Stage 1 comprises of C$125,000 in cash and 1,500,000 Shares (subject to 6 months' voluntary escrow) payable upfront, subject to the receipt of shareholder approval. Stage 2 comprises C$75,000 and 900,000 shares payable in 12 months, subject to the receipt of shareholder approval.
- In addition to the above payments, Cygnus must incur exploration expenditure to the amount of CAD$1,000,000 within the first 36 months of closing the Option Agreement.

Cygnus will grant the vendors a 2% net smelter royalty on both the Sakami Project and the Beryl Project. There are no other substantive conditions precedent outstanding and Cygnus expects completion to occur following shareholder approval, which will be sought at the Company's annual general meeting in May 2023.

Appointment Of Managing Director

On 4 October 2022 the Company announced the appointment of Mr David Southam as Non-Executive Director from 1 November 2022 and as Managing Director from mid-February 2023. On 13 February 2023 Mr Southam commenced as Managing Director. The material terms of Mr Southam's Managing Director employment contract are:

- Commencement Date: 13 February 2023 on a part-time basis with transition arrangements to move to full-time
- Term / Notice Period: Ongoing term, with termination by the Company of six months and termination by the Managing Director of three months. The Company may terminate the employment without notice in certain circumstances.
- Remuneration: A fixed Total Remuneration Package ("TRP") of $600,000 (Full Time Equivalent), inclusive of superannuation contributions.
- Short Term Incentive Program ("STIP"): Eligible to participate in a STIP of up to 25% of TRP subject to achievement of STIP hurdles.
- Employee Incentives Securities Plan ("EISP"): Eligible to participate in the EISP. The Company agreed to issue 18,000,000 performance rights to Mr Southam which are linked to his commencement in the role as Managing Director on 13 February 2023.
- The Company has also agreed to issue Long Term Incentives to Mr Southam up to 150% of the base salary component of his TRP commencing 1 July 2023.

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**26. Income tax expense**

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate is at 25% (2021: 25%) and the reported tax expense in profit or loss are as follows:

| | 2022 $ | 2021 $ |
|---|---|---|
| *Tax expense comprises:* | | |
| Deferred tax expense | 440,773 | - |
| Tax expense | 440,773 | - |
| | | |
| Accounting loss excluding income tax | (2,320,455) | (2,081,181) |
| Total income tax expense | (580,114) | (520,285) |
| Non-deductible expenses | 16,884 | 1,283 |
| Share-based payments expense | 101,665 | 198,953 |
| Non-assessable income – flow-through shares | (143,661) | - |
| Settlement of flow-through share liability | 440,773 | - |
| | | |
| *Deferred tax asset temporary differences not previously brought to account:* | | |
| Deferred tax asset losses not brought to account | 861,822 | 308,330 |
| Deferred tax asset temporary differences not brought to account | (256,596) | - |
| Reduction in opening deferred taxes resulting from reduction in tax rate | - | 11,719 |
| Income tax expense attributable to entity | 440,773 | - |
| | | |
| *Recognised deferred tax balances:* | | |
| Deferred tax asset temporary differences | 229,069 | 63,125 |
| Deferred tax asset losses | 168,055 | 80,884 |
| Deferred tax liability temporary differences | (397,124) | (144,009) |
| Net deferred tax liabilities – Australian activities | - | - |
| Deferred tax liabilities – Canadian flow-through share liability | (440,773) | - |
| Net deferred tax liabilities – Canadian activities | (440,773) | - |
| *Deferred taxes arising from temporary differences and unused tax losses not brough to account:* | | |
| Deferred tax asset losses | 2,863,302 | 2,167,095 |
| | 2,863,302 | 2,167,095 |

In the opinion of the Directors of Cygnus Metals Limited:

a. The financial statements and notes of Cygnus Metals Limited are in accordance with the *Corporations Act 2001 (Cth),* including:

    i. Giving a true and fair view of its consolidated financial position as at 31 December 2022 and of its performance for the year ended on that date; and

    ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001 (Cth)*; and

b. There are reasonable grounds to believe that Cygnus Metals Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Managing Director and Chief Financial Officer for the year ended 31 December 2022.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:



David Southam
Managing Director

Perth, Western Australia, 31 March 2023

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Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

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# Independent auditor's report to the members of Cygnus Metals Limited

## Report on the audit of the financial report

### Opinion

We have audited the financial report of Cygnus Metals Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001* , including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001* .

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter - material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the principal conditions that raise doubt about the consolidated entity's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. The matter we identified was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on the matter. For the matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matter described below to be a key audit matter to be communicated in our report.

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We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, Including in relation to th is matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

**1. Carrying value of exploration and evaluation assets**

| Why significant | How our audit addressed the key audit matter |
|---|---|
| As disclosed in Note 20 of the Annual Report, the Group carries exploration and evaluation assets of $5,538,857 as at 31 December 202 2.<br><br>The carrying amount of exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that an exploration and evaluation asset may exceed its recoverable amount.<br><br>The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgments including whether the Group will be able to maintain tenure, perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. During the year, the Group determined that there had been no indicators of impairment.<br><br>Given the size of the balance and the judgmental nature of impairment indicator assessments associated with exploration and evaluation assets, we consider this a key audit matter. | We evaluated the Group's assessment as to whether there were any indicators of impairment which would require the carrying value of exploration and evaluation assets to be tested for impairment. In performing our audit procedures, we:<br><br>▸ Considered the Group's rights to explore in the relevant exploration areas which included obtaining and assessing supporting documentation.<br><br>▸ Considered the Group's intention to carry out significant exploration and evaluation activities in the relevant exploration areas which included assessing whether the Group's cash-flow forecasts included planned exploration and evaluation activities, and enquiring with senior management and Directors as to the intentions and strategy of the Group.<br><br>▸ Assessed whether any exploration and evaluation data existed to indicate that the carrying amount of capitalised exploration and evaluation assets is unlikely to be recovered through development or sale.<br><br>▸ Assessed the adequacy of disclosures in the financial report. |

## Information other than the financial statements and auditor's report

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 31 December 202 2, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial report and our knowledge obtained in the audit or otherwise doesn't appear to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Gro up to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervisi on and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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# Report on the audit of the Remuneration Report

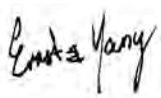
## Opinion on the Remuneration Report

We have audited the Remuneration Report included in the Directors' report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of Cygnus Metals Limited for the year ended 31 December 2022, complies with section 300A of the *Corporations Act 2001*.

## Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001* . Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



RJ Curtin
Partner
Perth
31 March 2023

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In accordance with ASX Listing Rule 4.10, the following information is provided as at 9 March 2023.

**Top 20 holders of ordinary shares**

| Rank | Name | Units | % of issued capital |
|---|---|---|---|
| 1 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 25,893,183 | 14.08 |
| 2 | SYMORGH INVESTMENTS PTY LTD <SYMORGH SUPER FUND A/C> | 7,559,199 | 4.11 |
| 3 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 5,915,768 | 3.22 |
| 4 | MS CHARMAINE LINDA LOBO | 5,337,780 | 2.90 |
| 5 | SOUTHERN CROSS CAPITAL PTY LTD | 4,827,451 | 2.63 |
| 6 | BNP PARIBAS NOMS PTY LTD <DRP> | 4,824,923 | 2.62 |
| 7 | MR MANUEL SYRIANOS | 3,900,001 | 2.12 |
| 8 | GOLD LEAF CORPORATE PTY LTD <GOLD LEAF CORPORATE A/C> | 3,851,504 | 2.09 |
| 9 | GLEESON MINING PTY LTD <GLEESON FAMILY A/C> | 3,155,486 | 1.72 |
| 10 | MR ALAN FRANK CLELAND <DA EXPLORATION A/C> | 3,028,335 | 1.65 |
| 11 | NATIONAL NOMINEES LIMITED | 2,858,483 | 1.55 |
| 12 | MR TIMOTHY MCCORMACK | 2,598,211 | 1.41 |
| 13 | SPRING STREET HOLDINGS PTY LTD | 2,594,139 | 1.41 |
| 14 | CAMPBELL KITCHENER HUME & ASSOCIATES PTY LTD <C K H SUPERFUND A/C> | 2,267,712 | 1.23 |
| 15 | MR MICHAEL DYLAN NAYLOR + MS SARAH MCALPINE <M D & S I SUPER FUND A/C> | 2,133,912 | 1.16 |
| 16 | DR OLIVER PIERRE KREUZER | 2,130,556 | 1.16 |
| 17 | BIGJAC INVESTMENTS PTY LTD <BIGJAC INVESTMENTS A/C> | 2,090,557 | 1.14 |
| 18 | MR RONALD WILLIAM BILLYARD + MS FIONA CURREY <B C SUPERFUND A/C> | 2,050,000 | 1.11 |
| 19 | CG NOMINEES (AUSTRALIA) PTY LTD | 2,000,000 | 1.09 |
| 20 | CITICORP NOMINEES PTY LIMITED | 1,800,596 | 0.98 |
| **Totals** | | **90,817,796** | **49.38** |

**Substantial Holders**

The names of substantial shareholders as disclosed in substantial shareholding notices given to the Company are:

| | Units | % of issued capital |
|---|---|---|
| STEVE PARSONS | 9,225,866 | 5.02 |

**Spread of Holdings**

*Fully Paid Ordinary Shares*

| Range | Total holders | Units | % of issued capital |
|---|---|---|---|
| 1 - 1,000 | 56 | 27,882 | 0.02 |
| 1,001 - 5,000 | 239 | 708,934 | 0.39 |
| 5,001 - 10,000 | 183 | 1,520,938 | 0.83 |
| 10,001 - 100,000 | 614 | 24,101,847 | 13.11 |
| 100,001 and over | 210 | 157,514,611 | 85.65 |
| **Total** | **1,302** | **183,874,212** | **100.00** |

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*Options*

| Range | Total holders | Units | % of issued options |
|---|---|---|---|
| 1 - 1,000 | - | - | - |
| 1,001 - 5,000 | - | - | - |
| 5,001 - 10,000 | - | - | - |
| 10,001 - 100,000 | - | - | - |
| 100,001 Over | 13 | 38,000,000 | 100.00 |
| **Total** | **13** | **38,000,000** | **100.00** |

*Performance Rights*

| Range | Total holders | Units | % of issued options |
|---|---|---|---|
| 1 - 1,000 | - | - | - |
| 1,001 - 5,000 | - | - | - |
| 5,001 - 10,000 | - | - | - |
| 10,001 - 100,000 | 1 | 100,000 | 0.21 |
| 100,001 and over | 15 | 46,700,000 | 99.79 |
| **Total** | **16** | **46,800,000** | **100.00** |

**Unquoted Securities**

*Options*

| Expiry Date | Exercise Price | No. Of Options | Number of Holders |
|---|---|---|---|
| 22/09/2023 | $0.08 | 29,500,000 | 12[1] |
| 16/11/2024 | $0.16 | 5,000,000 | 3[2] |
| 21/01/2025 | $0.16 | 3,500,000 | 1[3] |
| 21/10/2025 | $0.25 | 1,500,000 | 1[4] |
| 21/10/2025 | $0.50 | 1,500,000 | 1[4] |
| 21/10/2025 | $0.75 | 1,500,000 | 1[4] |
| 21/10/2025 | $1.00 | 1,500,000 | 1[4] |

The names of holders and number of unquoted equity securities held for each class the holding was 20% or more of each class of security are as follows:

1. Symorgh Investments Pty Ltd <Symorgh Super Fund A/C> holds 6,500,000 which is 22.03% of this class of options.
2. Symorgh Investments Pty Ltd <Symorgh Super Fund A/C> holds 2,500,000 which is 50.0% and Gold Leaf Corporate Pty Ltd <Gold Leaf Corporate A/C> holds 45.0% of this class of options.
3. Spring Street Holdings Pty Ltd holds 3,500,000 which is 100% of this class of options.
4. CG Nominees (Australia) Pty Ltd holds 100% of this class of options.

Options do not carry a right to vote.

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*Performance rights*

| Class | Expiry Date | No. Of Rights | Number of Holders |
|---|---|---|---|
| F | 21/10/2027 | 12,750,000 | 10[1] |
| G | 21/10/2027 | 12,270,000 | 10[1] |
| H | 30/07/2025 | 250,000 | 1 |
| I | 30/07/2025 | 250,000 | 1 |
| J | 30/09/2025 | 300,000 | 1 |
| K | 30/11/2026 | 100,000 | 1 |
| L | 21/10/2027 | 1,000,000 | 1 |
| M | 21/10/2027 | 1,000,000 | 1 |
| N | 21/10/2027 | 250,000 | 1 |
| O | 21/10/2027 | 250,000 | 1 |
| P | 13/02/2028 | 5,000,000 | 1 |
| Q | 13/02/2028 | 2,000,000 | 1 |
| R | 13/02/2028 | 2,000,000 | 1 |
| S | 13/02/2028 | 4,000,000 | 1 |
| T | 13/02/2028 | 2,500,000 | 1 |
| U | 13/02/2028 | 2,500,000 | 1 |

The names of holders and number of unquoted equity securities held for each class the holding was 20% or more of each class of security are as follows:

1. Symorgh Investments Pty Ltd <Symorgh Super Fund A/C> holds 5,000,000 performance rights, which is 39.2%, and Gold Leaf Corporate Pty Ltd <Gold Leaf Corporate A/C> holds 4,000,000 performance rights, which is 31.4% of this class of performance rights.

Details of holders of performance rights issued under an employee incentive scheme are exempt from disclosure under Chapter 4 of the Listing Rules.

**Unmarketable Parcels**

There were 86 shareholders with less than a marketable parcel of shares, based on the closing price $0.34

**Restricted and Escrowed Securities**

The Company does not have any restricted securities on issue.

The following securities are subject to voluntary escrow:

| No of Shares | Date escrow period ends |
|---|---|
| 2,000,000 | 20/10/2024 |

**Voting Rights**

In accordance with the Company's constitution, on a show of hands every member present in person or by proxy or attorney or duly appointed representative has one vote. On a poll every member present or by proxy or attorney or duly authorised representative has one vote for every fully paid share held. There are no voting rights attached to unexercised options or performance rights.

**Joint Company Secretaries**

Ms Maddison Cramer and Mr Carl Travaglini

**Corporate Governance Statement**

In accordance with Listing Rule 4.10.3, the Company's Corporate Governance Statement can be found on the Company's website. Refer to https://www.cygnusmetals.com/corporate-governancedetail

**On-Market Buy Back**

The Company has not initiated an on-market buy back.

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| Tenement | Location | Registered Owner | Structure and Ownership |
|---|---|---|---|
| E29/1075 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/4787 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| E70/4911 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| E70/4988 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/4989 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| E70/4990 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| E70/5050 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5131 | Western Australia | Cygnus Gold (Projects) Pty Ltd | 100% |
| E70/5168 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5169 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5196 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5397 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5492 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5617 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E77/2405 | Western Australia | Deneb Resources Pty Ltd | 100% |
| E70/5098 | Western Australia | Cygnus (JV Projects) Pty Ltd | 100% |

**Pontax Lithium Project (Earning up to 70%)**

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax-Lithium | CDC 2002627 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002628 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002629 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002630 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002631 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002632 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002633 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002634 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002635 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002636 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002637 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002638 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002639 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002640 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002641 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002642 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002643 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002646 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002647 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002648 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002649 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002650 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002651 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002652 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |

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| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax-Lithium | CDC 2002655 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002656 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002657 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002658 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002659 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2002664 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 86421 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84701 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84702 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84703 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84704 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84705 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85802 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84710 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84711 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85803 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85804 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85805 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85806 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85807 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84717 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85808 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85809 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85810 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85811 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 85812 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84718 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 84719 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 80466 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 80467 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 80468 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 80469 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 80483 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197182 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197183 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197184 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197185 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197186 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197187 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197188 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197190 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 2197191 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 89173 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |
| Pontax-Lithium | CDC 89174 | Quebec, Canada | Stria Lithium Inc. (96388) 100% (responsible) |

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**Route 381 Claims (Earning up to 80%)**

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Route 381 | 2595278 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595279 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595280 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595281 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595282 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595283 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595284 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595285 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595286 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595287 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595288 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595289 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595290 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595291 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595292 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595293 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595294 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595302 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595295 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595303 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595296 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595304 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595297 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595305 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595298 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595306 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595299 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595307 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595300 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595308 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595301 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595309 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595310 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595311 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595312 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595313 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595314 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595315 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595316 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Route 381 | 2595317 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

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**Mitsumis Claims (Earning up to 80%)**

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mistumis | 2595278 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629111 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629112 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629113 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629114 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629115 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629116 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629117 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629118 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629119 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629120 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629121 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629122 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629123 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629124 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629125 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629126 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629127 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629128 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629129 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629130 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629131 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629132 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629133 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629134 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629135 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629136 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629137 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629138 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629139 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629140 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629141 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629142 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629143 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629144 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629145 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629146 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629147 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629148 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629149 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629150 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629228 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629229 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629230 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mistumis | 2629231 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629232 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629233 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629234 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629235 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629236 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629237 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629238 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629239 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629240 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629241 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629242 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629243 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629244 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629245 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629246 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629247 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629248 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629249 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629250 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629251 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629252 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629253 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629254 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629255 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629256 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629257 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629258 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629259 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629260 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629261 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629262 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629263 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629264 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629265 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629266 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629267 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629268 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629269 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629270 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629271 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629272 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629273 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629274 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629275 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mistumis | 2629276 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629277 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629278 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629279 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629280 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629281 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629282 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629283 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629284 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629285 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629286 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629287 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629288 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629289 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629290 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629291 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629292 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629293 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629294 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629295 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629296 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629297 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629298 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629299 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629300 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629301 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629302 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629303 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629304 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629305 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629306 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629307 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629308 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629309 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629310 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629311 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629312 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629313 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629314 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629315 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629316 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629317 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629318 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629319 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629320 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mistumis | 2629321 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629322 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629323 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629324 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629325 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629326 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629327 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629328 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629329 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629330 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629331 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629332 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629333 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629334 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629435 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629436 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629437 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629438 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629439 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629440 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629441 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629442 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629443 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629444 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629445 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629446 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629447 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629448 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629461 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629462 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629463 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629464 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629465 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629466 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629467 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629468 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629469 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629470 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629471 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629472 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629473 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629474 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629475 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629476 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629477 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Mistumis | 2629478 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 262479 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 262480 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629481 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629482 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629483 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629484 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629485 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629805 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629806 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629807 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629808 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629809 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629810 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629811 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629812 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629813 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629814 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629815 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629816 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629817 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |
| Mistumis | 2629818 | Quebec, Canada | Megawatt Lithium and Battery Metals Corp 100% |

**Pontax Extension Property (Earning up to 100%)**

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2616420 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616421 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616422 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616423 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616424 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616425 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616426 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616427 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616428 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616429 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616430 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616431 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616432 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616433 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616434 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616435 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616436 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616437 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616438 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2616439 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616440 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616441 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616442 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616443 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616444 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616445 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616446 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616447 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616448 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616449 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616450 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616451 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616452 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616453 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616454 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616455 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616456 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616457 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616458 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616459 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616460 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616461 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616462 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616463 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616464 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616465 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616466 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616467 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2616468 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615893 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615699 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615700 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615701 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615702 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615703 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615704 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615705 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615706 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615707 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615708 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615709 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615710 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615711 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615712 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |

For personal use only

| Property Description | Title Type and Number | Location | Structure and Ownership |
|---|---|---|---|
| Pontax Extension | 2615713 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615714 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615715 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615716 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615717 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615718 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615719 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615720 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615721 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615722 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615723 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615724 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615725 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615726 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615727 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615728 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615611 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615612 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615613 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615614 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615615 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615616 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615617 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615618 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615619 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615620 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615621 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
| Pontax Extension | 2615622 | Quebec, Canada | 9219-8845 Québec inc. (Canadian Mining House) 100% |
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**Contact Us:**

Address: Level 2, 8 Richardson Street, West Perth,
WA 6005

Phone: +61 8 6118 1627

Email: info@cygnusmetals.com

Website: www.cygnusmetals.com



CYGNUS METALS

CYGNUS METALS

# Financial Report

For the half-year ended
30 June 2024

ABN 80 609 094 653

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The Directors of Cygnus Metals Limited ("Cygnus" or the "Company") (ASX: CY5) and its controlled entities (collectively, "the Group") present their financial report of the Group for the half year ended 30 June 2024.

## BOARD OF DIRECTORS

The Directors of the Group during the half year and to the date of this report are as follows:

1. David Southam — Executive Chair
2. Kevin Tomlinson — Lead Independent Non-Executive Director
3. Raymond Shorrocks — Non-Executive Director
4. Michael Naylor — Non-Executive Director
5. Michael Bohm — Non-Executive Director

## PRINCIPAL ACTIVITIES

Cygnus is an exploration company focused on lithium exploration in the world-class James Bay lithium region of Quebec, Canada and rare earth and base metals exploration in the southwest Yilgarn region of Western Australia.

There have been no significant changes in the nature of these activities during the period.

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**REVIEW OF OPERATIONS**

## EXPLORATION - CANADA

Cygnus Metals Limited is exploring for lithium in the world-class James Bay lithium region of Quebec. The Company has an extensive package of prospective greenstone belts for a total of 823km$^2$, making it one of the largest landholders in the region. Cygnus is focused on generating shareholder value by exploring and advancing the:

- Pontax Lithium Project (maiden Mineral Resource Estimate published 14 August 2023)
- Auclair Lithium Project (new lithium discoveries from surface mapping and drilling)
- Sakami Project (an early-stage lithium exploration project in the La Grande greenstone belt which hosts the substantial Corvette Deposit[1])

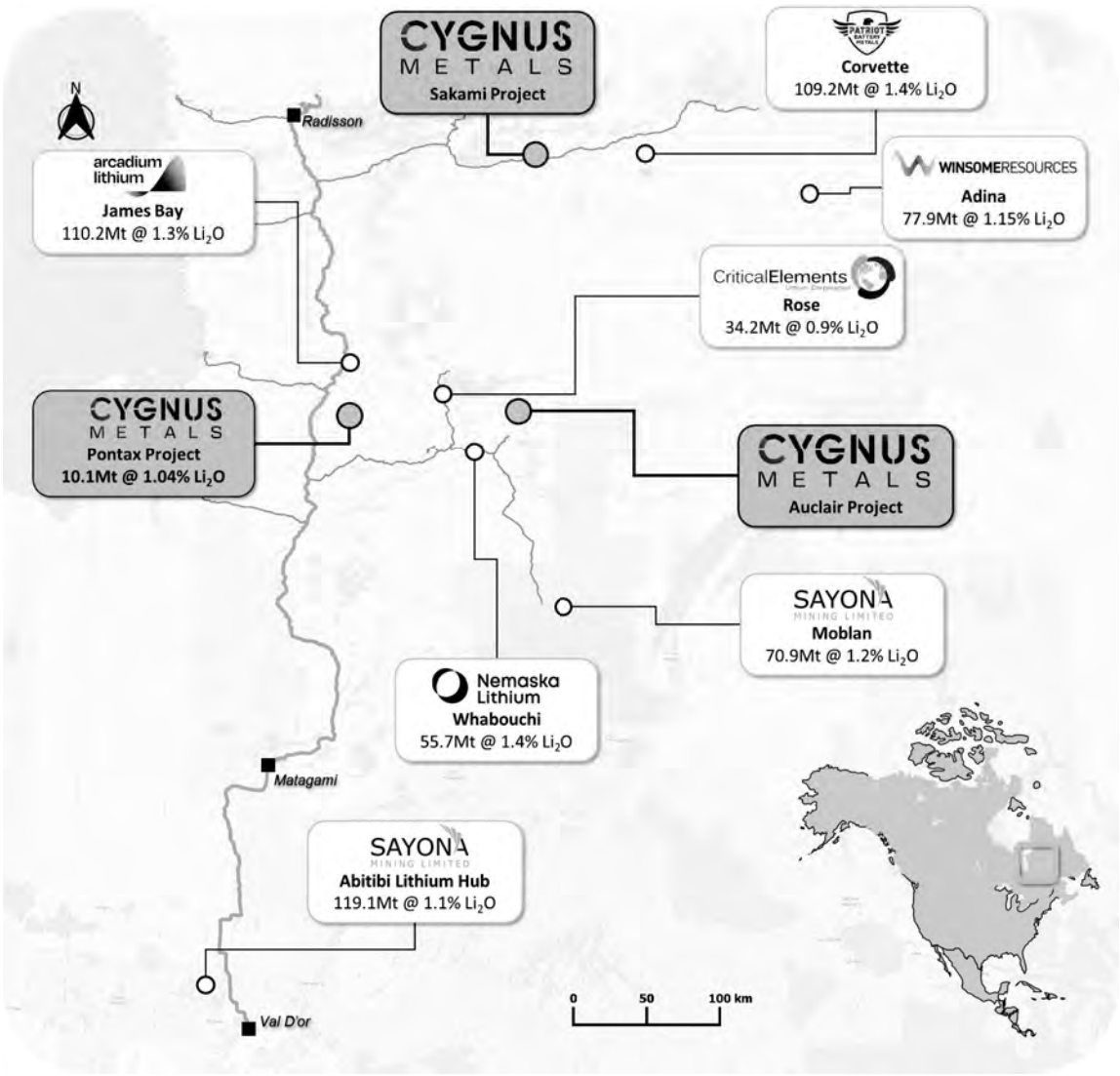



*Figure 1 - Location of the Pontax, Auclair and Sakami Lithium Projects in relation to other significant lithium deposits in the James Bay Area and major access routes through the region.*[1]

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**REVIEW OF OPERATIONS (CONTINUED)**

## AUCLAIR LITHIUM PROJECT

In February 2024, the Company announced drilling results from the Pegasus discovery at its Auclair Lithium Project in James Bay. This drilling returned a highlight intersection of 43.7m (true width) with 10-12% visual spodumene which was later assayed at 43.7m (true width) @ 1.15% $Li_2O$ from 46.4m, including 4m @ 3.0% $Li_2O$ which includes 1m @ 5.9% $Li_2O$.[2]

Additional drilling results from the initial Pegasus campaign confirmed lithium mineralisation in line with expectations based on visual spodumene estimates. Generally, these other intervals were associated with coarser spodumene mineralisation which has resulted in a nuggety grade distribution. While there is some initial variability and potential zonation of the pegmatite, the initial drilling identified a definite trend of increased spodumene mineralisation and fractionation moving further along strike north-east from the Pegasus outcrop. Significant intersections from drilling of the Pegasus pegmatite include:[3]

- **1557-24-041: 43.7m @ 1.15% $Li_2O$ from 46.4m, incl. 4.0m @ 3.0% $Li_2O$ (which includes 1m @ 5.9% $Li_2O$);**
- 1557-24-037: 8.0m @ 0.9% $Li_2O$ from 28.6m, incl. 6.0m @ 1.1% $Li_2O$;
- 1557-24-032: 7.6m @ 0.8% $Li_2O$ from 87.4m, incl. 2.5m @ 1.2% $Li_2O$;
- 1557-24-028: 1.5m @ 1.24% $Li_2O$ from 32.5m;
- 1557-24-035: 2.0m @ 1.3% $Li_2O$ from 41.8m; and
- 1557-24-040: 13.7m @ 0.6% $Li_2O$ from 111.2m, incl. 2.0m @ 1.3% $Li_2O$.

The February 2024 drill program was the first campaign of drilling in this newly identified area following the discovery of the Pegasus and Lyra outcrops late in 2023. Initial visual observations confirmed Pegasus as a large continuous pegmatite body which is up to 76.6m in width (true width). This has since been defined over 300m of strike (to date) and remains open.

Targeting work has continued on the high priority 10km high fractionation trend which includes the three known spodumene pegmatite occurrences: Auriga, Lyra and Pegasus over 6km of strike. This recent targeting includes the first-time interpretation of LiDAR and orthophotography, and a trial ground gravity survey.

Ground gravity survey data was collected at the end of May in order to test its applicability to detect pegmatites under shallow glacial cover at the Auclair Project. Initially, the survey was undertaken as a trial over the main Pegasus Discovery outcrop. The survey was then expanded across a larger area. Results highlight a distinct gravity low correlating with the known extent of the Pegasus pegmatite (drilled over 300m) further extending along strike over 1.7km.[4] The full extent of the anomaly is only limited by the extent of the survey area. Multiple other anomalies have also been identified in the surrounding area representing additional targets.

Successful application of this technique has previously been demonstrated during the discovery of Adina by Winsome Resources (ASX:WR1), with ground gravity helping to delineate mineralisation which is almost entirely undercover.[5] The work at Adina, and more recently Auclair, was led by NewGenGeo Pty Ltd, a Perth-based consultancy specialising in the application of geophysics to lithium pegmatite exploration.

