DRILLING UPDATE – TALLEBUNG TIN PROJECT

- Additional holes added to the ongoing resource expansion program following **broad visual tin mineralisation* intercepted in new southern-most hole, TBRC078**.
- Twenty-four (24) holes for a total of approximately 4,500m have been added to the ongoing 25 holes – 5,000m resource expansion program, with the program aiming to:
  - **Quickly expand on the southern extension to the deposit discovered in TBRC078,** with the aim to include this extension into a future updated MRE,
  - Further increase this new expansion of the deposit to the south and,
  - Test northern strike extensions to the Tallebung deposit.
- Drillhole **TBRC078** represents a **150m step out of the mineralisation** along strike to the south, extending tin mineralisation well beyond the previous southern-most drillhole, **TBRC065****, where results included:

  TBRC065: **42m @ 0.20% Tin & 40g/t Silver from 40m, including;**
  6m @ 0.67% Tin & 68g/t Silver from 67m.
- Assay results for the first drillholes are anticipated in the coming weeks.
- Additional diamond drilling rig mobilised to bolster the ongoing drilling campaign.

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The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to provide an update to the ongoing drilling programme at the Tallebung Tin Project, NSW

TALLEBUNG PROJECT (EL 6699, SKY 100%)

RESOURCE EXTENSION AND INFILL DRILLING PROGRAM

RC resource expansion drilling program has successfully intercepted visual tin mineralisation well beyond the current extent of the MRE and Exploration Target. The program is aiming to increase the MRE towards the Exploration Target of **23 – 32 Mt at a grade ranging between 0.14 - 0.17 % tin** estimated from the drilling completed prior to this latest program (SKY:ASX Announcement 23 January 2024). The potential quantity and grade referred to above as the Exploration Target is conceptual in nature, as there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

*In relation to the disclosure of visible mineralisation, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. The Company will update the market when laboratory analytical results become available, expected from June 2024.

** Please see SKY ASX Announcement 24 October 2023 for further details on drillhole TBRC065.

SKY CEO Oliver Davies commented: *"This is a great start to our resource expansion drilling program and highlights the significant potential at Tallebung for continuing resource growth. The SKY exploration team have done an excellent job in targeting additional tin mineralisation in this program, continuing to expand the known tin deposit footprint beyond of the historic workings and well beyond SKYs current MRE and Exploration Target at Tallebung. We eagerly await the assay results for this large extension.*

"The new additional planned drillholes to follow up this significant result demonstrate how positive this result is to the ongoing resource expansion at Tallebung. Follow up drilling will mean these new intercepts can quickly be included in future resource estimates, building the resource towards a 'critical mass' for mining studies to be released."

SOUTHERN EXTENSION DRILLING

The drilling program started on the southern extent of the Tallebung deposit to target further extensions to the south. The previous southern-most drillhole, **TBRC065**, intercepted broad, strong tin mineralisation beyond the footprint of any historic mining and significantly expanding the potential size of the MRE (SKY:ASX Announcement 24 October 2023), results included:

TBRC065: **42m @ 0.20% Tin & 40g/t Silver from 40m,** including;
6m @ 0.67% Tin & 68g/t Silver from 67m, including;
1m @ 2.85% Tin, 0.03% Tungsten & 353g/t Silver from 67m

Hole **TBRC078**, 150m further along strike to the south from **TBRC065**, has intersected strong visual tin mineralisation as cassiterite (tin-oxide) between 64m and 73m (refer **Figure 1**) and strongly indicates that this program has successfully achieved the aim of expanding the deposit scale.

In relation to the disclosure of visible mineralisation, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. The Company will update the market when laboratory analytical results become available, expected from June 2024.

An additional 10 holes have been added to the current program with the specific intent to infill around this new discovery. These drillholes are designed to quickly incorporate the new mineralisation intercepted in this drilling into any new MRE and test for further southern extensions to the deposit.

