2 February 2024

Dear Shareholder

LYKOS METALS LIMITED – PRO-RATA NON-RENOUNCEABLE ENTITLEMENT ISSUE

Lykos Metals Limited (ACN 650 011 644) (**LYK** or the **Company**) has announced a non-renounceable entitlement issue of one (1) Share for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of $0.03 per Share (**Offer**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 2 February 2024.

The Offer is being made to all current holders of Shares whose registered address is in Australia, New Zealand, Singapore, Montenegro or the United Kingdom at 5.00pm (AWST) on 8 February 2024 (**Record Date**).

The Offer is fully underwritten by CPS Capital Group Pty Ltd (AFSL 294848) (**CPS Capital**). The material terms and conditions of the underwriting agreement are summarised out in section 6.4 of the Prospectus.

The Company intends to apply the funds raised from the Offer (less expenses) towards exploration and development of the Company's existing projects, evaluation of new opportunities and working capital. For further specifics of the use of funds please refer to section 3.1 of the Prospectus.

Following completion of the Offer the Company will have issued approximately 46,688,890 Shares, resulting in total Shares on issue of 188,355,559 (including an additional 1,600,000 Shares to be issued to CPS Capital).

We are writing to you as an eligible shareholder on the Record Date, entitled to participate in the Offer.

How to access the Offer

1. **ONLINE** – The Prospectus and your personalised Entitlement and Acceptance Form (including the BPay® payment details) can be accessed via the following website: https://investor.automic.com.au/#/loginsah.
   The Prospectus can also be accessed via the Company's website: www.lykosmetals.com

2. **PAPER** – Request a paper copy of the Prospectus and your personalised Entitlement and Acceptance Form from the Company Secretary, Mr Craig McNab by phone on: + 61 (08) 9481 0389 or by email at: info@lykosmetals.com

The Offer closes at 5:00pm (WST) on 27 February 2024.

Participation in the Offer

The number of Shares for which you are entitled to apply for under the Offer (**Entitlement**) is shown on your personalised Entitlement and Acceptance Form. Fractional entitlements will be rounded up to the nearest whole number.

Any Entitlement not taken up pursuant to the Offer will form the shortfall (**Shortfall Offer**). Eligible Shareholders who wish to subscribe for additional Shares above their Entitlement are invited to apply for shortfall by making payment for such shortfall in accordance with section 2.7 of the Prospectus. Allocation of the Shortfall Shares will be at the discretion of the Board in conjunction with CPS Capital.

Applications

Your acceptance of Shares under the Offer must be made following the instructions on your personalised Entitlement and Acceptance Form (which is available online) and paying the application monies electronically by BPay or EFT in accordance with the instructions of the Entitlement and Acceptance Form.

If you are unable to access https://investor.automic.com.au/#/loginsah, then you can obtain a copy of the Prospectus and your Entitlement and Acceptance Form by contacting the Company Secretary on +61 (08) 9481 0389 and asking them to mail a paper copy of the Prospectus and your Entitlement and Acceptance Form to you free of charge.

Actions required of Eligible Shareholders

There are a number of actions you may take:

- accept your full Entitlement;
- accept your full Entitlement and apply for additional Shares as part of the Shortfall Offer;
- take up a proportion of your Entitlement and allow the balance to lapse; or
- if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Key dates for the Offer

Lodgement of Prospectus with the ASIC and ASX	2 February 2024
Ex date	7 February 2024
Record Date for determining Entitlements	5.00pm (WST) 8 February 2024
Offers opening date, Prospectus sent out to Shareholders and Company announces this has been completed	13 February 2024
Last day to extend the Closing Date	22 February 2024 (before noon Sydney time)
Closing Date of the Offers as at 5:00pm*	27 February 2024
Securities quoted on a deferred settlement basis	28 February 2024
ASX and Underwriter notified of under subscriptions	29 February 2024
Underwriter subscribes for Shortfall under terms of Underwriting Agreement	1 March 2024
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	4 March 2024
Quotation of Shares issued under the Offer*	5 March 2024

*Dates are indicative and subject to change. The Company reserves the right to amend any or all dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. Accordingly, the date the Securities are expected to commence trading on ASX may vary.

You should read the entire Prospectus carefully and seek professional advice before deciding whether to invest in the Offer. If you have any queries concerning the Offer, or the action you are required to take to subscribe for Shares, please contact your financial adviser or Mr Craig McNab, the Company Secretary by phone on: + 61 (08) 9481 0389.

Yours sincerely,

Mr Craig McNab
Company Secretary
Lykos Metals Limited