**REVIEW OF OPERATIONS (CONTINUED)**

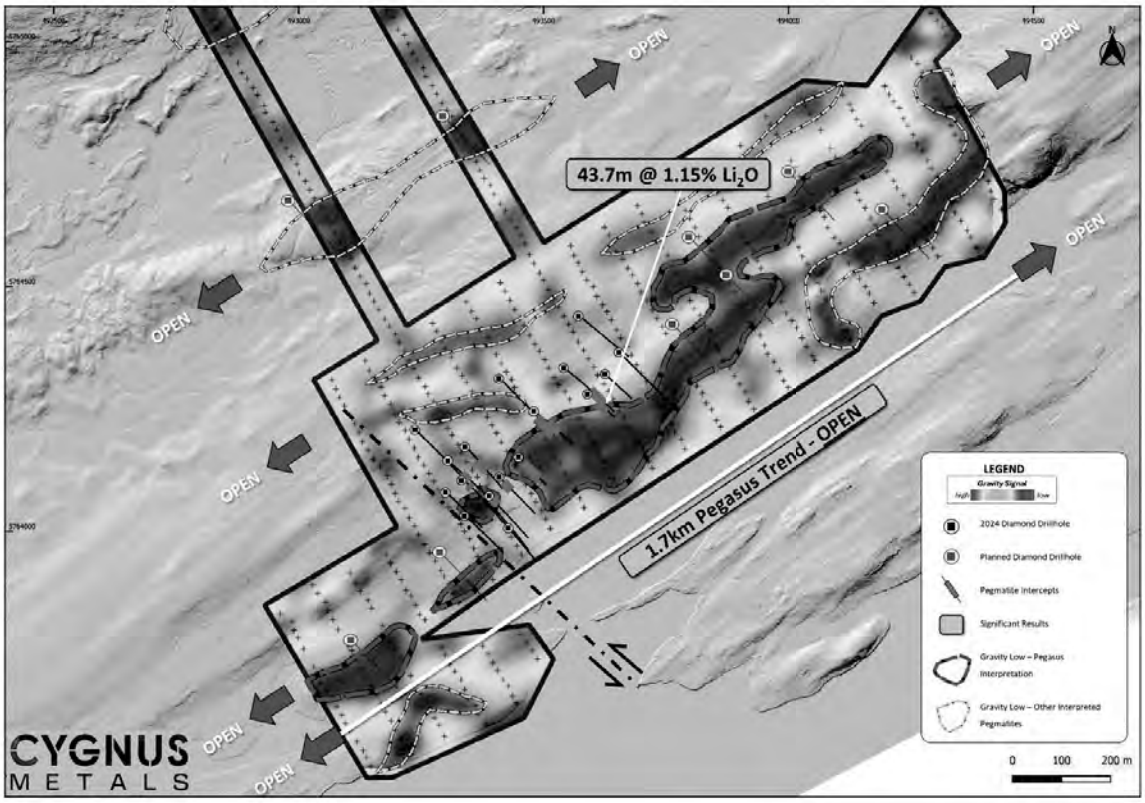



*Figure 2: The potential Pegasus Pegmatite trend over 1.7km, identified in recent gravity and corresponding with recent drilling intersections. This remains open in all directions. Refer to ASX releases dated 8 April and 26 February 2024 for previous drill results and visual estimates.*

In May 2024, the Company announced results from 257 till samples collected across the priority lithium trend at Auclair. These results have revealed numerous new anomalies outside existing known spodumene-bearing pegmatite discoveries of Auriga, Lyra and Pegasus.[6]

The new anomalies are thought to represent potential multiple spodumene-bearing pegmatites beneath glacial cover, indicative of a large and unexplored lithium system. Shallow glacial cover is widespread across the Auclair Project and with minimal outcrop, till geochemistry and mineralogy may be effective exploration tools to detect spodumene pegmatite sources beneath glacial overburden.

The newly-generated till anomalies were from samples collected in Q4 2023 which have undergone both geochemical and mineralogical analysis. The anomalies demonstrate strong coincident elevations across multiple geochemical pathfinder elements as well as anomalous mineralogy. Known spodumene-bearing pegmatites of Auriga, Lyra and Pegasus provide an excellent reference point for up and down ice dispersion and associated pathfinder elements. This proof of concept and signature of elements has recently been applied to other anomalies across the project which have now been prioritised for next stage exploration such as detailed prospection and gravity surveys.

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**REVIEW OF OPERATIONS (CONTINUED)**

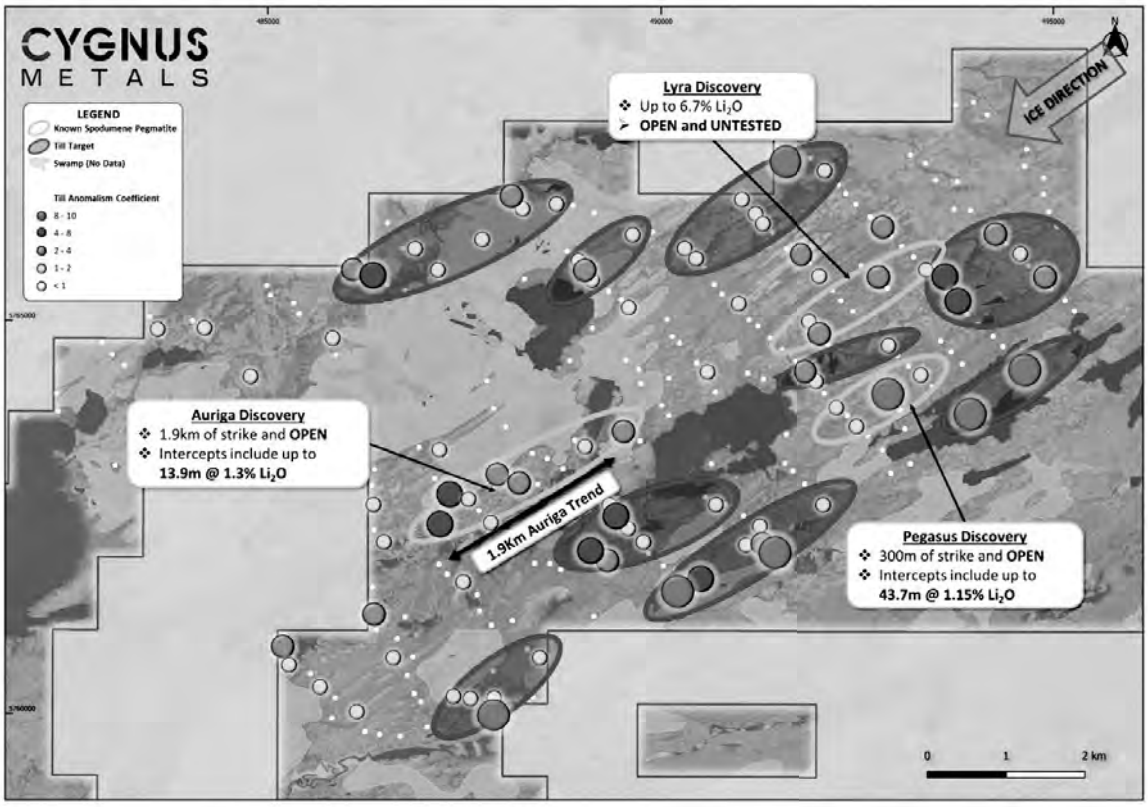



*Figure 3: Till analysis has identified numerous potential sources of lithium mineralisation undercover within the project outside of existing discoveries at Auriga, Lyra and Pegasus. Scale and number of anomalies indicate potential for a large fertile lithium system. Refer to ASX releases dated 28 November 2023, 10 January 2024, 26 February 2024, 8 April 2024 and 17 May 2024 for previous results.*

**Planned Exploration**

The Company is well advanced in the 2024 Summer exploration season with geophysics completed at Auclair and ongoing prospecting. Drilling will focus initially on Pegasus, targeting extensions to the known pegmatite, which has only been drill tested over 300m of strike to date. Wide spaced drilling will seek to expand the known strike extent of the Pegasus pegmatite system and build upon the standout intersection of 43.7m @ 1.15% $Li_2O$.[2] In addtion, the Company will complete first drilling at Lyra, which returned rock chip results of up to 6.7% $Li_2O$.[7]

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**REVIEW OF OPERATIONS (CONTINUED)**

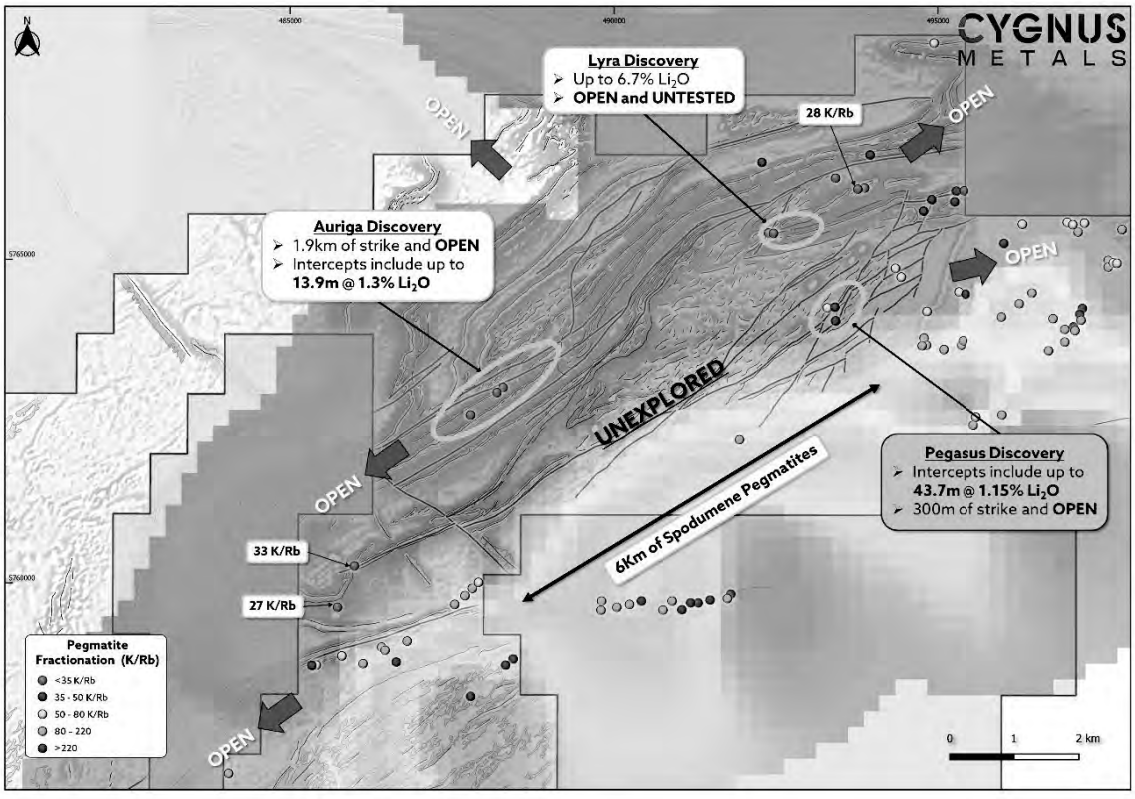



*Figure 4: Significant potential over 10km of strike surrounding Pegasus, Lyra and Auriga. Refer to ASX releases dated 28 November 2023, 10 January 2024 and 8 April 2024.*

**Location and Infrastructure**

The Auclair property is ideally located just 80km northeast of the Nemiscau airport and 50km northeast of Whabouchi (55.7Mt @ 1.4% $Li_2O$), which is owned and operated by Nemaska Lithium.[1] The property can be accessed all-year round by all-weather roads and has Hydro Quebec high-voltage transmission lines running north-south through the project area.

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**REVIEW OF OPERATIONS (CONTINUED)**

**SAKAMI LITHIUM PROJECT**

During the six months to 30 June 2024, the Company received promising exploration results, including strong geochemical indicators for LCT (lithium-caesium-tantalum) pegmatites, at its Sakami Lithium Project in James Bay, Quebec.

During the Company's first exploration program at Sakami, 85 pegmatite rock chip samples were collected over 10 days on wide spaced regional traverses. Results from this work have identified highly fractionated pegmatites forming a coherent trend over 4km of strike which remains open in all directions. This includes anomalous LCT pegmatite pathfinder results of up to 130ppm Ta, 154ppm Sn and 261ppm Cs alongside favourable K/Rb fractionation ratios as low as 22.[8]

These results are similar to fractionation results from the Auclair Project which form a 10km fractionation trend, hosting three separate spodumene-bearing outcrops. Follow up exploration on the fractionation trend at Auclair later in the season led to the subsequent discovery of the Lyra and Pegasus spodumene-bearing pegmatite outcrops, demonstrating this application of fractionation geochemistry to be a positive targeting vector for prospecting.

**Planned Exploration**

The Company has a detailed prospecting program scheduled for early in Q3 CY2024 and aims to follow up on these encouraging fractionation results while also exploring priority targets from recently acquired magnetic and LiDAR surveys. Significantly, much of the project remains unexplored with only a very brief exploration program conducted by Cygnus in 2023, due to the extreme wildfire season and then early snowfall which restricted access to the property. Results to date provide exciting follow up exploration targets for this season and include large portions of the project which will be explored for lithium for the first time.

The Company has an active exploration schedule for James Bay in 2024 but sees follow-up prospecting at the Sakami Project as one of the priority programs due to both recent results and unexplored potential of the well-known fertile greenstone belt.

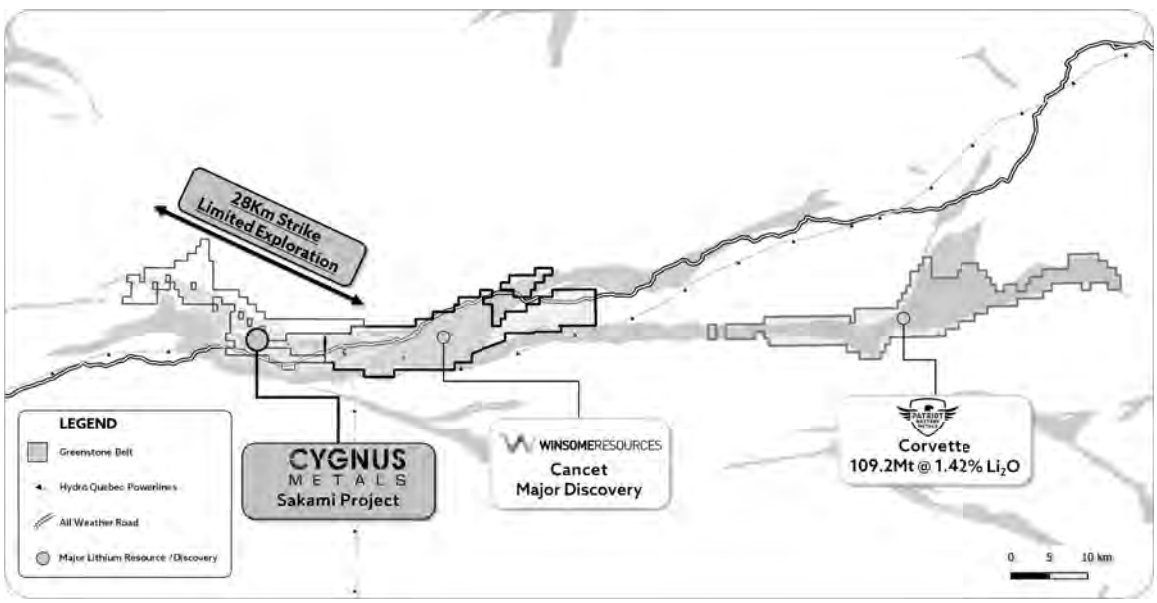



*Figure 5: The Sakami Project is situated in the La Grande Greenstone belt, just 44km west of Patriot Battery Metals' Corvette Project.[1]*

**REVIEW OF OPERATIONS (CONTINUED)**

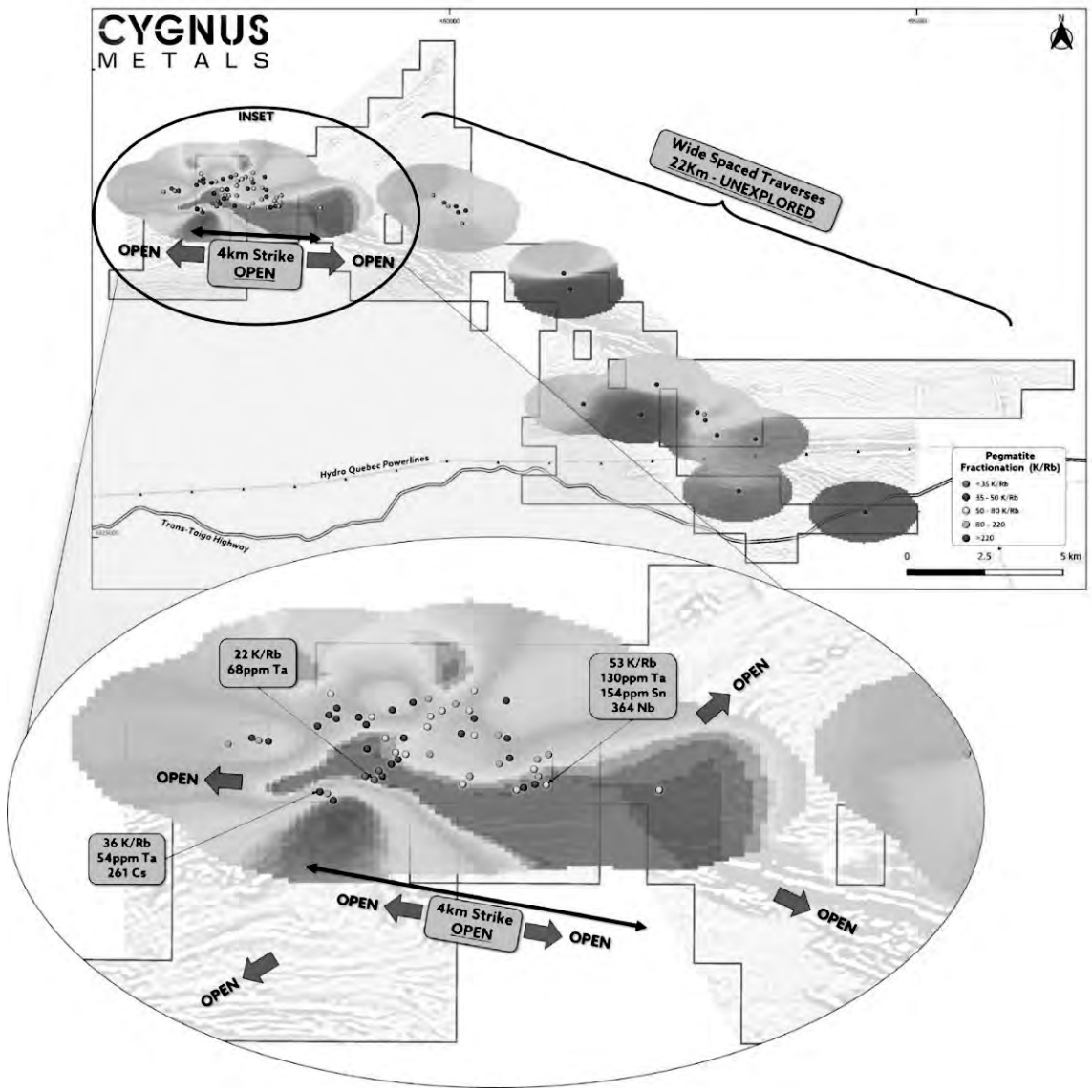



*Figure 6: Top – Overview of the Sakami Project; much of the project remains unexplored. Bottom – Inset of 4km fractionation trend with highly anomalous LCT pegmatite indicator geochemistry and low fractionation ratios.[8]*

**Background Information**

The Sakami project is located in the La Grande greenstone belt, which is one of the most prolific lithium districts in the world. Sakami is just 44km west of Patriot Battery Metals' 109.2Mt Corvette deposit and adjacent to Winsome Resources' Cancet project.[1] The project also has excellent infrastructure with both Hydro Quebec powerlines and the Tran-Taiga highway running through the project area.

The only drilling previously undertaken on the property was for gold and base metals in 1976 and comprised five diamond drill holes (refer to ASX release dated 28 March 2023). The lack of targeted lithium exploration in this highly prospective greenstone belt presents Cygnus with an exceptional opportunity to make the next significant discovery in the region.

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**REVIEW OF OPERATIONS (CONTINUED)**

## EXPLORATION - AUSTRALIA

The Company's Australian exploration activities are focussed on the Southwest Terrane, an underexplored region of highly prospective geology within the prolific Yilgarn Craton of Western Australia. The Company has approximately 1,310km$^2$ of 100% Cygnus-owned, granted tenements covering interpreted and known greenstone belts where previous explorers identified numerous prospects with widespread high grade, near surface gold and/or base metals mineralisation.

During the six months to 30 June 2024, Cygnus underwent a review of current Austalian tenure and stragically reduced its land holding with the voluntary surrender of several tenements considered non-prospective.

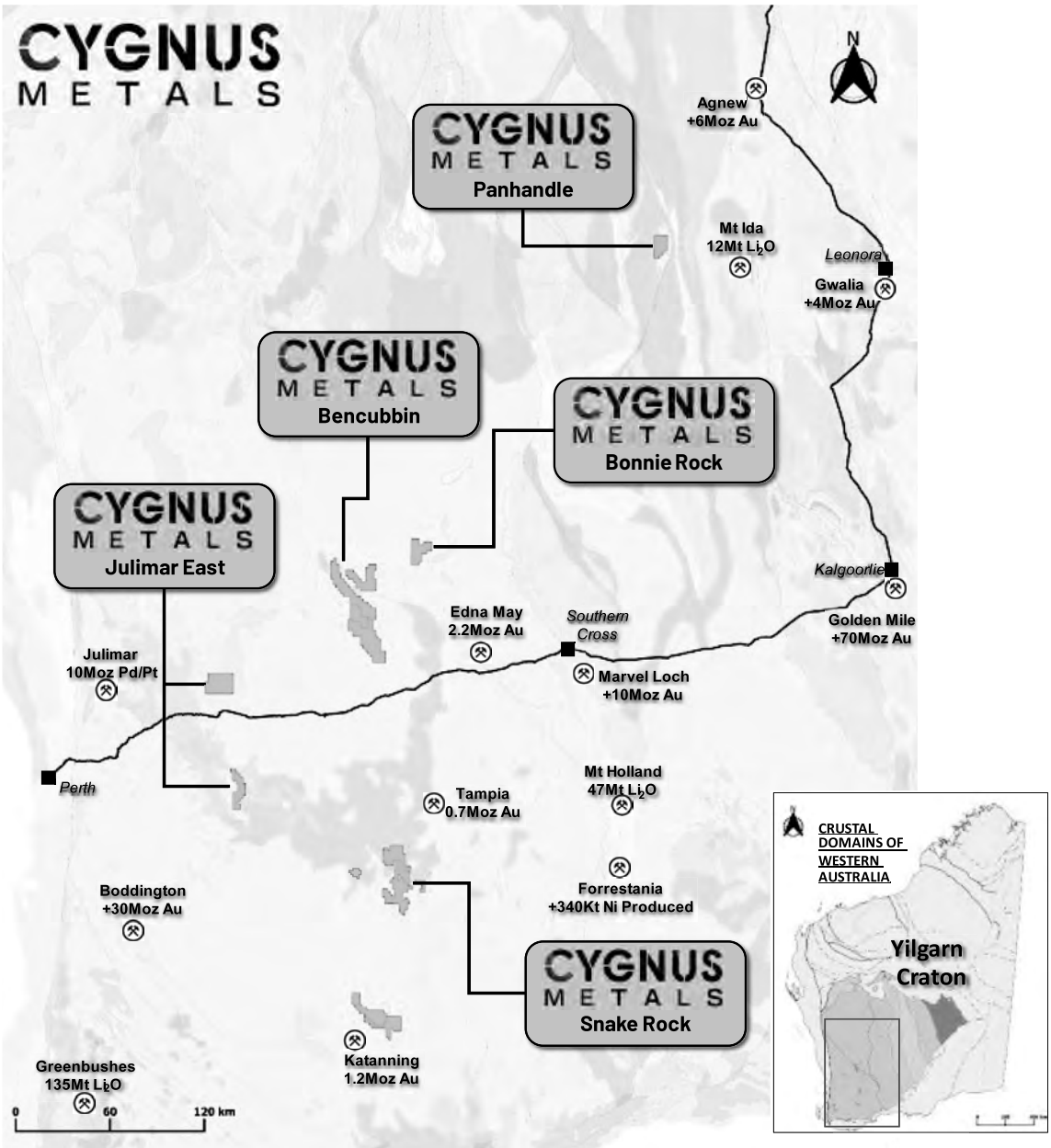



*Figure 7: Cygnus' Australian tenure with background geology from GSWA mapped regional geology (1:500,000).*

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**REVIEW OF OPERATIONS (CONTINUED)**

**SNAKE ROCK PROJECT**

In early 2024, the Company was successful in its application for EIS Funding, with $115,000 awarded for the drilling of a significant copper-gold target identified at the Snake Rock Project, in the Central Yilgarn. The proposed drilling will follow-up on the initial anomalous drillhole which returned 75m @ 0.15g/t Au & 0.1% Cu (including 6.2m @ 0.7g/t Au & 0.3% Cu and 3m @ 1.1g/t Au & 0.4% Cu) in a previously unknown ultramafic terrain.[9] Samples from this drilling have been petrographically analysed and undergone geophysical testing including downhole EM. The Cygnus team has completed ground magnetics and gravity over the region to assist in target refining. Drill testing is expected to commence in the 2024 Australian summer, after harvest.

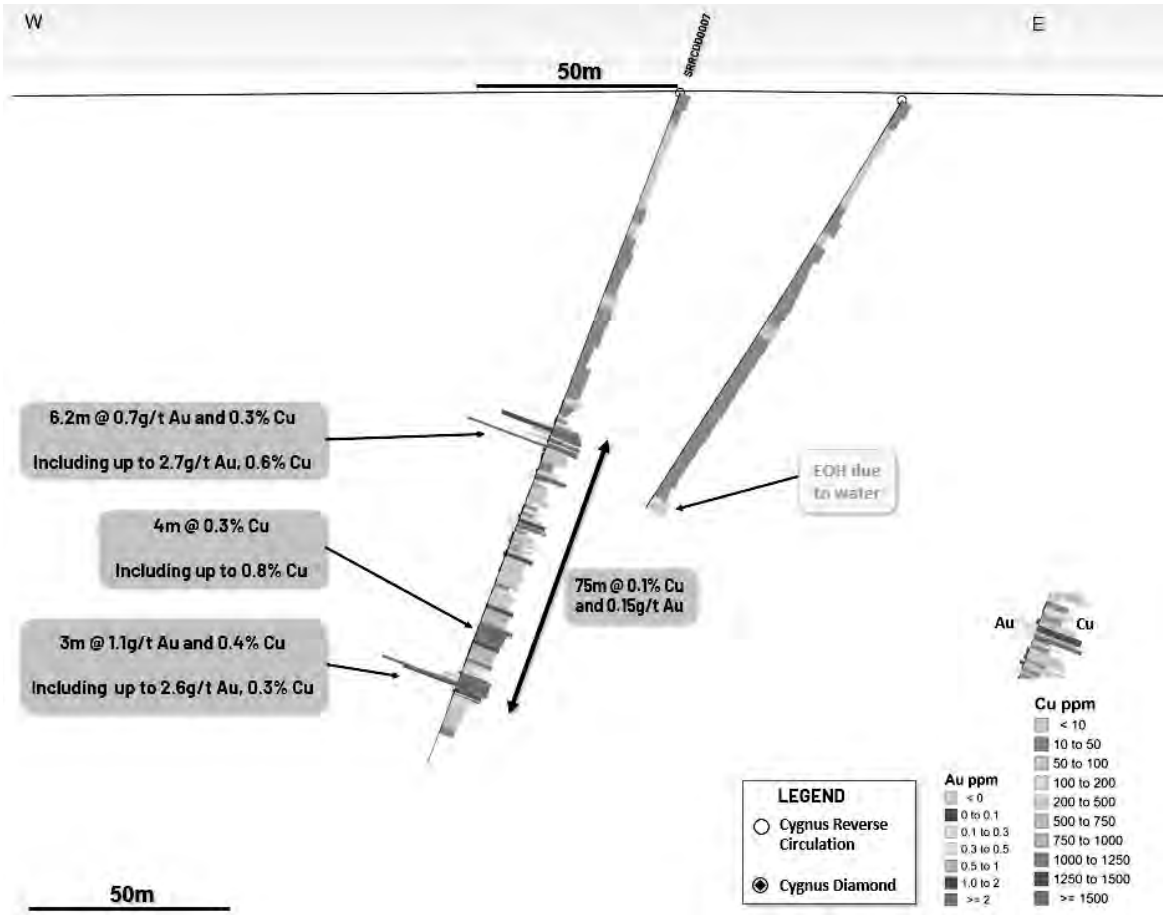



*Figure 8: Initial diamond hole SRRCDD007 displaying the downhole copper and gold results.[9]*

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**REVIEW OF OPERATIONS (CONTINUED)**

**BENCUBBIN REE PROJECT**

In Q2 2024, the Company received REE results for metallurgical testwork for samples submitted for analysis with industry leading laboratory ANSTO Minerals (Australian Nuclear Science and Technology Organisation).[3]

A diagnostic desorption test was completed on all pulverised samples under the following conditions, 0.5M $(NH_4)_2SO_4$ as lixiviant, pH4, 0.5hrs, ambient temperature and 4 wt% solids density. Diagnostic leach tests were conducted on two samples (pulverised) with 25 g/L $H_2SO_4$ (0.26M) and 50 g/L $H_2SO_4$ (0.52M) under the following standard test conditions, 25 g/L or 50 g/L $H_2SO_4$, 80 g pulverised ore, 6hrs, ambient temperature and 4 wt% slurry.