Drilling is currently continuing towards the eastern area around the historic south lead open pit, adjacent to the central mining area, where higher-grade intercepts have been recorded in previous drilling (SKY:ASX Announcement 5 December 2019 & SKY:ASX Announcement 1 November 2021), results included:

TBRC071: **7m @ 0.35% Tin & 25.8g/t Silver from 29m,**
17m @ 0.36% Tin & 24.8g/t Silver from 164m, including;
4m @ 1.02% Tin, 86.9g/t Silver, 0.08% Copper & 2.61% Zinc from 174m.

TBRC009: **44m @ 0.21% Tin from 69m,** including;
5m @ 1.33% Tin, 0.04% Tungsten & 16.1g/t Silver from 69m.

The successful discovery of tin beyond the extents of the Exploration Target and MRE demonstrates that tin mineralisation is still open in all directions at Tallebung. Further revealing that the current Exploration Target and MRE are only limited by the drilling completed to date

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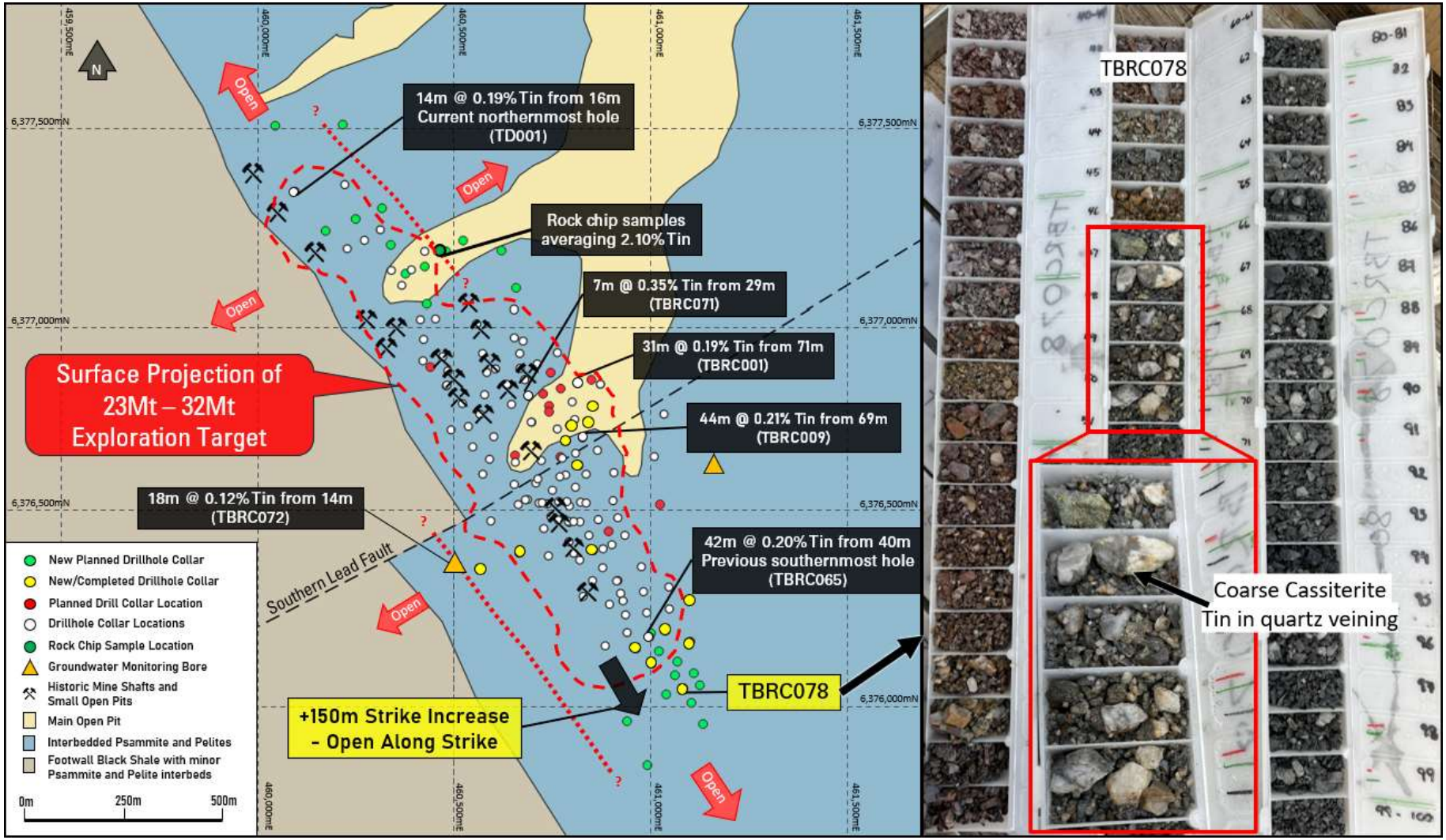

