MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three and six months ended June 30, 2026 and 2025

(Unaudited)

(Stated in Australian Dollars)

ABN: 80 609 094 653

Management's Discussion & Analysis of Financial Condition and Results of Operations
For the three and six months ended June 30, 2026 and 2025
Date of Report: 14 August 2026

GENERAL

The following Management's Discussion and Analysis ("MD&A") of Cygnus Metals Limited ("Cygnus" or the "Company") and its subsidiaries (the "Group") should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and six months ended 30 June 2026 with a comparative period for the three and six months ended June 30, 2025, and the notes thereto. The Company's unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Accounting Standards as issued by the International Accounting Standards Board ("IASB") and Interpretations (collectively, "IFRS Accounting Standards"). Unless otherwise stated, all amounts discussed herein are denominated in Australian dollars. This MD&A was prepared as of 14 August 2026, and all information is current as of such date. Readers are encouraged to read the Company's public information filings on SEDAR+ at www.sedarplus.ca.

This discussion provides management's analysis of the Company's historical financial and operating results and provides estimates of the Company's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

CORPORATE OVERVIEW

Cygnus is a diversified critical minerals exploration and aspiring development company with key assets located in Tier 1 mining jurisdictions of Quebec, Canada and Western Australia. Cygnus acquired the Chibougamau copper-gold project ("Chibougamau Project") as part of its merger with Doré Copper Mining Corp. ("Doré") completed on 31 December 2024. The Chibougamau Project, located in central Quebec approximately 480km due north of Montreal, has excellent infrastructure with a 900,000tpa processing plant facility (Figure 1). The Company's primary focus is to advance the Chibougamau Project with an aggressive exploration program to drive resource growth and develop a hub-and-spoke operation model with its centralised processing facility. In addition, Cygnus has quality lithium assets with significant exploration upside in the world-class James Bay district in Quebec, and rare earth element ("REE") and base metal projects in Western Australia.

Cygnus was incorporated under the laws of Australia. The Company is listed on the Australian Securities Exchange ("ASX") under the symbol "CY5" and on the Toronto Stock Venture Exchange ("TSXV") under the symbol "CYG", and trades on the OTCQB Venture Marketplace in the U.S. under the symbol "CYGGF". The Company's office is located at Level 2, 8 Richardson Street, West Perth WA 6005 Australia.

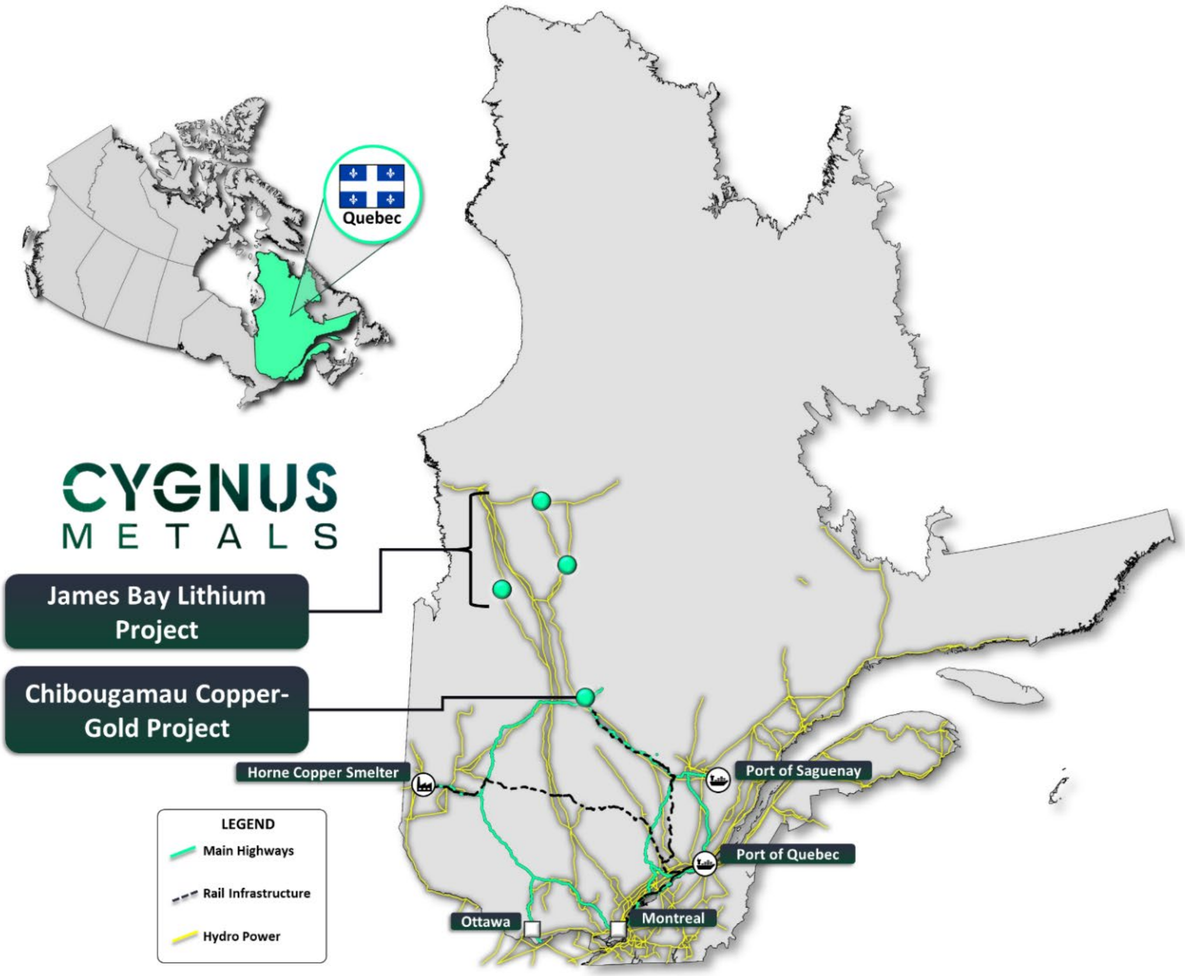


Figure 1: Assets located in Quebec close to major hydropower and rail infrastructure.

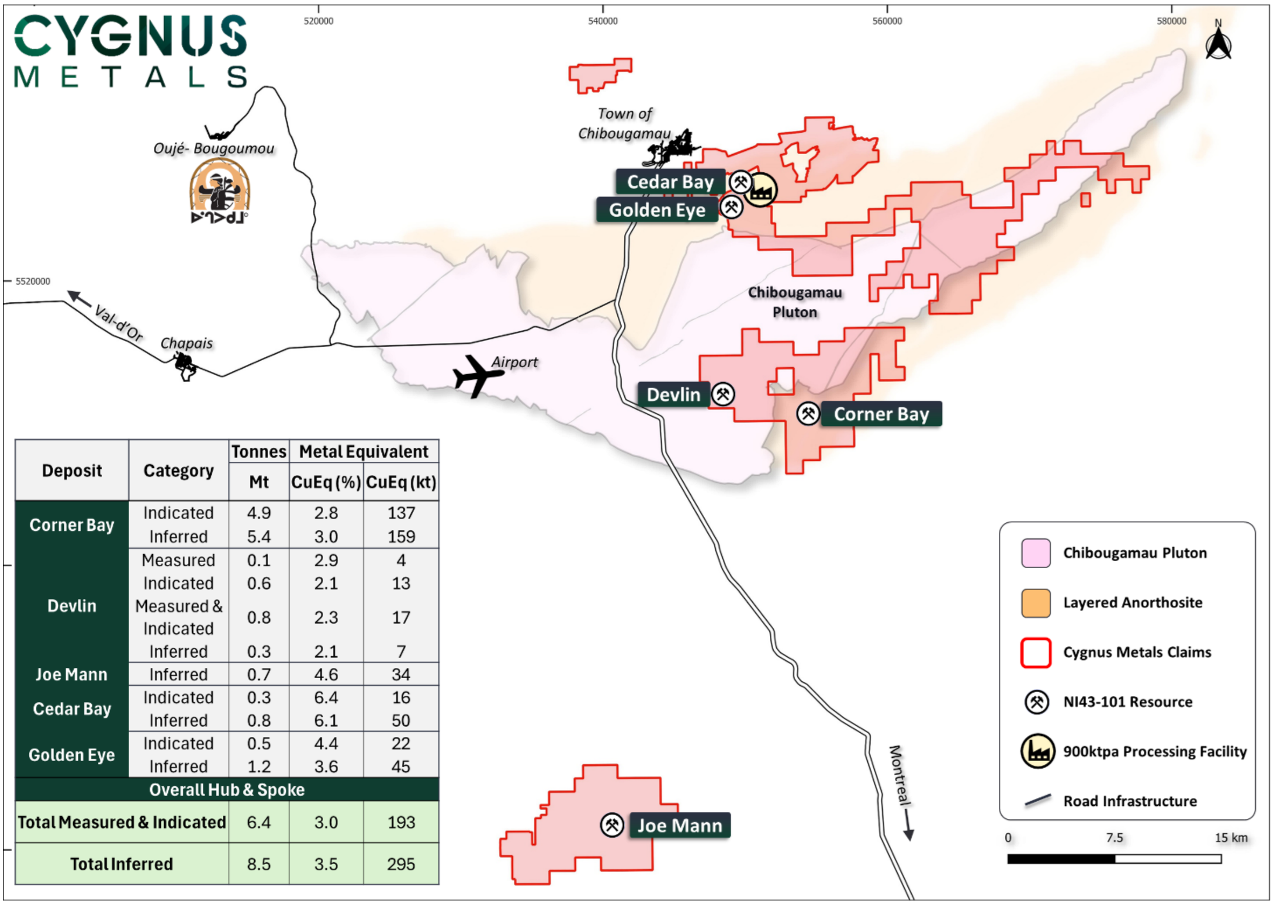
CHIBOUGAMAU PROJECT, QUEBEC

Cygnus has consolidated a large land package of over 281km^2 in the prolific Chibougamau mining district that has produced over 945,000t of copper and 3.5Moz of gold from 16 former producing mines between the early 1900s and 2008.[1]