Analysis of the results show improved recoveries in both total rare earth oxide ("TREO") and magnetic rare earth oxides ("MREO") using higher acidity levels, longer residence times and higher temperatures. At this stage, Cygnus will assess how best to monetise this prospect, however for the time being no further drilling nor material test work is scheduled for this project.

Cygnus Metals has been invited to participate in the Accelerating Development of Australia's Rare Earth Resources ("ADARER") Research Project, currently in development by ANSTO, CSIRO and Geoscience Australia. Further work on the Bencubbin REE project would be directed towards understanding the extraction of REE metals and completed in conjunction with these three leading academic bodies.

## END NOTES

1. For: James Bay (110.2Mt @ 1.3% $Li_2O$), refer to Allkem Ltd's ASX Announcement dated 11 August 2023; Corvette (109.2Mt @ 1.42% $Li_2O$), refer to Patriot Battery Metals Inc's ASX Announcement dated 31 July 2023; Adina (77.9Mt @ 1.15% $Li_2O$), refer Winsome Resources Ltd's ASX Announcement dated 28 May 2024; Whabouchi (55.7Mt @ 1.4% $Li_2O$), refer to Nemaska Lithium Inc's NI 43-101 dated 31 May 2019; Rose (34.2Mt @ 0.9% $Li_2O$), refer to Critical Elements Lithium Corp's TSX-V Announcement dated 13 June 2022; Abitibi Lithium Hub (119.1Mt @ 1.1% $Li_2O$) operated by Sayona Mining Limited/Piedmont Lithium Inc, refer to Sayona Mining Limited's Annual Report ASX release dated 13 October 2022; and Moblan (70.9Mt @ 1.2% $Li_2O$) operated by Sayona Mining Limited/SOQUEM Inc, refer to Sayona Mining Limited's ASX Presentation dated 17 April 2023.
2. Refer to CY5's ASX announcement dated 8 April 2024.
3. Refer to CY5's ASX announcement dated 19 July 2024.
4. Refer to CY5's ASX announcement dated 2 July 2024.
5. Refer to Winsome Resources' ASX announcement dated 11 April 2024.
6. Refer to CY5's ASX announcement dated 17 May 2024.
7. Refer to CY5's ASX announcement dated 28 November 2023.
8. Refer to CY5's ASX announcement dated 21 March 2024.
9. Refer to CY5's ASX announcement dated 31 January 2023.

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## CORPORATE

### Financial Information

The loss of the Consolidated Group for the six months ended 30 June 2024 after providing for income tax amounted to $2,346,623 (30 June 2023: $7,963,601). The net assets of the Company are $25,896,779 as at 30 June 2024 (31 December 2023: $26,977,396).

At 30 June 2024 the Consolidated Group had $3,139,208 in cash and cash equivalents (31 December 2023: $9,316,782).

### Board and Executive Team Restructure

On 27 March 2024, the Company announced that it had made changes to the Board and management team structure and remuneration effective 1 April 2024 to reflect current market conditions and its ongoing commitment to maximise the funds available for exploration at its Canadian lithium projects.

The changes included:

- Managing Director David Southam transitioned to Executive Chair. Mr Southam volunteered to reduce his remuneration pro rata to three days per week, one-third of which will be paid in CY5 equity;
- Existing Independent Non-Executive Chairman Kevin Tomlinson transitioned to Lead Independent Non-Executive Director. Mr Tomlinson's remuneration to be paid 50% in cash and 50% in CY5 equity;
- All other Non-Executive Directors director fees to be paid 50% in cash and 50% in CY5 equity; and
- Other members of the management team also elected to receive a portion of their cash remuneration in CY5 equity.

Shareholders approved the issue of equity in lieu of directors' fees at the annual general meeting on 16 May 2024.

### Change of Auditor

On 25 June 2024, the Company announced that BDO Audit Pty Ltd ("BDO") had been appointed as auditor of the Company. This appointment follows the resignation of Ernst & Young ("EY") and the subsequent consent from ASIC, in accordance with section 329(5) of the *Corporations Act 2001* (Cth).

In accordance with section 327C of the *Corporations Act 2001* (Cth), a resolution to confirm the appointment of BDO as the Company's external auditor will be put to shareholders at the Company's next Annual General Meeting.

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## EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

On 9 July 2024, the Company issued 1,387,434 Share Rights expiring on 31 July 2029 in lieu of a portion of director and management salaries and fees for the quarter ended 30 June 2024. On 22 July 2024, 325,750 fully paid ordinary shares ("Shares") were issued upon the exercise of 325,750 Share Rights.

Following receipt of shareholder approval at a General Meeting held on 16 May 2024, on 9 July 2024, the Company issued 1,333,334 Share Rights to David Southam, as a short-term incentive bonus for the financial year ended 31 December 2023 following achievement of key short-term strategic milestones.

On 15 July 2024, the Company announced that it had received firm commitments for a $3 million placement (before costs) to institutional and sophisticated investors through the issue of approximately 85.6 million Shares at an issue price of A$0.035 per Share ("Placement"). A total of 72,685,715 Shares were issued on 19 July 2024, with a further 12,914,286 Shares to be issued to the Directors of the Company (or their nominees) and other investors following the receipt of shareholder approval at a General Meeting of shareholders held on 6 September 2024. Proceeds of the Placement will be utilised for exploration activities across the Company's existing project portfolio, general working capital (including transaction costs), corporate costs and due diligence costs associated with potential acquisitions. Cygnus intends to assess a number of opportunities in the battery metals space, including copper.

On 16 August 2024, the Company issued 500,000 fully paid ordinary shares to Noranda Royalties Inc. per the terms of the Sale and Purchase Agreement for the Auclair Extension property signed in July 2023.

There were no other matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the affairs of the Group in future financial years.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group is committed to:

- exploration activities on the Pontax Lithium Project, Auclair Lithium Project, Sakami Project;
- exploration of the Group's key assets in the Wheatbelt region of Western Australia which includes continuing to negotiate further access with private landholders in relation to these areas of interest identified; and
- assessing complimentary project opportunities in the battery metals space, including copper.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* (Cth) is included on page 15 of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.



**David Southam**
Executive Chair

Perth, Western Australia, 10 September 2024

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## FORWARD LOOKING STATEMENTS

This report may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Cygnus Metals Limited. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

Cygnus Metals Limited does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projections based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Cygnus Metals Limited or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of Cygnus Metals Limited, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this report.

## COMPLIANCE STATEMENTS

The information in this report that relates to previously reported Exploration Results, Mineral Resources and Ore Reserves has been previously released in ASX Announcements as noted in the text and in the End Notes above. Cygnus Metals is not aware of any new information or data that materially affects the information in the said announcements, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

## DISCLAIMER

This report has been prepared by Cygnus Metals Limited based on information from its own and third-party sources and is not a disclosure document. No party other than the Company has authorised or caused the issue, lodgement, submission, despatch or provision of this release, or takes any responsibility for, or makes or purports to make any statements, representations or undertakings in this release. Except for any liability that cannot be excluded by law, the Company and its related bodies corporate, directors, employees, servants, advisers and agents disclaim and accept no responsibility or liability for any expenses, losses, damages or costs incurred by you relating in any way to this release including, without limitation, the information contained in or provided in connection with it, any errors or omissions from it however caused, lack of accuracy, completeness, currency or reliability or you or any other person placing any reliance on this release, its accuracy, completeness, currency or reliability. This release is not a prospectus, disclosure document or other offering document under Australian law or under any other law. It is provided for information purposes and is not an invitation nor offer of shares or recommendation for subscription, purchase or sale in any jurisdiction. This release does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. Each recipient must make its own independent assessment of the Company before acquiring any shares in the Company.

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
**www.bdo.com.au**

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

**DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF CYGNUS METALS LIMITED**

As lead auditor for the review of Cygnus Metals Limited for the half-year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Cygnus Metals Limited and the entities it controlled during the period.



**Phillip Murdoch**

**Director**

**BDO Audit Pty Ltd**

Perth

10 September 2024

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BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

**For the half year ended 30 June 2024**

| | Notes | 30 June 2024 $ | 30 June 2023 $ |
|---|---|---|---|
| **Income** | | | |
| Other Income | 5 | 1,338,320 | 1,230,595 |
| | | **1,338,320** | **1,230,595** |
| **Expenses** | | | |
| Administration costs | | (172,523) | (268,626) |
| Audit and accounting | | (76,356) | (112,540) |
| Consultants and contractors | | (228,599) | (250,820) |
| Depreciation and amortisation | | (22,022) | (28,277) |
| Employee benefits | | (342,274) | (557,705) |
| Exploration – operating | | (322,782) | (144,972) |
| Exploration expenditure written-off | 7 | (348,197) | - |
| Interest expense | | (51,580) | - |
| Listing and compliance costs | | (19,715) | (38,930) |
| Occupancy and outgoings | | (72,520) | (81,545) |
| Payroll tax | | (91,297) | - |
| Share based payments | 6 | (1,336,193) | (6,622,741) |
| Travel and accommodation | | (72,474) | (193,456) |
| Foreign exchange gains | | 51,630 | 104,585 |
| | | **(3,104,902)** | **(8,195,027)** |
| **Operating Loss** | | **(1,766,582)** | **(6,964,432)** |
| Finance income | | 131,914 | 32,593 |
| **Loss before income tax** | | **(1,634,668)** | **(6,931,839)** |
| Income tax expense | | | - |
| Deferred tax expense | 9 | (711,955) | (1,031,762) |
| **Loss after income tax for the period attributable to equity holders of the Company** | | **(2,346,623)** | **(7,963,601)** |
| **Other comprehensive loss** | | | |
| *Items that may be reclassified subsequently to profit or loss:* | | | |
| Exchange differences on translation of foreign operations | | (111,218) | - |
| *Items that will not be reclassified subsequently to profit or loss:* | | | |
| Changes in fair value of financial assets | | (93,091) | 15,298 |
| **Total comprehensive loss for the period, net of tax attributable to equity holders of the Company** | | **(2,550,932)** | **(7,948,303)** |
| **Loss per share attributable to equity holders of the Company** | | | |
| Basic and diluted loss per share (cents per share) | 11 | (0.80) | (0.99) |

*The above statement should be read in conjunction with the accompanying notes.*



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# Consolidated Statement of Financial Position

**As at 30 June 2024**

| | Notes | 30 June 2024 | 31 December 2023 |
|---|---|---|---|
| **ASSETS** | | **$** | **$** |
| **Current** | | | |
| Cash and cash equivalents | | 3,139,208 | 9,316,782 |
| Trade and other receivables | | 1,300,650 | 1,507,476 |
| **Total current assets** | | **4,439,858** | **10,824,258** |
| | | | |
| **Non-Current** | | | |
| Exploration and evaluation | 7 | 27,244,087 | 23,926,379 |
| Property, plant and equipment | | 118,488 | 132,847 |
| Investments | | 108,607 | 201,698 |
| **Total non-current assets** | | **27,471,182** | **24,260,924** |
| **Total assets** | | **31,911,040** | **35,085,182** |
| | | | |
| **LIABILITIES** | | | |
| **Current** | | | |
| Trade and other payables | | 2,724,405 | 5,528,242 |
| Provisions | | 118,595 | 120,238 |
| **Total current liabilities** | | **2,843,000** | **5,648,480** |
| | | | |
| **Non-current liabilities** | | | |
| Deferred tax liabilities | 9 | 3,171,261 | 2,459,306 |
| **Total non-current liabilities** | | **3,171,261** | **2,459,306** |
| **Total liabilities** | | **6,014,261** | **8,107,786** |
| **Net assets** | | **25,896,779** | **26,977,396** |
| | | | |
| **EQUITY** | | | |
| Contributed equity | 8 | 47,741,992 | 47,607,870 |
| Reserves | | 8,911,197 | 7,779,313 |
| Accumulated losses | | (30,756,410) | (28,409,787) |
| **Total equity** | | **25,896,779** | **26,977,396** |

*The above statement should be read in conjunction with the accompanying notes.*

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**For the half year ended 30 June 2024**

| | Notes | Share Capital | Share-based Payment Reserve | Asset Revaluation Reserve | Foreign Currency Translation Reserve | Accumulated Losses | Total Equity |
|---|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ | $ |
| **Balance at 1 January 2024** | | **47,607,870** | **8,145,918** | **(253,132)** | **(113,473)** | **(28,409,787)** | **26,977,396** |
| Loss after income tax | | - | - | - | - | (2,346,623) | (2,346,623) |
| Exchange differences on foreign operations | | - | - | - | (111,218) | - | (111,218) |
| Fair value adjustment of financial assets | | - | - | (93,091) | - | - | (93,091) |
| **Total comprehensive loss** | | **-** | **-** | **(93,091)** | **(111,218)** | **(2,346,623)** | **(2,550,932)** |
| Issue of ordinary shares – Project acquisitions | 8 | 154,800 | - | - | - | - | 154,800 |
| Share issue expenses | 8 | (20,678) | - | - | - | - | (20,678) |
| Share-based payments | 6 | - | 1,336,193 | - | - | - | 1,336,193 |
| **Balance at 30 June 2024** | | **47,741,992** | **9,482,111** | **(346,223)** | **(224,691)** | **(30,756,410)** | **25,896,779** |

| | Share Capital | Share-based Payment Reserve | Asset Revaluation Reserve | Foreign Currency Translation | Accumulated Losses | Total Equity |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ |
| **Balance at 1 January 2023** | **25,260,644** | **7,108,222** | **(56,934)** | **-** | **(14,907,439)** | **17,404,493** |
| Loss after income tax | - | - | - | - | (7,963,601) | (7,963,601) |
| Fair value adjustment of financial assets | - | - | 15,298 | - | - | 15,298 |
| **Total comprehensive loss** | **-** | **-** | **15,298** | **-** | **(7,963,601)** | **(7,948,303)** |
| Issue of share capital – Project acquisitions | 1,850,375 | - | - | - | - | 1,850,375 |
| Proceeds from share option conversions | 1,824,000 | - | - | - | - | 1,824,000 |
| Share issue expenses | (49,980) | - | - | - | - | (49,980) |
| Share-based payments | - | 6,622,741 | - | - | - | 6,622,741 |
| **Balance at 30 June 2023** | **28,885,038** | **13,730,963** | **(41,636)** | **-** | **(22,871,040)** | **19,703,326** |

*The above statement should be read in conjunction with the accompanying notes.*

# Consolidated Statement of Cash Flows

For the half year ended 30 June 2024

| | 30 June 2024 $ | 30 June 2023 $ |
|---|---|---|
| **Operating activities** | | |
| Payments to suppliers and employees | (1,041,437) | (1,463,114) |
| Payments for operating exploration activities | (202,660) | - |
| Interest received | 107,743 | 32,593 |
| Government grants and tax incentives received | 46,216 | 29,040 |
| Refundable sales taxes | 213,158 | (695,724) |
| **Net cash used in operating activities** | **(876,980)** | **(2,097,205)** |
| | | |
| **Investing activities** | | |
| Payments for the acquisition of mining tenements | (165,240) | (339,156) |
| Payments for capitalised exploration and evaluation assets | (5,105,911) | (7,451,059) |
| Purchase of property, plant and equipment | (7,662) | (29,363) |
| Interest payments | (51,580) | - |
| Payments to establish security deposits | - | (128,950) |
| **Net cash used in investing activities** | **(5,330,393)** | **(7,948,528)** |
| | | |
| **Financing activities** | | |
| Proceeds from issue of shares | - | 1,824,000 |
| Share issue costs | (20,677) | (18,119) |
| **Net cash (used in)/from financing activities** | **(20,677)** | **1,805,881** |
| | | |
| Net change in cash and cash equivalents | (6,228,050) | (8,239,852) |
| Effect of movement in exchange rates on cash held | 50,476 | 56,532 |
| Cash and cash equivalents at the beginning of the period | 9,316,782 | 13,530,678 |
| **Cash and cash equivalents at the end of the period** | **3,139,208** | **5,347,358** |

*The above statement should be read in conjunction with the accompanying notes.*

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## 1 COMPANY INFORMATION

Cygnus Metals Limited's ("Cygnus" or "the Company" or "the Group") principal activities consist of exploration for and evaluation of lithium deposits in Quebec, Canada and rare earth and base metals deposits in Western Australia. Cygnus is a for-profit entity for the purpose of preparing its consolidated financial statements.

The address of its registered office and its principal place of business is Level 2, 8 Richardson Street, West Perth, WA 6005.

The financial report for the half year ended 30 June 2024 was approved by the Board of Directors on 10 September 2024.

## 2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The consolidated financial statements for the half-year ended 30 June 2024 have been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001* (Cth).

The consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2023 and any public announcements made by the Group during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements.

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

The consolidated financial statements have been prepared on a historical cost basis and, except as otherwise stated, are rounded to the nearest dollar.

### a) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current period.

### b) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

## 3 GOING CONCERN

As at 30 June 2024 the Group had current assets of $4,439,858 (31 December 2023: $10,824,258), including cash and cash equivalents of $3,139,208 (31 December 2023: $9,316,782), and current liabilities of $2,843,000 (31 December 2023: $5,648,480).

The Group's cashflow forecasts through to the period ended 30 September 2025 reflect that the Group will require additional working capital to enable it to continue to meet its operational activities and project earn-in commitments.

Based on the below considerations, the Directors are satisfied that there is a reasonable basis to conclude that the Group can raise additional working capital as and when required and thus it is appropriate to prepare the consolidated financial report on a going concern basis:

i. In July 2024 the Company announced that it had received firm commitments for a Placement to institutional and sophisticated investors raising A$3 million before costs.

ii. The Group has potential options available to manage liquidity, including one or a combination of, a placement of shares, option conversion, entitlement offer, joint venture arrangements, sale of certain assets, relinquishment of project earn-in commitments or a change in the Company's expenditure profile.

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In the event that the funding options available to the Group do not transpire or there is no change to the forecasted project earn-in commitment or spending pattern, there is a material uncertainty about whether the Group is able to continue as a going concern and, therefore, unable to realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the financial report.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

## 4 ESTIMATES

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last consolidated annual financial statements for the year ended 31 December 2023.

## 5 OTHER INCOME

| | 30 June 2024 | 30 June 2023 |
|---|---|---|
| | $ | $ |
| Recognition of Flow-Through Share tax deductions sold during the period | 1,292,104 | 1,221,895 |
| Other income | 46,216 | 8,700 |
| | **1,338,320** | **1,230,595** |

## 6 SHARE-BASED PAYMENTS

| | 30 June 2024 | 30 June 2023 |
|---|---|---|
| | $ | $ |
| Share-based payments – Performance Rights – KMP | (1,057,676) | (3,357,234) |
| Share-based payments – Performance Rights – Staff and consultants | (56,937) | (3,265,507) |
| Share-based payments – Share Rights – KMP | (201,828)[1] | - |
| Share-based payments – Share Rights – Staff and consultants | (19,752)[1] | - |
| | **(1,336,193)** | **(6,622,741)** |

Note 1: Accrued share-based payment expense for 1,387,434 Share Rights issued on 9 July 2024 in lieu of a portion of director and management salaries and fees for the quarter ended 30 June 2024 and 1,333,334 Share Rights issued on 9 July 2024 to David Southam as a short-term incentive bonus for the financial year ended 31 December 2023 following achievement of key short-term strategic milestones.

There were no performance rights issued during the current period.

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## 7 EXPLORATION AND EVALUATION ASSETS

| | 6 month movement to 30 June 2024 $ | 12 month movement to 31 Dec 2023 $ |
|---|---|---|
| **Carrying amount at the beginning of the period** | 23,926,379 | 5,538,857 |
| Expenditure incurred during the period - Australian tenements | 295,820 | 1,319,326 |
| Expenditure incurred during the period - Canadian tenements | 3,050,045 | 11,207,656 |
| Project acquisition costs capitalised during the period | 320,040 | 6,495,477 |
| Exploration and evaluation assets written off during the period | (348,197) | (634,937) |
| **Carrying amount at the end of the period** | **27,244,087** | **23,926,379** |

## 8 SHARE CAPITAL AND OTHER CONTRIBUTED EQUITY

| | Shares | Total $ |
|---|---|---|
| **1 January 2023** | **183,874,212** | **25,260,644** |
| Shares issued | 107,684,927 | 26,916,027 |
| Less flow-through share premium | - | (3,858,181) |
| Share issue costs | - | (710,620) |
| **31 December 2023** | **291,559,139** | **47,607,870** |
| Shares issued – Beryl Lake Project – Stage 2 consideration | 900,000 | 77,400 |
| Shares issued – Sakami Project – Stage 2 consideration | 900,000 | 77,400 |
| Share issue costs | - | (20,678) |
| **30 June 2024** | **293,359,139** | **47,741,992** |

Each share has the same right to receive dividend and the repayment of capital and represents one vote at the shareholders' meeting of Cygnus Metals Limited.

## 9 NON-CURRENT LIABILITIES - DEFERRED TAX LIABILITIES

| *Deferred tax liability comprises temporary differences attributable to:* | 30 June 2024 $ | 30 June 2023 $ |
|---|---|---|
| Opening balance | 2,459,306 | 440,773 |
| Temporary difference on relinquishment of qualifying expenditure to investors | 711,955 | 1,031,762 |
| **Deferred tax liability** | **3,171,261** | **1,472,535** |

## 10 COMMITMENTS

Exploration and capital expenditure commitments have not changed materially since 31 December 2023.

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## 11 LOSS PER SHARE

Both the basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the parent entity (Cygnus Metals Limited) as the numerator (no adjustment to losses were necessary during the six months periods to 30 June 2024 and 30 June 2023).

| | 30 June 2024 | 30 June 2023 |
|---|---|---|
| Net loss attributable to ordinary equity holders of the Company | $2,346,623 | $7,963,601 |
| Weighted average number of ordinary shares outstanding during the half year used in calculating basic and diluted loss per share | 291,996,708 | 803,023,875 |
| **Basic and diluted loss per share (cents per share)** | **(0.80)** | **(0.99)** |

As at 30 June 2024, the Group had 14,500,000 unlisted share options exercisable (30 June 2023: 19,500,000) and 21,378,809 unlisted performance rights (30 June 2023: 48,200,000), which are not included in the diluted loss per share since the Group incurred losses for the periods presented.

## 12 EVENTS SUBSEQUENT TO REPORTING DATE

On 9 July 2024, the Company issued 1,387,434 Share Rights expiring on 31 July 2029 in lieu of a portion of director and management salaries and fees for the quarter ended 30 June 2024. On 22 July 2024, 325,750 fully paid ordinary shares ("Shares") were issued upon the exercise of 325,750 Share Rights.

Following receipt of shareholder approval at a General Meeting held on 16 May 2024, on 9 July 2024, the Company issued 1,333,334 Share Rights to David Southam, as a short-term incentive bonus for the financial year ended 31 December 2023 following achievement of key short-term strategic milestones.

On 15 July 2024, the Company announced that it had received firm commitments for a $3 million placement (before costs) to institutional and sophisticated investors through the issue of approximately 85.6 million Shares at an issue price of A$0.035 per Share ("Placement"). A total of 72,685,715 Shares were issued on 19 July 2024, with a further 12,914,286 Shares to be issued to the Directors of the Company (or their nominees) and other investors following the receipt of shareholder approval at a General Meeting of shareholders held on 6 September 2024. Proceeds of the Placement will be utilised for exploration activities across the Company's existing project portfolio, general working capital (including transaction costs), corporate costs and due diligence costs associated with potential acquisitions. Cygnus intends to assess a number of opportunities in the battery metals space (including copper).

On 16 August 2024, the Company issued 500,000 fully paid ordinary shares to Noranda Royalties Inc. per the terms of the Sale and Purchase Agreement for the Auclair Extension property signed in July 2023.

There were no other matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the affairs of the Group in future financial years.

**END OF THE CONSOLIDATED FINANCIAL REPORT**

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In the opinion of the Directors of Cygnus Metals Limited:

(a) The consolidated financial statements and notes of the Group are in accordance with the *Corporations Act 2001* (Cth), including:

i giving a true and fair view of its financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and

ii complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001* (Cth); and

(b) Subject to the matters set out in Note 3 to the consolidated financial statements, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



**David Southam**
Executive Chair

Perth, Western Australia, 10 September 2024

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
**www.bdo.com.au**

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

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# INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Cygnus Metals Limited

## Report on the Half-Year Financial Report

### Conclusion

We have reviewed the half-year financial report of Cygnus Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

i. Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the half-year ended on that date; and

*ii.* Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001.*

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

### Material uncertainty relating to going concern

We draw attention to Note 3 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



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**Responsibility of the directors for the financial report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit Pty Ltd**




**Phillip Murdoch**

**Director**

Perth, 10 September 2024

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CYGNUS
METALS

www.cygnusmetals.com
info@cygnusmetals.com
+61 8 6118 1627

Level 2/8 Richardson Street
West Perth WA 6005

**SCHEDULE "C" TO APPENDIX I**

**CYGNUS PLAN**

See attached.

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# Employee Securities Incentive Plan

Cygnus Metals Limited
(ACN 609 094 653)

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## Operative provisions

# 1. Definitions and interpretation

### 1.1 Definitions

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

**Ancillary Documentation** means all documentation which the Board specifies in an Invitation that an ESS Participant must enter into and/or provide in connection with an Application for Securities.

**Applicable Law** means any one or more or all, as the context requires of:

(a) the Corporations Act;

(b) the Listing Rules;

(c) the Constitution;

(d) the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth);

(e) any relevant practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), or (d) above;

(f) any other legal requirement (including, without limitation, the rules of the general law, including common law and equity, and any judgment, order, decree, declaration or ruling of a court of competent jurisdiction or government agency binding on a person or the assets of that person) that applies to the Plan; and

(g) in respect of acquisition or disposals of any Shares, any formal policy relating to dealings in Shares adopted by the Board from time to time, including the Share Trading Policy.

**Application** means, in respect of a Security, an application for that Security made by an ESS Participant in response to an Invitation.

**Application Form** means an application form attached to, or enclosed with, an Invitation.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the same meaning as in section 12 of the Corporations Act.

**Associated Entity** has the meaning given to that term in section 50AAA of the Corporations Act.

**ASX** means the ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange or the securities exchange operated by that entity, as appropriate.

**ASX Holding Lock** has the same meaning as 'Holding Lock' in Chapter 19 of the Listing Rules.

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**Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or, in respect of a particular matter, any person who is provided with delegated authority by the board of directors of the Company in respect of that particular matter from time to time.

**Business Day** means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

**Certificate** means a certificate evidencing the grant of a Security.

**Change of Control Event** means:

(a) a change in Control of the Company;

(b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of Issued Capital;

(c) where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of Issued Capital;

(d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of Issued Capital; and

(e) where a Takeover Bid is made to acquire more than fifty per cent (50%) of Issued Capital (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates) already owns will amount to more than 50% of Issued Capital) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of Issued Capital,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

**Company** means Cygnus Metals Limited ACN 609 094 653.

**Constitution** means the constitution of the Company.

**Control** has the same meaning as in section 50AA of the Corporations Act.

**Convertible Security** means a Security exercisable for Plan Share(s) in accordance with these Rules, including an Option or Performance Right.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Derivatives** include:

(a) derivatives within the meaning given in section 761D of the Corporations Act (such as options, forward contracts, swaps, futures, warrants, caps and collars); and

(b) any other transaction in financial products which operate to limit (in any way) the economic risk associated with holding the relevant securities.

**Engagement Arrangement** means in respect of:

(a) an employee of a member of the Group, the terms under which the relevant member of the Group has employed that person;

(b) a director of a member of the Group that is not also an employee, the terms under which the relevant member of the Group has appointed that director to their office; or

(c) a contractor or consultant or other service provider to a member of the Group, the terms under which the relevant member of the Group has engaged that contractor, consultant or service provider.

**ESS Interest** has the meaning given in section 1100M of the Corporations Act.

**ESS Participant** means a person that

(a) is an 'ESS Participant' (as that term is defined in section 1100L of the Corporations Act) in relation to the Company or an Associated Entity of the Company, where that Associated Entity is a body corporate; and

(b) has been determined by the Board to be eligible to participate in the Plan from time to time.

**Exercise Price** means, in respect of a Convertible Security, the price to be paid by the Participant (if any) when exercising that Security as specified in the relevant Invitation. For the avoidance of doubt, the Exercise Price for a Security may be nil.

**Expiry Date** means, in relation to a Convertible Security, the 'expiry date' which is specified in the Invitation or Vesting Notice (if any).