Figure 1: *Tallebung Tin Project – **RHS:** Chip trays showing visible tin mineralisation from ~45m-99m in the new southernmost hole at Tallebung, **TBRC078**, with visible cassiterite-tin mineralisation associated with quartz veining and an insert showing 65m-70m downhole where the most cassiterite-(tin)-quartz veining was observed.* ***LHS:*** *Plan showing existing drillhole collars with newly completed, planned and new planned drillholes shown in yellow, red and green, respectively. The Exploration Target is outlined in the dashed red line. Highlight intercepts from past drilling are also shown with new holes designed to quickly test around these extensions.*

DIAMOND DRILLING PROGRAM

The diamond drilling component has now commenced as of late last week. This program will be using wide diameter PQ drill core to obtain a large sample for geological and metallurgical studies.

Importantly, the diamond drilling is designed to increase the geological understanding of the deposit to improve geological models and increase confidence in the expansions of the MRE and Exploration Target. The wide diameter PQ core is also able to provide material for bulk samples to use in metallurgical testwork, as required.

NORTHERN EXTENSION DRILLING

In addition to the southern expansion drilling, 13 holes are planned to extend the Tallebung MRE to the north. Quartz veining with visible cassiterite nuggets were discovered in the base of the historic central lead open pit where alluvial tin resources were extracted in the 1960s - 1970s. **These tin-bearing veins have not been previously tested.**

Three rock chip samples were taken of these veins, OD20231020-1 – OD20231020-3, and assay results returned averaged **over 2.10% Tin** (SKY:ASX Announcement 23 January 2024). This demonstrates the high-grade nature of these veins with visible coarse cassiterite, characteristic of the Tallebung Tin Deposit. Drilling is approved to test under these new extensions to the deposit and incorporate this potential extension into a future updated MRE.

Furthermore, historic workings and drilling results on the northwestern side of the deposit show the potential for extensions as well and are outside of the already large **23 – 32 Mt Exploration Target** estimated above as these results represent a substantial increase in the tin mineralisation footprint at Tallebung (**Figure 1**).

NEXT STEPS

This drilling program has been designed to achieve a critical mass MRE and propel the Tallebung project towards mining studies to show the specifics around the potential for a low-cost tin mining operation at the Tallebung Tin Project.

The additional 24 holes for approximately ~4,500m of drilling added to the ongoing ~5,000m of RC and diamond drilling is aimed to continue the work to significantly expand the Tallebung MRE. This expanded program is estimated to take another 8 weeks with the first assay results of the drilling expected to be received next month. Following the receipt of the results of this program a new MRE can be estimated, to demonstrate the ongoing growth of the Tallebung Project.

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***Table 1**: Tallebung Project – Drillhole Collar Details.*

Hole ID	Easting (MGA)	Northing (MGA)	RL (m)	DIP	Azimuth (MGA)	Total Depth (m)	Comment
TBRC074	461034.6	6376180	291.68	-60	250.4	198	Completed.
TBRC075	460971.7	6376207	292.17	-60	251.34	186	Completed.
TBRC076	460897.7	6376159	296.74	-59.93	250.6	198	Completed.
TBRC077	460938.6	6376119	294.16	-59.84	249.96	200	Completed.
TBRC078	461020.2	6376061	295.14	-59.08	251.02	198	Complete. Strong tin mineralisation intercepted.
TBRC079	461035.3	6376283	290.22	-59.45	253.23	120	Completed.
TBRC080	460791.9	6376408	295.6	57.46	251.44	198	Completed.
TBRC081	460725.9	6376671	282.31	-59.47	249.79	186	Completed.
TBRC082	460747.9	6376618	285.01	-59.11	253.03	204	Completed.
TBRC083	460792.8	6376769	278.19	-60.53	246.9	156	Completed.
TBRC084	460775.1	6376732	277.49	-60.09	242.74	198	Completed.
TBRC085	460737	6376720	278	-60.13	244.29	198	Completed.
TBRC086	460610	6376401	291	-60	250.4	185	Completed.
TBRC087	460510	6376361	291	-59.96	250.03	198	Completed.

