

# CYGNUS METALS

(An exploration stage company)

## Consolidated Interim Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited)

(Stated in Australian Dollars)

ABN: 80 609 094 653

---

To the Shareholders of Cygnus Metals Limited  
For the three months ended March 31, 2025 and 2024:

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited consolidated interim financial statements of Cygnus Metals Limited (the "Company") and its subsidiaries (together, the "Group") were prepared by management in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001* (Cth).

The unaudited consolidated interim 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 2024 and any public announcements made by the Group during the period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth) and the ASX Listing Rules.

The accounting policies adopted in the preparation of the unaudited consolidated interim financial statements are consistent with those applied in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

Only changes in accounting policies have been disclosed in these unaudited consolidated interim financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited consolidated interim financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Group's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited consolidated interim financial statements and (ii) the unaudited consolidated interim financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Group, as of the date of and for the periods presented by the unaudited consolidated interim financial statements.

The Board of Directors are responsible for reviewing and approving the unaudited consolidated interim financial statements together with other financial information of the Group and for ensuring that management fulfils its financial reporting responsibilities.

An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited consolidated interim financial statements together with other financial information of the Group. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited consolidated interim financial statements together with other financial information of the Group for issuance to the shareholders.

Management recognizes its responsibility for conducting the Group's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

These unaudited consolidated interim financial statements are authorised for issue by the Board of Directors on 14 May 2025.

They are signed on the Group's behalf by:



**Ernest Mast**  
Managing Director and President



**David Southam**  
Executive Chair

For personal use only

# Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

	Notes	2025 \$	2024 \$
<b>OTHER INCOME</b>		586,539	669,160
		<b>586,539</b>	<b>669,160</b>
<b>EXPENSES</b>			
Audit and accounting		(35,124)	(9,087)
Care and maintenance expense		(83,064)	-
Compliance expenses		(75,317)	(11,210)
Consultants and contractors		(384,404)	(67,270)
Corporate costs		(328,595)	(70,747)
Depreciation – Property, plant and equipment		(33,466)	(11,011)
Employee benefits expense		(464,151)	(144,474)
Exploration expensed		(150,378)	(1,738)
Interest expense		(7,609)	(62,741)
Office rent & outgoing		(22,960)	(35,979)
Payroll Tax expense		(32,455)	(13,831)
Share-based payments	8(c)	(163,273)	(668,097)
Site administration expense		(147,086)	-
Travel and accommodation		(98,323)	(57,918)
Foreign exchange gains/(losses)		(1,895)	107,340
		<b>(2,028,100)</b>	<b>(1,046,763)</b>
<b>Results from operating activities</b>		<b>(1,441,561)</b>	<b>(377,603)</b>
Finance income		106,219	25,213
<b>Loss before income tax</b>		<b>(1,335,342)</b>	<b>(352,390)</b>
Income tax expense		-	(355,977)
<b>Loss after income tax for the year attributable to equity holders of the Company</b>		<b>(1,335,342)</b>	<b>(708,367)</b>
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		155,180	225,307
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Changes in fair value of financial assets		169,979	-
<b>Total comprehensive loss for the year, net of tax attributable to equity holders of the Company</b>		<b>(1,010,183)</b>	<b>(483,060)</b>
<b>Loss per share attributable to equity holders of the Company</b>			
Basic and diluted loss per share (cents per share)	9	(0.16)	(0.24)

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 March 2025 and 31 December 2024