The Chibougamau Project has excellent infrastructure with a local mining town, sealed highway, airport, regional rail infrastructure and access to hydro power via installed powerlines. The infrastructure includes a processing facility of 900,000tpa consisting of a conventional circuit that produced a high-quality clean concentrate. The processing facility is located 10km from the town of Chibougamau and was last operated in 2008. It is the only remaining processing plant within the Chibougamau district and the only base metal processing facility within a 250km radius that hosts a number of other advanced copper and gold projects.

The Chibougamau Project has a high-grade Mineral Resource Estimate ("MRE") of 6.4Mt at 3.0% CuEq for 193kt CuEq in the Measured and Indicated category and 8.5Mt at 3.5% CuEq for 295kt CuEq in the Inferred category, reported in accordance with the JORC Code 2012 and the CIM Definition Standards (CIM, 2014). The resource base is comprised of five deposits – Corner Bay (main asset), Devlin, Cedar Bay, Golden Eye and Joe Mann – all located within a 60km radius of the centralized processing facility (Figure 2).

1 Historic production statistics for the Chibougamau area are recorded in Leclerc. F, Harris. L. B, Bedard. J. H, Van Breeman. O and Goulet. N. 2012, Structural and Stratigraphic Controls on Magmatic, Volcanogenic, and Shear Zone-Hosted Mineralization in the Chapais-Chibougamau Mining Camp, Northeastern Abitibi, Canada. Society of Economic Geologists, Inc. Economic Geology, v. 107, pp. 963–989.



Deposit	Category	Tonnes	Metal Equivalent	
		Mt	CuEq (%)	CuEq (kt)
Corner Bay	Indicated	4.9	2.8	137
	Inferred	5.4	3.0	159
Devlin	Measured	0.1	2.9	4
	Indicated	0.6	2.1	13
	Measured & Indicated	0.8	2.3	17
	Inferred	0.3	2.1	7
Joe Mann	Inferred	0.7	4.6	34
Cedar Bay	Indicated	0.3	6.4	16
	Inferred	0.8	6.1	50
Golden Eye	Indicated	0.5	4.4	22
	Inferred	1.2	3.6	45
Overall Hub & Spoke				
Total Measured & Indicated		6.4	3.0	193
Total Inferred		8.5	3.5	295

Figure 2: Chibougamau Project is comprised of the Corner Bay, Devlin, Cedar Bay, Golden Eye and Joe Mann deposits, and the 900,000t per annum processing facility.[2]

JAMES BAY LITHIUM PROJECTS, QUEBEC

Cygnus has three key lithium projects for a total of 390km^2 in the world-class James Bay lithium region of Quebec:

- **Pontax Project** (51% interest) – Inferred Mineral Resource of 10.1Mt at 1.04% Li_2O reported in accordance with the JORC Code (Inferred Mineral Resource of 8.27Mt at 1.02% Li_2O reported in accordance with NI 43-101).
- **Auclair Project** – Significant drill intersection of 43.7m at 1.15% Li_2O (*refer to ASX release dated 8 April 2024*); and
- **Sakami Project** – Early-stage lithium exploration project in the La Grande greenstone belt which hosts the substantial Shaakichiuwaanaan lithium deposit.

The James Bay region is one of the most endowed lithium terranes in the world with significant discoveries and exploration activity over the last couple of years.

EXPLORATION PROJECTS, AUSTRALIA

Cygnus has approximately 816km^2 (100% Cygnus) of granted tenements in the Southwest Terrane, an underexplored region of highly prospective geology, within the prolific Yilgarn Craton in Western Australia. The projects cover 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 exploring key prospective tenure for lithium as well as REEs, nickel, copper, gold and platinum group elements (“PGEs”).

INTERIM MD&A – QUARTERLY HIGHLIGHTS

The Company's key events and highlights during the three months ended 30 June 2026 and up to 14 August 2026 include:

CORPORATE

Proposed Acquisition by Central Asia Metals PLC

On 2 June 2026, Cygnus announced that it had entered into a definitive Scheme Implementation Deed ("SID") with Central Asia Metals PLC ("CAML") under which CAML agreed to acquire 100% of the fully paid ordinary shares in Cygnus ("Cygnus Shares"), with each eligible Cygnus shareholder being entitled to receive 0.06 new CAML shares for each Cygnus Share held at the prescribed record date ("New CAML Shares").[2] The transaction, as contemplated in the SID, will be implemented by way of an Australian Court-approved scheme of arrangement pursuant to Part 5.1 of Australia's *Corporations Act 2001* (Cth) ("Scheme").

The terms of the Scheme value each Cygnus Share at A$0.176 per Cygnus Share based on the closing price of £1.56 per CAML share and a A$:£ exchange rate of A$1:£0.53 on 1 June 2026 ("Scheme Consideration"). The Scheme Consideration values the fully diluted share capital of Cygnus at A$232 million.[3] Implementation of the Scheme is subject to certain conditions precedent, as set out in Cygnus' ASX announcement dated 2 June 2026.

Immediately following implementation of the Scheme, it is expected that existing CAML shareholders will own approximately 70%, and Cygnus shareholders will own approximately 30%, of CAML's enlarged fully diluted issued share capital (based on 79 million New CAML Shares being issued to Cygnus shareholders under the terms of the proposed Scheme and assuming all Cygnus performance rights, share rights and all in-the-money options convert or are exercised into shares prior to the Record Date).

The acquisition of Cygnus will add a flagship development-stage asset through a 100% interest in the Chibougamau Copper-Gold Project, a high-grade deposit located in Québec, Canada to CAML's existing portfolio of producing and cash-flow generative assets located in North Macedonia and Kazakhstan and its exploration projects.

Cygnus shareholders will be asked to approve the Scheme at a scheme meeting ("Scheme Meeting") which is expected to be held in September 2026,[4] with implementation of the Scheme to occur shortly thereafter. Prior to the Scheme Meeting, CAML will also convene a shareholder meeting to approve the allotment of the New CAML Shares and grant of new CAML options.

Under the SID, CAML has agreed to use all reasonable endeavours to apply for approval for listing its ordinary shares on the Toronto Stock Exchange ("TSX") or TSX Venture Exchange ("TSXV" and, together with the TSX, a "Recognised Canadian Exchange") prior to implementation of the Scheme, to provide holders of New CAML Shares the ability to trade on the TSX or TSXV and to broaden CAML's investor base in North America. Any such listing will be subject to the satisfaction of the Recognised Canadian Exchange's applicable listing requirements and the receipt of all relevant regulatory approvals. For the avoidance of doubt, the proposed listing will have no effect on CAML's quotation on the AIM market of the London Stock Exchange. There can be no certainty that a listing on a Recognised Canadian Exchange will be achieved, or as to the timing thereof, and CAML will make further announcements as appropriate.

The Board of Directors of Cygnus consider that the Scheme is in the best interest of Cygnus shareholders and unanimously recommend that Cygnus' shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Cygnus' shareholders. Subject to those same qualifications, each member of the Cygnus Board intends to vote, or cause to be voted, all Cygnus Shares which they own or control in favour of the Scheme at the

[2] Ineligible Foreign Shareholders and Electing Selling Scheme Shareholders (each as defined in the SID) will receive the Scheme consideration in the form of cash.

[3] The terms of the Scheme value each Cygnus Share at A$0.176 per Cygnus Share based on the closing price of £1.56 per CAML share and a A$:£ exchange rate of A$1:£0.53 on 1 June 2026. The Scheme Consideration is based on 1,224,963,340 Cygnus Shares on issue, along with 83,621,706 Cygnus performance rights, 3,146,535 Cygnus share rights and 11,094,785 Cygnus options. For the purposes of calculating the implied equity value of the Scheme Consideration, all performance rights and share rights are assumed to convert into ordinary shares and all outstanding in-the-money options are assumed to be exercised prior to the Record Date. The implied value of the Scheme consideration will change with fluctuations in the CAML share price.