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***Table 2**: Tallebung Project – Downhole logs of drill core shown in **Figure 1**. Mineralisation is vein hosted and logging is therefore split into logging of vein volume, number, and minerals 1-7 for each interval along with any disseminated minerals 1-2 and comments. Logging codes are as follows: PO – Pyrrhotite, PY – Pyrite, CST – Cassiterite, SCH – Scheelite, APY – Arsenopyrite, SP – Sphalerite, CPY – Chalcopyrite, MAL – Malachite, ASOX – Arsenic Oxide, FEOX – Iron Oxide.*

HOLE_ID	FROM (m)	TO (m)	INTERVAL (m)	Total VOLUME% VEINS	VEIN MIN1	VEIN MIN1 %	VEIN MIN2	VEIN MIN2 %	VEIN MIN3	VEIN MIN3 %	VEIN MIN4	VEIN MIN4 %	VEIN MIN5	VEIN MIN5 %	VEIN MIN6	VEIN MIN6 %	DISS MIN1	DISS MIN1 %	COMMENTS
TBRC078	32	36	4	2	Q	1.8					CST	0.1	SP	0.1					qtz veins in each metre miniature zinc elevation and possible cassiterite at 35m
TBRC078	36	45	9																no veins no min
TBRC078	45	47	2	0.5	Q	0.5													trace qtz veins each metre
TBRC078	47	51	4																no veins no min
TBRC078	51	57	6	1	Q	1													~1% qtz veins each metre
TBRC078	57	58	1	6	Q	6													6% qtz VN
TBRC078	58	64	6																no veins no min
TBRC078	64	73	9	20	Q	12	PY	3	APY	3	CST	1	SP	0.8	CPY	0.2			ore zone with elevated SN, AS, CU and ZN in massive qtz veins
TBRC078	73	75	2														PY	0.1	no veins with 0.2% Sn in XRF
TBRC078	75	81	6														PY	0.1	no veins no min
TBRC078	81	99	18	1	Q	0.8	PY	0.2									PY	0.1	qtz VNS no min
TBRC078	99	104	5														PY	0.1	no veins no min

This report has been approved for release by the Board of Directors.

ABOUT SKY (ASX: SKY)

SKY is an ASX listed public company focused on the exploration and development of high value mineral resources in Australia. SKY's project portfolio offers exposure to the tin, gold, and copper markets in the world class mining jurisdiction of NSW.

TIN PROJECTS

TALLEBUNG PROJECT (EL6699, 100% SKY)

The Tallebung Project is located ~70km north-west of Condobolin in central NSW. The project encompasses the historic Tallebung Tin Mining Field at the northern extent of the Wagga Tin Belt within the central Lachlan Orogen where SKY has a updated MRE of 15.6Mt @ 0.15% Tin*. SKY plans to advance the Tallebung by increasing the resource to the 23-32Mt* Exploration Target and progress development for future mining (*SKY:ASX Announcement 23 January 2024).

DORADILLA PROJECT (EL6258, 100% SKY)

The Doradilla Project is located ~ 30km south of Bourke in north-western NSW and is a large and strategic REE and tin project with excellent potential for associated polymetallic mineralisation (tungsten, copper, bismuth, indium, nickel, cobalt).

NARRIAH PROJECT (EL9524, 100% SKY)

The Narriah Project is located ~70km west of West Wyalong in western NSW represents a large tin project with multiple historic workings prospective for tin, tungsten and lithium mineralisation with limited drill testing completed to date.