**CYGNUS**  
METALS

For personal use only

	Notes	31 Mar 2025 \$	31 Dec 2024 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		10,326,102	14,869,835
Other receivables	3	1,261,063	1,255,260
<b>Total current assets</b>		<b>11,587,165</b>	<b>16,125,095</b>
<b>Non-current assets</b>			
Exploration and evaluation assets	4	63,961,366	61,309,265
Property, plant and equipment	5	1,338,031	1,362,577
Investments		248,494	78,515
<b>Total non-current assets</b>		<b>65,547,891</b>	<b>62,750,357</b>
<b>TOTAL ASSETS</b>		<b>77,135,056</b>	<b>78,875,452</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		2,639,263	3,458,792
Provisions		121,588	141,111
<b>Total current liabilities</b>		<b>2,760,851</b>	<b>3,599,903</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		3,808,192	3,808,192
<b>Total non-current liabilities</b>		<b>3,808,192</b>	<b>3,808,192</b>
<b>TOTAL LIABILITIES</b>		<b>6,569,043</b>	<b>7,408,095</b>
<b>NET ASSETS</b>		<b>70,566,013</b>	<b>71,467,357</b>
<b>EQUITY</b>			
Contributed equity	6	92,794,038	92,739,029
Reserves	7	10,814,731	10,435,742
Accumulated losses		(33,042,756)	(31,707,414)
<b>TOTAL EQUITY</b>		<b>70,566,013</b>	<b>71,467,357</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

# Consolidated Statement of Changes in Equity

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

	Notes	Share Capital \$	Share-based Payment Reserve \$	Investment Revaluation Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 31 December 2024</b>		<b>92,739,029</b>	<b>10,795,229</b>	<b>(376,315)</b>	<b>16,828</b>	<b>(31,707,414)</b>	<b>71,467,357</b>
Loss for the year		-	-	-	-	(1,335,342)	(1,335,342)
<b>Other comprehensive loss:</b>							
Exchange differences on foreign operations		-	-	-	155,180	-	155,180
Fair value adjustment of financial assets		-	-	169,979	-	-	169,979
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>169,979</b>	<b>155,180</b>	<b>(1,335,342)</b>	<b>(1,010,183)</b>
<b>Transactions with owners:</b>							
Issue of shares - Exercise of share rights		109,443	(109,443)	-	-	-	-
Share issue costs		(54,434)	-	-	-	-	(54,434)
Share-based payments		-	163,273	-	-	-	163,273
<b>Balance at 31 March 2025</b>		<b>92,794,038</b>	<b>10,849,059</b>	<b>(206,336)</b>	<b>172,008</b>	<b>(33,042,756)</b>	<b>70,566,013</b>

	Notes	Share Capital \$	Share-based Payment Reserve \$	Investment Revaluation Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 31 December 2023</b>		<b>47,607,870</b>	<b>8,145,918</b>	<b>(253,132)</b>	<b>(113,473)</b>	<b>(28,409,787)</b>	<b>26,977,396</b>
Loss for the year		-	-	-	-	(708,367)	(708,367)
<b>Other comprehensive loss:</b>							
Exchange differences on foreign operations		-	-	-	225,307	-	225,307
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>225,307</b>	<b>(708,367)</b>	<b>(483,060)</b>
<b>Transactions with owners:</b>							
Share-based payments		-	668,097	-	-	-	668,097
<b>Balance at 31 March 2024</b>		<b>47,607,870</b>	<b>8,814,015</b>	<b>(253,132)</b>	<b>111,834</b>	<b>(29,118,154)</b>	<b>26,162,433</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

# Consolidated Statement of Cash Flows

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

	2025 \$	2024 \$
<b>Operating activities</b>		
Payments to suppliers and employees	(1,347,608)	(549,646)
Payments for exploration expenditure	(97,497)	(7,641)
Care and maintenance costs	(230,151)	-
Interest received	106,219	75,736
Interest payments	(7,609)	(62,741)
Net refundable sales taxes	70,404	158,890
<b>Net cash used in operating activities</b>	<b>(1,506,242)</b>	<b>(385,402)</b>
<b>Investing activities</b>		
Payments for acquisition of entities	(800,637)	-
Payments for capitalised exploration expenditure	(2,981,472)	(2,803,689)
Purchase of property plant and equipment	(16,000)	(2,181)
Government grants received	811,443	-
Proceeds from the sale of property, plant and equipment	500	-
<b>Net cash used in investing activities</b>	<b>(2,986,166)</b>	<b>(2,805,870)</b>
<b>Financing activities</b>		
Share issue costs	(54,433)	-
<b>Net cash provided by financing activities</b>	<b>(54,433)</b>	<b>-</b>
Net change in cash and cash equivalents	(4,546,841)	(3,191,272)
Effect of movement in exchange rates on cash held	(3,108)	74,110
Cash and cash equivalents, beginning of period	14,869,835	9,338,947
<b>Cash and cash equivalents, end of year</b>	<b>10,326,102</b>	<b>6,221,785</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 1. Nature of Business