[4] Date is indicative only. Any changes to timetable will be announced to ASX and will be available under Cygnus's profile on ASX. Refer to CY5's latest ASX release dated 5 August 2026.

Scheme Meeting.

Ocean Partners Holdings Limited, Equinox Partners Investment Management LLC, Symorgh Investments Pty Ltd and Gold Leaf Corporate Pty Ltd (together with each of their respective associates), holding approximately 28% of Cygnus Shares on issue, have confirmed their intention to vote all Scheme Shares they hold directly or indirectly as at the date of the Scheme Meeting, up to a maximum of 349,524,449 Scheme shares the subject of their respective voting intention statements, in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal (as that term is defined in the SID) emerging and subject to the independent expert continuing to conclude that the Scheme is in the best interests of Cygnus shareholders.[5]

CAML has also entered into a call option deed with Ocean Partners Holdings Limited and Ocean Partners UK Limited in respect of their relevant interests in an aggregate 120,906,526 Cygnus Shares representing, in aggregate, ~9.85% of Cygnus Shares on issue ("Call Option"). The Call Option provides CAML with the right to acquire the relevant Cygnus Shares held by Ocean Partners for 0.06 CAML Shares per Cygnus Share if Cygnus has received a competing proposal or any person (including Cygnus) publicly announces a competing proposal and the Cygnus Board has announced that a competing proposal is a superior proposal.

Further details regarding CAML and the proposed Scheme are set out in Cygnus' ASX announcement dated 2 June 2026.

Cygnus confirms that the explanatory statement providing information about the Scheme ("Scheme Booklet") has been made available on Cygnus' ASX platform and website at https://www.cygnusmetals.com/investors.

Cygnus Shareholders should carefully read and consider the Scheme Booklet in its entirety before deciding how to vote at the Scheme Meeting.

Each of the Cygnus directors recommends that Cygnus shareholders vote, and intends to vote any shares they own or control, in favour of the Scheme at the Scheme Meeting, each in the absence of a Superior Proposal (as that term is defined in the SID) and subject to the independent expert continuing to conclude that the Scheme is in the best interests of Cygnus shareholders.

EXPLORATION

In the second quarter of 2026, the Company completed 7,849 meters at the Chibougamau Project. The geology team continued its data compilation and generative exploration activities to develop new targets at the Chibougamau Project. A description of the exploration activities carried out by Cygnus in the second quarter is summarized below.

At the James Bay's projects, exploration geophysics was conducted at the 118km^2 Sakami Project located in the prospective La Grande greenstone belt during the second quarter of 2026. The main focus of the survey was time-domain electromagnetic (TDEM) conducted by Prospectair. In total 453-line kilometres were completed at 100m line spacing. Results from this survey are currently pending.

Satisfaction of the exploration expenditure commitments, along with the issue of the final 1,050,000 Cygnus Shares during the quarter, allowed Cygnus to complete the exercise of the options over the Sakami Project and additional ground surrounding the Auclair Lithium Project known as the Beryl Lake property. The Company has now acquired an undivided 100% right, title and interest in those properties.

No substantive exploration activities were conducted at Cygnus' tenements in Western Australia.

[5] The Cygnus shareholders who have given voting intention statements comprise: (1) Ocean Partners Holdings Limited (156,201,460 Cygnus Shares representing 12.72% of all Cygnus Shares); (2) Equinox Partners Investment Management LLC on behalf of itself and Equinox Partners LP, Mason Hill Partners LP, Equinox Partners Precious Metals Master Fund LP, and Stichting LGP (150,829,997 Cygnus Shares representing 12.29% of all Cygnus Shares); (3) Symorgh Investments Pty Ltd (22,873,414 Cygnus Shares) and Symorgh Super Pty Ltd (188,310 Cygnus Shares) (collectively, 23,061,724 Cygnus Shares representing 1.88% of all Cygnus Shares); and (4) Gold Leaf Corporate Pty Ltd (10,064,679 Cygnus Shares), Blue Leaf AC (1,000,000 Cygnus Shares), M D & S J Super Fund (2,133,912 Cygnus Shares) and Ms Sarah June Naylor (173,478 Cygnus Shares) (collectively, 13,372,069 Cygnus Shares representing 1.09% of all Cygnus Shares). Each of the aforementioned Cygnus Shareholders has consented to the inclusion of these voting intention statements in this document.

Golden Eye

During the second quarter, the Company received further assays from the infill drilling program at Golden Eye. Recent drill results from Golden Eye are from the winter drill program with three rigs operating on the ice to convert Inferred resources into the higher confidence Indicated category. In total, 15 holes were drilled for 5,632 metres, with all results now received. The most recent results[6] include (Figure 3):

- 8.4m at 16.3g/t AuEq (14.4g/t Au, 1.3% Cu & 12.5g/t Ag), including 3m at 39.5g/t AuEq (35.0g/t Au, 3.1% Cu & 30.6g/t Ag) *(LDR-26-18)*;
- 3.6m at 15.7g/t AuEq (12.4g/t Au, 2.2% Cu & 22.3g/t Ag), including 2.5m at 22.3g/t AuEq (17.8g/t Au, 3.0% Cu & 31.1g/t Ag) *(LDR-26-17)*;
- 3.5m at 6.8g/t AuEq (4.9g/t Au, 1.3% Cu & 11.3g/t Ag) *(LDR-26-17)*;
- 6.6m at 6.5g/t AuEq (5.4g/t Au, 0.7% Cu & 5.1g/t Ag) *(LDR-26-25)*;
- 4.7m at 3.6g/t AuEq (2.7g/t Au, 0.6% Cu & 6.3g/t Ag) *(LDR-26-20)*; and
- 1.9m at 10.9g/t AuEq (8.2g/t Au, 1.8% Cu & 17.3g/t Ag) *(LDR-26-23)*.

These results are in addition to previously released results[7] of:

- 5.9m at 28.8g/t AuEq (24.8g/t Au, 2.7% Cu & 31.5g/t Ag), including 1.0m at 105.5g/t AuEq (102.9g/t Au, 1.4% Cu & 53.0g/t Ag) *(LDR-26-12A)*;
- 7.7m at 4.0g/t AuEq (2.7g/t Au, 0.8% Cu & 8.2g/t Ag) *(LDR-26-12A)*;
- 11.5m at 4.3g/t AuEq (2.5g/t Au, 1.1% Cu & 26.1g/t Ag), including 0.8m at 31.2g/t AuEq (13.3g/t Au, 11.9% Cu & 141.8g/t Ag) *(LDR-26-13)*; and
- 6.7m at 5.9g/t AuEq (4.4g/t Au, 1.0% Cu & 9g/t Ag), including 2.0m at 13.8g/t AuEq (10.3g/t Au, 2.4% Cu & 21.0g/t Ag) *(LDR-26-14).*

The results continue to demonstrate the continuity and grade of mineralisation at Golden Eye, which is characterised by gold-rich mineralisation and associated copper and silver. All results will now be incorporated into an updated resource, which currently contains 0.5Mt at 5.6g/t AuEq for 91koz AuEq Indicated and 1.2Mt at 4.6g/t AuEq for 182koz AuEq Inferred.

Golden Eye was a new resource defined by Cygnus in 2025. The deposit is shallow, located within 100m of surface and has existing infrastructure in place with double ramp access to within 140m of the deposit. Being located within 3km of the process plant makes Golden Eye an exciting near-term development opportunity for future study work.

[6] Refer to Cygnus' ASX announcement titled "High-Grade Golden Eye Results" dated 25 May 2026.
[7] Refer to Cygnus' ASX announcement titled "High-grade assays results from Golden Eye deposit" dated 16 April 2026.