COPPER GOLD PROJECTS

IRON DUKE (EL6064, EL9191 100% SKY)

The Iron Duke project is located ~10km south-east of Tottenham in central NSW and covers at least 4 significant historic copper-gold mines. High grade copper-gold mineralisation intersected by previous explorers (e.g. 13m @ 1.56% Cu & 4.48g/t Au).

GALWADGERE (EL6320, 100% SKY – BML: OPTION TO PURCHASE)

The Galwadgere project is located ~15km south-east of Wellington in central NSW. An MRE of 3.6Mt @ 0.78% Cu and 0.28g/t Au at Galwadgere with numerous targets with limited drilling testing adjacent to the MRE.

GOLD PROJECTS

CULLARIN / KANGIARA projects (EL7954; EL8400 & EL8573, 80% SKY-DVP JV)

The Cullarin Project contains equivalent host stratigraphy to the McPhillamys deposit with a similar geochemical, geophysical & alteration signature. 'McPhillamys-style' gold results from previous drilling at the Cullarin Project. SKY's maiden drill program was successful, including HUD002 which returned 93m @ 4.2 g/t Au from 56m.

CALEDONIAN PROJECTS (EL8920 & EL9120 100% SKY)

Highlight, 'McPhillamys-style' gold results from previous exploration include 36m @ 1.2 g/t Au from 0m to EOH in drillhole LM2 and 81m @ 0.87g/t Au in a costean on EL8920 at the Caledonian Project.

Figure 2: *SKY Tenement Location Map*

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Competent Persons Statement

The information in this report that relates to Exploration Results and Results which underpin the Mineral Resource Estimate is based on information compiled by Mr. Oliver Davies, who is a Member of the Australasian Institute of Geoscientists. Mr. Oliver Davies is an employee of Sky Metals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr. Davies consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Previously Reported Information

The information in this report that references previously reported exploration results is extracted from the Company's ASX market announcements released on the date noted in the body of the text where that reference appears. The previous market announcements are available to view on the Company's website or on the ASX website (www. asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

This report contains certain forward-looking statements and forecasts, including possible or assumed reserves and resources, production levels and rates, costs, prices, future performance or potential growth of Sky Metals Ltd, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Sky Metals Ltd. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors. Nothing in this report should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves JORC Code 2012.

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JORC CODE, 2012 - TABLE 1

Section 1 Sampling Techniques and Data – TALLEBUNG PROJECT

(Criteria in this section apply to all succeeding sections)

Criteria	Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• RC Drilling – the total sample (~20-30kg) is delivered via cyclone into a large plastic bag which is retained for future use if required. 1m intervals are split using a cone splitter on the rig into a separate calico at the time of drilling.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	For RC drilling, assay standards or blanks are inserted at least every 50 samples. All sample lab received weights show consistency with recovery and interval length.
	• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Each sample was dried, crushed and pulverised as per standard industry practice. RC Drilling – the total sample (~20-30kg) is delivered via cyclone into a large plastic bag which is retained for future use if required. 1m intervals are split using a cone splitter on the rig into a separate calico at the time of drilling. Where mineralisation has not been logged, 4m composites have been made by using a spear to combine equal amounts of samples from each 1m calico. The primary metal of interest, tin (Sn) and also tungsten (W) were determined by lithium borate fusion XRF (method ALS – ME-MS85) – considered appropriate for these elements. Multielement assaying was completed for 48 elements by 0.25g four-acid digest with ICPMS determination (method ALS – ME-MS61)
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc)*	Reverse circulation (RC) drilling using 110mm rods, 144mm face sampling hammer.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material*	RC drilling - high capacity RC rig was used to enable dry samples collected. Drill cyclone is cleaned between rod changes and after each hole to minimise cross-hole contamination. Sample weights are recorded for each sample. Recoveries were generally excellent and consistent, however, if samples were wet the recoveries were less consistent. There is no known relationship between sample recovery and grade. Where samples recoveries are less than 95% there is no relationship observed between grade and sample recovery. Relationships between sample recovery and grade are not considered significant where recoveries exceeded 95% in fresh rock.