Cygnus Metals Limited (the "Company" or "Cygnus"), was incorporated under the laws of Australia on 3 November 2015. Through its 100% owned subsidiary, CBay Minerals Inc. ("CBay") Cygnus owns an interest in mineral properties located in Chibougamau, Quebec, for the purposes of exploration and evaluation. Directly and through its 100% owned subsidiary, Avenir Metals (Canada) Limited ("Avenir") Cygnus owns an interest in mineral properties located in James Bay, Quebec, for the purposes of exploration and evaluation. Through its Australian subsidiaries, Cygnus also indirectly owns an interest in mineral properties located in Western Australia, for the purposes of exploration and evaluation.

The Company's head office is located at Level 2, 8 Richardson Street, West Perth, Western Australia 6005.

The Company's ordinary shares are dual-listed on the Australian Securities Exchange ("ASX") and the TSX Venture Exchange ("TSXV"), trading under the symbols "CY5" and "CYG" respectively. The Company also commenced trading on the OTCQB® Venture Market, a U.S. marketplace operated by OTC Markets Group Inc, under the ticker code "CYGGF" on 14 February 2025.

### Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Company, being in the exploration stage, is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, global economic and metal price volatility and there is no assurance management will be successful in its endeavours.

As disclosed in the financial report, the Group achieved a net loss of \$1,335,341 and net operating cash outflows of \$1,506,242 for the three months ended 31 March 2025. As at 31 March 2025, the Company had cash of \$10,326,102 and a net current asset position of \$8,826,314.

The ability of the Group to continue as a going concern is principally dependent upon the following conditions:

- the ability of the Company to successfully raise capital, as and when necessary; and
- the ability to complete the successful development and commercialisation of its projects.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The Directors believe that the going concern basis of preparation is appropriate due to being satisfied that there is a reasonable basis to conclude that the Group can raise additional capital as and when required 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.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern



# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 2. Summary of Material Accounting Policies

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated. These financial statements cover 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* (Cth).

#### (i) Compliance with IFRS

The financial statements of Cygnus Metals Limited also comply with International Financial Reporting Standards ("IFRS") including International Accounting Standard 34 *Interim Financial Reporting*, and International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and Interpretations (collectively, "IFRS Accounting Standards").

#### (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.

### Principles of consolidation

The consolidated financial statements comprise the financial statements of the Group. 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.

### 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 March 2025 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 financial report, the significant judgements and estimates made by management in applying the Company'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.



# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 2. Critical Accounting Estimates and Judgements (continued)

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.

## 3. Other receivables

	31 Mar 2025 \$	31 Dec 2024 \$
Other receivables <sup>1</sup>	787,376	903,513
Security deposits	149,310	149,433
Prepayments	324,377	202,314 <sup>2</sup>
<b>Total other receivables</b>	<b>1,261,063</b>	<b>1,255,260</b>

#### Note:

1 - Relates to GST/QST receivables and amounts owing from the recharged of shared administration costs.

2 – Includes \$96,566 recognised upon completion of Doré asset acquisition

All amounts are short-term. The carrying values of trade and other receivables are considered to be a reasonable approximation of fair value.

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 4. Exploration and evaluation assets

	2025 \$	2024 \$
<b>Opening balance – 1 January</b>	<b>61,309,265</b>	<b>23,926,379</b>
Expenditure incurred – Australian tenements	207,355	165,874
Expenditure incurred – Canadian tenements	3,261,923	2,011,836
Government grants received	(817,177)	-
<b>Closing balance – 31 March</b>	<b>63,961,366</b>	<b>26,104,089</b>

### 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 by October 2027 and making a cash payment to Stria of C\$3,000,000.

#### Pontax Extension Lithium Project (Canadian Mining House)

In order to complete the acquisition of the project claims, the Company must also incur total expenditure of C\$1,000,000 (C\$250,000 on or before 18 November 2023 (completed in 2022), C\$750,000 on or before 18 November 2025 and C\$1,000,000 on or before 18 November 2026), issue a further 486,600 shares and pay a further C\$30,000 in cash.