**Group** means the Company and each of its Associated Bodies Corporate from time to time.

**Insolvent** A person is Insolvent if:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);

(b) it has had a controller appointed or is in liquidation, in provisional liquidation, under administration, wound up or has had a receiver appointed to any part of its property;

(c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Company);

(d) an application or order has been made (and in the case of the application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is likely to result in any of (a), (b) or (c) above);

(e) it is taken (under s.459F(1) of the Corporations Act) to have failed to comply with a statutory demand);

(f) it is subject to an event described in section 459C(2)(b) or section 585 of the Corporations Act;

(g) it is otherwise unable to pay its debts when they fall due; or

(h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

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**Invitation** means an invitation to an ESS Participant to apply for the grant of one or more Securities made in accordance with clause 3.2 of these Rules and in substantially the form of Schedule 1 (Options), Schedule 2 (Performance Rights) or Schedule 3 (Shares) or as otherwise approved by the Board from time to time.

**Invitation for Monetary Consideration** means an Invitation for the issue, sale or transfer of Securities where either or both the following apply:

(a) the Securities are offered for issue or sale in return for monetary consideration, and the Securities will be acquired by the ESS Participant who pays for the Securities; or

(b) the Securities are Options or Performance Rights and monetary consideration is to be provided on the exercise of the Options or Performance Rights.

**Issued Capital** means issued Shares from time to time.

**Leaver** means a Participant who ceases to be an ESS Participant.

**Listing Rules** means the listing rules, market rules and operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation, including but not limited to, the official listing rules of the ASX.

**Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days during which Shares are actually traded immediately preceding that given date, unless otherwise specified in an Invitation.

**Nominated Party** means, in respect of an ESS Participant who is a 'primary participant' as defined in section 1100L(1)(a) of the Corporations Act, another person on behalf of that primary participant, who is:

(a) a spouse, parent, child or sibling of the ESS Participant;

(b) another body corporate controlled by the ESS Participant or a person mentioned in paragraph (a);

(c) a body corporate that is the trustee of a self managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993)* where the ESS Participant is a director of the body corporate; or

(d) a person prescribed in relation to the ESS Participant by the Regulations for the purposes of section 1100L(b)(iv) of the Corporations Act.

**Notice of Exercise** means a notice given by or on behalf of the Participant (in a form to be determined by the Board from time to time) to exercise a Convertible Security in accordance with clause 7.1.

**Option** means an option granted under these Rules to acquire one or more Shares by transfer or allotment, as set out in the relevant Invitation.

**Participant** means an ESS Participant who has been granted any Security under this Plan.

**Performance Right** means a right granted under these Rules to acquire one or more shares by transfer or allotment as set out in the relevant Invitation.

**Plan** means this Employee Securities Incentive Plan.

**Plan Shares** means all Shares issued or transferred to a Participant under these Rules, including upon the valid exercise of a Security.

**Regulations** means the *Corporations Regulations 2001* (Cth).

**Rules** means the rules of the Plan which are set out in this document.

**Security** means a security in the capital of the Company granted under these Rules, including a Plan Share, Option, Performance Right or other Convertible Security.

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Share Trading Policy** means any share trading policy of the Company, as amended from time to time.

**Takeover Bid** has the meaning given to that term in the Corporations Act.

**Trustee** means the trustee, from time to time, of any employee share trust used by the Company to deliver any Plan Shares arising from the exercise of a Convertible Security under these Rules.

**Vesting Condition** means, in relation to a Convertible Security, any conditions to vesting of that Convertible Security that are set out in the Invitation for that Convertible Security.

**Vesting Notice** means, in relation to a Convertible Security, the notice given by or on behalf of the Company to a Participant informing him or her that the Convertible Security may be exercised in accordance with the terms of these Rules.

### 1.2 Interpretation

In these Rules, unless otherwise stated or the contrary intention appears:

(a) the singular includes the plural and vice versa;

(b) a gender includes all genders;

(c) a reference to a document, agreement, plan or rules includes that document, agreement, plan or rules as novated, amended, varied, supplemented or replaced from time to time;

(d) headings are for convenience only and do not affect the interpretation of these Rules;

(e) a reference to any thing (including any amount) includes any part of that thing and a reference to a group of things or persons includes each thing or person in that group;

(f) a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;

(g) a reference to these Rules includes all recitals, annexures, addendums and schedules to these Rules;

(h) a reference to a person includes a reference to the person's executors, legal personal representatives, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;



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(i) the expression 'person' includes an individual, the estate of an individual, the legal personal representative of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;

(j) in these Rules any reference to 'include' means to include without limitation;

(k) a reference to 'including' (or any similar term) is not to be construed as implying any limitation;

(l) a monetary amount is a reference to Australian dollars;

(m) where any word is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning; and

(n) any capitalised terms in these Rules that are not defined in clause 1.1 have the meaning given to them in the Corporations Act or the Listing Rules.

### 1.3 Inconsistencies

Notwithstanding anything to the contrary in any Engagement Arrangement with a Participant, but subject at all times to these Rules, if there is any inconsistency between these Rules and an Engagement Arrangement, these Rules prevail.

### 1.4 Income Tax Assessment Act

This Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act).

### 1.5 Construed against a party

No provision or expression in these Rules is to be construed against a party on the basis that the party (or its advisers) was responsible for the drafting of these Rules.

### 1.6 Applicable Law

These Rules, the offering and granting of any Security and the rights attaching to or interests in any Security will at all times be subject to Applicable Law.

### 1.7 Rounding

Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of a Security, the fraction will be eliminated by rounding to the nearest whole number.

### 1.8 Constitution

The entitlements of ESS Participants under these Rules are subject to the Constitution. In the event of any inconsistency between these Rules and the Constitution, the terms of the Constitution will prevail.

---

## 2. Introduction

### 2.1 Purpose

The purpose of the Plan is to:

(a) assist in the reward, retention and motivation of ESS Participants;



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(b) link the reward of ESS Participants to Shareholder value creation; and

(c) align the interests of ESS Participants with shareholders of the Group by providing an opportunity to ESS Participants to receive an equity interest in the Company in the form of Securities.

**2.2 Rules are binding**

The Company and each Participant are bound by these Rules.

**2.3 Important notice to ESS Participants**

(a) There are legal and tax consequences associated with participation in the Plan. ESS Participants should ensure that they understand these consequences before accepting an Invitation to participate in the Plan.

(b) Any advice given by or on behalf of the Company is general advice only and does not take into account any particular ESS Participant's objectives, financial situation and needs. ESS Participants should consider obtaining their own financial product advice from an independent person who is licensed to give such advice.

## 3. Eligibility, Invitation and Application

**3.1 Eligibility**

The Board may from time to time determine that an ESS Participant may participate in the Plan.

**3.2 Invitation**

(a) Following determination that an ESS Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to that ESS Participant.

(b) An Invitation to an ESS Participant to apply for Securities may be made on such terms and conditions as the Board decides from time to time, including as to:

(i) the number of Securities for which that ESS Participant may apply;

(ii) the date of grant;

(iii) the amount payable (if any) for the grant of each Security or how such amount is calculated;

(iv) the Exercise Price (if any);

(v) the Vesting Conditions (if any);

(vi) disposal restrictions attaching to the Plan Shares (if any);

(vii) whether cashless exercise of the Securities is permitted under clause 7.2;

(viii) the method by which Shares will be delivered to the Participant under clause 8 after the valid exercise of the Convertible Security (if relevant); and

(ix) any other supplementary terms and conditions, including those required under the Corporations Act.



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### 3.3 Form of Application

An Invitation to an ESS Participant must be accompanied by an Application Form and the Ancillary Documentation (if any).

### 3.4 ESS Participant agrees to be bound

Each ESS Participant is, by submitting a completed Application Form, deemed to have agreed to be bound by:

(a) the terms of the Invitation and the Application Form;

(b) the Ancillary Documentation (if any);

(c) these Rules; and

(d) the Constitution.

### 3.5 Who may apply

On receipt of an Invitation, an ESS Participant may apply for the Securities the subject of the Invitation by sending the completed Application Form to the Company (or its designated officer as set out in the Application Form) by the time and date specified in the Invitation, unless otherwise determined by the Board.

### 3.6 Acceptance of Application

(a) The Board may accept an Application from an ESS Participant in whole or in part.

(b) The Company may not grant a Security to an ESS Participant unless it has received a duly signed and completed Application Form together with all applicable Ancillary Documentation from that ESS Participant. The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation, and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

### 3.7 When an Application will not be accepted

Unless otherwise determined by the Board, an Application will not be accepted if at the time the Company received the duly signed and completed Application Form together with all Ancillary Documentation:

(a) the applicant is not an ESS Participant;

(b) notice of termination of the applicant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or

(c) the Board has determined that the applicant is no longer eligible to participate in the Plan.

### 3.8 Right to nominate

(a) Unless otherwise expressly permitted in the Invitation, an ESS Participant may only submit an Application in the ESS Participant's name and not on behalf of any other person.

(b) If an ESS Participant is permitted in the Invitation, the ESS Participant may, by notice in writing to the Board, nominate a Nominated Party in whose favour the ESS

Participant wishes to renounce the Invitation in order for the Nominated Party to be granted the Securities the subject of the Invitation.

(c) The Board may in its discretion resolve not to allow a renunciation of an Invitation in favour of a Nominated Party without giving any reason for that decision. For the avoidance of doubt, the Board will not facilitate the renunciation of the Invitation as set out in clause 3.8(b) in favour of the Nominated Party where to do so would be inconsistent with:

(i) the Corporations Act; or

(ii) any covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to ASIC's power to exempt or modify the Corporations Act.

(d) If the Board resolves to allow a renunciation of an Invitation in favour of a Nominated Party:

(i) the Board may impose any such conditions that it thinks fit in respect of that renunciation; and

(ii) the ESS Participant must procure that the permitted Nominated Party accepts the Invitation made to the ESS Participant and that both the ESS Participant and the Nominated Party agree to be bound by the Rules and execute any documents required by the Company in order to receive the grant and to give effect to these Rules.

(e) If Securities are granted to a Nominated Party nominated by an ESS Participant, then to the extent necessary to give effect to the intent of these Rules, the ESS Participant will continue to be treated as the Participant.

### 3.9 Multiple Invitations

The Board may invite an ESS Participant to apply for any number and type of Security, notwithstanding that the ESS Participant has previously been invited to apply for Securities.

## 4. Grant of Securities

### 4.1 Company to grant Securities

Following receipt of a duly completed and signed Application Form together with all applicable Ancillary Documentation, the Company will, to the extent that it has accepted such Application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the Invitation, these Rules and the Ancillary Documentation.

### 4.2 Certificate of Security

Following the grant of a Security, the Company will issue to the Participant a Certificate.

## 5. Terms of Convertible Securities

### 5.1 Participant's rights

Prior to a Convertible Security being exercised in accordance with clause 7:



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(a) a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than those expressly set out in these Rules; and

(b) a Participant is not entitled to:

(i) notice of, or to vote or attend at, a meeting of the shareholders of the Company; and

(ii) receive any dividends declared by the Company,

by virtue of holding the Convertible Security.

### 5.2 Restriction of dealing

Unless determined otherwise by the Board in its absolute discretion, or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a Security Interest over, collateralise a margin loan against, utilise for the purposes of short selling, enter into a Derivative with reference to, or otherwise deal with a Convertible Security that has been granted to them. The Convertible Security is forfeited immediately on purported sale, assignment, transfer, dealing or grant of a Security Interest other than in accordance with these Rules.

### 5.3 Prohibition on hedging

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. For the avoidance of doubt, a Participant includes any contractor or consultant to a member of the Group.

### 5.4 Register of Convertible Securities

Each Convertible Security granted under these Rules will be registered in the appropriate register of the Company.

### 5.5 Listing

Unless determined otherwise by the Board in its absolute discretion, a Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange.

## 6. Vesting of Convertible Securities

### 6.1 Vesting

A Convertible Security will vest when a Vesting Notice in respect of that Convertible Security is given to the Participant.

### 6.2 Waiver of Vesting Condition

A Vesting Condition for a Convertible Security may, subject to Applicable Laws, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

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## 7. Exercise of Convertible Securities

### 7.1 Exercise of Convertible Securities

(a) A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with clause 6, or such earlier date on which the Participant is entitled to exercise that Convertible Security in accordance with these Rules.

(b) To exercise a Convertible Security, the Participant must:

(i) deliver a signed Notice of Exercise; and

(ii) subject to clause 7.2, pay the Exercise Price (if any) to or as directed by the Company,

at any time prior to the earlier of:

(iii) any date specified in the Vesting Notice; and

(iv) the Expiry Date.

For the avoidance of doubt and subject to clause 7.2, the total Exercise Price payable by the Participant on exercise of their Convertible Securities is the Exercise Price multiplied by the number of Convertible Securities being exercised by that Participant, rounded up to the nearest cent.

(c) If the Participant does not deliver a signed Notice of Exercise and (subject to clause 7.2) pay the Exercise Price to or as directed by the Company in relation to a Convertible Security by the requisite date, that Convertible Security will automatically be forfeited.

### 7.2 Cashless exercise of Convertible Securities

At the time of exercise of the Convertible Securities, subject to Board approval at that time, 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 allot to the Participant that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Convertible Securities (with the number of Shares rounded down to the nearest whole Share).

*By way of example of a cashless exercise:*

- The Participant holds 50 Options, with an Exercise Price of $1 each.
- If that Participant elected to exercise those Options, the Participant would be required to pay $50, and they would receive 50 Shares.
- However, if the Participant elected a “cashless exercise” and this was accepted by the Board, and the Market Value of the Shares at the time of exercise was $1.50, the Participant would pay no cash and receive 16 Shares, based on the following:

$$S = \frac{\mathrm{O}(\mathrm{MV} - \mathrm{EP})}{\mathrm{MV}}$$

Where:

S = number of Shares to be issued on exercise of the Options

O = number of Options being exercised

MV = Market Value of the Shares at the time of exercise

EP = Exercise Price

- That is, using our example:

$$S = \frac{50(\$1.50 - \$1.00)}{\$1.50}$$

$S$ = 16.67

which is rounded down to 16 Shares. The issue of these 16 Shares is in full and final satisfaction of the 50 Options.

## 8. Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant in accordance with clause 7, the Company will:

(a) issue, allocate or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under these Rules; and

(b) if required, issue a substitute Certificate for any remaining unexercised Convertible Securities held by that Participant.

## 9. Forfeiture of Convertible Securities

### 9.1 Fraudulent or dishonest actions

Where the Board determines that a Participant has, whether by omission or commission:

(a) acted fraudulently or dishonestly; or

(b) acted negligently; or

(c) acted in contravention of a Group policy, including but not limited to the any one or more of the following:

(i) anti-bribery and anti-corruption policy;

(ii) board charter;

(iii) continuous disclosure policy;

(iv) code of conduct;

(v) securities trading policy, and in particular, where a Participant engages in trading during a blackout period or otherwise trades in a manner that may contravene the insider trading provisions in the Corporations Act;

(vi) social media policy; and

(vii) statement of values; or



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(d) wilfully breached his or her duties to the Group, including but not limited to breaching a material term of an Engagement Arrangement (or equivalent),

or it is evident that the Participant intends to do any of the above, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

**9.2 Failure to satisfy Vesting Conditions**

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security which has 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.

**9.3 Unvested Convertible Securities upon becoming a Leaver**

Where a Participant who holds Convertible Securities becomes a Leaver, 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.

**9.4 Vested Convertible Securities upon Resignation or becoming a Bad Leaver**

Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, a Convertible Security held by a Participant who becomes a Leaver which has not already been validly exercised after vesting in accordance with these Rules will automatically be forfeited immediately on the earlier of:

(a) at the date of voluntary termination of the Engagement Arrangement by the Participant;

(b) at the date of termination of the Engagement Arrangement by a Group member due to the Participant:

(i) committing a serious breach of the Engagement Arrangement;

(ii) engaging in any serious misconduct;

(iii) grossly failing to discharge the Participant's duties or responsibilities;

(iv) engaging in any other conduct (either inside or outside of the workplace) which is likely to affect adversely the reputation of a Group member;

(v) committing any act or engaging or failing to engage in any conduct expressly referred to in the Engagement Arrangement which would entitle a Group member to terminate the Participant’s employment with minimum notice required at law;

(vi) committing any other act which at common law would entitle a Group member to terminate the Engagement Arrangement without notice or payment in lieu of notice; or

(vii) becoming bankrupt of making an arrangement or composition with creditors.

**9.5 Vested Convertible Securities upon Resignation or becoming a Good Leaver**

(a) Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, a Convertible Security held by a Participant who becomes a Leaver by reason of redundancy, retirement, incapacitation or any other circumstances other



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than those set out in clause 9.4, all Convertible Securities held by the Participant which have not already been validly exercised after vesting will lapse and be forfeited on the date that is 30 days after the date that that the Participant ceased to be employed by any Group member, unless the Board in its absolute discretion determines that some or all of the Convertible Securities will be retained by the Participant or that the Participant will be granted a longer period to exercise such Convertible Securities.

(b) The Board must provide written notice to the Participant of the number of Convertible Securities that will be retained by the Participant under this clause 9.5 (**Retention Notice**).

(c) Subject to Applicable Law, the Board may in its absolute discretion determine that some or all of the Convertible Securities that will be retained by the Participant the subject of the Retention Notice will vest earlier on or immediately prior to the Participant becoming a Leaver.

**9.6 Vested Convertible Securities upon death**

Should a Participant become a Leaver as a result of their death, the Participant's legal personal representative will have a period of six months to exercise any vested Convertible Securities from the date the Company receives notice of the specified event and acknowledges the death of the Participant in writing.

**9.7 Insolvency**

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security held by a Participant in accordance with these Rules will be forfeited immediately on the date that the Participant becomes Insolvent.

**9.8 Other forfeiture events**

Unless the Board otherwise determines, or as otherwise set out in these Rules, any Convertible Securities which have not yet vested will be automatically forfeited on the Expiry Date.

**9.9 Discretion to determine that the Convertible Securities are not forfeited**

Notwithstanding clauses 9.1 to 9.8 (inclusive), the Board may decide (on any conditions which it thinks fit) that some or all of the Participant's Convertible Securities will not be forfeited at that time, but will be forfeited at the time and subject to the conditions it may specify by written notice to the Participant.

**9.10 Voluntary forfeiture**

A Participant may by written notice to the Company voluntarily forfeit their Convertible Securities for no consideration.

**9.11 Application of Part 2D.2 Division 2 of the Corporations Act**

(a) This clause 9.11 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.

(b) Notwithstanding any other provision of these Rules, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.

(c) Any benefits required to be provided to a Participant in accordance with these Rules will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 of the Corporations Act and the provision of such reduced benefit shall constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 of the Corporations Act.

(d) Where clause 9.11(b) applies, the Company may seek or not seek shareholder approval in its discretion.

## 10. Effect of forfeiture of Convertible Securities

Where a Convertible Security has been forfeited in accordance with these Rules:

(a) the Convertible Security will automatically lapse;

(b) the Participant or the Participant's agent or attorney must sign any transfer documents required by the Company to effect the forfeiture of that Convertible Security; and

(c) the Company will not be liable for any damages or other amounts to the Participant in respect of that Convertible Security.

## 11. Change of Control

Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, 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.

## 12. Rights attaching to Plan Shares

### 12.1 Plan Shares to rank equally

All Plan Shares will rank pari passu in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares.

### 12.2 Listing

If Plan Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Plan Shares issued (or any unquoted Plan Shares transferred) within the time required by the Listing Rules after the date of allotment.

### 12.3 Dividends

A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares which, at the closing date for determining entitlement to such dividends, are standing to the account of the Participant (or a Trustee for and on behalf of the Participant).



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### 12.4 Dividend reinvestment plan

A Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant). Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant) unless the Board determines otherwise.

### 12.5 Voting rights

A Participant may exercise any voting rights attaching to Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant).

## 13. Disposal Restrictions on Plan Shares

### 13.1 Disposal restriction

If the Invitation provides that any Plan Shares 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, including but not limited to imposing an ASX Holding Lock (where applicable) on the Plan Shares or using an employee share trust to hold the Plan Shares during the relevant restriction period.

### 13.2 Participant's undertaking

For so long as a Plan Share is subject to any disposal restrictions under this Plan, the Participant will not:

(a) transfer, encumber or otherwise dispose of, or have a Security Interest granted over that Plan Share; or

(b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

### 13.3 Expiry of restriction

Subject at all times to the Share Trading Policy, upon the expiry of any disposal restrictions over a Plan Share, the Company will take all action necessary to ensure that the Participant can deal with that Plan Share.

### 13.4 Share entitlements

For the avoidance of doubt, the imposition of a disposal restriction on a Plan Share held by a Participant will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company, and to receive any dividends declared by the Company during the relevant disposal restriction period on that Plan Share. If an employee share trust arrangement is implemented in respect of this Plan, the Board may implement such procedures it deems appropriate to give effect to the intent of this clause 13.4.

## 14. Irrevocable Power of Attorney

In order to ensure compliance with these Rules, each Participant must grant an irrevocable power of attorney (in the form set out in the Invitation or such other form determined by the Board) to any person nominated from time to time by the Board.



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## 15. Adjustment of Convertible Securities

### 15.1 Reorganisation

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.

### 15.2 Bonus issue

(a) If Shares are issued by the Company pro rata to shareholders generally 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, in addition to the Shares in respect of which the Convertible Securities are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

(b) Additional Shares to which the holder of Convertible Securities becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Convertible Securities are exercised for the purposes of subsequent applications of clause 15.2(a), and any adjustments which, after the time just mentioned, are made under clause 15.1 to the number of Shares will also be made to the additional Shares.

### 15.3 Rights issue

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.

### 15.4 No other participation

Subject to clauses 15.1 to 15.3 (inclusive), during the currency of any Convertible Securities and prior to their exercise, the holders of Convertible Securities are not entitled to participate in any new issue of Shares of the Company as a result of their holding of Convertible Securities.

### 15.5 Rounding

Until a Convertible Security is exercised, all calculations adjusting the number of Shares must be carried out to include all fractions, but when a Convertible Security is exercised and is settled in Shares the number of Shares to be issued or transferred to the Participant is rounded down to the next lowest whole number.

### 15.6 Application of adjustment

(a) In the application of this clause 15, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules and other Applicable Laws.

(b) Unless otherwise provided in these Rules, a Participant has no right to:

(i) change the Exercise Price; or

(ii) change the number of Shares over which the Convertible Security can be exercised.

## 16. Administration of the Plan

### 16.1 Board administration

The Plan will be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

### 16.2 Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion. The Board does not, in exercising any power or discretion under these Rules, owe any fiduciary or other obligations to any ESS Participant or Participant.

### 16.3 Delegation of Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules (including, without limitation, the power to invite ESS Participants to participate in the Plan and to determine the terms and conditions of the Securities) may be delegated by the Board to:

(a) a committee consisting of such directors, other officers or employees of the Group, or any combination of such persons as the Board thinks fit;

(b) a member of the Group; or

(c) a third party,

for such periods and on such conditions as the Board thinks fit.

### 16.4 Documents

The Company may from time to time require an ESS Participant invited to participate in the Plan or a Participant or a person nominated by an ESS Participant under clause 3.8 to complete and return such other documents as may be required by law to be completed by that person or entity, or such other documents which the Company considers should, for legal, taxation and/or administrative reasons, be completed by that ESS Participant, Participant or person in order to give effect to the intent of the Plan.

### 16.5 Decisions final

Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules and all calculations and determination made by the Board under these Rules are final, conclusive and binding in the absence of manifest error.

## 17. Trust

The Board may, in its discretion, use an employee share trust or other mechanism for the purposes of holding Shares and Plan Shares before or after the exercise of a Convertible Security or delivering any Plan Shares arising from exercise of a Convertible Security under



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these Rules on such terms and conditions as determined by the Board. For the avoidance of doubt, the Board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.

## 18. Restrictions on and amendments to the Plan

### 18.1 Compliance with Applicable Laws

Notwithstanding these Rules or any terms of a Security, no Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any Applicable Laws.

### 18.2 Issue cap for Invitations for Monetary Consideration

(a) An Invitation for Monetary Consideration must comply with the Applicable Law including, without limitation, the applicable requirements of section 1100Q of the Corporations Act.

(b) Without limiting clause 18.2(a), the Company must reasonably believe, at the time of making an Invitation for Monetary Consideration, that:

(i) the total number of Plan Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the Invitation; and

(ii) the total number of Plan Shares that are, or are covered by the ESS Interests of the Company that have been issued, or could have been issued, under Invitations made in connection with the Plan at any time during the 3 year period ending on the day the Invitation is made,

does not exceed the percentage referred to in clause 18.2(c) of the number of those Shares actually issued by the Company (whether in connection with the Plan or otherwise) as at the start of the day the Invitation is made.

(c) The percentage is:

(i) if the Constitution specifies an issue cap percentage – that percentage; or

(ii) if clause 18.2(c)(i) does not apply, the greater of:

(A) 5%; and

(B) the percentage (if any) specified by the Regulations for the purposes of section 1100V(2)(b) of the Corporations Act.

(d) For the purposes of Listing Rule 7.2 Exception 13, the maximum number of Securities that may be issued under the Plan is 25,500,000, or such number as is otherwise approved by Shareholders from time to time.

### 18.3 Amendment of Plan

(a) Subject to clause 18.3(b), the Board may:

(i) at any time amend any provisions of these Rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan; and



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(ii) determine that any amendments to these Rules be given retrospective effect, immediate effect or future effect.

(b) No amendment to any provision of these 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:

(i) introduced primarily:

(A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;

(B) to correct any manifest error or mistake;

(C) to allow the implementation of an employee share trust arrangement pursuant to clause 17;

(D) to enable the Plan or any member of the Group to comply with its constituent documents, and any other Applicable Laws; and/or

(E) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or

(ii) agreed to in writing by all Participant(s).

(c) As soon as reasonably practicable after making any amendment to any provision of these Rules, the Board will give notice of the amendment to each Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

## 19. Duration

### 19.1 Commencement

The Plan commences on the date determined by the Board.

### 19.2 Termination

The Plan continues in operation until the earlier of the date:

(a) the Board decides to end it; and

(b) the Company's removal from the official list of ASX.

### 19.3 Suspension

The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension.

### 19.4 Effect of termination / suspension

If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

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### 19.5 Cancellation of Convertible Securities

Notwithstanding any other provisions of these Rules, but subject at all times to any Applicable Laws and regulations, 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.

## 20. Miscellaneous

### 20.1 Rights of Participants

Nothing in these Rules:

(a) confers on any person any right or expectation to become a Participant, or the right to be invited to apply for, or be offered or to receive any Securities;

(b) confers on any person the right to continue as an employee or officer of any member of the Group (as the case may be);

(c) affects the rights of any member of the Group to terminate the Engagement Arrangement of an ESS Participant;

(d) forms part of any contract of service between an ESS Participant and any member of the Group;

(e) may be used to increase rights of compensation or damages in any action brought against a member of the Group in respect of an Engagement Arrangement;

(f) confers any legal or equitable right on an ESS Participant whatsoever to take action against any member of the Group in respect of their Engagement Arrangement; or

(g) confers on an ESS Participant any rights to compensation or damages in consequence of the termination of their Engagement Arrangement by any member of the Group for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

### 20.2 Non-exclusivity

(a) This Plan is not the sole means by which all members of the Group intend to provide incentives to ESS Participants. Nothing in this Plan is intended to restrict any member of the Group from remunerating or otherwise rewarding employees or directors of any member of the Group outside the Plan.

(b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by any member of the Group unless the terms of that other scheme provide otherwise.

### 20.3 Notice

(a) Any notice or other communication under or concerning the Plan is validly given:

(i) to a Participant, if delivered personally to the addressee or sent by prepaid post to the Participant's last known residential address, or sent to the Participant by facsimile or email at the Participant's place of work; and



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(ii) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.

(b) Delivery of notices

Subject to clause 20.3(a), a notice or other communication will be deemed to have been served:

(i) if delivered by hand, at the time of delivery;

(ii) if sent by facsimile or electronic mail, on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery; or

(iii) if posted, and provided it is properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia.

**20.4 Further assurances**

All parties that have agreed to be bound by these Rules must do all things reasonably necessary to give full effect to this Plan and the transactions contemplated by this Plan.

**20.5 Costs and charges**

(a) The Company will be responsible for any brokerage, commission, stamp duty or other costs payable in relation to the issue or transfer of Plan Shares to or on behalf of a Participant.

(b) Each Participant will be responsible for all costs associated with the disposal of a Plan Share by that Participant.

**20.6 No representation or warranty**

(a) The Company makes no representation or warranty as to the value of Securities or with respect to any tax matters affecting any ESS Participant or Participant in connection with the Plan.

(b) Neither the Company, nor any of its directors, officers or employees are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Shares hereunder, with respect of any fluctuations in the market price of Shares, or in any other manner related to the Plan.

**20.7 Data protection**

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

(a) administering and maintaining records held in respect to a Participant;

(b) providing information to members of the Group, registrars, brokers or third party administrators of the Plan (if any) or advisers of the Board; and

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(c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a member of the Group, or the business and assets of a member of the Group.

**20.8 Governing law**

(a) This Plan is governed by the laws of Western Australia.

(b) Each Participant submits to the non-exclusive jurisdiction of the courts of Western Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with these Rules.

**20.9 Waiver of rights**

(a) A waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under these Rules must be in writing and signed by the party granting the waiver, and may be subject to such terms and conditions as determined by the party granting the waiver.

(b) A failure or delay in the exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under these Rules, does not prevent the exercise of or result in a waiver of that right, power, authority, discretion or remedy.