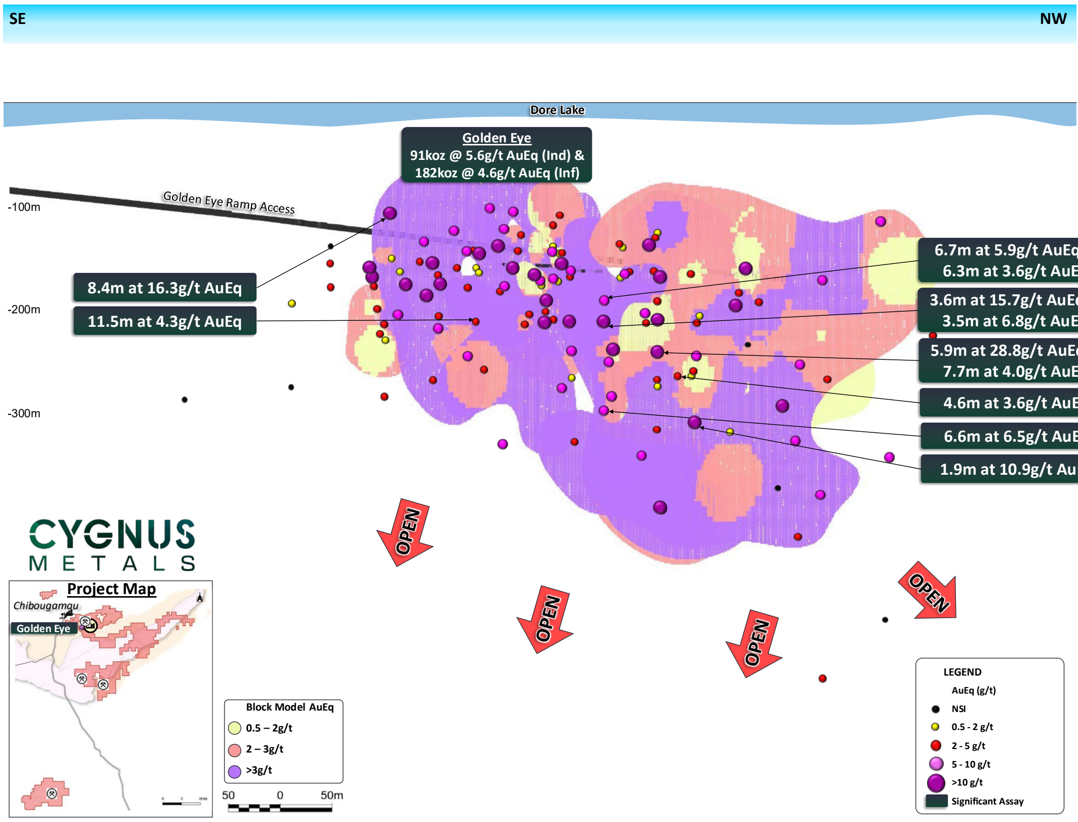


Figure 3: Golden Eye resource with results from infill campaign, incl 5.9m at 28.8g/t AuEq and 8.4m at 16.3g/t AuEq. Refer to CY5's ASX releases dated 16 April and 25 May 2026 for details of previously announced exploration results.

Gwillim

In line with the Company's strategy of resource growth, exploration is being conducted in conjunction with resource conversion drilling. The Company has commenced an exploration drilling program at the Gwillim gold prospect, co-funded by JV partner Alamos Gold, aiming to establish a new resource utilising new and historic high-grade intersections. Drilling results are expected towards the end of the third quarter.

Historic high-grade gold intersections[8] include:

- 7.6m at 38.1g/t Au from 314.9m *(87-KOD-18)*;
- 15.2m at 9.4g/t Au from 155.1m *(87-KOD-1)*; and
- 16.4m at 8.3g/t Au from 168.3m *(87-KOD-10)*.

Looking ahead to the next quarter, the team continues to work on unlocking the potential of the district with near-term drill targets at Copper Rand and Joe Mann.

CHIBOUGAMAU PROJECT SCOPING STUDY/ PRELIMINARY ECONOMIC ASSESSMENT

The Company previously outlined in the Q4 MD&A (and ASX December 2025 Quarterly Report) that it was planning to release an updated Study in the first half of calendar year 2026. Given the recent corporate events, plus several other factors listed below, the updated study is delayed and for the time being a revised completion date cannot be provided. For clarity, and for the reasons detailed below, an updated study will not be completed prior to the Scheme Meeting.

[8] Refer to Cygnus' ASX announcement titled "Two new mineralised gold prospects for resource growth" dated 20 January 2026.

The material factors influencing the above include:

- The Company has been advised that in order to issue an updated Scoping Study/PEA on the ASX, the minimum threshold of Indicated Resources used as mining inventory needs to be at least 70%. For comparative purposes the split of resource categories for mining inventories in the May 2022 PEA[9] released on the TSXV completed by Dore Copper was 38% Indicated and 62% Inferred, and excluded Golden Eye (as it was not a Resource back then);
- As a result of the above, and to increase the amount of Indicated Resources into an optimised study, the recent Golden Eye drilling program was focussed on converting Inferred Resources into the Indicated category (rather than overall resource growth itself), with this program being finalised in the current reporting period. An updated Mineral Resource Estimate is scheduled to occur before the end of 2026, allowing for a new mine plan for Golden Eye to be completed for study purposes. In addition, there is a drill rig currently at Corner Bay also focussed on resource conversion drilling;
- Following an approach by CAML, which ultimately resulted in the proposed Scheme announced on 2 June 2026, Cygnus' senior management time was focussed on the significant amount of work associated with the proposed transaction, including negotiation, substantial due diligence activities and the required documentation. As a result, this meant that study work could not be advanced at the same pace previously undertaken; and
- The amount of time required by third party service providers and equipment suppliers to provide critical information for study work has blown out due to industry demands and the sheer number of project studies in Canada. As a consequence, project schedules and timelines have been unavoidably impacted.

ENVIRONMENTAL AND SOCIAL ASSESSMENT

Studies and field work at the Corner Bay and Devlin areas were completed to provide further baseline characterisation of hydrology, hydrogeology and soil conditions first completed in Q3 2025. The analysis of the sampled materials and collected information was in progress in Q4 2025. The Spring (Q2 2026) field sampling program at Copper Rand and Golden Eye commenced at the end of May 2026. These activities are required to understand the baseline conditions and are a requirement of the Quebec government Environmental Social Impact Assessment ("ESIA").

HEALTH AND SAFETY

No reportable health and safety incidents occurred. The site was focused on safe operations in Chibougamau.

OUTLOOK

For the quarter going forward, and given the Board's unanimous recommends that all Cygnus shareholders vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal (as that term is defined in the SID) and subject to the independent expert continuing to conclude that the Scheme is in the best interests of Cygnus shareholders, management workflow is focussed on the considerable documentation associated with this transaction. Notwithstanding, and as outlined earlier, operations are ongoing with a drill rig continuing to focus on resource conversion at Corner Bay and the Company awaits the full suite of assay results from Gwillim.

[9] The outcomes of the PEA were first announced by Doré Copper Mining Corp. on 10 May 2022 and the comprehensive technical report underpinning the PEA was announced by Doré in accordance with the requirements of NI 43-101 on 15 June 2022. The Technical Report was prepared by BBA Inc. with several consulting firms contributing to sections of the study, including SLR, SRK Consulting (Canada) Inc. and WSP Inc. The Technical Report and the announcement are available on Doré's website (www.dorecopper.com/en/investors/newsreleases) and SEDAR. 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%). However, Cygnus is not able to 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. Accordingly, Cygnus is not disclosing the production targets and forecast financial information reported in the PEA and cautions investors against making investment decisions based on such targets and forecasts.

OVERALL PERFORMANCE

Total comprehensive loss of the Group for the three and six months ended 30 June 2026, amounted to $6,289,759 and $5,952,244 respectively (2025: $1,627,213 and $2,637,397). At 30 June 2026, net assets of the Company were $103,614,347 (31 December 2025: $84,035,916).

At 30 June 2026, the Group had $25,520,869 in cash and cash equivalents (31 December 2025: $13,351,264).

The following tables provide selected financial information that should be read in conjunction with the Company's audited financial statements for the periods below.

The following table sets out the equivalent interim financial data for the four most recent and comparative quarters:

	2026 Q2 $	2026 Q1 $	2025 Q4 $	2025 Q3 $	2025 Q2 $	2025 Q1 $	2024 Q4 $	2024 Q3 $
Total finance and other income	273,065	131,335	122,826	158,646	68,045	692,758	647,505	646,980
Total operating expenses	(2,252,436)	(2,804,268)	(2,995,255)	(1,831,455)	(1,726,347)	(2,028,100)	(1,042,106)	(1,041,394)
Loss for the period after income tax	(1,979,362)	(2,672,933)	(2,872,429)	(1,672,809)	(1,658,302)	(1,335,342)	(696,601)	(729,345)
Total comprehensive (loss)/gain for the period	**(6,289,759)**	**337,514**	**(2,668,894)**	**(1,955,770)**	**(1,627,213)**	**(1,010,183)**	**(602,313)**	**(612,206)**
Basic and diluted loss per share (cents per share)	(0.16)	(0.25)	(0.27)	(0.16)	(0.19)	(0.16)	(0.08)	(0.20)
Distributions or cash dividends declared per share	-	-	-	-	-	-	-	-

Operating expenses were higher in the June 2026 quarter than in the June 2025 quarter due partly to approximately $350,000 in legal fees incurred in connection with the proposed Scheme of Arrangement with CAML.

Interest income increased on the comparative period due to a significantly larger average cash balance on hand throughout the current reporting period than that of the comparative.

On 6 January 2026, the Company issued 238,372 fully paid ordinary shares upon the exercise of 238,372 unlisted share options with various exercise prices and expiry dates. The Company received A$16,987 in cash proceeds before costs.

On 13 March 2026, the Company announced a share placement totalling A$25,000,000 (before costs) priced at A$0.16 per share to institutional and sophisticated investors. The Company issued 156,250,000 ordinary fully paid shares on 20 March 2026.

Placement funds are being used at the Chibougamau Copper-Gold Project to cover resource growth and conversion, exploration of multiple prospects (including Joe Mann and Gwillim), ongoing permitting work, minor early capital works and progression of study work. Other uses include general working capital and costs associated with the share placement.