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Criteria	Explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography* • *The total length and percentage of the relevant intersections logged*	Systematic geological and geotechnical logging was undertaken when the holes were originally drilled. Data collected includes: • Nature and extent of lithologies. • Relationship between lithologies. • Amount and mode of occurrence of ore minerals. • Location, extent, and nature of structures such as bedding, cleavage, veins, faults etc. Structural data (alpha & beta) are recorded for orientated core. Geotechnical data such as recovery, RQD, fracture frequency, qualitative IRS, microfractures, veinlets and number of defect sets. For some geotechnical holes the orientation, nature of defects and defect fill are recorded. Both qualitative and quantitative data is collected. RC chips, half core (HQ) & ¾ core (PQ) samples are retained in trays for future reference. A representative sample of each one metre RC interval is retained in chip trays for future reference. All chips were geologically logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled*	RC drilling - the total sample (~20-30kg) is delivered via cyclone into a large plastic bag which is retained for future use if required. 1m intervals are split using a cone splitter on the rig into a separate calico at the time of drilling. Where 4m composites have been made, a spear is used to split equal amounts of each metre into the 4m composite. Samples were dried crushed and pulverised to 90% passing 75 microns. This is considered to appropriately homogenise the sample to allow subsampling for the various assay techniques. SKY: Certified Reference Material (CRM) and blanks were inserted at least every 50 samples to assess the accuracy and reproducibility of the drill core results. The results of the standards were to be within ±10% variance from known certified result. If greater than 10% variance the standard and up to 10 samples each side were re-assayed. SGS conducted internal check samples every 20 for multielement assay. RC drilling - duplicate samples are collected of re-split intervals. Duplicates generally show excellent repeatability. Sample sizes are industry standard and considered appropriate
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established	Standard assay procedures performed by a reputable assay lab, (ALS), were undertaken. Forty-eight elements Ag, As, Cu, Fe, Pb, S, Zn are digested by four-acid digest then analysed by ICPMS (method ME-MS61). Sn and W assays were generated by lithium borate fusion XRF (method ME-MS85) – considered appropriate for these elements. No geophysical tools were used in the determination of assay results. Certified reference material or blanks were inserted at least every 50 samples. Standards are purchased

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Criteria	Explanation	Commentary
		from Certified Reference Material manufacture companies: Standards were purchased in foil lined packets of between 60g and 100g. Different reference materials were used to cover high grade, medium grade, low grade, and trace ranges of elements, with a primary focus on Sn and Cu.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data*	Drill data is compiled and collated and reviewed by senior staff. External consultants do not routinely verify exploration data until resource estimation procedures are deemed necessary. The intersection calculations were viewed by >1 geological personnel. Twinned holes have been used by past explorers to validate the results achieved and have confirmed these historic results. Drill Hole Data including: meta data, any gear left in the drill hole, lithological, mineral, survey, sampling, magnetic susceptibility was collected and stored as physical and electronic copies or entered directly into an excel spread sheet using drop down codes. When complete the spreadsheet was combined into a master excel spreadsheet as the drill hole database. Assay data was provided by ALS via .csv spreadsheets. The data was validated using the results received from the known certified reference material. Hard copies of the assay certificates were stored with drill hole data such as drillers plods, invoices, and hole planning documents. Assay data is not adjusted.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used* • *Quality and adequacy of topographic control*	Historic drill hole collars were located using either a licenced surveyor or on a local imperial or metric grid. Conversion of the local grid co-ordinates has been undertaken by previous exploration companies. SKY has used DGPS surveying of drillholes (± 0.1m) to accurately locate them. All coordinates are based on Map Grid Australia Zone 55E, Geodetic Datum of Australia 1994. Historic drill hole collars were located using either a licenced surveyor or on a local imperial or metric grid. SKY has used DGPS surveying of drillholes (± 0.1m) to accurately locate them, or handheld GPS (+/- 3m). Where handheld GPS has been used SKY will DGPS them at a later date.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results* • *Data spacing for reporting of Exploration Results Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied* • *Whether sample compositing has been applied*	At this early exploration stage, the data spacing is variable as the focus is on geological mapping and identifying new zones of mineralisation. The maiden MRE was estimated to inferred only and increases in resource confidence will require tighter spaced drilling in future programs. Sample compositing is not applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced sampling bias, this should be assessed and reported if material*	Drilling was orientated to cross the mineralisation trend at moderate to high angles. The use of orientated core allows estimates of the true width and orientation of the mineralisation to be made. No sample bias due to drilling orientation is known. The structural controls on mineralisation is considered well understood and consistent.