(c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of these Rules or default under these Rules as constituting a waiver of that right, power, authority, discretion or remedy.

(d) A party may not rely on any conduct of another party as a defence to the exercise of a right, power, authority, discretion or remedy by that other party.

(e) A waiver is only effective in the specific instance and for the specific purpose for which it is given and subject to any specific terms and conditions as specified in the waiver.

(f) This clause may not itself be waived except in writing.

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## Schedule 1 – Template invitation letter for Options

[insert date]

[insert name]
[insert address]

**By email:** [insert email address]

Dear [insert name]

## Cygnus Metals Limited – Employee Securities Incentive Plan

1. **Introduction**

On behalf of the board of directors of Cygnus Metals Limited (ACN 609 094 653) (**Company**) I am pleased to invite you to participate in the Company's Employee Securities Incentive Plan (**Plan**).

The objectives of the Plan are to:

(a) assist in the reward, retention and motivation of directors, employees and contractors;

(b) link the reward of directors, employees and contractors to shareholder value creation; and

(c) align the interests of directors, employees and contractors with shareholders of the Company by providing an opportunity to directors, employees and contractors to receive an equity interest in the Company in the form of securities.

Enclosed is a copy of the Plan. Terms used in this invitation letter (**Invitation**) have the same meaning as used in the Plan.

To the extent that there is any inconsistency between the Plan and the terms of this Invitation, this Invitation prevails.

We strongly recommend you read the terms and conditions of the Invitation set out below and the Plan carefully before accepting the Invitation.

2. **Invitation**

The Company hereby invites you to apply for options (**Options**) under the Plan, on the terms and conditions in this Invitation, the Plan, and Schedule [1.1] (**Terms**).

This Invitation is made under Division 1A of Part 7.12 of the Corporations Act.

3. **Acceptance of the Invitation**

The Invitation is personal to you and may only be accepted by you. Other than as specifically provided in this Invitation you may not in whole or in part assign, transfer or in any other manner, deal with the Invitation.

Under the Plan, you may give the Board a written renunciation notice (pursuant to the Application Form) nominating a permitted nominee in whose favour you wish to renounce the Invitation. Please discuss this with the Company Secretary if you have any queries.

This Invitation remains open for acceptance by you until [insert time] on [insert date] (**Closing Date**) at which time this Invitation will close and lapse.

You may apply for the Options by filling out the Application Form at Schedule [1.2] and returning to the Company Secretary before the Closing Date.

By signing the Application Form, you acknowledge that no grant of Options will be made to you to the extent that it would contravene the Company's Constitution, Corporations Act, ASX Listing Rules or any other applicable law.

[*If the Options have an exercise price of nil:* Upon receipt of a signed copy of the Application, and its acceptance by the Company, the Company will grant the Options to you (or your permitted nominee) together with a certificate for the Options.]

[*If the Options have an exercise price:* Upon receipt of a signed copy of the Application, its acceptance by the Company and the expiry of the waiting period described below, the Company will grant the Options to you (or your permitted nominee) together with a certificate for the Options.

In accordance with the requirements of section 1100Y(1) of the Corporations Act, you may not acquire the Options until a minimum of 14 days after receiving this Invitation. Accordingly, the grant of Options will occur no sooner than [insert date]. You may withdraw your acceptance at any time before that date by the provision of written notice to the Company Secretary.]

4. **Disclaimer**

This Invitation is for your exclusive use and is a personal offer to you. It is not to be copied or circulated to any other person by you other than your professional adviser(s).

This Invitation is not a prospectus under the Corporations Act, and it has not been lodged with the Australian Securities and Investments Commission.

The information contained in this Invitation is being provided on a confidential basis to you solely for the purpose of evaluating the Invitation.

No assurance can be given by the Company as to the accuracy or completeness of the information in this Invitation.

No responsibility or liability (including in negligence) is assumed by the Company for such information or for updating any such information or to inform you of any new information of which the Company may become aware.

The provision of this Invitation is not and should not be considered as a recommendation in relation to an investment in the Company, or that an investment in the Company is a suitable investment for you.

For the purposes of and to the extent permitted under section 1100Z(3) of the Corporations Act, the Company, its directors, any proposed directors and any other person named in this Invitation is not liable for any loss or damage suffered by you because of a contravention of a term of the Invitation covered by section 1100Z(1)(a), (b) or (c).

5. **Advice**

This Invitation does not purport to provide all of the information you may require in order to



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evaluate an investment in the Company. The Company in making the Invitation is not giving you any financial, legal, tax or investment advice.

There are legal and tax consequences associated with participation in the Plan. You should ensure that you understand these consequences before accepting this Invitation.

Any advice given by or on behalf of the Company is general advice only and does not take into account any your objectives, financial situation and needs. You should consider obtaining your own financial product advice from an independent person who is licensed to give such advice.

6. **Taxation considerations**

Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on options, will apply (subject to the conditions in that Act) to Options granted to you under this Invitation.

You are advised to seek independent professional advice regarding the tax consequences of the grant of Options and the acquiring and disposing of any Shares that are issued on exercise of Options under the Plan in light of current tax laws in your country of residence and your particular investment circumstances.

7. **Sale of Shares**

You should be aware that there are restrictions imposed by general law and the Corporations Act on dealing in shares by persons who possess material information likely to affect the value of the shares and which is not generally available. These laws may restrict the acquisition or disposal of shares by you during the time you have such information.

Shares which are allocated to you upon exercise of Options shall be subject to the terms of the Company's securities trading policy (a copy of which is enclosed).

8. **[Previous disclosure documents**

In the 12-month period prior to the date of this Invitation, the Company has issued the following disclosure documents under Part 6D.2 of the Corporations Act for the offer of Options which are of the same class as the Options being offered under this Invitation:

(a) [insert], which may be viewed and downloaded at [●]; and

(b) [insert], which may be viewed and downloaded at [●].]

9. **Risks**

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Options offered under the Plan, and Shares issued on exercise of the Options.

As with any investment in shares there can be no guarantee that the market value of the Company's Shares will not fall in the future. There is also no assurance as to future dividends or distributions since these are dependent on earnings and the financial condition of the Company.

The above is general information only in relation to the risks of acquiring and holding the Options.



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10. **Ascertaining the market price of Shares**

You can ascertain the market price of the Company's Shares from time to time on the ASX website (www.asx.com.au) under the Company's ASX code or alternatively you may contact the Company Secretary of the Company who can provide this information.

Should you have any queries in relation to this Invitation, please contact [insert] on [insert] or by email at [insert].

Yours faithfully

[insert name]
[insert position]
**Cygnus Metals Limited**

**Enclosures:**
Employee Securities Incentive Plan
Securities Trading Policy

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## Schedule 1.1 – Terms and conditions of Options

1. **(Entitlement):** Subject to the terms and conditions set out below, each Option entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2. **(Issue Price):** The Options are issued for nil cash consideration.

3. **(Exercise Price):** The Options are exercisable at $[insert] each.

4. **(Expiry Date):** Each Option will expire at [insert time] on the date that is [years] from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

5. **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

6. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

   Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. **(Issue of Shares):** As soon as practicable after the valid exercise of an Option, 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 Options held by the holder;

   (c) if required, and subject to clause 8, 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.

8. **(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 Options 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.

9. (**Ranking**): All Shares issued upon the exercise of Options will upon issue rank equally in all respects with other Shares.

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10. **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.

11. **(Cashless exercise of Options):** The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

    **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

12. (**Dividend rights**): An Option does not entitle the holder to any dividends.

13. (**Voting rights**): An Option 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.

14. **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.

15. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

16. (**Entitlements and bonus issues**): Subject to the rights under clause 18, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

17. (**Change in exercise price**): There will be no change to the exercise price of the Options or the number of Shares over which the Options 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).

18. **(Adjustment for bonus issues of Shares):** 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):

    (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

    (b) no change will be made to the Exercise Price.

19. (**Return of capital rights**): The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

20. (**Rights on winding up**): The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.



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21. (**Takeovers prohibition**):

(a) the issue of Shares on exercise of the Options 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 Options.

22. (**No other rights**) An Option 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.

23. (**Amendments required by ASX**) The terms of the Options 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.

24. (**Plan**) The Options 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.

25. (**Constitution**) Upon the issue of the Shares on exercise of the Options, the holder will be bound by the Company's Constitution.

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## Schedule 1.2 – Options Application Form

Cygnus Metals Limited (ACN 609 094 653) (**Company**) has invited you (or your Nominee), by an invitation letter dated [insert] (**Invitation**), to apply for the grant under its Employee Securities Incentive Plan (**Plan**) of certain Options.

The person below hereby applies for [insert] Options under the terms of this Invitation, this Application Form and the Plan. If you are seeking Board approval to renouncing to your Nominee as permitted by the Invitation and the Plan, provide your Nominee's details below.

Full Name (including ACN for company Nominees): _____

Date of Birth: _____

Address: _____

Suburb: _____ State: _____ Postcode: _____

Ph: _____ Email: _____

Tax file number(s) or exemption: _____

CHESS HIN (where applicable): _____

In applying for the grant of Options under this Invitation, I and, where applicable, my Nominee, acknowledges and agrees:

(a) to be entered on the register of holders of options in the Company as the holder of the Options applied for;

(b) to be entered on the register of shareholders in the Company as the holder of any Shares issued on the exercise of the Options;

(c) to be bound by the terms of the Constitution of the Company, the Plan and the Invitation;

(d) that a copy of the full terms of the Plan has been provided to me;

(e) that, by completing this Application Form, I agrees to appoint the Company Secretary as my attorney to complete and execute any documents and do all acts on my behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Plan (if applicable);

(f) that Options issued pursuant to the Plan cannot be assigned, transferred, encumbered or otherwise disposed by me, unless such assignment or transfer occurs by force of law upon my death to my personal legal representative;

(g) that any tax liability arising from the Company accepting my application for Options under the Plan, the Company granting the Options or the issue of Shares on conversion of the Options is my responsibility and not that of the Company; and

(h) to the holding, processing, use and disclosure of personal information by the Company for any purpose related to or required by the operation of the Plan, including without limitation, to providing my tax file number to a share plan administrator in connection with my participation in the Plan (if applicable); and

(i) to the extent required by the terms of the Plan, the Invitation and/or the ASX Listing Rules, to enter into any necessary restriction agreement in relation to any Shares provided on the exercise of the Options and to the placing of a holding lock on those Shares.

Dated: [insert]

**Signed** by [**insert name**] in the presence of: )
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is an individual]

**Signed** by [**insert name**] in the presence of: )
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is a company]

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**Executed** by **[insert] (ACN [insert])** in accordance with section 127(1) of the *Corporations Act 2001* (Cth):

| | |
|---|---|
| Signature of Director | Signature of Director/Secretary |
| Name of Director in full | Name of Director/Secretary in full |

## Schedule 1.3 – Notice of Exercise of Options

To: The Company Secretary
Cygnus Metals Limited

I/We _____ (*insert name*) of _____ (*insert address*) being registered holder(s) of Options as set out on the certificate annexed to this notice, hereby exercise _____ (*insert number*) of the abovementioned Options.

I/ We authorise and direct the Company to register me/us as the holder(s) of the Shares to be allotted to me/us and I/we agree to accept such Shares subject to the provisions of the Constitution of the Company.

Dated: [insert]

**Signed** by [**insert name**] in the presence of: )
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

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**Executed** by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

| | |
|---|---|
| Signature of Director | Signature of Director/Secretary |
| Name of Director in full | Name of Director/Secretary in full |

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## Schedule 2 – Template invitation letter for Performance Rights

[insert date]

[insert name]
[insert address]

**By email:** [insert email address]

Dear [insert name]

## Cygnus Metals Limited – Employee Securities Incentive Plan

1. **Introduction**

On behalf of the board of directors of Cygnus Metals Limited (ACN 609 094 653) (**Company**) I am pleased to invite you to participate in the Company's Employee Securities Incentive Plan (**Plan**).

The objectives of the Plan are to:

(a) assist in the reward, retention and motivation of directors, employees and contractors;

(b) link the reward of directors, employees and contractors to shareholder value creation; and

(c) align the interests of directors, employees and contractors with shareholders of the Company by providing an opportunity to directors, employees and contractors to receive an equity interest in the Company in the form of securities.

Enclosed is a copy of the Plan. Terms used in this invitation letter (**Invitation**) have the same meaning as used in the Plan.

To the extent that there is any inconsistency between the Plan and the terms of this Invitation, this Invitation prevails.

We strongly recommend you read the terms and conditions of the Invitation set out below and the Plan carefully before accepting the Invitation.

2. **Invitation**

The Company hereby invites you to apply for the following performance rights (**Performance Rights**) under the Plan, on the terms and conditions in this Invitation and Schedule [2.1] (**Terms**).

| Class | Number of Performance Rights | Vesting Condition | Expiry Date |
|---|---|---|---|
| Class [insert] | [insert] | [insert] | [insert] |

| | | | |
|---|---|---|---|
| Class [insert] | [insert] | [insert] | [insert] |
| Class [insert] | [insert] | [insert] | [insert] |

The grant of the Performance Rights is subject to the terms of the Plan, including you remaining an ESS Participant at the time the Performance Rights are granted and, subject to a number of exceptions, vested and converted into Shares.

This Invitation is made under Division 1A of Part 7.12 of the Corporations Act.

3. **Vesting, conversion and expiry of the Performance Rights**

The Performance Rights will vest on the date the conditions (**Vesting Conditions**) relating to those Performance Rights has been satisfied, subject to the Vesting Conditions being satisfied by the date specified within the Vesting Conditions. The Company will notify you in writing when the relevant Vesting Conditions have been satisfied.

Upon vesting, each Performance Right will, at your election, convert into one fully paid ordinary share in the Company (**Share**). You may apply to exercise vested Performance Rights by filling out the notice of exercise form at Schedule [2.3] and returning to the Company Secretary prior to expiry of the Performance Rights. The Performance Rights will expire [years] after the date of issue, unless terminated earlier in accordance with the terms of the Plan.

Unless the Terms provide otherwise, the Shares to which you are entitled on conversion of the Performance Rights will be issued to you as soon as practicable after the exercise date.

Further terms and conditions of the Performance Rights are in Schedule [2.1].

4. **Acceptance of the Invitation**

The Invitation is personal to you and may only be accepted by you. Other than as specifically provided in this Invitation you may not in whole or in part assign, transfer or in any other manner, deal with the Invitation.

Under the Plan, you may give the Board a written renunciation notice (pursuant to the Application Form) nominating a permitted nominee in whose favour you wish to renounce the Invitation. Please discuss this with the Company Secretary if you have any queries.

This Invitation remains open for acceptance by you until [insert time] on [insert date] (**Closing Date**) at which time this Invitation will close and lapse.

You may apply for the Performance Rights by filling out the Application Form at Schedule [2.2] and returning to the Company Secretary before the Closing Date.

By signing the Application Form, you acknowledge that no grant of Performance Rights will be made to you to the extent that it would contravene the Company's Constitution, Corporations Act, ASX Listing Rules or any other applicable law.

Upon receipt of a signed copy of the Application, and its acceptance by the Company, the Company will grant the Performance Rights to you (or your permitted nominee) together with a certificate for the Performance Rights.

5. **Disclaimer**

This Invitation is for your exclusive use and is a personal offer to you. It is not to be copied or circulated to any other person by you other than your professional adviser(s).



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This Invitation is not a prospectus under the Corporations Act, and it has not been lodged with the Australian Securities and Investments Commission.

The information contained in this Invitation is being provided on a confidential basis to you solely for the purpose of evaluating the Invitation.

No assurance can be given by the Company as to the accuracy or completeness of the information in this Invitation.

No responsibility or liability (including in negligence) is assumed by the Company for such information or for updating any such information or to inform you of any new information of which the Company may become aware.

The provision of this Invitation is not and should not be considered as a recommendation in relation to an investment in the Company, or that an investment in the Company is a suitable investment for you.

For the purposes of and to the extent permitted under section 1100Z(3) of the Corporations Act, the Company, its directors, any proposed directors and any other person named in this Invitation is not liable for any loss or damage suffered by you because of a contravention of a term of the Invitation covered by section 1100Z(1)(a), (b) or (c).

6. **Advice**

This Invitation does not purport to provide all of the information you may require in order to evaluate an investment in the Company. The Company in making the Invitation is not giving you any financial, legal, tax or investment advice.

There are legal and tax consequences associated with participation in the Plan. You should ensure that you understand these consequences before accepting this Invitation.

Any advice given by or on behalf of the Company is general advice only and does not take into account any your objectives, financial situation and needs. You should consider obtaining your own financial product advice from an independent person who is licensed to give such advice.

7. **Taxation considerations**

Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, will apply (subject to the conditions in that Act) to Performance Rights granted to you under this Invitation.

You are advised to seek independent professional advice regarding the tax consequences of the grant of Performance Rights and the acquiring and disposing of any Shares that are issued on exercise of Performance Rights under the Plan in light of current tax laws in your country of residence and your particular investment circumstances.

**8. Sale of Shares**

You should be aware that there are restrictions imposed by general law and the Corporations Act on dealing in shares by persons who possess material information likely to affect the value of the shares and which is not generally available. These laws may restrict the acquisition or disposal of shares by you during the time you have such information

Shares which are allocated to you upon exercise of Performance Rights shall be subject to the terms of the Company's securities trading policy (a copy of which is enclosed).

**9. [Previous disclosure documents**

In the 12-month period prior to the date of this Invitation, the Company has issued the following disclosure documents under Part 6D.2 of the Corporations Act for the offer of Performance Rights which are of the same class as the Performance Rights being offered under this Invitation:

(a) [insert], which may be viewed and downloaded at [●]; and

(b) [insert], which may be viewed and downloaded at [●].]

10. **Risks**

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Performance Rights offered under the Plan, and Shares issued on exercise of the Performance Rights.

As with any investment in shares there can be no guarantee that the market value of the Company's Shares will not fall in the future. There is also no assurance as to future dividends or distributions since these are dependent on earnings and the financial condition of the Company.

The above is general information only in relation to the risks of acquiring and holding the Performance Rights.

11. **Ascertaining the market price of Shares**

You can ascertain the market price of the Company's Shares from time to time on the ASX website (www.asx.com.au) under the Company's ASX code or alternatively you may contact the Company Secretary of the Company who can provide this information.

Should you have any queries in relation to this Invitation, please contact [insert] on [insert] or by email at [insert].

Yours faithfully

[insert name]
[insert position]
**Cygnus Metals Limited**

**Enclosures:**
Employee Securities Incentive Plan
Securities Trading Policy

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## Schedule 2.1 – Terms and conditions of Performance Rights

1. (**Entitlement**): Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2. (**Issue Price**): The Performance Rights are issued for nil cash consideration.

3. (**Vesting Conditions**): Subject to the terms and conditions set out below, the Performance Rights will have the vesting conditions (**Vesting Condition**) specified below:

| | | | |
|---|---|---|---|
| **Class** | [insert] | [insert] | [insert] |
| **Number** | [insert] | [insert] | [insert] |
| **Vesting Condition** | [insert] | [insert] | [insert] |
| **Expiry Date** | [insert] | [insert] | [insert] |

4. (**Vesting**): Subject to the satisfaction of the Vesting Condition, the Company will notify the Holder in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the relevant Vesting Condition has been satisfied.

5. (**Expiry Date**): The Performance Rights will expire and lapse on the first to occur of the following:

   (a) the Vesting Condition becoming incapable of satisfaction due to the cessation of employment of the holder with the Company (or any of its subsidiary entities) (subject to the exercise of the Board's discretion under the Plan); and

   (b) [insert time] on the date which is [years] after the date of issue of the Performance Rights,

   (**Expiry Date**).

6. (**Exercise**): At any time between receipt of a Vesting Notice and the Expiry Date (as defined in clause 5 above), the holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary. The holder is not required to pay a fee to exercise the Performance Rights.

7. (**Issue of Shares**): As soon as practicable after the valid exercise of a vested Performance 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 Performance Rights held by the holder;

   (c) if required, and subject to clause 8, 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.

8. **(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 Performance 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.

9. (**Ranking**): All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with other Shares.

10. (**Transferability of the Performance Rights**): The Performance Rights are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.

11. (**Dividend rights**): A Performance Right does not entitle the holder to any dividends.

12. (**Voting rights**): A Performance 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.

13. (**Quotation of the Performance Rights**) The Company will not apply for quotation of the Performance Rights on any securities exchange.

14. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder will be varied in accordance with the Listing Rules.

26. (**Entitlements and bonus issues**): Subject to the rights under clause 15, 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 Performance 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).

15. (**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 Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

16. (**Return of capital rights**): The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

17. (**Rights on winding up**): The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.



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18. (**Takeovers prohibition**):

(a) the issue of Shares on exercise of the Performance 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 Performance Rights.

19. (**No other rights**) A Performance 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.

20. (**Amendments required by ASX**) The terms of the Performance 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.

21. (**Plan**) The Performance 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.

22. (**Constitution**) Upon the issue of the Shares on exercise of the Performance Rights, the holder will be bound by the Company's Constitution.

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## Schedule 2.2 – Performance Rights Application Form

Cygnus Metals Limited (ACN 609 094 653) (**Company**) has invited you (or your Nominee), by an invitation letter dated [insert] (**Invitation**), to apply for the grant under its Employee Securities Incentive Plan (**Plan**) of certain Performance Rights.

The person below hereby applies for [insert] Performance Rights under the terms of this Invitation, this Application Form and the Plan. If you are seeking Board approval to renouncing to your Nominee as permitted by the Invitation and the Plan, provide your Nominee's details below.

Full Name (including ACN for company Nominees): _____

Date of Birth: _____

Address: _____

Suburb: _____ State: _____ Postcode: _____

Ph: _____ Email: _____

Tax file number(s) or exemption: _____

CHESS HIN (where applicable): _____

In applying for the grant of Performance Rights under this Invitation, I and, where applicable, my Nominee, acknowledges and agrees:

(a) to be entered on the register of holders of performance rights in the Company as the holder of the Performance Rights applied for;

(b) to be entered on the register of shareholders in the Company as the holder of any Shares issued on the exercise of the Performance Rights;

(c) to be bound by the terms of the Constitution of the Company, the Plan and the Invitation;

(d) that a copy of the full terms of the Plan has been provided to me;

(e) that, by completing this Application Form, I agree to appoint the Company Secretary as my attorney to complete and execute any documents and do all acts on my behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Plan (if applicable);

(f) that Performance Rights issued pursuant to the Plan cannot be assigned, transferred, encumbered or otherwise disposed by me, unless such assignment or transfer occurs by force of law upon my death to my personal legal representative;

(g) that any tax liability arising from the Company accepting my application for Performance Rights under the Plan, the Company granting the Performance Rights or the issue of Shares on conversion of the Performance Rights is my responsibility and not that of the Company; and

(h) to the holding, processing, use and disclosure of personal information by the Company for any purpose related to or required by the operation of the Plan, including without limitation, to providing my tax file number to a share plan administrator in connection with my participation in the Plan (if applicable); and

(i) to the extent required by the terms of the Plan, the Invitation and/or the ASX Listing Rules, to enter into any necessary restriction agreement in relation to any Shares provided on the exercise of the Performance Rights and to the placing of a holding lock on those Shares.

Dated: [insert]

**Signed** by [**insert name**] in the presence of: )
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is an individual]

**Signed** by [**insert name**] in the presence of: )
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is a company]

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**Executed** by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

| | |
|---|---|
| Signature of Director | Signature of Director/Secretary |
| Name of Director in full | Name of Director/Secretary in full |

## Schedule 2.3 – Notice of Exercise of Performance Rights

To: The Company Secretary
Cygnus Metals Limited

I/We _____ of _____ being registered holder(s) of Performance Rights as set out on the certificate annexed to this notice, hereby exercise _____ of the abovementioned Performance Rights.

I/ We authorise and direct the Company to register me/us as the holder(s) of the Shares to be allotted to me/us and I/we agree to accept such Shares subject to the provisions of the Constitution of the Company.

Dated: [insert]

**Signed** by [**insert name**] in the presence of: )
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

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**Executed** by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

| | |
|---|---|
| Signature of Director | Signature of Director/Secretary |
| Name of Director in full | Name of Director/Secretary in full |

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## Schedule 3 – Template invitation letter for Shares

[insert date]

[insert name]
[insert address]

**By email:** [insert email address]

Dear [insert name]

## Cygnus Metals Limited – Employee Securities Incentive Plan

1. **Introduction**

On behalf of the board of directors of Cygnus Metals Limited (ACN 609 094 653) (**Company**) I am pleased to invite you to participate in the Company's Employee Securities Incentive Plan (**Plan**).

The objectives of the Plan are to:

(a) assist in the reward, retention and motivation of directors, employees and contractors;

(b) link the reward of directors, employees and contractors to shareholder value creation; and

(c) align the interests of directors, employees and contractors with shareholders of the Company by providing an opportunity to directors, employees and contractors to receive an equity interest in the Company in the form of securities.

Enclosed is a copy of the Plan. Terms used in this invitation letter (**Invitation**) have the same meaning as used in the Plan.

To the extent that there is any inconsistency between the Plan and the terms of this Invitation, this Invitation prevails.

We strongly recommend you read the terms and conditions of the Invitation set out below and the Plan carefully before accepting the Invitation.

**2. Invitation**

The Company hereby invites you to apply for the following fully paid ordinary shares (**Shares**) under the Plan, on the terms and conditions in this Invitation.

[insert details].

The grant of the Shares is subject to the terms of the Plan, including you remaining an ESS Participant at the time the Shares are issued.

This Invitation is made under Division 1A of Part 7.12 of the Corporations Act.

**3. Acceptance of the Invitation**

The Invitation is personal to you and may only be accepted by you. Other than as specifically provided in this Invitation you may not in whole or in part assign, transfer or in any other manner, deal with the Invitation.

Under the Plan, you may give the Board a written renunciation notice (pursuant to the Application Form) nominating a permitted nominee in whose favour you wish to renounce the Invitation. Please discuss this with the Company Secretary if you have any queries.

This Invitation remains open for acceptance by you until [insert time] on [insert date] (**Closing Date**) at which time this Invitation will close and lapse.

You may apply for the Shares by filling out the Application Form at Schedule [3.2] and returning to the Company Secretary before the Closing Date.

[*If the Shares are issued for no monetary consideration:* Upon receipt of a signed copy of the Application, and its acceptance by the Company, the Company will issue the Shares to you (or your permitted nominee).]

[*If the Shares are issued for monetary consideration:* Upon receipt of a signed copy of the Application, its acceptance by the Company and the expiry of the waiting period described below, the Company will issue the Shares to you (or your permitted nominee).

In accordance with the requirements of section 1100Y(1) of the Corporations Act, you may not acquire the Shares until a minimum of 14 days after receiving this Invitation. Accordingly, the issue of Shares will occur no sooner than [insert date]. You may withdraw your acceptance at any time before that date by the provision of written notice to the Company Secretary.]

By signing the Application Form, you acknowledge that no grant of Shares will be made to you to the extent that it would contravene the Company's Constitution, Corporations Act, ASX Listing Rules or any other applicable law.

**4. Disclaimer**

This Invitation is for your exclusive use and is a personal offer to you. It is not to be copied or circulated to any other person by you other than your professional adviser(s).

This Invitation is not a prospectus under the Corporations Act, and it has not been lodged with the Australian Securities and Investments Commission.

The information contained in this Invitation is being provided on a confidential basis to you solely for the purpose of evaluating the Invitation.

No assurance can be given by the Company as to the accuracy or completeness of the information in this Invitation.

No responsibility or liability (including in negligence) is assumed by the Company for such information or for updating any such information or to inform you of any new information of which the Company may become aware.

The provision of this Invitation is not and should not be considered as a recommendation in relation to an investment in the Company, or that an investment in the Company is a suitable investment for you.

For the purposes of and to the extent permitted under section 1100Z(3) of the Corporations Act,



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the Company, its directors, any proposed directors and any other person named in this Invitation is not liable for any loss or damage suffered by you because of a contravention of a term of the Invitation covered by section 1100Z(1)(a), (b) or (c).

**5. Advice**

This Invitation does not purport to provide all of the information you may require in order to evaluate an investment in the Company. The Company in making the Invitation is not giving you any financial, legal, tax or investment advice.

There are legal and tax consequences associated with participation in the Plan. You should ensure that you understand these consequences before accepting this Invitation.

Any advice given by or on behalf of the Company is general advice only and does not take into account any your objectives, financial situation and needs. You should consider obtaining your own financial product advice from an independent person who is licensed to give such advice.

**6. Taxation considerations**

You are advised to seek independent professional advice regarding the tax consequences of the acquiring and disposal of Shares under the Plan in light of current tax laws in your country of residence and your particular investment circumstances.

**7. Sale of Shares**

You should be aware that there are restrictions imposed by general law and the Corporations Act on dealing in shares by persons who possess material information likely to affect the value of the shares and which is not generally available. These laws may restrict the acquisition or disposal of shares by you during the time you have such information

Shares which are issued to you upon acceptance of this Invitation shall be subject to the terms of the Company's securities trading policy (a copy of which is enclosed).