On 15 June 2026, the Company issued 3,000,000 fully paid ordinary shares upon the conversion of 3,000,000 vested performance rights expiring on 21 October 2027.

On 15 June 2026, the Company issued 1,050,000 fully paid ordinary shares as final consideration for the acquisition of the Sakami Project (stage 4) and Beryl property (stage 4), as announced on 28 March 2023. Shareholder approval to ratify the agreements to issue was obtained on 1 May 2026 in respect of both stage 4 consideration share issues. The Company also paid CAD$195,000 in cash to the project vendors as part consideration.

There were no other unusual operating, financing or investing activities during the June 2026 quarter.

SELECTED FINANCIAL INFORMATION

The following selected financial information has been extracted from the Company's general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements and the *Corporations Act 2001* (Cth).

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").

These financial statements have been prepared under the historical cost convention except for investments held at fair value through other comprehensive income.

The functional currency of each entity within the group is measured using the currency of the primary economic environment in which that entity operates, being Australian dollars for group entities domiciled in Australia and Canadian dollars for group entities domiciled in Canada. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

	Three month period ending 30 June			Six month period ending 30 June		
	2026 $	**2025 $**	**Direction of change**	**2026 $**	**2025 $**	**Direction of change**
Operations						
Total finance and other income	273,065	68,045	Increase	404,400	760,802	Decrease
Total operating expenses	(2,252,427)	(1,726,347)	Increase	(5,056,695)	(3,754,224)	Increase
Including the following expense categories:						
Consultants and contractors	(833,227)	(238,347)	Increase	(1,126,020)	(622,751)	Increase
Corporate costs	(154,456)	(228,440)	Decrease	(345,062)	(557,035)	Decrease
Employee benefits expense	(208,008)	(225,295)	Decrease	(456,381)	(691,072)	Decrease
Share-based payments	(316,361)	(272,719)	Increase	(1,753,547)	(435,992)	Increase
Site admin & maintenance expense	(220,889)	(287,563)	Decrease	(484,916)	(728,283)	Decrease
Loss for the year after income tax	(1,979,362)	(1,658,302)	Increase	(4,652,295)	(2,993,421)	Increase
Total comprehensive loss for the year	**(6,289,759)**	**(1,627,213)**	Increase	**(5,952,245)**	**(2,993,644)**	Increase
Basic and diluted loss per share (cents per share)	(0.16)	(0.19)	Decrease	(0.40)	(0.35)	Increase
Cash dividends declared per share	-	-		-	-	
Cash Flows						
Net cash flows used in operating activities	(1,602,144)	(1,429,665)	Increase	(3,554,759)	(2,935,907)	Increase
Net cash flows used in investing activities	(4,739,493)	(3,025,824)	Increase	(7,897,748)	(6,011,990)	Increase
Net cash flows (used in)/from financing activities	(5,258)	17,269,687	Decrease	23,635,378	17,215,254	Increase
Net change in cash and cash equivalents	**(6,346,895)**	**12,814,198**		**12,182,871**	**8,267,357**	
Cash and cash equivalents at the beginning of the period	31,873,761	10,326,102		13,351,264	14,869,835	
Effect of movements in exchange rates on cash held	(5,998)	(59,806)		(13,268)	(56,699)	
Cash and cash equivalents at the end of the period	**25,520,869**	**23,080,494**		**25,520,869**	**23,080,494**	

	30 Jun 2026 $	31 Dec 2025 $	Direction of change
Balance Sheet			
Excess of current assets over current liabilities	25,974,551	11,983,527	Increase
Total assets	108,860,110	90,803,017	Increase
Total liabilities	(5,245,763)	(6,767,101)	Decrease

RESULTS OF OPERATIONS

Operations

- Income comprises interest income which increased compared to the comparative three and six month reporting periods. Income also included approximately $590,000 in flow-through share premiums in the comparative period which was not incurred in the current period due to all flow-through share expenditure commitments being satisfied in 2025.

- Operating expenses increased in the June 2026 quarter compared to the June 2025 quarter due partly to approximately $350,000 in legal fees incurred in connection with the proposed Scheme of Arrangement with CAML. Operating expenses also increased in the current six month reporting period due to the recognition of approximately $1,100,000 in accelerated share-based payment expenses in relation to approximately 19 million performance rights for which the related vesting condition was met during the March 2026 quarter.

Cash Flows

- Net cash flows used in operating and investing activities have increased in the current reporting period due to the increase in exploration activities at the Chibougamau Copper-Gold Project compared to the comparative quarters immediately following completion of the acquisition of the Project.

- Net cash flows provided by financing activities have increased in the current reporting period due to completing $25,000,000 (before costs) in share placements versus $18,300,000 (before costs) raised in the comparative reporting period.

The table below, as at 30 June 2026, outlines how the Company has utilised the funds received from the $18,300,000 share placement completed in 2025, the $25,000,000 share placement completed in March 2026, any deviations from the anticipated use of funds, and the allocation of proceeds from these financings.

Financings	Anticipated use of proceeds allocated	Allocated proceeds $	Actual use of proceeds as at 30 June 2026 $	Variation from anticipated use of proceeds	Explanation and impact
Share Placement for proceeds of $18,300,000 (20 June 2025)	Exploration and feasibility expenditure across Canadian and Australian licenses. General corporate purposes.	$18,300,000	$18,300,000	None.	N/A
Share Placement for proceeds of $25,000,000 (20 March 2026)	Exploration and feasibility expenditure across Canadian licenses. General corporate purposes.	$25,000,000	$4,852,371	The Company has not yet spent all of the proceeds of the financing.	N/A

Balance Sheet

- Total assets have increased at the end of the reporting period compared to the end of 2025 due largely to the receipt of $25,000,000 (before costs) in share placement proceeds. The value of listed investments also increased by $542,242 compared to the end of 2025.

- The excess of current assets over current liabilities has also increased largely due to the aforementioned share placement.

- Closing cash on hand increased by $12,169,605 between 31 December 2025 and 30 June 2026.

Exploration and Evaluation Assets

Movements in exploration and evaluation assets with respect to the Company's interest in mineral properties owned, leased or under option consists of the following for the six months ended 30 June:

	2026 $	2025 $
Opening balance	**73,828,269**	**61,309,265**
Expenditure incurred – Australian tenements	125,472	298,635
Expenditure incurred – Canadian tenements	6,801,474	6,150,112
Project acquisition costs capitalised during the period	340,507	313,639
Foreign currency revaluation of exploration assets	(1,923,428)	(33,982)
Government grants received	(162,167)	(776,051)
Closing balance	**79,010,127**	**67,261,618**

There was an increase in drilling and associated exploration activities in the current reporting period compared to the comparative period immediately following completion of the acquisition of the Project.

In the comparative reporting period, the Company received a Canadian Mining Tax Credit cash refund in relation to exploration expenditure incurred in 2024. Government grants received in the current period relate largely to the Critical Minerals Infrastructure Fund.

The following table includes a breakdown of exploration and evaluation assets by project area at 30 June.

	2026 $	2025 $
Australian gold and rare earth projects	3,072,881	2,974,105
James Bay (Canada) lithium projects	26,821,038	27,137,198
Chibougamau (Canada) copper-gold project	49,116,208	37,150,315
Totals	**79,010,127**	**67,261,618**

The majority of exploration activities in the current and comparative reporting periods occurred on the Chibougamau Copper-Gold Project areas.

The carrying value of lithium projects has decreased due to a movement in the CAD to AUD foreign exchange rate between the comparative and current balance dates resulting in an approximate $1,900,000 downward revaluation.

PROPOSED TRANSACTIONS

Proposed Acquisition by Central Asia Metals PLC

On 2 June 2026, Cygnus announced that it had entered into a definitive Scheme Implementation Deed ("SID") with Central Asia Metals PLC ("CAML") under which CAML agreed to acquire 100% of the fully paid ordinary shares in Cygnus ("Cygnus Shares"), with each eligible Cygnus shareholder being entitled to receive 0.06 new CAML shares for each Cygnus Share held at the prescribed record date ("New CAML Shares").[10]

Further details regarding CAML and the proposed Scheme are set out on page 5 and in Cygnus' ASX announcements dated 2 June 2026 and 5 August 2026.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2026, the Group had current assets of $27,412,122 (31 December 2025: $14,942,436), including cash and cash equivalents of $25,520,869 (31 December 2025: $13,351,264), and current liabilities of $1,437,571 (31 December 2025: $2,958,909).

The Group's cashflow forecast through to the end of September 2027 reflects that the Group will not be required to raise additional capital during this period to enable it to continue to meet its operational and planned exploration activities. This forecast is subject to change and is based on a modest exploration and resource conversion spend.

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.

RESTRICTED CASH

The Company did not have any restricted cash balances at 30 June 2026 or 31 December 2025.

FINANCIAL INSTRUMENTS

The Company's principal financial instruments comprise cash and short-term deposits, other receivables, investments and trade and other payables. There has been no significant change in the nature of the Company's financial instruments during the current reporting period.