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Criteria	Explanation	Commentary
Sample security	• *The measures taken to ensure sample security*	Sample chain of custody has been managed by the employees of Sky Metals who commissioned the drilling and transport samples from the drilling rig to assay laboratory. All samples are bagged in tied numbered calico bags, grouped into larger tied polyweave bags, or placed in a stillage box and transported to ALS in Orange by SKY personnel. All sample submissions are documented via ALS tracking system and all assays are reported via email. Sample pulps are returned to site and stored for an appropriate length of time (minimum 3 years). The Company has in place protocols to ensure data security.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data*	The Company does not routinely have external consultants verify exploration data until resource estimation procedures are deemed necessary. Further details for the maiden MRE can be found in SKY ASX Announcement 22 Match 2023 and SKY ASX Announcement 23 January 2024.

Section 2 Reporting of Exploration Results – TALLEBUNG PROJECT
(Criteria listed in the preceding section also apply to this section)

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Tallebung Project is described by NSW Exploration Licence 6699 The tenement is 100% owned by Stannum Pty Ltd, a 100% owned subsidiary of Big Sky Metals Pty Ltd and a 100% owned subsidiary of Sky Metals Ltd. The Tallebung tenement is overlain by Native Title Determination Application No NC12/1 (Federal Court No NSD 415/12). A determination of extinguished native title was received over a portion of the Tallebung Tin Field.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area*	Stannum Pty Ltd have previously commenced a Right to Negotiate Process (RTN) with the claimant group with respect to Application No NC12/1 (Federal Court No NSD 415/12). These negotiations have resulted in a land access agreement to be sign with Stannum Pty Ltd. A determination of extinguished native title was received over a portion of the Tallebung Tin Field and Stannum has also signed an access agreement with the Native Title Applicant for access to the entire lease.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties*	The Tallebung Project area was subject to a large, modern scale alluvial/colluvial mining by the Tullebong Tin Syndicate in the period 1963-1972. The Tullebong Syndicate completed a program of 24 short diamond holes in 1968-69 designed to test the lode mineralisation at Tallebung. Pruessag completed a large-scale assessment of the alluvial tin deposits in 1984-85, including RC drilling, identifying the potential for a large, low grade alluvial deep lead. In recent exploration, YTC Resources (now Aurelia Metals Ltd) completed trenching, diamond drilling, aircore drilling of tailings, and resistivity geophysics (EH4) at the Tallebung tin field. YTC recognised the continued potential for both shallow high grade, and large scale low-grade porphyry-style- tin

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Criteria	Explanation	Commentary
		mineralisation.
Geology	• *Deposit type, geological setting and style of mineralisation*	The Ordovician aged Tallebung Group sediments in the Tallebung Tin Field area outcrop as a sequence of weakly metamorphosed shales, siltstones, carbonaceous mudstones and minor quartz-rich sandstones. The rocks are tightly folded, striking NNW at around 330o with variable dips. The tin mineralisation is thought to be sourced from the Silurian-aged Erimeran granite, which outcrops 2km south of the Tallebung Tin Field. The Tallebung Tin Field represents a site of significant tin and tungsten production from high grade, quartz lodes and their associated alluvial and deep lead deposits. The field has been worked sporadically from the discovery of lode tin in the 1890's, through to the large-scale open cut mining of alluvial tin by the Tullabong Tin Syndicate in the period 1963 to 1971. The Tallebung Tin Field contains significant, tin bearing, unconsolidated sediments which are alluvial to elluvial in nature, poorly sorted and contain coarse bedrock fragments up to 15cm in a matrix of sandy/silty clay with some iron oxides and cemented layers. Sediment thickness varies from 5m to 36 metres. The east-trending, tin bearing leads and deep leads draining the Tallebung lode deposits are the dominant source of historic tin production from the field. The Tallebung site is now a large-scale derelict mining environment with approximate at least 1.6km strike of shallow open cuts, large scale tailings dam and decaying mine site housing and infrastructure. The tin and tungsten bearing quartz reefs are located on the western edge of the worked out alluvial open pits. The lodes form a well-developed quartz vein stock work zone extending for approximately at least 1.6km on a 330° trend. Thicker quartz lodes >0.5m have been selectively exploited in historic shafts and shallow open cuts along the trend.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* - *easting and northing of the drill hole collar* - *elevation or RL (Reduced Level–elevation above sea level in metres) of the drill hole collar* - *dip and azimuth of the hole* - *down hole length and interception depth* - *hole length* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	See body of announcement.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated*	Where reported, drilling results from the Tallebung Project have been length weighted. Grades greater than 500ppm Tin have been used to calculate intercepts. No high cut-off has been applied. Intercepts are length weighted with no cutting of grades. This may lead to elevation of intercept grades due to the presence of a narrow interval of high-grade material. Such high grade zones are reported as included intercepts inside the broader intercept. No metal equivalences quoted.