**8. [Previous disclosure documents**

In the 12-month period prior to the date of this Invitation, the Company has issued the following disclosure documents under Part 6D.2 of the Corporations Act for the offer of Shares which are of the same class as the Shares being offered under this Invitation:

(a) [insert], which may be viewed and downloaded at [●]; and

(b) [insert], which may be viewed and downloaded at [●].]

**9. Risks**

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Shares issued under the Plan.

As with any investment in shares there can be no guarantee that the market value of the Company's Shares will not fall in the future. There is also no assurance as to future dividends or distributions since these are dependent on earnings and the financial condition of the Company.

The above is general information only in relation to the risks of acquiring and holding the Shares.

**10. Ascertaining the market price of Shares**



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You can ascertain the market price of the Company's Shares from time to time on the ASX website (www.asx.com.au) under the Company's ASX code or alternatively you may contact the Company Secretary of the Company who can provide this information.

Should you have any queries in relation to this Invitation, please contact [insert] on [insert] or by email at [insert].

Yours faithfully

[insert name]
[insert position]
**Cygnus Metals Limited**

**Enclosures:**
Employee Securities Incentive Plan
Securities Trading Policy

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## Schedule 3.2 – Shares Application Form

Cygnus Metals Limited (ACN 609 094 653) (**Company**) has invited you (or your Nominee), by an invitation letter dated [insert] (**Invitation**), to apply for the grant under its Employee Securities Incentive Plan (**Plan**) of certain Shares.

The person below hereby applies for [insert] Shares under the terms of this Invitation, this Application Form and the Plan. If you are seeking Board approval to renouncing to your Nominee as permitted by the Invitation and the Plan, provide your Nominee's details below.

Full Name (including ACN for company Nominees): _____

Date of Birth: _____

Address: _____

Suburb: _____ State: _____ Postcode: _____

Ph: _____ Email: _____

Tax file number(s) or exemption: _____

CHESS HIN (where applicable): _____

In applying for the grant of Shares under this Invitation, I and, where applicable, my Nominee, acknowledges and agrees:

(a) to be entered on the register of holders of shares in the Company as the holder of the Shares applied for;

(b) to be bound by the terms of the Constitution of the Company, the Plan and the Invitation;

(c) that a copy of the full terms of the Plan has been provided to me;

(d) that, by completing this Application Form, I agree to appoint the Company Secretary as my attorney to complete and execute any documents and do all acts on my behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Plan (if applicable);

(e) that any tax liability arising from the Company accepting my application for Shares under the Plan or the Company issuing the Shares is my responsibility and not that of the Company; and

(f) to the holding, processing, use and disclosure of personal information by the Company for any purpose related to or required by the operation of the Plan, including without limitation, to providing my tax file number to a share plan administrator in connection with my participation in the Plan (if applicable); and

(g) to the extent required by the terms of the Plan, the Invitation and/or the ASX Listing Rules, to enter into any necessary restriction agreement in relation to the Shares issued under the Plan and to the placing of a holding lock on those Shares.

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**SCHEDULE "D" TO APPENDIX I**

**NOMINATION AND REMUNERATION COMMITTEE CHARTER**

See attached.

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# Nomination & Remuneration Committee Charter

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## 1. Introduction

Cygnus Gold Limited ("**Cygnus**" or the "**Company**") is committed to conducting its business ethically and in accordance with the highest standards of corporate governance. In determining these standards, the ASX Corporate Governance Council's Principals of Good Corporate Governance and Best Practice Recommendations (as amended from time to time) (the "**ASX Corporate Governance Principles**") have been referred to.

The board of directors (the "**Board**") of the Company has decided not to establish a separate Nomination and Remuneration Committee (the "**Committee**") and will deal with the matter at the Board level.

However, the Board has approved this charter which prescribes the role and responsibilities, composition, structure and membership requirements of the Committee (the "**the Charter**").

## 2. Role

The role of the Committee is to make recommendations to the Board with regards to:

- the selection and appointment of members of the Board, so that it has an effective balance of skills, knowledge, experience, independence and diversity in order to effectively discharge its responsibilities and duties, and add value through effective decision making; and
- the Company's remuneration policies, to ensure that remuneration is sufficient and reasonable and that its relationship with performance is clear.

The Committee is accountable to the Board, who retain ultimate responsibility for the Company's nomination and remuneration activities.

## 3. Composition

The Committee will endeavour to ensure:

- at least three (3) members;
- it is made up of independent, non-executive directors;
- the chairman of the Committee is an independent director; and
- directors serving on the Committee have sufficient professional expertise and knowledge to allow them to properly discharge their duties

The Board may appoint additional members to the Committee or remove and replace members of the Committee by resolution.

## 4. Meetings and Administration

- The Committee will meet as frequently as necessary, but at least once a year.
- Two members of the Committee shall comprise a quorum and a unanimous vote of the two members will constitute an act of the Committee.
- The Company Secretary will be the secretary of the Committee and will act as the principal liaison between Executive Management, other KMP (defined below) and the Committee.
- The Committee may invite other persons to attend meetings, if considered appropriate by the chairman of the Committee, for example external consultants or specialists. However, no such individual should be directly involved in deciding his or her remuneration.

The Committee shall ensure:

- each member of the Committee is given reasonable notice of a Committee meeting;
- the chairman of the Committee calls a meeting at the request of any Committee member, the Managing Director, or the Company Secretary;
- formal minutes of meeting of the Committee are taken by the Company Secretary; and

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- any person who has a material personal interest in a matter being considered by the Committee must not be present at a meeting of the Committee, when that matter is being considered.

"**KMP**" mean key management personnel and includes those people having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

## 5. Duties and Responsibilities

The duties and responsibilities of the Committee are follows. However, the Board may (from time to time) delegate other responsibilities and functions to the Committee.

### Nomination Duties and Responsibilities

#### Size and composition of the Board

The Committee shall consider and make recommendations to the Board about the size and composition of the Board, to ensure that the Board:

- is large enough to incorporate a variety of perspectives and skills;
- incorporates an appropriate range of skills and expertise;
- represents the best interests of the Company; and
- is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the independent exercise of their judgment.

#### Independence of directors

The Committee shall regularly assess and determine (annually or, if the director has served more than ten years, every six months) the independent status of each director, taking into account interests disclosed by directors and whether the director:

- is a substantial shareholder of the Company (being a shareholder who has a relevant interest in more than 5% of the shares in the Company) or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or its subsidiaries, and there has not been a period of at least three years between ceasing such employment and serving on the Board; or
- has within the last three years been a principal of a material professional adviser or a material consultant to the Company or its subsidiaries, or an employee materially associated with the services provided;
- is a material supplier or customer of the Company or its subsidiaries, or an officer or otherwise associated directly or indirectly with a material supplier or customer; or
- has a material contractual relationship with the Company or its subsidiaries other than as a director.

#### Director competencies

The Committee shall:

- implement a plan for identifying, assessing and enhancing director competencies, to ensure that the Board comprises directors who possess an appropriate range of skills and expertise; and
- develop and implement continuing education to ensure that directors update and enhance their skills and knowledge, including in relation to key developments in the Company and the industry and environment within which it operates.

#### Commitment of the Board

Regularly review the time required by a director to effectively undertake his or her Board responsibilities (and Board committee responsibilities, where relevant) and determine whether each director is meeting that requirement after identifying and considering details of that director's other commitments.

All non-executive directors are required to notify the Board before accepting any other material directorship, or any other position with a significant time commitment attached.

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**Selection and appointment of new directors**

The Committee shall:

- develop and implement processes to identify suitable candidates for nomination or appointment to the Board, including maintaining a board skills matrix and engaging external consultants or specialists to provide advice or services; and
- Ensure that the Company complies with the requirements of its constitution, the ASX Listing Rules and the Corporations Act 2001 (Cth) (the "Corporations Act") in relation to the appointment, re-election and retirement or removal of directors.

When considering new candidates for nomination or appointment to the Board, take into account:

- the candidate's competence and qualifications;
- independence;
- the range of skills, experience and expertise on the Board to identify the skills that will best increase the effectiveness of the Board;
- the existing structure and composition of the Board in light of the criteria outlined in the Charter;
- any candidate's ability to devote the time required by a director to effectively undertake his or her Board responsibilities (and Board committee responsibilities, where relevant) after identifying and considering details of the candidate's other commitments; and
- the extent to which the appointee is likely to work constructively with the existing directors and contribute to the overall effectiveness of the Board.

Prior to appointment or being submitted for re-election, non-executive directors should specifically acknowledge that they have sufficient time to meet what is required of them by the Company.

**Induction**

The Committee shall develop and implement induction procedures to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of:

- the industry within which the Company operates;
- the Company's financial, strategic, operational and risk management position;
- the culture and values of the Company;
- the rights, duties and responsibilities of directors;
- the roles and responsibilities of the Executive Management and its subsidiaries;
- the role of the Company's Board committees;
- meeting arrangements; and
- director interaction with each other, Executive Management and other stakeholders.

**Succession planning**

The Committee shall develop, implement and review the Company's succession plans in place for membership of the Board and other Executive Management, to ensure that these plans work to maintain an appropriate balance of skills, experience and expertise at the Company.

**Evaluation and re-appointment of directors**

The Committee shall develop and implement processes for evaluating the performance of the Board, Board committees and individual directors.

Ensure that proper consideration is made in respect of the election of directors and that the notice of meeting in relation to the election of the director provides sufficient information to enable shareholders to make an informed choice about who should be elected as a director. The notice should set out a range of matters about the person recommended for election as a director, including the matters required by the ASX Corporate Governance Council.

Identify the order of retirement by rotation of directors.

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### Gender Diversity

The Committee shall set the measurable objectives in respect of gender diversity throughout the Company and ensure progress against these objectives is assessed on an annual basis.

### Annual Reporting

The Committee shall review and assist the preparation of the board composition and structure disclosures made in the corporate governance section of the Company's annual report for consistency with the principles of the ASX Corporate Governance Principles.

## Remuneration Duties and Responsibilities

### Remuneration

The purpose of the Committee is to assist the Board in satisfying its responsibilities to the Company's shareholders, by reviewing and approving a remuneration policy for executive directors, Executive Management and other KMP. Ensuring that it:

- balances the Company's desire to attract and retain executive directors, Executive Management and other KMP against its interest in not paying excessive remuneration;
- provides an appropriate balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the Company's circumstances, goals and risk appetite;
- clearly distinguishes the structure of non-executive director remuneration from that of executive directors, Executive Management and other KMP, as to ensure non-executive directors remain independent;
- motivates executive directors, Executive Management and other KMP to pursue the short and long-term growth and success of the Company, including (where appropriate) policies on the clawback or cancellation of performance related remuneration; and
- demonstrates a clear relationship between executive directors', Executive Management's and other KMP's performance and remuneration.

The Committee is also responsible for reviewing and reporting to the Board on:

- the ongoing appropriateness and relevance of the remuneration policy;
- all relevant legal requirements regarding disclosure of remuneration, in all forms, are compiled with;
- the Company's policies and practices relating to recruitment, training, retention and promotion, review and appraisal of performance and termination of employment of executive directors, Executive Management and other KMP;
- whether there is any bias in the remuneration for directors and Executive Management, in particular in relation to gender; and
- appointing remuneration consultant(s) for the Company and receiving, reviewing and considering their recommendation(s).

When making the recommendations to the Board the Committee shall:

- consider the ASX Corporate Governance Principles in respect of executive remuneration packages and non-executive director remuneration set out under Principle 8 of the ASX Corporate Governance Principles; and
- ensure that both cash and equity-based remuneration is structured in accordance with the thresholds and restrictions under Company's constitution, the ASX Listing Rules and the Corporations Act.

In carrying out their Committee duties, individual Committee members should not make recommendations in relation to their own remuneration.

### Executive Directors and Executive Management

The Committee must review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) of each executive director and Executive Management.

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**Non-executive Directors**

The Committee must:

- consider and make recommendations to the Board on the remuneration for each non-executive director (including the Chairman) (as distinct from the remuneration structures of executive directors and Executive Management and other KMP) having regard to the remuneration policy and the maximum remuneration determined by the Company's shareholders;
- review the on-going appropriateness and relevance of the remuneration policy for non-executive directors;

**Short Term Incentive Plans ("STI Plans")**

Insofar as they impact on the executive directors, Executive Management or other KMP, the Committee will review and approve:

- the underlying principles of, and determine targets or performance conditions for all STI plans; and
- the total proposed payments from all such plans.

**Long Term (Equity-based) Incentive Plans ("LTI Plans")**

The Committee will monitor and review:

- the underlying principles of all LTI Plans for approval by the Board and the Company's shareholders;
- all LTI Plans in light of legislative, regulatory, and taxation requirements and market developments;
- for each LTI Plan, all awards which are proposed under that plan with a view to ensuring compliance with the rules of the relevant plan and the policies of the Committee and the Board in respect of that plan;
- the total proposed awards under each LTI plan;
- the life of each grant of award;
- the conditions of grant and vesting applicable to each incentive instrument issued under a LTI Plan;
- amendments to the rules which are proposed for approval, as permitted under the rules of the plans; and
- the proposed exercise of any discretion under a plan and make such determinations as required to be made under the rules of each plan.

**Employee benefits and other policies**

The Committee will:

- make recommendations to the Board with respect to the implementation and operation of other equity-based incentives or employee benefits; and
- ensure that incentive schemes are designed around appropriate performance benchmarks that measure relative performance and provide rewards for materially improved company performance.

**Performance**

The Committee will:

- develop and implement a plan for identifying, assessing and enhancing competencies of executive directors and KMP; and
- ensure that the performance of each executive director, Executive Management and other KMP is evaluated at least annually.

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**Remuneration Consultants**

If the Board is considering retaining a remuneration consultant to provide advice to the Board, the Committee must:

i. approve the remuneration consultant prior to binding documentation being entered into between the Company and the remuneration consultant;

ii. ensure that the remuneration consultant is sufficiently independent and the Committee has set aside sufficient time to ensure such independence;

iii. review the appointment of the remuneration consultant each year having regard to their independence, their competence to provide unbiased advice to the Company, their consultancy fees and any questions of resignation or dismissal; and

iv. report to the Board each year on the performance of the remuneration consultant.

**Superannuation**

The Committee will ensure that the Company carries out its obligations in respect of superannuation, retirement benefits and other related benefits and entitlements.

**Annual Reporting**

The Committee will:

i. review the remuneration report included in the Company's annual report and make recommendations to the Board; and
ii. review the remuneration policy disclosures made in the corporate governance section of the Company's annual report for consistency with the remuneration principles of the ASX Corporate Governance Principles

**Termination Payments**

The Committee will review termination payments for executive directors, Executive Management and other KMP to ensure that they are consistent with the rules of any incentive scheme and the remuneration policy, and that any payments are fair to the individual, and to the Company, and that failure is not rewarded and the duty to mitigate loss if fully recognised.

## 6. Reporting to the Board

The chairman of the Committee (or a person nominated by the chairman of the Committee for that purpose) must report to the Board at its next meeting on all material matters and recommendations relevant to the Committee's duties and responsibilities. Where any Committee member has a contrary view to a Committee decision, that view is to be reported to the Board.

In accordance with the requirements of the ASX Listing Rules and the Corporations Act, the Company will disclose annually in its annual report details of the nature and amount of remuneration paid to each director, Executive Management and other KMP of the Company. The disclosure will include the payment of any non-monetary incentive components such as options or performance rights. In addition, the Company will disclose details of other agreements with directors, Executive Management and other KMP in accordance with the requirements of the ASX Listing Rules and the Corporations Act.

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## 7. Authority

The Committee is generally authorised (within the scope of its responsibilities) to:

i. consult with and seek any information from any director or employee of the Company, or any external party;
ii. at the Company's expense, consult with and seek any advice from the Company's financial and legal advisors; and
iii. require the attendance of any of the Company's employees at a Committee meeting.

## 8. Review

This Charter will be reviewed by the Board annually, to ensure that it continues to reflect the letter and spirit of all applicable laws and regulations and the Company's commitment to its staff and the community.

**SCHEDULE "E" TO APPENDIX I**

**AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER**

See attached.

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# Audit & Risk Management Committee Charter

Cygnus Gold Limited ("**Cygnus**" or the "**Company**") is committed to conducting its business ethically and in accordance with the highest standards of corporate governance. In determining these standards, the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (as amended from time to time) (the "**ASX Corporate Governance Principles**") have been referred to.

The board of directors of the Company (the "**Board**") has approved the following charter (the "**Charter**") which sets out the roles, responsibilities, composition, structure and membership requirements of the Company's Audit and Risk Management Committee (the "**Committee**").

The Board has decided not to establish a separate Audit and Risk Management Committee and will deal with the matter at the Board level.

However, the Board has approved this charter which prescribes the role and responsibilities, composition, structure and membership requirements of the Committee.

## 1. Purpose

The Committee shall assist the Board in fulfilling its responsibilities relating to accounting, financial reporting and risk management.

## 2. Membership and Composition

The Board shall appoint the members of the Committee and review the composition of the Committee at least annually. The Committee should (where possible) comprise:

- at least three (3) members;
- only non-executive directors, a majority of whom are independent;
- an independent chairman appointed by the Board and whom is not the chairman of the Board;
- members with sufficient technical expertise to discharge the Committee's mandate effectively;
- members that are financially literate (i.e. are able to read and understand financial statements); and
- at least one member shall have accounting and/or related financial management expertise (e.g. a qualified accountant or other financial professional).

Members will be appointed for an initial term of two (2) years and shall be eligible for re-appointment provided that they remain independent directors of the Board.

The terms of appointment include the following:

- the members may resign upon reasonable notice, in writing, to the Committee chairman;
- a member may from time to time be immediately removed by notice, in writing, by the Committee chairman; and
- the appointment as a member of the Committee is automatically terminated upon that member ceasing to be a director of the Company.

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## 3. Meetings and Administration

The Committee shall ensure:

- it meets as frequently as required to undertake its role effectively and in any event at least twice each year;
- each member of the Committee is given reasonable notice of every Committee meeting;
- the chairman of the Committee calls a meeting of the Committee if requested by any Committee member, the Managing Director or the Company Secretary;
- the unanimous vote of members will constitute an act of the Committee;
- formal minutes of each Committee meeting are taken by the Company Secretary and entered into the Committee's minute book;
- other persons are invited to attend meetings, if considered appropriate by the chairman of the Committee, e.g. external consultants or specialists;
- any person who has a material personal interest in a matter being considered by a Committee is not present at a meeting of the Committee when that matter is being considered; and
- the chairman of the Committee reports the findings and recommendations of the Committee to the Board.

The Company Secretary will be the secretary of the Committee and will act as the principal liaison between Executive Management and the Committee.

## 4. Authority

The Committee is generally authorised (within the scope of its responsibilities and in accordance with any applicable law) to:

- consult with the Company's external auditors, any internal auditors, Executive Management and employees of the Company;
- access information and reports;
- at the Company's expense, seek independent external advice on matters brought before the Committee; and
- investigate any matters within the Committee's scope of responsibilities, or other matters when requested by the Board.

## 5. Responsibilities

The Committee is responsible for ensuring that the Board is kept regularly informed on all matters relating to audit, financial reporting and risk management that might significantly impact upon the Company, in a timely manner.

The Committee should maintain open lines of communication between the Board and the external auditors, to exchange views and information.

The Committee should ensure the Board understands the Company's structure, business and controls in order to adequately assess the significant risks of the Company.

The Committee must review and make recommendations to the Board in relation to:

- the Company's financial statements prepared by Executive Management, reporting whether they provide a true and fair view of the financial position and performance of the Company (including but not limited to conducting reviews of the Annual Report, Directors' Report, Annual Financial Statements and Half Yearly Financial Statements);
- the integrity, adequacy and effectiveness of the Company's financial reporting processes;
- the scope, adequacy and quality of audits conducted by both the Company's external and internal auditors (if and when appointed);
- significant internal or external audit findings and Executive Management's responses and related actions;
- the appointment or removal of auditors;
- the implementation of legislated major accounting changes;
- the adequacy of policies and systems established to identify and disclose related-party transactions and assess the propriety of any related party transactions;
- the adequacy of the Company's risk management processes;

- any instances of failure of risk management controls e.g. incidents involving fraud; and
- the Company's insurance portfolio.

The Committee is not required to personally conduct accounting reviews or audits and is entitled to rely on employees of the Company or professional advisers, where appropriate.

## 6. External Audit Arrangements

As outlined above, the Committee shall report to the Board on external audit arrangements, more specifically, this should include:

- making recommendations to the Board on the appointment, re-appointment, replacement and remuneration of the Company's external audit firm;
- monitor the effectiveness and independence of the external auditors and resolution of disagreements between Executive Management and the auditor regarding financial reporting;
- review the terms of engagement for the external auditor;
- review the scope of the external audit with the external auditor, including identified risk areas;
- monitor the performance of the external audit, including assessment of the quality and rigour of the audit, quality of the service provided and the audit firm's internal quality control procedures;
- review and assess non-audit services to be provided by the external auditor, with particular consideration to the potential to impair or appear to impair the external auditors' independence;
- review and monitor Executive Management's responsiveness to the external audit findings; and
- on a periodic basis, meet with the external auditor without the presence of Executive Management.

### Appointment of external auditors and scope of external audit

In the event that a change in auditor is considered necessary, a formal tendering process will be undertaken.

The Committee will identify the attributes required of an auditor and will ensure the selection process is sufficiently robust, so as to ensure selection of an appropriate auditor. The Committee will ensure that prospective auditors have been provided with a sufficiently detailed understanding of the Company, its operations, its key personnel and any other information, including group structures and financial statements that will have a direct bearing on each firm's ability to develop an appropriate proposal and fee estimate.

The Committee and the Board will consider the appointment, in conjunction with Executive Management.

In selecting an external auditor, particular consideration will be given to:

- whether the fee quoted is sufficient for the work required;
- the work is to be undertaken by people with an appropriate level of seniority, skill and knowledge; and
- whether the work proposed is sufficient to meet the Company's needs and expectations.

The appointment of a new external audit firm will be placed before shareholders for ratification, at the next annual general meeting after the appointment is made.

### Pre-approval of audit and non-audit services provided by external auditors

The Committee shall pre-approve all audit and non-audit services provided by the Company's external auditors and shall not engage an external auditor to perform any non-audit/assurance services that may impair or appear to impair the external auditor's judgement or independence in respect of the Company.

The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any Committee member to whom pre-approval authority is delegated, should present any pre-approval decision to the full Committee at its next scheduled meeting.

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**Assessment of the external audit**

The Committee shall annually obtain and review a report by the external auditors describing (or meet, discuss and document) the following:

- the audit firm's internal quality control procedures;
- any material issues raised by the most recent internal quality control review, or peer review, of the audit firm, or by any enquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
- all relationships between the external auditor and the Company (to assess the auditor's independence).

The Committee shall establish clear policies in relation to employees or former employees of the external auditor in order to prevent the impairment or perceived impairment of the external auditor's judgement or independence in respect of the Company.

The Committee shall review and assess the independence of the external auditor, including but not limited to any relationships with the Company or any other entity that may impair or appear to impair the external auditor's judgement or independence in respect of the Company.

**Rotation and succession planning**

The Committee will discuss with the auditor the provisions the audit firm has in place for the rotation of the lead engagement partner and the independent review partner. The Company shall require that the lead engagement partner should be rotated at least every five (5) years and the review partner should be rotated at least every three (3) years.

**Attendance at Company AGM**

The Committee will ensure the Company's external auditor attends the Company's annual general meeting and is therefore available to answer questions about their audit.

## 7. Management Sign-off Procedure – Annual and Half Yearly Financial Statements

In respect of the Company's annual and half-yearly financial statements, the Managing Director and the person conducting the Chief Financial Officer function should provide a written declaration:

- in terms of s295A of the Corporations Act 2001 (Cth); and
- that their opinion has been formed on the basis of a sound risk management system and internal controls, which are operating effectively.

## 8. Risk Management

The Committee conduct an annual review of the Company's risk management policies. In addition, the Committee shall:

- assist with the Company's identification and assessment the Company's risks; and
- regularly review and update the Company's risk profile.

## 9. Committee Performance

The Committee shall annually perform an evaluation of its performance to determine whether it is functioning effectively by reference to current best practice.

The Board will evaluate the performance of the Committee as appropriate.

## 10. Review of Charter

This Charter will be reviewed by the Board annually, to ensure that it continues to reflect the letter and spirit of all applicable laws and regulations and the Company's commitment to its staff and the community.

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## APPENDIX J

## INFORMATION CONCERNING THE COMBINED COMPANY FOLLOWING THE ARRANGEMENT

### INTRODUCTION

This Appendix J is a summary of the Combined Company, its business, assets and operations, assuming completion of the Arrangement, which should be read together with the more detailed information and financial data statements contained elsewhere in this Circular to which this Appendix J is attached. Unless otherwise indicated, the information contained in this Appendix J is given as of the date of this Circular.

### CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

In this Appendix J, references to "A$" or "AUD$" are to Australian dollars and references to "C$" or "CAD$" are to Canadian dollars. Certain totals, subtotals and percentages throughout this Appendix J may not reconcile due to rounding.

The following table sets out the high and low rates of exchange for one Australian dollar expressed in Canadian dollars during each of the following periods, the average rate of exchange for those periods and the rate of exchange in effect at the end of each of those periods, each based on the rate of exchange published by CapitalIQ for the conversion of Australian dollars into Canadian dollars.

| | **Fiscal Year Ended December 31,** | | **Six Months Ended June 30,** | |
|---|---|---|---|---|
| | **2023 (C$)** | **2022 (C$)** | **2024 (C$)** | **2023 (C$)** |
| Highest rate during the period | 0.9502 | 0.9487 | 0.9174 | 0.9502 |
| Lowest rate during the period | 0.8509 | 0.8633 | 0.8732 | 0.8764 |
| Average rate for the period | 0.8965 | 0.9034 | 0.8942 | 0.9108 |
| Rate at the end of the period | 0.9002 | 0.9199 | 0.9132 | 0.8813 |

On November 12, 2024, the rate of exchange posted by CapitalIQ for conversion of Australian dollars into Canadian dollars was A$1.00 = C$0.9113. No representation is made that any currency could be converted at any given rate.

### GLOSSARY

Capitalized terms used herein and not otherwise defined in this Appendix J have the meanings given to such terms set forth in Appendix I to this Circular or in the glossary of terms found in Appendix A to this Circular.

### CORPORATE STRUCTURE

**Corporate Summary**

Upon completion of the Arrangement, Cygnus will indirectly own all of the outstanding Doré Shares and Doré will become a wholly owned subsidiary of AcquireCo. The Combined Company will continue the operations of Cygnus and Doré on a consolidated basis and will continue to be a corporation existing under the laws of Western Australia. Upon completion of the Arrangement, the Combined Company will be listed on the ASX and intends to list on the TSXV, subject to the approval of the TSXV in accordance with its minimum listing requirements.

The Board of Directors of the Combined Company will comprise three (3) directors from each of Cygnus and Doré. David Southam, current Executive Chair of Cygnus, will remain the Executive Chair, and Ernest Mast, the current President and Chief Executive Officer of Doré, will be appointed as President and Managing Director of the Combined Company. The remainder of the Board of Directors of the Combined Company will comprise two (2) non-executive directors from each company, with Kevin Tomlinson (Canada based) and Raymond Shorrocks (Australia based) from

Cygnus. Mario Stifano, the current Executive Chairman of Doré, and Brent Omland, a current director of Doré, are expected to be the nominated non-executive directors from the Doré Board.

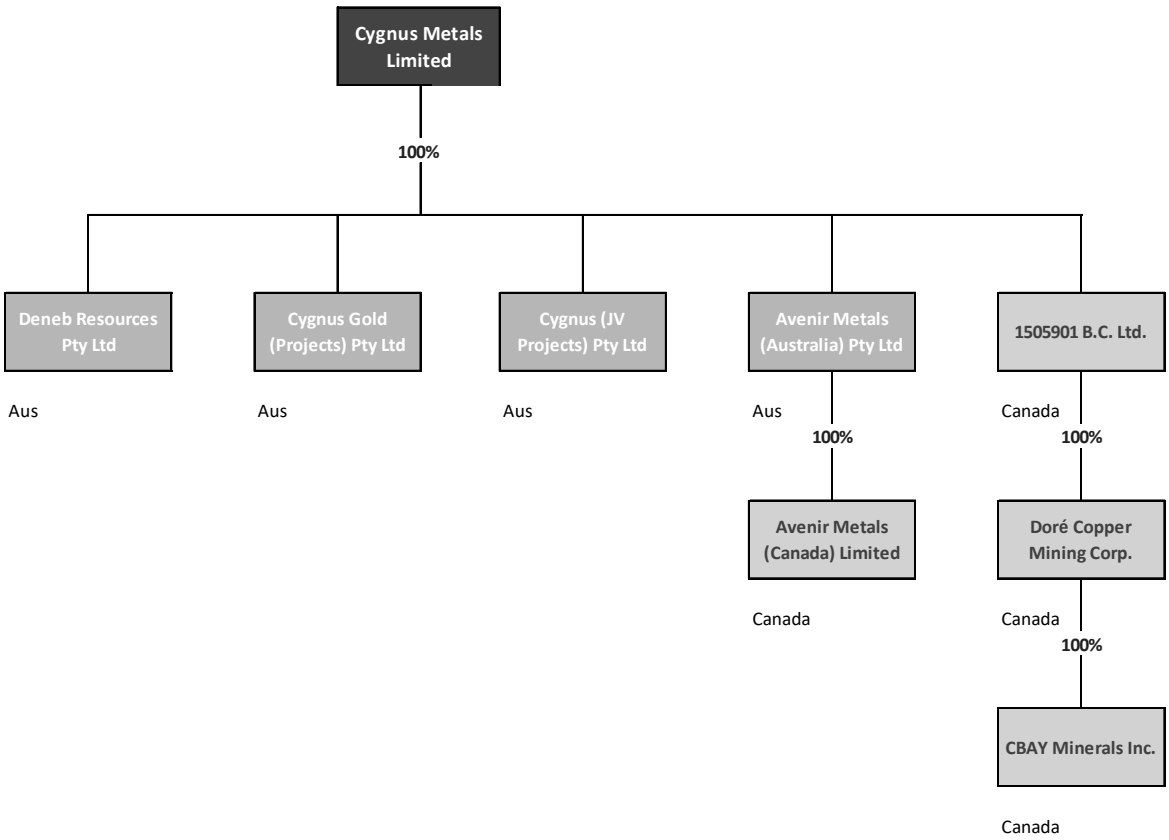
**Name, Address and Incorporation**

The Combined Company's registered office and principal place of business will be located at Cygnus' registered office and principal place of business, being Level 2, 8 Richardson Street, West Perth, Western Australia 6005.