#### Beryl Lake Lithium Project

On 28 March 2023, Cygnus entered into an Option Agreement with Canadian Mining House, Anna Rosa Giglio and Steve Labranche. On 20 May 2024, Cygnus issued 900,000 shares for Stage 2 consideration (12 months from the Beryl Approval Date). Stage 3 of the Option Agreement requires a further 900,000 shares to be issued 24 months from the Beryl Approval Date (May 2025). Cygnus must also spend C\$1,000,000 in the first 36 months of the Beryl Approval Date, which may be settled through cash payment in the event that the Company does not meet this condition.

#### Sakami Lithium Project

On 28 March 2023, Cygnus entered into an Option Agreement with Canadian Mining House, Anna Rosa Giglio and Steve Labranche. On 20 May 2024, Cygnus issued 900,000 shares for Stage 2 consideration (12 months from the Sakami Approval Date). Stage 3 of the Option Agreement requires a further 900,000 shares to be issued 24 months from the Sakami Approval Date (May 2025). Cygnus must also spend C\$1,000,000 in the first 36 months of the Sakami Approval Date, which may be settled through cash payment in the event that the Company does not meet this condition.

For personal use only

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 5. Property, plant and equipment

	31 Mar 2025 \$	31 Dec 2024 \$
Assets at cost	1,605,216	355,282
Asset acquisition	-	1,264,172
Accumulated depreciation	(267,185)	(256,877)
<b>Carrying value 31 December</b>	<b>1,338,031</b>	<b>1,362,577</b>

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 \$	Plant and equipment \$	Motor vehicles \$	Leasehold improvement s \$	Total \$
<b>Balance at 31 December 2024</b>	<b>5,774</b>	<b>1,264,172</b>	<b>9</b>	<b>92,621</b>	<b>1,362,577</b>
Additions	16,000	-	-	-	16,000
Disposals	-	-	-	-	-
Depreciation expense	(2,779)	(30,237)	(9)	(7,521)	(40,546)
<b>Balance at 31 March 2025</b>	<b>18,996</b>	<b>1,233,935</b>	<b>-</b>	<b>85,100</b>	<b>1,338,031</b>

## 6. 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.

	Date	Shares	Issue Price \$	Total \$
<b>Opening balance at 31 December 2023</b>		<b>291,559,139</b>		<b>47,607,870</b>
No movements		-		-
<b>Closing balance at 31 March 2024</b>		<b>291,559,139</b>		<b>47,607,870</b>
<b>Opening balance at 31 December 2024</b>		<b>848,319,650</b>		<b>92,739,029</b>
Exercise of Share Rights	6/02/2025	912,021	0.12	109,443
Less share issue costs		-	-	(54,434)
<b>Closing balance at 31 March 2025</b>		<b>849,231,671</b>		<b>97,794,038</b>

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.

Details of movements in issued capital:

## 7. Reserves

	31 Mar 2025 \$	31 Dec 2024 \$
Share-based payment reserve	10,849,059	10,795,229
Investment revaluation reserve	(206,336)	(376,315)
Foreign currency translation reserve	172,008	16,828
<b>Total reserves</b>	<b>10,814,731</b>	<b>10,435,742</b>

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 8. 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 reporting periods, is set out below.