The Company holds 1,650,000 shares in TSXV-listed Stria Lithium Inc ("Stria"). The Company has recognised a net fair value gain on revaluation of the Stria common shares of $542,242 during the current six month reporting period as a result of an increase in the share price of Stria.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the Company's financial performance.

[10] Ineligible Foreign Shareholders and Electing Selling Scheme Shareholders (each as defined in the SID) will receive the Scheme consideration in the form of cash.

CONTINGENT LIABILITIES

Rehabilitation Liability

As at the reporting date, the Company has not identified a present legal or constructive obligation to rehabilitate its exploration areas that would require recognition of a rehabilitation provision. This assessment is based on the Company's activities to date and the absence of any material disturbance or other past event giving rise to an unavoidable obligation to restore the site. Rehabilitation obligations may arise in the future as exploration and development activities progress and as regulatory approvals and site disturbance occur. At that time, the Company will recognise a provision for the best estimate of the expenditure required to settle the present obligation. The timing and amount of any future obligation will depend on the nature and extent of disturbance, the rehabilitation requirements attached to relevant approvals/tenements, and the scope of any approved closure/rehabilitation plans.

FINANCIAL 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 AASB 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.

The accrued interest as at 31 December 2024 would have been valued at 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 commercial production remains unlikely at 30 June 2026, no adjustments were necessary.

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 30 June		Six months ended 30 June	
	2026 **$**	**2025** **$**	**2026** **$**	**2025** **$**
Short-term employee benefits	343,210	300,681	678,307	595,471
Post-employment benefits	9,450	8,914	18,900	17,828
Share-based payments	616,235	122,384	1,612,855	283,541
Totals	**968,894**	**431,979**	**2,310,062**	**896,840**

No KMP 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.

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 and travel costs to the Company during the six months ended 30 June 2026 totalling $6,646 (2025: $13,337). There were no amounts owing to Andean Silver Limited by the Company at 30 June 2026 (2025: $4,912).

FireFly Metals Limited, a company of which Kevin Tomlinson is a director, recharged shared administrative and head office occupancy costs to the Company during the six months ended 30 June 2026 totalling $68,273 (2025: $49,145). $24,632 was owing to FireFly Metals Limited by the Company at 30 June 2026 (2025: $14,291).

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 is considered minor and the transactions save Cygnus 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.

OUTSTANDING SHARE DATA

The Company's share capital consists of ordinary shares without par value. As at 14 August 2026, there were 1,227,592,052 ordinary shares issued and outstanding. In addition, there were 10,866,073 share options, 78,221,706 performance rights and 3,146,535 share rights on issue.

Ordinary Shares

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.

Details of movements in issued capital in the current and comparative reporting periods:

	Notes	Date	Shares	Issue Price $	Total $
Balance at 1 January 2025			**848,319,650**		**92,739,029**
Share issue – Share right conversion	1	6/02/2025	912,021	-	75,426
Share issue – Pontax JV earn-in extension		09/04/2025	300,000	0.1050	31,500
Share issue – Project acquisition instalment		19/05/2025	1,000,000	0.0710	71,000
Share issue – Beryl Lake acquisition instalment		19/05/2025	600,000	0.0710	42,600
Share issue – Share right conversion		26/06/2025	196,471	-	12,444
Share issue – Performance right conversion		26/06/2025	306,129	-	140,895
Share issue – Placement T1		27/06/2025	211,627,907	0.0860	18,200,000
Share issue – Placement T2		27/08/2025	1,162,790	0.0860	100,000
Less share issue costs			-	-	(1,111,212)
Balance at 31 December 2025			**1,063,262,178**		**110,301,681**
Share issue – Option exercise		06/01/2026	9,660	0.0620	677
Share issue – Option exercise		06/01/2026	45,742	0.1181	3,273
Share issue – Option exercise		06/01/2026	182,970	0.0591	16,706
Share issue – Placement		20/03/2026	156,250,000	0.1600	25,000,000
Share issue – Performance right conversion		15/06/2026	3,000,000	-	720,000
Share issue – Beryl Lake acquisition instalment		15/06/2026	600,000	0.1350	81,000
Share issue - Sakami acquisition instalment		15/06/2026	450,000	0.1350	60,750
Less share issue costs			-	-	(1,381,610)
Balance at 30 June 2026			**1,224,963,340**		**134,802,477**

Notes:
1. Shares issued to directors and employees upon the exercise of vested Share Rights issued in lieu of cash salary in relation to 2024.

Each share has the same right to receive dividend and the repayment of capital and represents one vote at the shareholders' meeting of Cygnus.

Share rights

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

Issue Date	Expiry date	Opening balance 1-Jan-26	Granted as remuneration	Converted	Closing balance 30-Jun-26	Vested and convertible 30-Jun-26	Value of rights expensed during the year $
9/07/24	31/07/29	2,019,128	-	-	2,019,128	2,019,128	-
30/10/24	31/07/29	726,382	-	-	726,382	726,382	-
10/01/25	31/07/29	401,025	-	-	401,025	401,025	-
		3,146,535	-	-	3,146,535	3,146,535	-

Issue Date	Expiry date	Opening balance 1-Jan-25	Granted as remuneration	Converted	Closing balance 30-Jun-25	Vested and convertible 30-Jun-25	Value of rights expensed during the year $
9/07/24	31/07/29	2,395,018	-	(183,550)	2,019,128	2,019,128	-
30/10/24	31/07/29	1,118,422	-	(392,040)	726,382	726,382	-
10/01/25	31/07/29	-	741,587	(340,562)	401,025	401,025	-
		3,513,440	741,587	(1,108,492)	3,146,535	3,146,535	-

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 reporting periods and outstanding at the end of the current reporting period is set out below.

Grant Date	Expiry date	Exercise price	Opening Balance 1-Jan-2026	Exercised	Lapsed	Closing Balance 30-Jun-2026	Vested and exercisable at 30-Jun-2026
31/12/2024	16/02/2026	$0.1748[1]	365,940	-	(365,940)	-	-
31/12/2024	22/04/2026	$0.6743[1]	1,796,760	-	(1,796,760)	-	-
31/12/2024	19/08/2026	$0.4843[1]	82,336	-	(82,336)	-	-
31/12/2024	26/09/2026	$0.0644[1]	43,912	(9,660)	-	34,252	34,252
31/12/2024	12/05/2027	$0.3617[1]	1,024,631	-	-	1,024,631	1,024,631
31/12/2024	13/06/2027	$0.3372[1]	109,782	-	-	109,782	109,782
31/12/2024	19/08/2027	$0.2514[1]	1,829,700	-	-	1,829,700	1,829,700
31/12/2024	12/05/2028	$0.1226[1]	1,280,789	(45,742)	-	1,235,047	1,235,047
31/12/2024	19/04/2029	$0.0614[1]	6,907,116	(182,970)	-	6,724,146	6,724,146
31/12/2024	16/09/2029	$0.0644[1]	137,227	-	-	137,227	137,227
			13,578,193	(238,372)	(2,245,036)	11,094,785	11,094,785
Weighted average exercise price:			$0.2068	$0.0733	$0.5859	$0.1301	$0.1301
Weighted average remaining contractual life:							2.23 years

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

Various share options were exercised or lapsed and cancelled during the current reporting period.

Share options (continued)

Movements in share options in the comparative period:

Grant Date	Expiry date	Exercise price	Opening balance 1 Jan 2025	Lapsed	Closing balance 30 Jun 2025	Vested and exercisable at 30 Jun 2025
23/12/21	21/01/2025	$0.1600	3,500,000	(3,500,000)	-	-
21/10/22	21/10/2025	$0.2500	1,500,000	-	1,500,000	1,500,000
21/10/22	21/10/2025	$0.5000	1,500,000	-	1,500,000	1,500,000
21/10/22	21/10/2025	$0.7500	1,500,000	-	1,500,000	1,500,000
21/10/22	21/10/2025	$1.0000	1,500,000	-	1,500,000	1,500,000
31/12/24	30/04/2025	$0.4046[1]	1,257,001	(1,257,001)	-	-
31/12/24	5/06/2025	$0.1150[1]	43,912	(43,912)	-	-
31/12/24	6/06/2025	$0.1150[1]	123,504	(123,504)	-	-
31/12/24	1/09/2025	$0.5885[1]	54,891	-	54,891	54,891
31/12/24	16/02/2026	$0.1748[1]	365,940	-	365,940	365,940
31/12/24	22/04/2026	$0.6743[1]	1,920,264	-	1,920,264	1,920,264
31/12/24	19/08/2026	$0.4843[1]	82,336	-	82,336	82,336
31/12/24	26/09/2026	$0.0644[1]	43,912	-	43,912	43,912
31/12/24	17/01/2027	$0.4291[1]	123,504	(123,504)	-	-
31/12/24	15/05/2027	$0.3617[1]	1,225,898	(109,782)	1,116,116	1,116,116
31/12/24	13/06/2027	$0.3372[1]	109,782	-	109,782	109,782
31/12/24	19/08/2027	$0.2514[1]	1,829,700	-	1,829,700	1,829,700
31/12/24	12/05/2028	$0.1226[1]	1,482,056	(109,782)	1,372,274	1,372,274
31/12/24	19/04/2029	$0.0614[1]	7,410,283	-	7,410,283	7,410,283
31/12/24	16/09/2029	$0.0644[1]	137,227	-	137,227	137,227
			27,710,210	**(5,267,485)**	**22,442,725**	**22,442,725**
Weighted average exercise price:			$0.2855	$0.2267	$0.3011	$0.3011
Weighted average remaining contractual life:						1.91 years

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

3,500,000 share options exercisable at $0.16 held by a Company controlled by director Ray Shorrocks expired and were cancelled on 20 January 2025. These share options were granted to Mr Shorrocks in 2021 as part of his remuneration package.