**Intercorporate Relationships**

Set out below is the corporate structure of the Combined Company following the Arrangement.

On completion of the Arrangement, AcquireCo will directly own, and Cygnus will indirectly own, all of the issued and outstanding Doré Shares. After completion of the Arrangement, the business and operations of Doré will be managed and operated as an indirect subsidiary of Cygnus. Cygnus will control 100% of the voting capital of all of the entities presented in the organization chart set forth below.




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## DESCRIPTION OF THE BUSINESS OF THE COMBINED COMPANY

### Description of the Business

On completion of the Arrangement, the Combined Company will carry on the business currently operated by Cygnus and Doré on a consolidated basis, including mineral exploration and mining development in Canada.

The Combined Company will remain a publicly listed issuer on the ASX under the trading symbol "CY5". Cygnus has applied for its Cygnus Shares to be listed on the TSXV. Listing of the Cygnus Shares on the TSXV will be subject to Cygnus receiving approval from, and fulfilling all of the minimum listing requirements of, the TSXV. Upon completion of the Arrangement, the Combined Company will become a reporting issuer in Alberta, Ontario, British Columbia and Saskatchewan.

### Business Objectives and Milestones

The Combined Company's primary business objective is to explore and develop the Chibougamau Project, including completion of environmental baseline studies and advancement of a feasibility study.

The exact timetables for specific events that must occur to achieve the aforementioned business objectives will be finalised post completion of the Arrangement and will be subject to the consideration and approval of the newly formed Combined Company Board (as defined below). There is no one specific event that can be attributed to achieving the business objectives outlined above. Notwithstanding, with respect to the Chibougamau Project, the drill rig is expected to be available and operating in early 2025, and the final baseline study is expected to commence in the first quarter of 2025. Geophysics is currently planned for the first half of 2025 which will assist with target generation for dill testing.

### Available Funds and Principal Purposes of Funds

As of October 31, 2024, Doré had an estimated working capital of C$375,000 and Cygnus had an estimated working capital of C$7,290,400 (based on A$8,000,000, using an exchange rate of A$1.00 = C$0.9113). 94,864,785 Cygnus Shares were issued on October 23, 2024 pursuant to tranche one of the Cygnus Equity Raise, with a total of 57,912,993 Cygnus Shares to be issued pursuant to tranche two of the Cygnus Equity Raise subject to receipt of Cygnus Shareholder approval at a general meeting expected to be held in mid-December 2024, and the Doré Shareholder Approval.

The Combined Company is expected to use the funds available to it in furtherance of its stated business objectives above. The following table shows the foreseeable available funds and the principal purposes for which the available funds will be used by the Combined Company, based on currently available information for the 2025 calendar year:

| **Available Funds:** | **Estimated Amount ($)** |
|---|---|
| Estimated Consolidated Working Capital (as of October 31, 2024) | $7,665,400 |
| Net Proceeds from the Closing of Tranche Two of the Cygnus Equity Raise | $3,827,460[(5)] |
| Total Other Funds Available | N/A |
| **Total Available Funds** | **$11,492,860** |
| **Anticipated Uses of Funds:** | |
| Exploration[(1)] | $4,207,000 |
| Chibougamau Project Studies and Environmental Work[(2)] | $3,657,000 |
| Chibougamau Site Management[(3)] | $1,242,000 |
| Lithium Exploration Activities (Pontax Project) | $500,000 |
| Corporate G&A[(4)] | $1,137,000 |
| Sub-Total | $10,743,000 |
| Unallocated Working Capital | $749,860 |
| **Total Uses** | **$11,492,860** |

**Notes:**

1. Exploration costs include all costs related to the exploration activities of the Combined Company and includes 19,800 meters of drilling, geophysics, assays, manpower, consultants, travel expenses, claim management and parts, amongst others.
2. Chibougamau Project Studies and Environmental Work costs include soil testing, baseline studies, subsurface, water modelling, ongoing water monitoring, geotechnical test work of tailings, waste rock and ore, and metallurgical testing, amongst others.

3. Chibougamau Site Management includes 24-7 manpower coverage of two sites, power, fuel, personnel, city taxes, site, insurance, mill care and maintenance, amongst others.
4. Corporate G&A includes personnel, finance function, corporate secretary, travel, listing fees, legal, audit fees, office rental, D&O insurance, information technology and investor relations, amongst others.
5. Based on A$4,200,000, using an exchange rate of A$1.00 = C$0.9113.

The above uses of available funds are estimates only based on information available to Doré and Cygnus as of October 31, 2024, with respect to estimated working capital and as at November 13, 2024 for all other information. Please see the discussion under "*Cautionary Statement Regarding Forward-Looking Information*".

**Specialized Skill and Knowledge**

All aspects of the Combined Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of finance, geology, drilling, mining, construction, engineering, metallurgy, accounting and natural resources. The Combined Company will retain executive officers and consultants with experience in these areas in Québec, Canada and Australia and will have access to technical personnel that will provide the Combined Company with skills and knowledge required to conduct its business operations.

**Competitive Conditions**

The mineral exploration business is a competitive business. The Combined Company will compete with other companies and individuals in the consideration of acquisitions, development and advancement of attractive mining assets, and in retaining qualified personnel, suitable contractors for drilling and bulk sampling operations, technical and engineering resources and, to the extent necessary, exploration equipment.

**Cycles**

Following the Arrangement, the Combined Company's business may be considered cyclical to a limited extent, due to fluctuations in global inflation, interest rates and exchange rates which can drive commodity prices. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

Refer to the Section titled "*Risk Factors*" in Appendix I to this Circular for further information of the risk factors impacting the Combined Company's business.

**Economic Dependence and Changes to Contracts**

The Combined Company's business will not be substantially dependent on any contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

In connection with the Cygnus Canadian Projects, the Combined Company will be party to the Option Agreements under which it will have the option to acquire up to a 70% interest in the Pontax Project and a 100% interest in the CMH Projects, subject to satisfaction of certain terms and conditions. The Option Agreements also include provisions providing for the termination of the Option Agreements upon the occurrence of certain events, such as the Combined Company being in default of its obligations, including failing to make required payments and incur exploration expenditures within the specified timeframes. The early termination of any of the Option Agreements, for any reason, may mean that the Combined Company will not realize the full value of the contracts, which will adversely affect the value, growth prospects, operating results and financial performance of the Combined Company.

It is not expected that Combined Company's business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Refer to the Section titled "*Risk Factors*" in Appendix I of this Circular for further information of the risk factors impacting the Combined Company's business.

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**Environmental Protection**

All aspects of the Combined Company's field operations will be subject to environmental regulations promulgated by government agencies from time to time and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply could result in fines and penalties. With its projects at the exploration stage, the financial and operational impact of environmental protection requirements is relatively minimal. Environmental legislation is evolving, which means stricter standards and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessment of proposed projects carries a heightened degree of responsibility for companies and directors, officers and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Combined Company's operations, including its capital expenditures and competitive position. Should any project advance to the production stage, then more time and money would be involved in satisfying environmental protection requirements.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Combined Company's future compliance with environmental legislation, regulations and licenses. Significant liabilities could be imposed on the Combined Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulation. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Future legislation and regulations could cause additional expenses, capital expenditures, restrictions, liabilities and delays in exploration. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous, making the Combined Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

Refer to the Section titled "*Risk Factors*" in Appendix I of this Circular for further information of the risk factors impacting the Combined Company's business.

**Employees**

The Combined Company expects that, upon completion of the Arrangement it will have approximately 15 employees.

The Combined Company will continuously evaluate the expertise and skills required to execute its business strategy and seeks to attract and retain employees that are aligned with delivering on the Combined Company's goals.

The Combined Company's success is expected to be dependent on the performance of its management team and key individuals, many of whom will have specialized skills in the mineral exploration business. The Combined Company's expected key site personnel have been involved in the mining industry for several years and are knowledgeable as to the geology, engineering, construction, approvals, stakeholder engagement, environmental matters, mining, metallurgy and infrastructure related to mineral exploration and mining development.

Following the Arrangement, the Combined Company's personnel will be equipped with the skills necessary to perform its operations and continuously assess its workforce capabilities with its business strategy for its operations as it evolves.

**Foreign Operations**

Some of the Combined Company's operations will be conducted in Australia and will be exposed to various levels of political, economic and other risks and uncertainties that are different than operating in a Canadian jurisdiction.

Refer to the Section titled "*Risk Factors*" in Appendix I of this Circular for further information of the risk factors impacting the Combined Company's business.

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**Social or Environmental Policies**

Following the Arrangement, the Combined Company will continue to be committed to conducting its activities in an environmentally and socially responsible manner. The Combined Company understands that to maintain its social licence to operate, it has an obligation to maintain environmental compliance and to strive to meet the expectations of the local community and stakeholders.

The Combined Company will continue to be committed to providing a safe and healthy work environment for all and strive to continuously improve its safety and health performance.

**Additional Information**

For more information on the business of the Combined Company as it will be operated by Cygnus, see Appendix I of this Circular. For more information regarding the business of Doré, see Part 18 of this Circular.

## MINERAL PROPERTIES

Following completion of the Arrangement, the Combined Company will control the Corner Bay copper deposit, the Joe Mann past producing gold mine, the Cedar Bay past producing copper mine, the Copper Rand past producing copper mine, the Devlin copper deposit, the Copper Rand mill and tailings management facility, and the Pontax Lithium Project, all located in Canada.

For more information about the Pontax Lithium Project, see the Section titled *"Mineral Projects"* in Appendix I of this Circular. For more information about Doré's Chibougamau Hub-and-Spoke Complex, including the Corner Bay, Devlin, Joe Mann and Copper Rand properties, see *"Part 18 – Information Concerning Doré – Material Mineral Projects"* of the Circular.

## DESCRIPTION OF THE COMBINED COMPANY'S SECURITIES

Following the Arrangement, the share capital of the Combined Company will be the share capital of Cygnus prior to the Arrangement. The share capital of Cygnus will remain unchanged as a result of the completion of the Arrangement, other than for the issuance of the Cygnus Shares as Consideration contemplated by the Arrangement, and the issuance of the Replacement Options to the holders of Doré Options pursuant to the Arrangement.

The Combined Company will be authorized to issue an unlimited number of Cygnus Shares authorized for issuance subject to shareholder approval, where required under applicable laws, the ASX Listing Rules and approval of the TSXV. See the Section titled "*Description of Securities*" in Appendix I of this Circular.

Based on the pro forma figures as of the date hereof, after giving effect to the Arrangement, it is anticipated that there will be:

- 846,977,950 Cygnus Shares issued and outstanding;
- 31,176,782 Cygnus Options issued and outstanding which are convertible into up to 31,176,782 Cygnus Shares upon the exercise thereof;
- 3,854,171 Cygnus Share Rights issued and outstanding which are convertible into up to 3,854,171 Cygnus Shares upon the exercise thereof; and
- 21,378,809 Cygnus Performance Rights issued and outstanding which are convertible into up to 21,378,809 Cygnus Shares upon the satisfaction of the relevant performance and vesting conditions.

For more information regarding the expected capital structure of Cygnus after giving effect to the Arrangement, see the Section titled "*Consolidated Capitalization*" in Appendix I of this Circular.

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## UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma consolidated financial information of the Combined Company giving effect to the Arrangement and the accompanying notes are included as Appendix K to this Circular. The unaudited pro forma financial information has been prepared in a manner consistent with Cygnus' and Doré's respective accounting policies as applied and disclosed in the Cygnus Financial Statements, the Doré Financial Statements, and the condensed interim financial statements of Cygnus and Doré for the period ended June 30, 2024.

The unaudited pro forma consolidated statement of financial position as at June 30, 2024 gives effect to the Arrangement as if the transaction had closed on June 30, 2024. The unaudited pro forma consolidated statements of profit or loss and other comprehensive income for the twelve months ended December 31, 2023 and for the six months ended June 30, 2024 give effect to the Arrangement as if the transaction had closed on January 1, 2023. The unaudited pro forma financial information is based on the respective historical consolidated financial statements of Cygnus and Doré.

The unaudited pro forma financial information and adjustments, including the allocation of the purchase price, are based upon preliminary estimates of fair values of assets acquired and liabilities assumed, current available information and certain assumptions that Cygnus believes are reasonable in the circumstances, as described in the notes to the unaudited pro forma financial information.

The unaudited pro forma financial information is presented for illustrative purposes only and are not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. The actual financial position and results of operations of the Combined Company following completion of the Arrangement may differ significantly from the pro forma amounts reflected in the unaudited pro forma financial information due to a variety of factors.

## PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Combined Company and the pro forma capitalization of the Combined Company after giving effect to the Arrangement and the Cygnus Equity Raise as of June 30, 2024.

| **Securities[(1)]** | **Pro Forma After giving effect to the Arrangement and the Cygnus Equity Raise (A$)[(2)]** |
|---|---|
| 846,977,950 | 86,253,559 |

(1) As of June 30, 2024, after giving effect to the Arrangement and Cygnus Equity Raise, there will be 31,176,782 Cygnus Options, 21,378,809 Cygnus Performance Rights and 3,854,171 Cygnus Share Rights. See also "*Consolidated Capitalization*" of Appendix I to this Circular.

(2) Based on the unaudited pro forma financial information following the completion of the Arrangement included in Appendix K to this Circular, accumulated losses at June 30, 2024 on a consolidated basis totaled A$31,644,633.

See Appendix K to this Circular for the unaudited pro forma financial information following the completion of the Arrangement.

## FULLY DILUTED SHARE CAPITAL

The following table sets forth the expected number and percentage of securities of the Combined Company proposed to be outstanding on a fully diluted basis after giving effect to the Arrangement and Cygnus Equity Raise. The information in the table below is based on information available to each of Doré and Cygnus as at November 13, 2024.

| | Number | Percentage |
|---|---|---|
| Cygnus Shares | 848,290,300 | 93.8% |
| Cygnus Options | 30,710,210 | 3.4% |
| Cygnus Performance Rights | 21,378,809 | 2.4% |
| Cygnus Share Rights | 3,854,171 | 0.4% |
| **Total (on a fully diluted basis)** | **904,233,490** | **100.0%** |

## DIVIDENDS OR DISTRIBUTIONS

The Combined Company will adopt Cygnus' dividend policy. The Combined Company Board (as defined below) are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Combined Company. See the Section titled "*Dividends or Distributions*" in Appendix I of this Circular.

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

None of the Cygnus Shares issuable in connection with the Arrangement will be subject to escrow.

## PRINCIPAL SECURITYHOLDERS

To the best of the knowledge of the directors and officers of each of Doré and Cygnus, upon completion of the Arrangement, the following persons or companies will beneficially own, directly or indirectly, or exercise control or direction over, Cygnus Shares carrying more than 10% of the voting rights attached to the Cygnus Shares:

| Name of Cygnus Shareholder and Municipality of Residence | Number of Cygnus Shares | % of Total Outstanding Cygnus Shares |
|---|---|---|
| Equinox Partners Investment Management LLC[(1)]<br>*New York, USA* | 105,278,040 | 12.41% |
| Ocean Partners Holdings Limited[(2)]<br>*Connecticut, USA* | 89,559,019 | 10.56% |

**Notes**:
(1) Sean Fieler exercises control or direction over the investment decisions of Equinox Partners Investment Management LLC.
(2) Brent Omland exercises control or direction over the investment decisions of Ocean Partners Holdings Limited.

## DIRECTORS AND EXECUTIVE OFFICERS

### Executive Officers

Following the completion of the Arrangement, it is expected that Ernest Mast, the current President and Chief Executive Officer of Doré, will be appointed President and Managing Director of the Combined Company, Nicholas Kwong, the current Chief Operating Officer of Doré, will be appointed Chief Operating Officer of the Combined Company, and the executive officers of the Combined Company will otherwise remain the current executive officers of Cygnus. For further information see the Section titled "*Cygnus Directors and Executive Officers*" in Appendix I of this Circular.

### Combined Company Directors

Following the completion of the Arrangement, it is expected that the board of directors of the Combined Company ("**Combined Company Board**") will consist of three current members of the Cygnus Board with the addition of three



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directors nominated by Doré from among the Doré Board. Following completion of the Arrangement, the Combined Company Board will be comprised of the following directors: (i) David Southam as Executive Chair; (ii) Ernest Mast as President and Managing Director; (iii) Kevin Tomlinson as Non-Executive Director; (iv) Raymond Shorrocks as Non-Executive Director; (v) Mario Stifano as Non-Executive Director; and (vi) Brent Omland as Non-Executive Director.

The following table lists the expected directors and executive officers of the Combined Company, their respective ages, places of residence, expected position(s) and offices with the Combined Company, duration of service as director or officer of the Combined Company, and their expected holdings of Cygnus Shares, as applicable, after giving effect to the Arrangement.

| Name | Age | Province or State and Country of Residence | Positions with the Combined Company | Director/Officer Since | Cygnus Shares Beneficially Owned or Controlled | Cygnus Performance Rights Beneficially Owned or Controlled | Cygnus Share Rights Beneficially Owned or Controlled | Cygnus Options Beneficially Owned or Controlled |
|---|---|---|---|---|---|---|---|---|
| David Southam | 52 | Western Australia, Australia | Executive Chair | November 1, 2022 | 7,142,858 | 17,178,809 | 2,200,590 | Nil |
| Ernest Mast | 60 | Ontario, Canada | President and Managing Director | N/A | 6,310,299 | Nil | Nil | 5,306,130 |
| Kevin Tomlinson[(1)] | 64 | Ontario, Canada | Non-Executive Director | April 3, 2023 | 660,714 | 700,000 | 374,988 | Nil |
| Raymond Shorrocks | 66 | New South Wales, Australia | Non-Executive Director | June 30, 2020 | 7,245,592 | Nil | 196,471 | 3,500,000 |
| Mario Stifano | 54 | Ontario, Canada | Non-Executive Director | N/A | 5,972,049 | Nil | Nil | 2,470,095 |
| Brent Omland[(1)] | 44 | Connecticut, USA | Non-Executive Director | N/A | 256,158 | Nil | Nil | 137,227 |
| Carl Travaglini | 39 | Western Australia, Australia | CFO and Joint Company Secretary | February, 2023 | 665,928 | Nil | 120,908 | Nil |
| Nicholas Kwong | 41 | Ontario, Canada | Chief Operating Officer | N/A | Nil | Nil | Nil | 1,866,294 |

(1) Expected to be an independent director for the purposes of NI 58-101.

ASX Listing Rule 14.4 and rule 6.1(f) of the Cygnus Constitution requires that a director of Cygnus (other than a Managing Director) must not hold office without re-election for more than three years and that one third of the directors in office (other than a Managing Director or a director that is required to retire at the next annual general meeting of Cygnus following his or her appointment) must retire by rotation at each annual general meeting of the Combined Company.

After giving effect to the Arrangement, it is expected that the directors and executive officers of the Combined Company as a group will beneficially own or control or direct, directly or indirectly, approximately a total of 28,253,598 Cygnus Shares, representing 3.34% of the outstanding Cygnus Shares.

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**Biographical information for each of the Doré nominees to the Combined Company Board**

Biographical information for each of the Doré nominees to the Combined Company Board is set forth below.

***Ernest Mast – President and Managing Director***

Ernest Mast has 30 years of experience in various technical and executive roles in the mining industry, across a wide range of commodities, geographies and development stages. Mr. Mast is the President and Chief Executive Officer and a director of Doré and is on the Board of Directors of Scottie Resources Corp. Mr. Mast previously held the positions of President and Chief Executive Officer at Primero Mining Corp., Vice President of Corporate Development at Copper Mountain Mining Corporation, Vice President of Operations at New Gold Inc. and President and CEO of Minera Panama S.A., Inmet Mining Corporation's subsidiary, developing the $6 billion Cobre Panama project. Mr. Mast began his career with Noranda Inc. and its affiliates, where he took on roles of increasing responsibility over a 20-year timeframe. Mr. Mast is a member of l'Ordre des ingénieurs du Québec and has Bachelor's and Master's degrees in metallurgical engineering from McGill University. Mr. Mast also received post-secondary business training at Henley College in the UK and at the Universidad Catolica in Chile.

***Mario Stifano – Non-Executive Director***

Mario Stifano is a seasoned mining executive and Chartered Professional Accountant with over 16 years of experience working with exploration, development and producing mining companies. Mr. Stifano is currently the Chief Executive Officer of Galantas Gold Corporation and a director of Doré. Mr. Stifano has held a number of senior executive positions including Chief Executive Officer of Cordoba Minerals Corp., Executive Chairman with Mega Precious Metals Inc., Vice President and Chief Financial Officer with Lake Shore Gold Corp Inc., and Vice President and Chief Financial Officer of Ivernia Inc. Mr. Stifano has been instrumental in raising over $700 million to explore and fund mining projects, including raising over $500 million at Lake Shore Gold Corp Inc., to develop three gold mines which are currently producing over 180,000 ounces of gold annually, and are now part of the Canadian assets within Pan American Silver.

***Brent Omland – Non-Executive Director***

Brent Omland is a Chartered Professional Accountant with 20 years of experience in the mining, metals and trading business. He is a director of Doré and has served as the Chief Financial Officer and as a Director of Ocean Partners Holdings Limited, an international base and precious metals trader, since 2013. In 2023, Mr. Omland was appointed to the role of co−CEO of Ocean Partners Holdings Limited. Before joining Ocean Partners Holdings Limited, Mr. Omland was the Chief Financial Officer for Ivernia Inc. and Enirgi Metals Group, which were focused on lead mining and secondary lead smelting in Australia. Mr. Omland also worked in finance roles for Teck Cominco.

Biographical information for each of the existing Cygnus Board members is detailed in the Section titled "*Cygnus Directors and Executive Officers*" in Appendix I of this Circular.

Two of the initial directors of the Combined Company, being Kevin Tomlinson and Brent Omland, are expected to be independent within the meaning of NI 58-101. David Southam and Ernest Mast will be non-independent directors as they will each be an executive of the Combined Company. Mario Stifano will be non-independent because he will have been the Executive Chairman of Doré, which will be a subsidiary entity of the Combined Company following the Arrangement, within the last three years. Raymond Shorrocks will be non-independent as he was previously Executive Chair of Cygnus within the last three years.

**Other Reporting Issuer Experience**

The following table sets out the proposed directors and executive officers of the Combined Company that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

| Name | Name and Jurisdiction of Reporting Issuer | Name of Exchange or Trading Market | Position | From | To |
|---|---|---|---|---|---|
| David Southam | Cygnus Metals Limited, *Australia* | ASX | Executive Chair (previously Managing Director and Non-Executive Director) | November 2022 | Present |
| | Andean Silver Ltd., *Australia* | ASX | Non-Executive Chair (previously Non-Executive Director and Consultant) | April 2024 | Present |
| | Ramelius Resources Ltd., *Australia* | ASX | Non-Executive Director | July 2018 | Present |
| | Mincor Resources NL, *Australia* | ASX | Managing Director | February 2019 | August 2022 |
| Ernest Mast | Doré Copper Mining Corp., *Canada* | TSXV | President, CEO and Director | December 2019 | Present |
| | First Lithium Minerals Corp., *Ontario* | CSE | Director | February 2022 | Present |
| | Libero Copper & Gold Corporation, *British Columbia* | TSXV | Director | February 2021 | Present |
| | Scottie Resources Corp., *British Columbia* | TSXV | Director | February 2018 | Present |
| Kevin Tomlinson | Cygnus Metals Limited, *Australia* | ASX | Non-Executive Director (previously Non-Executive Chair) | April 2023 | Present |
| | FireFly Metals Limited, *Australia* | ASX | Non-Executive Chair (previously Non-Executive Director) | December 2022 | Present |
| | Bellevue Gold Ltd., *Australia* | ASX | Non-Executive Chair | September 2019 | Present |
| | Kodiak Copper Corp., *British Columbia* | TSXV | Non-Executive Director | December 2020 | Present |
| | Churchill Resources Inc., *Ontario* | TSXV | Non-Executive Director | June 2021 | March 2023 |
| | C3 Metals Inc., *Ontario* | TSXV | President, CEO and Director | January 2021 | June 2022 |
| | Samco Gold Limited, *British Virgin Islands* | TSXV | Non-Executive Director | January 2012 | April 2021 |
| | Cardinal Resources Limited, *Australia* | TSX, ASX | Non-Executive Chair | November 2016 | January 2021 |

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| | | | | | |
|---|---|---|---|---|---|
| Raymond Shorrocks | Cygnus Metals Limited, *Australia* | ASX | Non-Executive Director (previously Non-Executive Chair, Executive Chair and Non-Executive Director) | June 2020 | Present |
| | RZ Resources Ltd. *Australia* | ASX | Non-Executive Director | January 2017 | Present |
| | Gailee Energy Limited, *Australia* | ASX | Executive Chair (previously Non-Executive Director) | December 2013 | September 2023 |
| | Hydrocarbon Dynamics Limited, *Australia* | ASX | Non-Executive Director | January 2016 | Present |
| | Alicanto Minerals Ltd., *Australia* | ASX | Interim Executive Chair (previously Non-Executive Chair) | August 2020 | Present |
| | Andean Silver Ltd., *Australia* | ASX | Non-Executive Director (previously Non-Executive Chair, Interim Executive Director and Non-Executive Director) | February 2023 | Present |
| | FireFly Metals Ltd., *Australia* | ASX | Non-Executive Chair (previously Executive Chair and Chair) | January 2020 | March 2024 |
| | Bellevue Gold Ltd., *Australia* | ASX | Chair | December 2015 | September 2019 |
| Mario Stifano | Doré Copper Mining Corp., *Canada* | TSXV | Executive Chairman | December 2019 | Present |
| | Galantas Gold Corporation, *Canada* | TSXV | CEO and Executive Director | June 2021 | Present |
| | Bell Copper Corporation, *British Columbia* | TSXV | Director | August 2020 | Present |
| | Lupaka Gold Corp., *British Columbia* | TSXV | Director | May 2018 | Present |
| | Omai Gold Mines Corp., *Ontario* | TSXV | President, CEO and Director | October 2020 | July 2021 |
| Brent Omland | Doré Copper Mining Corp., *Canada* | TSXV | Director | December 2019 | Present |
| | Nicola Mining Inc., *British Columbia* | TSXV | Director | February 2023 | Present |
| | Galantas Gold Corporation, *Canada* | TSXV | Director | June 2021 | Present |
| | Masivo Silver Corp., *British Columbia* | TSXV | Director | April 2014 | April 2021 |
| Carl Travaglini | Cygnus Metals Limited, *Australia* | ASX | CFO and Joint Company Secretary | February 2023 | Present |

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| | | | | | |
|---|---|---|---|---|---|
| | Andean Silver Limited, *Australia* | ASX | Non-Executive Director | October 2023 | Present |
| | Bellavista Resources Ltd., *Australia* | ASX | CFO | October 2022 | Present |
| | Midas Minerals Ltd., *Australia* | ASX | CFO | October 2022 | Present |
| | Essential Metals Limited, *Australia* | ASX | CFO and Company Secretary | February 2020 | October 2022 |
| Nicholas Kwong | Doré Copper Mining Corp., *Canada* | TSXV | Chief Operating Officer | August 2022 | Present |

**Penalties or Sanctions**

None of the directors or executive officers of the Combined Company (or any personal holding company of any such director, executive officer or shareholder), and to the best of Doré's and Cygnus' knowledge, respectively, no other shareholders of the Combined Company holding a sufficient number of securities to affect materially the control of the Combined Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

**Individual Bankruptcies**

None of the directors or executive officers of the Combined Company (or any personal holding company of any such director, executive officer or shareholder), or, to the best of Doré's and Cygnus' knowledge, respectively, any other shareholder of the Combined Company holding a sufficient number of securities to affect materially the control of the Combined Company, is as of the date of this Circular, or has, within the 10 years prior to the date hereof, (a) been a director or executive officer of any company (including Cygnus and Doré) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

**Corporate Cease Trade Orders**

None of the directors or executive officers of the Combined Company (or any personal holding company of any such director or executive officer) is, as at the date of this Circular, or has been within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Cygnus and Doré) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order (including a management cease trade order) or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.