Grant Date	Expiry date	Exercise price	Opening balance 1 Jan 2025	Issued	Exercised	Lapsed	Closing balance 31 Mar 2025	Vested and exercisable at end of the period
23/12/2021	21/01/2025	\$0.1600	3,500,000	-	-	(3,500,000)	-	-
21/10/2022	21/10/2025	\$0.2500	1,500,000	-	-	-	1,500,000	1,500,000
21/10/2022	21/10/2025	\$0.5000	1,500,000	-	-	-	1,500,000	1,500,000
21/10/2022	21/10/2025	\$0.7500	1,500,000	-	-	-	1,500,000	1,500,000
21/10/2022	21/10/2025	\$1.0000	1,500,000	-	-	-	1,500,000	1,500,000
31/12/2024	30/04/2025	\$0.4046 <sup>1</sup>	1,257,001	-	-	-	1,257,001	1,257,001
31/12/2024	5/06/2025	\$0.1150 <sup>1</sup>	43,912	-	-	-	43,912	43,912
31/12/2024	6/06/2025	\$0.1150 <sup>1</sup>	123,504	-	-	-	123,504	123,504
31/12/2024	1/09/2025	\$0.5885 <sup>1</sup>	54,891	-	-	-	54,891	54,891
31/12/2024	16/02/2026	\$0.1748 <sup>1</sup>	365,940	-	-	-	365,940	365,940
31/12/2024	22/04/2026	\$0.6743 <sup>1</sup>	1,920,264	-	-	-	1,920,264	1,920,264
31/12/2024	19/08/2026	\$0.4843 <sup>1</sup>	82,336	-	-	-	82,336	82,336
31/12/2024	26/09/2026	\$0.0644 <sup>1</sup>	43,912	-	-	-	43,912	43,912
31/12/2024	17/01/2027	\$0.4291 <sup>1</sup>	123,504	-	-	-	123,504	123,504
31/12/2024	15/05/2027	\$0.3617 <sup>1</sup>	1,225,898	-	-	-	1,225,898	1,225,898
31/12/2024	13/06/2027	\$0.3372 <sup>1</sup>	109,782	-	-	-	109,782	109,782
31/12/2024	19/08/2027	\$0.2514 <sup>1</sup>	1,829,700	-	-	-	1,829,700	1,829,700
31/12/2024	12/05/2028	\$0.1226 <sup>1</sup>	1,482,056	-	-	-	1,482,056	1,482,056
31/12/2024	19/04/2029	\$0.0614 <sup>1</sup>	7,410,283	-	-	-	7,410,283	7,410,283
31/12/2024	16/09/2029	\$0.0644 <sup>1</sup>	137,227	-	-	-	137,227	137,227
			<b>27,710,210</b>	-	-	<b>(3,500,000)</b>	<b>22,210,210</b>	<b>22,210,210</b>
Weighted average exercise price:			\$0.14	-	-	\$0.16	\$0.33	\$0.33
Weighted average remaining contractual life:								1.26 years

#### Note:

1 – Converted from a Canadian Dollar exercise price at the closing rate on 31 December 2024 of CAD:AUD = 0.891533

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 8. Share-based payments (continued)

Grant Date	Expiry date	Exercise price	Opening balance 1 Jan 2024	Issued	Exercised	Lapsed	Closing balance 31 Dec 2024	Vested and exercisable at end of the period
07/11/2021	15/11/2024	\$0.1600	5,000,000	-	-	(5,000,000)	-	-
23/12/2021	21/01/2025	\$0.1600	3,500,000	-	-	-	3,500,000	3,500,000
21/10/2022	21/10/2025	\$0.2500	1,500,000	-	-	-	1,500,000	1,500,000
21/10/2022	21/10/2025	\$0.5000	1,500,000	-	-	-	1,500,000	1,500,000
21/10/2022	21/10/2025	\$0.7500	1,500,000	-	-	-	1,500,000	1,500,000
21/10/2022	21/10/2025	\$1.0000	1,500,000	-	-	-	1,500,000	1,500,000
31/12/2024	30/04/2025	\$0.4046 <sup>1</sup>	-	1,257,001	-	-	1,257,001	1,257,001
31/12/2024	5/06/2025	\$0.1150 <sup>1</sup>	-	43,912	-	-	43,912	43,912
31/12/2024	6/06/2025	\$0.1150 <sup>1</sup>	-	123,504	-	-	123,504	123,504
31/12/2024	1/09/2025	\$0.5885 <sup>1</sup>	-	54,891	-	-	54,891	54,891
31/12/2024	16/02/2026	\$0.1748 <sup>1</sup>	-	365,940	-	-	365,940	365,940
31/12/2024	22/04/2026	\$0.6743 <sup>1</sup>	-	1,920,264	-	-	1,920,264	1,920,264
31/12/2024	19/08/2026	\$0.4843 <sup>1</sup>	-	82,336	-	-	82,336	82,336
31/12/2024	26/09/2026	\$0.0644 <sup>1</sup>	-	43,912	-	-	43,912	43,912
31/12/2024	17/01/2027	\$0.4291 <sup>1</sup>	-	123,504	-	-	123,504	123,504
31/12/2024	15/05/2027	\$0.3617 <sup>1</sup>	-	1,225,898	-	-	1,225,898	1,225,898
31/12/2024	13/06/2027	\$0.3372 <sup>1</sup>	-	109,782	-	-	109,782	109,782
31/12/2024	19/08/2027	\$0.2514 <sup>1</sup>	-	1,829,700	-	-	1,829,700	1,829,700
31/12/2024	12/05/2028	\$0.1226 <sup>1</sup>	-	1,482,056	-	-	1,482,056	1,482,056
31/12/2024	19/04/2029	\$0.0614 <sup>1</sup>	-	7,410,283	-	-	7,410,283	7,410,283
31/12/2024	16/09/2029	\$0.0644 <sup>1</sup>	-	137,227	-	-	137,227	137,227
			<b>14,500,000</b>	<b>16,210,210</b>	-	<b>(5,000,000)</b>	<b>25,710,210</b>	<b>25,710,210</b>
Weighted average exercise price:			\$0.30	\$0.22	-	\$0.16	\$0.14	\$0.14
Weighted average remaining contractual life:								1.64 years