Performance rights

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

Tranche	Grant Date	Vesting date	Expiry date	Opening Balance 1-Jan-26	Exercised	Cancelled	Closing Balance 30-Jun-26	Vested and exercisable 30-Jun-26	Value of rights expensed during the period $
A	15/08/22	29/08/23	21/10/27	1,500,000	(1,500,000)	-	-	-	-
B	15/08/22	29/08/23	21/10/27	1,500,000	(1,500,000)	-	-	-	-
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	12/01/26	13/02/28	2,500,000*	-	-	2,500,000	2,500,000	-
R	31/01/23	13/02/28	13/02/28	2,500,000*	-	-	2,500,000	-	114,736
V	26/03/23	12/01/26	13/02/28	400,000	-	-	400,000	400,000	-
W	26/03/23	03/04/25	03/04/28	300,000	-	-	300,000	300,000	-
Z	02/03/23	24/02/26	04/05/28	50,000	-	-	50,000	50,000	-
A4	28/08/23	31/12/25	05/09/28	1,059,603*	-	-	1,059,603	1,059,603	-
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	1,059,603	-
A7	14/05/25	11/07/28	31/05/30	12,666,666*^	-	-	12,666,666	-	150,990
A8	14/05/25	11/07/28	31/05/30	9,666,667*	-	-	9,666,667	-	115,229
A9	14/05/25	11/07/28	31/05/30	9,666,667*^	-	-	9,666,667	-	480,909
A10	29/05/25	11/07/28	31/05/30	9,599,994^	-	(33,333)	9,566,661	-	110,517
A11	29/05/25	11/07/28	31/05/30	9,599,999	-	(33,333)	9,566,666	-	110,517
A12	29/05/25	11/07/28	31/05/30	9,600,007^	-	(33,334)	9,566,673	-	462,878
A13	07/11/25	11/07/28	31/05/30	101,250	-	(75,000)	26,250	-	93
A14	07/11/25	11/07/28	31/05/30	101,250º	-	(75,000)	26,250	-	9,661
A15	04/11/25	11/07/28	31/05/30	1,500,000	-	-	1,500,000	-	34,681
A16	04/11/25	11/07/28	31/05/30	1,500,000º	-	-	1,500,000	-	163,336
				84,931,309	**(3,000,000)**	**(1,309,603)**	**80,621,706**	**10,369,206**	**1,753,547**

Notes: * Approval for the issue of these securities was obtained under Listing Rule 10.14. ^ Vested 11 July 2026. º 20-Day VWAP ≥A$0.1815 per share vesting condition met, however performance rights not due to vest until 27 Nov – 15 Dec 2026 (being 12 months after their issue, in accordance with TSXV rules).

Cancellation of Performance Rights

On 12 January 2026, the Company cancelled 1,796,760 Performance Rights granted to the Executive Chair, David Southam due to the related vesting condition not being met by 31 December 2025.

Valuation of Performance Rights issued

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

Movements in performance rights in the comparative period:

Tranche	Grant date	Vesting date	Expiry date	Opening balance 1-Jan-2025	Exercised	Closing balance 30-Jun-2025	Vested and exercisable 30-Jun-2025	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)	-	-	-
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	-	117,709
R	31/01/23	13/02/28	13/02/28	2,500,000*	-	2,500,000	-	114,736
V	26/03/23	13/02/28	13/02/28	400,000	-	400,000	-	6,989
W	26/03/23	05/04/25	03/04/28	300,000	(100,000)	200,000	200,000	8,306
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	1,328
Z	02/03/23	24/02/26	04/05/28	50,000	-	50,000	-	2,906
A4	28/08/23	31/12/25	05/09/28	1,059,603*	-	1,059,603	-	35,756
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	-	38,819
				21,278,809	**(350,000)**	**20,928,809**	**8,300,000**	**326,549**

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

Performance rights (continued)

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_2O 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_2O on or before 21 October 2026.
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_2O 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).
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 >50th percentile – 100% vesting - If TSR between 25th and 50th percentile – 50% vesting - 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_2O on or before 31 December 2025.
A6	Continuous employment with the Company up to and including 31 December 2025.
A7,A10	The Company announces drilling results (excluding infill drilling) for the Chibougamau Project (including any additional tenure after the date of acquisition or application) with three intercepts which each have a copper or CuEq average grade equal to or greater than 3% over 5 metres or is otherwise capable of being expressed at an average grade of equal to or over 1% over a 15-metre period. The three intercepts must be at least 50m apart.
A8,A11, A13,A15	-50% of the Performance Rights will vest upon the Company announcing that 50% of the Chibougamau Inferred MRE has been converted to a Mineral Resource with an Indicated (or higher) classification. -75% of the Performance Rights will vest upon the Company announcing that 55% of the Chibougamau Inferred MRE has been converted to a Mineral Resource with an Indicated (or higher) classification. -100% of the Performance Rights will vest upon the Company announcing that 60% of the Chibougamau Inferred MRE has been converted to a Mineral Resource with an Indicated (or higher) classification. -The Performance Rights will vest on a pro-rata basis for conversion rates between the stated thresholds.
A9,A12, A14,A16	The 20-Day VWAP is A$0.1815 or more per Share (representing a 50% or greater premium to the 10-Day VWAP following the completion of the merger between the Company and Doré, which was A$0.121).

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company's critical accounting estimates are included in its unaudited interim financial statements and are summarised below, along with details of changes in estimates (if any) during the period.

Exploration and Evaluation Assets – Recognition

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.

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.

Promissory Notes

The Group carries Promissory Notes at nil value. As at the reporting date, significant judgement is applied in determining their fair value, as settlement is contingent on the commencement of commercial production. As at reporting date, management has concluded that the fair value is nil due to the absence of certainty as to whether, or when, commercial production will be achieved, having regard to the early stage of development of the underlying Project and the significant technical, operational, permitting and funding milestones that remain outstanding. Accordingly, based on management's assessment of the probability weighted expected future cash flows, the timing of any potential settlement, and the substantial uncertainty surrounding the achievement of commercial production, the promissory notes are assessed to have nil fair value as at 30 June 2026.

The valuation of the Promissory Notes is subject to material estimation uncertainty, and changes in assumptions regarding project development or the likelihood of achieving commercial production could result in a material change in the recognised amount in future periods.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management has evaluated the design of the Company's disclosure controls and procedures. Based on the results of that evaluation, management have concluded that, as of 30 June 2026, the Company's disclosure controls and procedures framework provides reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarised and reported, within the appropriate time periods and is accumulated and communicated to management as appropriate, to allow timely decisions regarding required disclosure.

Internal Control over Financial Reporting

The Executive Chair and Chief Financial Officer are responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with AASB and IAS.

There have been no material changes in the Company's internal controls over financial reporting during the three months ended 30 June 2026.

All internal control systems have inherent limitations and may become ineffective because of changes in conditions. Therefore, even those systems that are determined to be effective can provide only reasonable, not absolute, assurance with respect to the preparation and presentation of the financial statements.

Approval

The Board oversees management's responsibility for financial reporting and internal control systems through the Audit Committee. The Audit Committee meets with the Company's independent auditors half-yearly to review the scope and results of the annual audits and half-yearly reviews and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board and released. The Board has approved the audited annual financial statements and disclosure contained in this MD&A as at 14 August 2026.

FORWARD LOOKING STATEMENTS

This release 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 Cygnus' control. Cygnus makes no 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 release has been prepared in good faith, neither Cygnus 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 release. Accordingly, to the maximum extent permitted by law, none of Cygnus, 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 release or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this release.

CAUTIONARY STATEMENT REGARDING RISKS

Mining operations generally involve a high degree of inherent risk. Certain factors could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company. See the paragraph regarding Forward Looking Statements above in this MD&A. The Company's business, financial condition or results of operations could be affected materially and adversely by certain risks. The reader should carefully consider these risks as disclosed in the Company's most recent annual report, as well as other publicly filed disclosure regarding the Company, which are available on the Company's website at https://www.cygnusmetals.com/investors/ and on SEDAR+ (www.sedarplus.ca).