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### Conflicts of Interest

Other than as disclosed below, to the best of Doré's and Cygnus' knowledge, respectively, there are no known existing or potential material conflicts of interest between the Combined Company or any of its subsidiaries, on the one hand, and any directors and executive officers of the Combined Company or any of its subsidiaries, on the other hand, except that certain of the directors and officers of the Combined Company also serve as directors or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Combined Company and their duties as a director or officer of such other companies.

Brent Omland, a proposed director of the Combined Company, serves as an executive officer of Ocean Partners Holdings Limited. Ocean Partners UK Limited, a subsidiary of Ocean Partners Holdings Limited, has registered a deed of movable and immovable hypothec against the properties of CBAY in order to secure the obligations of CBAY under certain promissory notes and is also party to an amended and restated purchase contract with CBAY granting offtake rights for marketing concentrate at market terms.

## EXECUTIVE COMPENSATION

Following the completion of the Arrangement, it is expected that the Combined Company will maintain the policies of Cygnus with respect to executive compensation other than any amendments required to be made pursuant to applicable Canadian securities laws and policies of the TSXV. For further information, see "*Executive Compensation*" in Appendix I of this Circular.

Following the completion of the Arrangement, the Combined Company will adopt a share-based compensation plan that is compliant with the policies of the TSXV and the ASX, subject to the required approval of the shareholders of the Combined Company.

## STOCK EXCHANGE LISTING

Upon completion of the Arrangement, the Combined Company will be listed on the ASX and intends to list on the TSXV, subject to the approval of the TSXV in accordance with its minimum listing requirements.

## AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Following completion of the Arrangement, the Combined Company Board intends to form an audit committee in accordance with the requirements of Canadian securities laws. The Combined Company's corporate governance policies will remain the current corporate governance policies of Cygnus other than any amendments required to be made pursuant to applicable Canadian securities laws. For further information see the Sections titled "*Audit Committees*" and "*Corporate Governance*" in Appendix I of this Circular.

## RISK FACTORS

Following completion of the Arrangement, it is expected that the risk factors applicable to the Combined Company will be the same as the risk factors currently applicable to Doré and Cygnus. For a discussion of the businesses of Doré and Cygnus, together with factors to consider in connection with those businesses, please see the risk factors described under the heading "*Risk Factors*" in the body of this Circular and the Section titled "*Risk Factors*" in Appendix I of this Circular.

## AUDITORS, TRANSFER AGENTS AND REGISTRARS

### Auditors

Following the completion of the Arrangement, it is expected that the auditor for the Combined Company will Cygnus' current auditor, being BDO Audit Pty Ltd located at Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, Western Australia.

**Transfer Agents, Registrars, Trustees or Other Agents**

Following the completion of the Arrangement, the transfer agent and registrar of the Combined Company will remain Cygnus' current transfer agent and registrar, being Computershare Investor Services Pty Ltd located at Level 17, 221 St Georges Terrace, Perth, Western Australia 6000.

## MATERIAL CONTRACTS

**Material Contracts**

Other than the Arrangement Agreement, the material contracts of Doré set forth in "*Part 18 – Information Concerning Doré – Material Contracts*" of the Circular and contracts entered into in the ordinary course of business, there are no material contracts entered into by Cygnus or Doré since the beginning of the most recently completed fiscal year, or that are still in effect prior to the date of this Circular:

## OTHER MATERIAL FACTS

There are no other material facts relating to the Combined Company that are necessary to disclose in order to have full, true and plain disclosure of all material facts relating to the Cygnus Shares after giving effect to the Arrangement.

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**APPENDIX K**

**UNAUDITED PRO FORMA FINANCIAL INFORMATION**

See attached.

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# Cygnus Metals Limited

## Pro Forma Condensed Consolidated Financial Statements for the Half-Year ended 30 June 2024

## (Unaudited – Expressed in Australian Dollars)

The Pro Forma Financial Statements have been compiled from the underlying financial statements of the Parties using accounting policies consistent with Cygnus' accounting policies to illustrate the effect of the Arrangement. Adjustments have been made to prepare the Pro Forma Financial Statements, which adjustments are based on certain assumptions. Both the adjustments and the assumptions made in respect thereof are described in the notes to the Pro Forma Financial Statements.

The following unaudited *pro forma* financial information and the unaudited *pro forma* consolidated financial statements are presented for illustrative purposes only and are not intended to reflect: (i) the operating or financial results that would have occurred had the Arrangement actually occurred at the times contemplated by the notes to the Pro Forma Financial Statements; or (ii) the results expected in future periods.

See next page.

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| Notes to the Pro Forma Condensed Consolidated Financial Statements | 4 |

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For the twelve months ended 31 December 2023

| | Cygnus Metals | Dore Copper | Pro Forma Adjustments | Note 4 | Total |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Administration and corporate | (561,864) | - | - | | (561,864) |
| Audit and accounting | (86,297) | - | - | | (86,297) |
| Compliance | (130,884) | - | - | | (130,884) |
| Consultants and contractors | (486,979) | (332,868) | (778,715) | A,G | (1,598,562) |
| Depreciation and amortisation | (51,482) | (93,021) | - | | (144,503) |
| Employee benefits | (1,208,644) | - | (109,510) | A,G | (1,318,154) |
| Exploration expensed | (62,041) | (5,136,723) | - | | (5,198,764) |
| Exploration expenditure written-off | (634,937) | - | - | | (634,937) |
| Flow-through interest penalty | - | (50,734) | - | | (50,734) |
| Foreign exchange losses | (242,633) | - | - | | (242,633) |
| Investor relations | - | (558,173) | - | | (558,173) |
| Occupancy and outgoings | (155,479) | (217,763) | - | | (373,242) |
| Payroll tax | (419,510) | - | - | | (419,510) |
| Professional fees | - | (284,370) | - | | (284,370) |
| Share based payments | (10,185,535) | (615,110) | - | | (10,800,645) |
| Shareholder communications | - | (82,794) | - | | (82,794) |
| Travel and accommodation | (249,301) | - | - | | (249,301) |
| **Total expenses** | **(14,475,586)** | **(7,371,556)** | **(888,225)** | | **(22,735,367)** |
| Interest income | 118,519 | 119,079 | - | | 237,598 |
| Other Income | 2,875,304 | - | - | | 2,875,304 |
| **Loss before income tax** | **(11,481,763)** | **(7,252,477)** | **(888,225)** | | **(19,622,465)** |
| Income tax (expense)/recovery | (2,018,533) | 758,959 | - | | (1,259,574) |
| **Loss after income tax for the period attributable to equity holders of the Company** | **(13,500,296)** | **(6,493,518)** | **(888,225)** | | **(20,882,039)** |
| | | | | | |
| **Other comprehensive loss** | | | | | |
| *Items that may be reclassified subsequently to profit or loss:* | | | | | |
| Exchange differences on translation of foreign operations | (113,473) | - | - | | (113,473) |
| *Items that will not be reclassified subsequently to profit or loss:* | | | | | |
| Changes in fair value of financial assets | (196,198) | - | - | | (196,198) |
| **Total comprehensive loss for the period, net of tax attributable to equity holders of the Company** | **(13,809,967)** | **(6,493,518)** | **(888,225)** | | **(21,191,710)** |
| | | | | | |
| **Loss per share attributable to equity holders of the Company** | | | | | |
| Basic and diluted loss per share | (0.058) | (0.067) | | | (0.025) |

*The above statement should be read in conjunction with the accompanying notes.*

For the six months ended 30 June 2024

| | Cygnus Metals | Dore Copper | Pro Forma Adjustments | Note 4 | Total |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Administration and corporate | (172,523) | - | - | | (172,523) |
| Audit and accounting | (76,356) | - | - | | (76,356) |
| Compliance | (19,715) | - | - | | (19,715) |
| Consultants and contractors | (228,599) | (180,673) | (778,715) | A,G | (1,187,987) |
| Depreciation and amortisation | (22,022) | (46,629) | - | | (68,651) |
| Employee benefits | (342,274) | - | (109,510) | A,G | (451,784) |
| Exploration expensed | (322,782) | (2,454,204) | - | | (2,776,986) |
| Exploration expenditure written-off | (348,197) | - | - | | (348,197) |
| Flow-through interest penalty | - | (14,753) | - | | (14,753) |
| Foreign exchange gains | 51,630 | - | - | | 51,630 |
| Interest expense | (51,580) | - | - | | (51,580) |
| Investor relations | - | (327,665) | - | | (327,665) |
| Occupancy and outgoings | (72,520) | (120,420) | - | | (192,940) |
| Payroll tax | (91,297) | - | - | | (91,297) |
| Professional fees | - | (103,001) | - | | (103,001) |
| Share based payments | (1,336,193) | (252,928) | - | | (1,589,121) |
| Shareholder communications | - | (69,394) | - | | (69,394) |
| Travel and accommodation | (72,474) | - | - | | (72,474) |
| Pro Forma currency translation adjustments | - | 64,314 | - | | 64,314 |
| **Total expenses** | **(3,104,902)** | **(3,505,353)** | **(888,225)** | | **(7,498,480)** |
| Interest income | 131,914 | 30,297 | - | | 162,211 |
| Other Income | 1,338,320 | - | - | | 1,338,320 |
| **Loss before income tax** | **(1,634,668)** | **(3,475,056)** | **(888,225)** | | **(5,997,949)** |
| Deferred tax (expense)/recovery | (711,955) | 447,019 | - | | (264,936) |
| **Loss after income tax for the period attributable to equity holders of the Company** | **(2,346,623)** | **(3,028,037)** | **(888,225)** | | **(6,262,885)** |
| **Other comprehensive loss** | | | | | |
| *Items that may be reclassified subsequently to profit or loss:* | | | | | |
| Exchange differences on translation of foreign operations | (111,218) | - | - | | (111,218) |
| *Items that will not be reclassified subsequently to profit or loss:* | | | | | |
| Changes in fair value of financial assets | (93,091) | - | - | | (93,091) |
| **Total comprehensive loss for the period, net of tax attributable to equity holders of the Company** | **(2,550,932)** | **(3,028,037)** | **(888,225)** | | **(6,467,194)** |
| **Loss per share attributable to equity holders of the Company** | | | | | |
| Basic and diluted loss per share | (0.008) | (0.022) | | | (0.007) |

*The above statement should be read in conjunction with the accompanying notes.*

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As at 30 June 2024

| | Cygnus Metals | Dore Copper | Pro Forma Adjustments | Note 4 | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Current** | | | | | |
| Cash and cash equivalents | 3,139,208 | 537,182 | 16,656,221 | A | 20,332,611 |
| Amounts receivable | 540,330 | 117,109 | - | | 657,439 |
| Prepaid expenses | 760,320 | 14,863 | - | | 775,183 |
| **Total current assets** | **4,439,858** | **669,154** | **16,656,221** | | **21,765,233** |
| | | | | | |
| **Non-Current** | | | | | |
| Mineral property interests | 27,244,087 | 6,494,622 | 14,422,864 | B | 48,161,573 |
| Building and equipment | 118,488 | 1,279,891 | - | | 1,398,379 |
| Investments | 108,607 | - | - | | 108,607 |
| **Total non-current assets** | **27,471,182** | **7,774,513** | **14,422,864** | | **49,668,559** |
| **Total assets** | **31,911,040** | **8,443,667** | **31,079,085** | | **71,433,792** |
| | | | | | |
| **LIABILITIES** | | | | | |
| **Current** | | | | | |
| Accounts payable and accrued liabilities | 1,432,301 | 574,934 | - | | 2,007,235 |
| Deferred premium on flow-through shares | 1,292,104 | 23,538 | - | | 1,315,642 |
| Provisions | 118,595 | - | - | | 118,595 |
| **Total current liabilities** | **2,843,000** | **598,472** | **-** | | **3,441,472** |
| | | | | | |
| **Non-current liabilities** | | | | | |
| Deferred tax liabilities | 3,171,261 | - | - | | 3,171,261 |
| **Total non-current liabilities** | **3,171,261** | **-** | **-** | | **3,171,261** |
| **Total liabilities** | **6,014,261** | **598,472** | **-** | | **6,612,733** |
| **Net assets** | **25,896,779** | **7,845,195** | **31,079,085** | | **64,821,059** |
| | | | | | |
| **EQUITY** | | | | | |
| Share Capital | 47,741,992 | 68,836,739 | (30,325,172) | C | 86,253,559 |
| Share purchase warrants/options | - | 528,493 | 772,443 | D | 1,300,936 |
| Reserves | 8,911,197 | 3,789,788 | (3,789,788) | E | 8,911,197 |
| Accumulated losses | (28,409,787) | (62,281,788) | 62,281,790 | F | (28,409,785) |
| Loss for the period | (2,346,623) | (3,028,037) | 2,139,812 | G | (3,234,848) |
| **Total equity** | **25,896,779** | **7,845,193** | **31,079,085** | | **64,821,059** |

*The above statement should be read in conjunction with the accompanying notes.*

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## 1 BASIS OF PRESENTATION

The unaudited pro forma condensed consolidated financial statements (the "Pro Forma Financial Statements") have been prepared by the management of Cygnus Metals Limited ("Cygnus") to illustrate the pro forma impact of the acquisition by Cygnus of Doré Copper Mining Corp. ("Doré" and the "Acquisition"), upon and subject to the terms and conditions of the arrangement agreement dated 14 October 2024 among Cygnus, 1505901 B.C. Ltd. ("AcquireCo") and Doré.

The Pro Forma Financial Statements give pro forma effect to the Acquisition. As such, (i) the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023 and six months ended 30 June 2024 and accompanying notes has been prepared as if the Acquisition described in Note 3 had occurred on 1 January 2023 and (ii) the unaudited pro forma consolidated statement of financial position and accompanying notes has been prepared as at 30 June, 2024 as if the Acquisition described in Note 3 had occurred on 30 June, 2024.

The Pro Forma Financial Statements are being provided solely for illustrative and informational purposes and are not necessarily indicative of the consolidated financial position and consolidated results of operations that would have been achieved if the Acquisition had been completed on the dates or for the periods presented, nor do they claim to project the results of consolidated operations or financial position for any future period or as of any future date.

Any potential new revenue-generating opportunities or synergies that may be realized and integration costs that may be incurred after the acquisition date as a result of the Acquisition have been excluded from these Pro Forma Financial Statements.

The assumptions and adjustments described in Note 4 include assumptions and adjustments required to present amounts reported by Cygnus consistent with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB"). The Pro Forma Financial Statements have been prepared using the following information and such other supplementary information as was considered necessary to reflect the Acquisition:

| Financial Statement | Description |
|---|---|
| For the unaudited pro forma statement of financial position as at 30 June 2024 | 1. The auditor reviewed Consolidated Statement of Financial Position of Cygnus as at 30 June 2024.<br>2. The unaudited condensed consolidated interim statement of financial position of Doré as at 30 June 2024, translated from Canadian Dollars to Australian Dollars using the period end 30 June 2024 exchange rate of AUD:CAD 0.9132. |
| For the unaudited pro forma statement of profit or loss for the six months ended 30 June 2024 | 1. The auditor reviewed Consolidated Statement of Profit or Loss and Other Comprehensive Income of Cygnus for the six months ended 30 June 2024.<br>2. The unaudited condensed consolidated interim statement of loss and comprehensive loss of Doré for the six months ended 30 June 2024, translated from Canadian Dollars to Australian Dollars using the average exchange rate for the six months ended 30 June 2024 of AUD:CAD 0.8942. |
| For the unaudited pro forma statement of profit or loss for the year ended 31 December 2023 | 1. The audited Consolidated Statement of Profit or Loss and Other Comprehensive Income of Cygnus for the twelve months ended 31 December 2023.<br>2. The audited consolidated statement of loss and comprehensive loss of Doré for the year ended 31 December 2023, translated from Canadian Dollars to Australian Dollars using the average exchange rate for the twelve months ended 31 December 2023 of AUD:CAD 0.8965. |

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The Pro Forma Financial Statements do not include all of the information and disclosures required by IFRS and should be read in conjunction with the description of transactions in the Notice of Special Meeting and Management Information Circular of Doré and historical consolidated financial statements, together with the notes thereto, of Cygnus and Doré, referred to above. The historical consolidated financial statements for Cygnus are available at www.cygnusmetals.com/investors and the historical consolidated financial statements of Doré are available at www.dorecopper.com/en/investors/financial-reports.

The historical consolidated financial statements have also been adjusted in the Pro Forma Financial Statements pursuant to the assumptions and adjustments as described in Note 4 to give effect to pro forma events that are:

(i) directly attributable to the Acquisition, and

(ii) factually supportable.

The pro forma adjustments contained in these Pro Forma Financial Statements reflect estimates and assumptions by the management of Cygnus based on currently available information.

In the opinion of Cygnus' management, these Pro Forma Financial Statements include all adjustments reasonably necessary for a fair presentation of the Acquisition to the Pro Forma Financial Statements and applied on a basis consistent with Cygnus' accounting policies.

Unless otherwise indicated, all amounts presented in these financial statements are denominated in Australian dollars.

## 2 MATERIAL ACCOUNTING POLICIES

The material accounting policies used in the preparation of the Pro Forma Financial Statements are consistent with those disclosed in Cygnus' audited consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS as issued by IASB.

In preparing the Pro Forma Financial Statements, a review of available information was undertaken to identify accounting policy differences between Cygnus and Doré. Certain expenses of Doré have been reclassified to conform to Cygnus' financial statements presentation and the presentation of the consolidated statement of loss have been changed in the Pro Forma Financial Statements.

## 3 DESCRIPTION OF THE ACQUISTION

On 14 October, 2024, Cygnus, AcquireCo and Doré entered into a definitive arrangement agreement (the "Arrangement Agreement") providing for the acquisition of all of the issued and outstanding common shares in the capital of Doré (the "Doré Shares") pursuant to a plan of arrangement (the "Plan of Arrangement") under the *Canada Business Corporations Act* (the "Arrangement").

Subject to the terms and conditions of the Arrangement Agreement, Cygnus will issue its ordinary shares (the "Cygnus Shares") to Doré's shareholders on the basis of 1.8297 Cygnus Shares for each 1 (one) Doré Share (the "Exchange Ratio"). All outstanding stock options of Doré immediately prior to the effective time of the Plan of Arrangement will be exchanged for replacement options of Cygnus and exercisable to acquire such number of Cygnus Shares at such exercise price in accordance with the Exchange Ratio. All outstanding deferred share units of Doré immediately prior to the effective time of the Plan of Arrangement (whether vested or unvested) will be deemed to have been unconditionally vested and immediately redeemed and cancelled in consideration for Doré Shares which will be exchanged for Cygnus Shares in accordance with the Exchange Ratio. All outstanding share purchase warrants of Doré immediately prior to the effective time of the Plan of Arrangement will be adjusted in accordance with their terms and become exercisable, based on the Exchange Ratio, to purchase Cygnus Shares on substantially the same terms and conditions. Based on the number of Doré Shares and deferred share units of Doré outstanding as at 13 November 2024, pursuant to the Plan of Arrangement, the holders of Doré Shares will receive, in the aggregate, approximately 311,074,365 Cygnus Shares. Based on the number of Doré stock options and share purchase warrants outstanding as at 13 November 2024, pursuant to the Plan of Arrangement, the holders of Doré stock options and share purchase warrants will receive Cygnus share options exercisable for, in the aggregate, approximately 16,210,210 Cygnus share options.

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In preparing these unaudited Pro Forma Financial Statements, Cygnus has assumed that the consideration will be paid entirely in shares, to reflect the expectation that remaining cash balances are likely to be used for ongoing business purposes.

The issuance of Cygnus Shares to all Doré shareholders constitutes Cygnus obtaining control over the net assets of Doré, and therefore Cygnus has been identified as the acquirer for accounting purposes. The Pro Forma Financial Statements represent the continuance of Cygnus.

As management does not believe the assets of Doré meet the definition of a business in IFRS 3, Business Combinations ("IFRS 3"), the Acquisition is not within the scope of IFRS 3. Rather, the Acquisition will be accounted for within the scope of IFRS 2, Share-based Payments. Accordingly, the Pro Forma Financial Statements assume that the cost of the Acquisition will be based on the fair value of the Cygnus Shares to be issued by Cygnus and related acquisition costs. The consideration paid has been first allocated to the monetary net assets and the residual value will be allocated to the non-monetary assets based on their estimated relative fair values at the time of closing of the Arrangement and are based on preliminary management estimates and are subject to final valuation adjustments.

The preliminary estimates of the consideration paid, and the net assets acquired, which are subject to change, are summarized as follows:

For illustrative purposes in the Pro Forma Financial Statements, the consideration paid is calculated as 311,074,365 ordinary shares of Cygnus and 16,210,210 Cygnus share options to be issued by Cygnus measured at $0.080, which is the volume weighted average share price of the last five trading days prior to the ASX announcement of the Arrangement Agreement on 14 October 2024, using a foreign exchange rate of CAD$1:AUD$0.9303 (as extracted from CapitalIQ). These carrying values are used provisionally and solely for illustrative purposes.

| | **AUD$** |
|---|---|
| **Consideration paid** | |
| 310,973,732 fully paid ordinary shares of Cygnus to be issued | 24,965,009 |
| 16,210,210 Cygnus share options to be issued | 1,300,937 |
| Cygnus' transaction costs | 1,054,786 |
| **Total consideration paid** | **27,320,732** |
| | |
| **Net asset acquired** | |
| Cash and cash equivalents[1] | 5,589,856 |
| Amounts receivable | 117,109 |
| Prepaid expenses | 14,863 |
| Mineral property interests | 20,917,486 |
| Building and equipment | 1,279,891 |
| Accounts payable and accrued liabilities | (574,934) |
| Deferred premium on flow-through shares | (23,538) |
| **Total net assets acquired** | **27,320,732** |

Note 1 – In September 2024 Doré completed a share placement raising C$4,675,900 before costs.

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## 4 ADJUSTMENTS TO THE PRO FORMA FINANCIAL STATEMENTS

The pro forma adjustments contained in these Pro Forma Financial Statements are based on estimates and assumptions made by Cygnus' management, prepared using currently available information. The actual adjustments for the Acquisition may differ as a result of changes between 30 June 2024, and the determination of the final purchase price and from the evaluation of the fair value of the net assets acquired. These changes may affect the fair value of the assets and liabilities acquired, and any such adjustments may be material. The following assumptions and adjustments have been made to give effect to the Acquisition:

- The foreign exchange rate used is as of 14 October 2024. Share prices used are the volume weighted average share price of the last five trading days prior to 14 October 2024. Should there be a change in foreign exchange rate or share prices at the date of the Acquisition, the pro forma adjustments may be materially different.
- Cygnus has assumed there are no dissenting shareholders, and the entire purchase consideration is being paid in the form of Cygnus Shares issued by Cygnus.
- The names of certain financial statement line items have been changed to align with Cygnus' naming convention.
-

Acquisition of Doré

As part of the acquisition of Doré, Cygnus will issue approximately 311,074,365 Cygnus Shares and 16,210,210 Cygnus share options in exchange for all of the issued and outstanding Doré Shares (including those issued in consideration for the redemption and cancellation of the deferred share units pursuant to the Plan of Arrangement), stock options and share purchase warrants of Doré.

The fair value of the consideration paid by Cygnus for Doré is based on the fair value of the Cygnus Shares and share options issued by Cygnus. The identifiable assets acquired, and liabilities of Doré assumed by Cygnus are measured at their cost relative to their fair values using the volume weighted average share price of the last five trading days of Cygnus Shares on the Australian Securities Exchange prior to the announcement of the Arrangement Agreement on 14 October 2024.

The following table details the pro forma adjustments to record the Doré acquisition described in Note 3:

| Pro forma adjustment | Description | AUD$ |
|---|---|---|
| A | **Net adjustment to cash and cash equivalents:** | **16,656,221** |
| | To reflect net cash received by Cygnus following completion of a A$11,000,000 placement less estimated share issue costs as announced on 17 October 2024. | 10,405,000 |
| | To reflect net cash received by Doré following completion of a C$4,675,900 placement less estimated costs in September 2024. | 5,052,674 |
| | To reflect Cygnus' estimated transaction costs. | (754,786) |
| | To reflect Doré's estimated transaction costs prior to completion of the Arrangement including change of control payments payable to Doré's employees and contractors following the Arrangement. | (888,225) |
| | To reflect net cash received by Cygnus following completion of a A$3,000,000 placement less share issue costs as announced on 15 July 2024. | 2,841,558 |
| B | **Net adjustment to mineral property interests:**<br>To reflect the acquisition of Doré by Cygnus as described in Note 3, in particular for the mineral property interests acquired related to the residual value of the consideration paid not allocated to other assets acquired or liabilities assumed. | **14,422,864** |

| | | |
|---|---|---|
| **C** | **Net adjustment to share capital:** | **30,325,172** |
| | To increase share capital to reflect the face value of the 311,074,364 ordinary shares of Cygnus issued as purchase consideration (before costs) to existing shareholders of Doré. | (24,956,009) |
| | To eliminate the entire share capital of Doré. | 73,889,414 |
| | To reflect equity issued by Cygnus following completion of a A$11,000,000 placement less estimated share issue costs as announced on 17 October 2024. | (10,405,000) |
| | To reflect equity issued by Doré following completion of a C$4,675,900 placement less estimated costs in September 2024. | (5,052,674) |
| | To reflect equity to be issued by Cygnus to its financial advisors in connection with the Arrangement. | (300,000) |
| | To reflect equity issued by Cygnus following completion of a A$3,000,000 placement less share issue costs as announced on 15 July 2024. | (2,841,558) |
| **D** | **Net adjustment to Share Purchase Warrants:** | **772,443** |
| | To eliminate the Share Purchase Warrant reserve balance of Doré | (528,493) |
| | To reflect the issue of Cygnus share options in consideration for stock options of Doré and share purchase warrants of Doré per the terms of the Arrangement. | 1,300,937 |
| **E** | **Net adjustment to Reserves:**<br>To eliminate the other capital reserve balances of Doré. | **3,789,788** |
| **F** | **Net adjustment to accumulated losses:**<br>To eliminate the accumulated loss balance of Doré. | **(62,281,791)** |
| **G** | **Net adjustment to loss for the period:** | **(2,139,812)** |
| | To eliminate Doré's reported loss for the period. | (3,028,037) |
| | To reflect Doré's estimated transaction costs prior to completion of the Arrangement including change of control payments payable to Doré's employees and contractors following the Arrangement. | 888,225 |

## 5 PRO FORMA SHARE CAPITAL

Share capital as at 30 June 2024 in the pro forma consolidated statement of financial position is comprised of the following:

| | Number of Shares | Share Capital AUD$ |
|---|---|---|
| Cygnus ordinary shares outstanding at 30 June 2024 | 293,359,139 | 47,741,992 |
| Cygnus July 2024 Placement | 85,600,001 | 2,841,558 |
| Cygnus October 2024 Placement | 152,777,778 | 10,405,000 |
| Cygnus transaction costs | 4,166,667 | 300,000 |
| Shares to be issued to acquire Doré | 311,074,365 | 24,965,009 |
| **Closing balances** | **846,977,950** | **86,253,559** |

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## 6 PRO FORMA NET LOSS PER SHARE

The following tables illustrate the pro forma basic and diluted weighted average common shares outstanding for the twelve months ended 31 December 2023 and the six months ended 30 June 2024 after giving effect to the Acquisition at 1 January 2023:

| | **Twelve months ended 31 December 2023** |
|---|---|
| Pro forma net loss attributable to members | $20,882,039 |
| | |
| **Pro forma net loss per share – basic and diluted** | |
| Historical number of Cygnus Shares outstanding at 31 December 2023 | 291,559,139 |
| Cygnus July 2024 Placement | 85,600,001 |
| Cygnus October 2024 Placement | 152,777,778 |
| Cygnus transaction costs | 4,166,667 |
| Shares to be issued for Doré Acquisition | 311,074,365 |
| **Pro forma number of common shares outstanding** | **845,177,950** |
| | |
| **Pro forma net loss per share – basic and diluted** | **$0.025** |

| | **Six months ended 30 June 2024** |
|---|---|
| Pro forma net loss attributable to members | $6,262,885 |
| | |
| **Pro forma net loss per share – basic and diluted** | |
| Historical number of Cygnus Shares outstanding at 30 June 2024 | 293,359,139 |
| Cygnus July 2024 Placement | 85,600,001 |
| Cygnus October 2024 Placement | 152,777,778 |
| Cygnus transaction costs | 4,166,667 |
| Shares to be issued for Doré Acquisition | 311,074,365 |
| **Pro forma number of common shares outstanding** | **846,977,950** |
| | |
| **Pro forma net loss per share – basic and diluted** | **$0.007** |

## 7 INCOME TAX

The deferred tax liability arising on Cygnus' acquisition of the shares of Doré has not been recognised as the initial recognition exemption would apply under the asset acquisition accounting method.

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