### Note:

1 – Converted from a Canadian Dollar exercise price at the closing rate on 31 December 2024 of CAD:AUD = 0.891533

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 8. Share-based payments (continued)

### (b) Share rights

Information relating to share rights issued and converted during and outstanding at the end of the current and comparative reporting periods, is set out below.

Issue Date	Expiry date	Opening balance 1 Jan 2025	Issued as remuneration	Converted	Closing balance 31 Mar 2025	Vested and convertible at end of the period	Value of rights expensed during the period \$
9/07/24	31/07/29	2,395,018	-	(279,720)	2,115,298	2,155,298	-
30/10/24	31/07/29	1,118,422	-	(291,739)	826,683	826,683	-
10/01/25	31/07/29	-	741,587	(340,562)	401,025	401,025	-
		<b>3,513,440</b>	<b>741,587</b>	<b>(912,021)</b>	<b>3,343,006</b>	<b>3,343,006</b>	<b>-</b>

Issue Date	Expiry date	Opening balance 1 Jan 2024	Issued as remuneration	Converted	Closing balance 31 Dec 2024	Vested and convertible at end of the period	Value of rights expensed during the period \$
9/07/24	31/07/29	-	2,720,768	(325,750)	2,395,018	2,395,018	95,083
30/10/24	31/07/29	-	1,459,153	(340,731)	1,118,422	1,118,422	83,409
		<b>-</b>	<b>4,179,921</b>	<b>(666,481)</b>	<b>3,513,440</b>	<b>3,513,440</b>	<b>178,492</b>

### (c) Performance rights

Information relating to performance rights issued and cancelled and outstanding at the end of the current and comparative reporting periods, is set out below.

Tranche	Grant Date	Vesting date	Expiry date	Opening balance 1 Jan 2025	Exercised	Closing balance 31 Mar 2025	Vested and exercisable at end of the period	Value of rights expensed during the period \$
A	15/08/22	29/08/23	21/10/27	1,500,000	-	1,500,000	1,500,000	-
B	15/08/22	29/08/23	21/10/27	1,500,000	-	1,500,000	1,500,000	-
H	16/11/22	15/06/24	30/07/25	250,000	-	250,000	250,000	-
M	31/01/23	01/11/24	13/02/28	5,000,000*	-	5,000,000	5,000,000	-
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	-	58,855
R	31/01/23	13/02/28	13/02/28	2,500,000*	-	2,500,000	-	57,368
V	26/03/23	13/02/28	13/02/28	400,000	-	400,000	-	3,494
W	26/03/23	05/04/25	03/04/28	300,000	-	300,000	-	4,153
X	02/03/23	24/02/24	04/05/28	50,000	-	50,000	50,000	-
Y	02/03/23	24/02/25	04/05/28	50,000	-	50,000	50,000	664
Z	02/03/23	24/02/26	04/05/28	50,000	-	50,000	-	1,453
A4	28/08/23	31/12/25	05/09/28	1,059,603*	-	1,059,603	-	17,878
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	-	19,408
				<b>21,278,809</b>	<b>-</b>	<b>21,278,809</b>	<b>8,350,000</b>	<b>163,273</b>

There were no performance rights issued during the current reporting period.



# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 8. Share-based payments (continued)

Tranche	Grant Date	Vesting date	Expiry date	Opening balance 1 Jan 2024	Exercised	Closing balance 31 Dec 2024	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	1,500,000	-	1,500,000	1,500,000	-
B	15/08/22	29/08/23	21/10/27	1,500,000	-	1,500,000	1,500,000	-
H	16/11/22	15/06/24	30/07/25	250,000	-	250,000	250,000	35,094
I	16/11/22	30/11/24	30/11/26	100,000	(100,000)	-	-	21,809
M	31/01/23	01/11/24	13/02/28	5,000,000*	-	5,000,000	5,000,000	1,220,096
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	-	238,020
R	31/01/23	13/02/28	13/02/28	2,500,000*	-	2,500,000	-	232,007
V	26/03/23	13/02/28	13/02/28	400,000	-	400,000	-	14,131
W	26/03/23	05/04/25	03/04/28	300,000	-	300,000	-	32,687
X	02/03/23	24/02/24	04/05/28	50,000	-	50,000	50,000	2,681
Y	02/03/23	24/02/25	04/05/28	50,000	-	50,000	-	8,834
Z	02/03/23	24/02/26	04/05/28	50,000	-	50,000	-	5,876
A4	28/08/23	31/12/25	05/09/28	1,059,603*	-	1,059,603	-	72,302
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	-	78,496
				<b>21,378,809</b>	<b>(100,000)</b>	<b>21,278,809</b>	<b>8,300,000</b>	<b>1,962,033</b>

Note \* Approval for the issue of these securities was obtained under Listing Rule 10.14.

The terms of performance rights on issue during the current reporting period include:

Tranche	Vesting conditions
A	The Company reporting a JORC compliant Inferred Mineral Resource of 5MT at a minimum grade of 0.8% Li <sub>2</sub> O on or before 21 October 2026.
B	The Company reporting a JORC compliant Inferred Mineral Resource of 10MT at a minimum grade of 0.8% Li <sub>2</sub> O on or before 21 October 2026.
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.
M	2 years' continuous employment with the Company from the date of appointment (ie. up to and including 1 November 2024).
P	The Company reporting a JORC compliant Inferred Mineral Resource of 20MT at a minimum grade of 0.8% Li <sub>2</sub> O 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.
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: - If TSR >50 <sup>th</sup> percentile – 100% vesting - If TSR between 25 <sup>th</sup> and 50 <sup>th</sup> percentile – 50% vesting - If TSR <25 <sup>th</sup> 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 <sub>2</sub> O on or before 31 December 2025.
A6	Continuous employment with the Company up to and including 31 December 2025.



# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 9. 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 the current or comparative reporting periods).

	Three months ended 31 March	
	2025	2024
Net loss attributable to ordinary equity holders of the Company	(\$1,335,342)	(\$708,367)
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted loss per share	848,862,764	291,559,139
<b>Basic and diluted loss per share (cents per share)</b>	<b>(0.16)</b>	<b>(0.24)</b>

As at 31 March 2025, the Group had 22,210,210 unlisted share options exercisable (31 December 2024: 25,710,210), 3,343,006 share rights (31 December 2024: 3,513,440) and 21,278,809 performance rights (31 December 2024: 21,278,809), which are not included in diluted loss per share since they are antidilutive for the periods presented.

## 10. Related party transactions

The Company's related parties include key management personnel (KMP) and entities over which they have control or significant influence as described below.

### *KMP remuneration*

	Three months ended 31 March	
	2025 \$	2024 \$
Short-term employee benefits	294,790	234,112
Post-employment benefits	8,914	13,712
Share-based payments	161,157	528,838
<b>Totals</b>	<b>464,861</b>	<b>776,662</b>

No KMP have 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.