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Criteria	Explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results-* - *if the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* - *if it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	At Tallebung, orientated drill core has been used to allow determination of orientation of structures and mineralisation. Lode orientation of the Tallebung is well constrained by previous drilling and outcrop. Drilling intercepts lodes at or very close to perpendicular and reported intercepts are therefore estimated true thickness.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See body of announcement, and SKY ASX Announcement 22 March 2023, SKY ASX Announcement 22 June 2023, SKY ASX Announcement 21 August 2023, SKY ASX Announcement 4 October 2023, SKY ASX Announcement 24 October 2023, SKY ASX Announcement 30 October 2023, SKY ASX Announcement 1 November 2023, SKY ASX Announcement 15 November 2023 and SKY ASX Announcement 23 January 2024.
Balanced reporting	• *Not applicable as there are no Exploration Results reported as part of this statement.*	Not applicable as there are no Exploration Results reported as part of this statement.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples–size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	See body of announcement and SKY ASX announcement 5 September 2022, SKY ASX announcement 24 October 2022, SKY ASX Announcement 1 November 2022, SKY ASX Announcement 27 June 2022, SKY ASX Announcement 22 March 2023, SKY ASX Announcement 22 June 2023, SKY ASX Announcement 21 August 2023 and SKY ASX Announcement 4 October 2023, SKY ASX Announcement 24 October 2023, SKY ASX Announcement 30 October 2023, SKY ASX Announcement 1 November 2023, SKY ASX Announcement 15 November 2023 and SKY ASX Announcement 23 January 2024.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work is imminent to continue exploring the tenement and to further expand the MRE. See body of announcement, and SKY ASX announcement 9 March 2020, ASX announcement, 22 November 2018, SKY ASX announcement 4 September 2019, SKY ASX announcement 5 December 2019, SKY ASX Announcement 10 May 2022, SKY ASX Announcement 27 June 2022, 5 September 2022, SKY ASX announcement 24 October 2022, 1 November SKY ASX Announcement 2022, SKY ASX Announcement 22 March 2023, SKY ASX Announcement 22 June 2023, SKY ASX Announcement 21 August 2023 and SKY ASX Announcement 4 October 2023, SKY ASX Announcement 24 October 2023, SKY ASX Announcement 30 October 2023, SKY ASX Announcement 1 November 2023, SKY ASX Announcement 15 November 2023 and SKY ASX Announcement 23 January 2024. .
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	See body of announcement, and ASX announcement, 22 November 2018, SKY ASX announcement 4 September 2019, SKY ASX announcement 5 December 2019, SKY ASX Announcement 10 May 2022 , 1 November SKY ASX Announcement 2022 SKY ASX Announcement 22 March 2023, SKY ASX Announcement 22 June 2023, SKY ASX Announcement 21 August 2023 and SKY ASX Announcement 4 October 2023, SKY ASX Announcement 24 October 2023, SKY ASX Announcement 30 October 2023, SKY ASX Announcement 1 November 2023, SKY ASX Announcement 15 November 2023 and SKY ASX Announcement 23 January 2024.