COMPETENT PERSON AND COMPLIANCE STATEMENTS

The scientific and technical information in this report has been reviewed and approved by Mr Duncan Grieve, the Vice President of Exploration and Corporate Development of Cygnus, a "qualified person" as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

SLR Consulting (Canada) Ltd. ("SLR") prepared a technical report in accordance with NI 43-101 and the JORC Code entitled "NI 43-101 Technical Report – Chibougamau Hub and Spoke Complex, Québec, Canada" dated as at October 31, 2025 with an effective date of August 30, 2025 (the "Chibougamau Technical Report"). All scientific and technical information in the annual report regarding the Mineral Resource Estimates for the Chibougamau Project has been extracted from the Chibougamau Technical Report, which was prepared by Marie-Christine Gosselin, P.Geo., géo. of SLR with the contribution of Renée Barrette, ing. of Ausenco Engineering Canada ULC, each of whom is a Qualified Person under NI 43-101. A copy of the technical report is available on the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.cygnusmetals.com.

The information in this report that relates to the Mineral Resource Estimates for the Chibougamau Project and the Pontax Project, and the Exploration Results for the Company's Canadian projects, is based on and fairly represent information and supporting documentation compiled by Mr Grieve. Mr Grieve is an employee of the Company and holds performance rights and shares in Cygnus. Mr Grieve is a Member of the Australian Institute of Geoscientists 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". Mr Grieve consents to the inclusion in this release of the matters based on the information in the form and context in which they appear.

The information in this release that relates to the Mineral Resource Estimate for the Chibougamau Project reported in accordance with the JORC Code 2012 and NI 43-101 was released by Cygnus in an announcement titled 'Major Resource Update' released to the ASX on 17 September 2025 and the TSXV on 16 September 2025. Details of the Mineral Resource Estimate for the Chibougamau Project as at 17 September 2025 are included below:

Cu Project	Classification	COG CuEq	Tonnage	Average Grade					Contained Metal				
				Cu	Au	Ag	CuEq	AuEq	Cu	Au	Ag	CuEq	AuEq
		%	Mt	%	g/t	g/t	%	g/t	kt	koz	koz	kt	koz
Corner Bay	Indicated	1.2	4.9	2.5	0.3	8.4	2.8	4.1	124	43	1,316	137	638
	Inferred		5.4	2.7	0.2	8.9	3.0	4.3	146	41	1,543	159	744
Devlin	Measured	1.5	0.1	2.7	0.3	0.5	2.9	4.7	4	1	2	4	19
	Indicated		0.6	2.0	0.2	0.2	2.1	3.4	13	4	5	13	69
	M&I		**0.8**	**2.1**	**0.2**	**0.3**	**2.3**	**3.6**	**16**	**5**	**7**	**17**	**88**
	Inferred		0.3	2.0	0.2	0.3	2.1	3.4	7	2	3	7	36
Joe Mann	Inferred	2.0	0.7	0.2	6.0	-	4.6	6.3	2	143	-	34	151
Cedar Bay	Indicated	1.8	0.3	1.6	6.0	9.9	6.4	8.1	4	50	82	16	67
	Inferred		0.8	2.0	5.1	11.8	6.1	7.8	17	134	309	50	205
Golden Eye	Indicated		0.5	1.0	4.3	9.9	4.4	5.6	5	69	161	22	91
	Inferred		1.2	0.9	3.4	7.9	3.6	4.6	11	134	313	45	182

Project	Classification	Tonnage	Average Grade					Contained Metal				
			Cu	Au	Ag	CuEq	AuEq	Cu	Au	Ag	CuEq	AuEq
		Mt	%	g/t	g/t	%	g/t	kt	koz	koz	kt	koz
Hub and Spoke	Measured	0.1	2.7	0.3	0.5	2.9	4.7	4	1	2	4	19
	Indicated	6.3	2.3	0.8	7.8	3.0	4.3	146	166	1,563	189	865
	M&I	**6.4**	**2.3**	**0.8**	**7.6**	**3.0**	**4.3**	**149**	**167**	**1,565**	**193**	**884**
	Inferred	**8.5**	**2.1**	**1.7**	**7.9**	**3.5**	**4.8**	**182**	**454**	**2,168**	**295**	**1,318**

Notes:
1. *Cygnus' Mineral Resource Estimate for the Chibougamau Copper-Gold project, incorporating the Corner Bay, Devlin, Joe Mann, Cedar Bay, and Golden Eye deposits, is reported in accordance with the JORC Code and the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") (2014) definitions in NI 43-101.*
2. *Mineral Resources are estimated using a long-term copper price of US$9,370/t, gold price of US$2,400/oz, and silver price of US$30/oz, and a US$/C$ exchange rate of 1:1.35.*
3. *Mineral Resources are estimated at a CuEq cut-off grade of 1.2% for Corner Bay and 1.5% CuEq for Devlin. A cut-off grade of 1.8 g/t AuEq was used for Cedar Bay and Golden Eye; and 2.0 g/t AuEq for Joe Mann.*
4. *Corner Bay bulk density varies from 2.85 tonnes per cubic metre (t/m^3) to 3.02t/m^3 for the estimation domains and 2.0 t/m^3 for the overburden. At Devlin, bulk density varies from 2.85 t/m^3 to 2.90 t/m^3. Cedar Bay, Golden Eye, and Joe Mann use a bulk density of 2.90 t/m^3 for the estimation domains.*
5. *Assumed metallurgical recoveries are as follows: Corner Bay copper is 93%, gold is 78%, and silver is 80%; Devlin copper is 96%, gold is 73%, and silver is 80%; Joe Mann copper is 95%, gold is 84%, and silver is 80%; and Cedar Bay and Golden Eye copper is 91%, gold is 87%, and silver is 80%.*
6. *Assumptions for CuEq and AuEq calculations (set out below) are as follows: Individual metal grades are set out in the table. Commodity prices used: copper price of US$9,370/t, gold price of US$2,400/oz and silver price of US$30/oz. Assumed metallurgical recovery factors: set out above. It is the Company's view that all elements in the metal equivalent calculations have a reasonable potential to be recovered and sold.*
7. *CuEq Calculations are as follows: (A) Corner Bay = grade Cu (%) + 0.68919 * grade Au (g/t) + 0.00884 * grade Ag (g/t) ; (B) Devlin = grade Cu (%) + 0.62517 * grade Au (g/t) + 0.00862 * grade Ag (g/t); (C) Joe Mann = grade Cu (%) + 0.72774* grade Au (g/t); and (D) Golden Eye and Cedar Bay = grade Cu (%) + 0.78730* grade Au (g/t) + 0.00905 * grade Ag (g/t).*
8. *AuEq Calculations are as follows: (A) Corner Bay = grade Au (g/t) + 1.45097* grade Cu(%)+0.01282* grade Ag (g/t); (B) Devlin = grade Au (g/t) + 1.59957* grade Cu(%)+0.01379* grade Ag (g/t); (C) Joe Mann = grade Au (g/t) + 1.37411* grade Cu (%); and (D) Cedar Bay and Golden Eye = grade Au (g/t) + 1.27016 * grade Cu (%) + 0.01149 * grade Ag (g/t).*
9. *Wireframes were built using an approximate minimum thickness of 2 m at Corner Bay, 1.8 m at Devlin, 1.2 m at Joe Mann, and 1.5 m at Cedar Bay and Golden Eye.*
10. *Mineral Resources are constrained by underground reporting shapes.*
11. *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
12. *Totals may vary due to rounding.*

Individual grades for the metals included in the metal equivalents calculations for the Mineral Resource Estimate at the Chibougamau Project, as well as the price assumptions, metallurgical recoveries and metal equivalent calculations themselves, are set out above. Metal equivalents for exploration results have been calculated at a copper price of US$8,750/t, gold price of US$2,350/oz and silver price of US$25/oz, with copper equivalents calculated based on the formula CuEq(%) = Cu(%) + (Au(g/t) x 0.77258) + (Ag(g/t) x 0.00822). Individual grades for the metals included in the metal equivalents calculations for the exploration results in this report are contained in the Company's ASX releases as noted in the text. Metallurgical recovery factors have been applied to the copper equivalents calculations, with copper metallurgical recovery assumed at 95% and precious metal (gold and silver) metallurgical recovery assumed at 85% based upon historical production at the Chibougamau Processing Facility, and the metallurgical results contained in Cygnus' announcement dated 28 January 2025. It is the Company's view that all elements in the copper equivalent calculations in respect of the exploration results have a reasonable potential to be recovered and sold.

The information in this release that relates to the Mineral Resource Estimate at the Pontax Project reported in accordance with the JORC Code 2012 has been previously released by Cygnus in an ASX announcement dated 14 August 2023 and titled "Maiden Resource of 10.1Mt at 1.04% Li2O with mineralisation open in all directions". The Mineral Resource Estimate for the Pontax Project reported in accordance with the CIM Standards (2019) was prepared by QP Todd McCracken, P.Geo., of BBA Inc and was previously released by Cygnus in an ASX announcement dated 22 November 2024.

The information in this announcement that relates to previously reported Exploration Results at the Company's projects have been previously released by Cygnus Metals in ASX Announcements as noted in the text and footnotes.