The following transactions and arrangements with Director related parties occurred during the current and comparative reporting periods:

Andean Silver Limited, a company that David Southam and Ray Shorrocks are directors of, recharged shared office costs to the Company during the three months ended 31 March 2025 totalling \$6,188 (twelve months ended 31 December 2024: \$25,112). \$6,065 was owing to Andean Silver Limited by the Company at 31 March 2025 (31 December 2024: 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. The value of these related party transactions are considered minor and save Cygnus Metals significant costs should these services had been sourced directly. 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.

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 11. 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:

	31 Mar 2025 \$	31 Dec 2024 \$
Cash and cash equivalents	10,326,102	14,869,835
Trade and other receivables	1,261,063	1,255,260

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 March 2025, no receivables were more than 30 days past due (31 December 2024: Nil). No receivables are considered to have a material credit risk.

### 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:

	31 Mar 2025 \$	31 Dec 2024 \$
Not later than 45 days	2,639,265	2,801,771
Greater than 45 days and less than 12 months	-	657,021
Total	2,639,265	3,458,792

### 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.

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 11. Financial risk management (continued)

### Foreign exchange rate risk

The Group is exposed to foreign exchange rate risk arising from equity investments listed on the 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 Mar 2025 \$	Carrying Amount 31 Dec 2024 \$
Cash on deposit – CAD\$2,251,526 (2024: CAD\$2,453,742)	2,511,504	2,752,272
Listed investments – CAD\$222,750 (2024: CAD\$70,000)	248,494	78,515
<b>Totals</b>	<b>2,759,998</b>	<b>2,830,787</b>

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 the comparative period:

10% increase	276,000	283,079
10% decrease	(276,000)	(283,079)

### 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.

For personal use only

# Notes to the Consolidated Financial Statements

For the three months ended 31 March 2025 and 2024

**CYGNUS**  
METALS

## 12. Commitments and contingent assets and liabilities

### Promissory Notes

In 2019, Doré Copper Mining Corp. ("Doré") issued promissory notes to Ocean Partners Investments Limited ("OPIL"), a related party, in the aggregate amount of CAD\$7,500,000, plus accrued interest. These promissory notes are considered a financial liability under IFRS 9 and were initially measured at fair value with subsequent measurement at amortized cost. The obligations of the Corporation under the promissory notes are guaranteed by Doré's wholly owned subsidiary CBay Minerals Inc. ("CBay") with such guarantee secured against the property and assets of CBay. Each of the promissory notes bear interest at a rate of 6% per annum, with CAD\$1,000,000 maturing on the commencement of commercial production, CAD\$2,000,000 maturing on the first anniversary of the commencement of commercial production, CAD\$2,000,000 maturing on the second anniversary of the commencement of commercial production, and CAD\$2,500,000 maturing on the third anniversary of the commencement of commercial production. The settlement of the obligation, both principal and interest, is contingent upon the timing of commencement of commercial production. Given the lack of certainty at this time as to whether Cygnus will reach the operational and economic milestones needed to achieve commercial production, and the estimated timeline to do so, the notes currently have nominal or no fair value.

On 10 October 2024, Cygnus and OPIL executed a Limited Waiver waiving the accrual of interest on the promissory notes for the period commencing on 1 October 2024 and ending on 31 December 2026. Interest accrued to 1 October 2024 totalled CAD\$2,456,875.

Cygnus will reassess the amount, timing and probability of future cash flows at each reporting date to determine any required adjustments to the amortized cost balance of \$Nil. As at 31 March 2025, no adjustments had been made.

### Rehabilitation Liability

As at the reporting date, the Company does not have a present obligation to incur rehabilitation costs related to its mining operations. However, the Company will be required to recognise a rehabilitation liability in the future upon the submission and approval of a mine closure plan. Until such a plan is submitted and approval is obtained, any obligation for rehabilitation costs remains contingent. Once the mine closure plan is submitted and approved, the Company will become legally obligated to undertake the rehabilitation activities associated with its mining operations. The timing and amount of the rehabilitation liability are dependent on the scope and approval of the mine closure plan and any associated regulatory requirements.

## 13. Post reporting date events

On 2 April 2025, the Company announced that it had negotiated a two-year extension to its two-stage earn-in with Stria Lithium Inc for the Pontax Lithium Project in James Bay, Quebec. The Company now has until October 2027 to satisfy the second stage of the earn-in.

There have not been any events that have arisen between 31 March 2025 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.