ASX Announcement

2 November 2026

Syerston Scandium Project Final Investment Decision approved

Fast tracks first major source of western world scandium supply

Early works execution underway and underpins targeted 2028 commercial production

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Highlights

- **Final Investment Decision (FID) - Board decision to proceed unlocks the world's first primary scandium mine**: Landmark decision to develop the Syerston Scandium Project, positioning Sunrise to become a major new source of reliable, scalable scandium supply as western economies seek to secure critical mineral supply chains.
- **2028 commercial production**: Targeting first production in 2H 2028, ramping up to 60 tonnes per annum of high-purity scandium oxide supply.
- **Positioning for the continued wave of growing scandium demand**: Expansion studies continue to advance with the aim of positioning the Project to capitalise on growing demand for scandium across solid oxide fuel cells, aerospace and defence, and next-generation semiconductor technologies.
- **Unlocking U.S. capital markets and strategic funding**: Advancing proposed U.S. redomiciliation and Nasdaq listing, aligning Sunrise with customers and the conditional commitment of up to US$400 million in long-term debt financing from the U.S. Department of War's Office of Strategic Capital (OSC). Scheme Booklet to be distributed to the Company's shareholders shortly.

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MELBOURNE, Australia – Sunrise Energy Metals Limited (**"Sunrise"** or the **"Company": ASX:SRL and OTCQX:SREMF**) Chairman, Mr Robert Friedland, and Chief Executive Officer, Mr Sam Riggall, are pleased to announce that the Company has approved the Final Investment Decision **("FID")** to proceed with development of the Syerston Scandium Project ("**Syerston**" or the "**Project**").

A defining feature of the Project is its potential to become the world's first major source of primary mine supply of scandium, establishing a new, scalable and reliable source of production for global end-users.

Since the imposition of Chinese critical minerals export controls in 2025, scandium supply to key western markets has all but ceased.

Demand for scandium is expected to grow significantly over the remainder of the decade, driven by expanding applications in solid oxide fuel cells, aerospace and defence, and advanced semiconductor technologies. Supply risks associated with Chinese scandium supply reinforces the strategic importance of developing diversified sources of primary scandium production.

The Board's decision to proceed with the development of Syerston represents a significant step towards establishing a secure, large-scale and independent source of scandium supply outside China, positioning Sunrise to support the development of next-generation technologies and increasingly diversified Western critical mineral supply chains.

Sunrise's Chairman, Mr Friedland, commented:

> "Our decision to proceed with development of the Syerston Scandium Project follows extensive technical development, engineering, permitting and commercial engagement, and reflects the Board's confidence in the quality of the Syerston resource, and the significant market opportunity ahead of us.
>
> Scandium has long been recognised for its exceptional properties and potential across a range of advanced technologies, but its adoption has been constrained by the absence of reliable, scalable supply. Syerston has the potential to fundamentally change that dynamic by delivering a secure, long-term and primary source of high-purity scandium to global markets."

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Initial 60tpa development

The Project, located in central-west New South Wales, Australia, is forecast to process 64,000 tonnes of ore per year to produce 60 tonnes of high purity (>99.9%) scandium oxide (Sc_2O_3) annually[1]. Key project advantages include:

- An exceptionally high-grade ore deposit (averaging 690ppm Sc in the first decade);
- Efficient extraction and processing technology proven through extensive pilot testing;
- A 32-year mine life providing long-term production stability; and
- Strategic location in New South Wales (NSW) with established infrastructure.

Mining will use conventional open pit methods with excavators and trucks – proven, low-risk technology. The processing plant will use hydrometallurgical leaching to extract scandium from ore, followed by refining to produce high-purity scandium oxide. Mining operations are forecast to span 21 years, with an additional 11 years of processing from stockpiled ore, supporting a total 32-year operating life.

Table 1: Syerston Scandium Project Design Parameters

Mine Plan and Design Parameters	
Process plant throughput per annum (tonnes ore)	64,000 tpa
LOM process plant avg Sc mill feed grade	656 ppm Sc
Nameplate production rate per annum (dry tonnes)	60 tpa Sc_2O_3
Process plant recovery (%)	88%
Construction and commissioning period	24 months
Life of mine (LOM)[2]	32 years
Total development capital (US$M)	US$322[3]

Note: AUD:USD FX US$0.70. Sc converts to Sc_2O_3 on a dry weight basis by multiplying by 1.53.

Project delivery schedule and early work activities

The Board's positive FID is underpinned by substantial progress across the key technical, engineering, permitting, procurement and project development workstreams, providing a

[1] Refer to the Company's ASX announcement of 3 March 2026 "Sunrise Advances Plans for Scandium Supply as Chinese Export Controls Tighten for AI, Defence and Chip Markets"

[2] For further details on the Ore Reserve Estimate (ORE) underpinning the Life of Mine (LOM) refer to the Company's ASX announcement of 3 March 2026 (refer to footnote 1 above)

[3] Total development capital represents a central estimate for the Syerston mine and refinery only. It excludes costs related to construction of a metallisation plant which is currently subject to scoping study evaluation. Refer to the Company's ASX announcement of 10 August 2026 "Sunrise announces U.S. Department of War's Office of Strategic Capital conditional commitment for US$400m loan and intention to pursue U.S. listing", the Company confirms that it is not aware of any new information or data that materially affects the information in the earlier announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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strong foundation for the transition into construction and targeted commencement of production in 2028.

Procurement readiness has progressed significantly, with key long-lead equipment packages advanced through tender evaluation and supplier selection processes. Engineering and procurement for the Project's water infrastructure have also advanced, including completion of Stage 2 pipeline design, preparation of Issued for Construction drawings and commencement of procurement for critical equipment.

These activities have been supported by the continued development of the Project Execution Plan (PEP), contracting and procurement strategy, integrated construction schedule and Project Risk Register, establishing a clear execution pathway towards first scandium production in 2028.

Collectively, these workstreams have materially advanced Syerston's construction readiness, reduced key project development risks and provided the technical and execution framework underpinning the positive FID and the targeted 2H 2028 production commencement.



Image 1: Breaking ground on 9th October 2026 for the construction of the water pipeline

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Image 2: Construction of the autoclave as at 30th September 2026.

Expansion Studies

The Company is accelerating studies to assess the potential expansion of scandium oxide production capacity with the aim of positioning the Project to respond to growing global demand across key end-use markets.

The ultimate timing and scale of any expansion have not been determined and will be guided by customer commitments, demonstrated demand growth, engineering outcomes, financing arrangements and approval by the Sunrise Board.

The Company is preserving flexibility in the Project design to enable additional processing, utility and tailings capacity to be incorporated efficiently should a decision be made to expand at a later date.

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Project Financing

The positive FID was supported by the conditional commitment of up to US$400 million in long-term debt financing from the U.S. Department of War's OSC[4]. As at 30 September 2026, the Company also had $148.1 million of available cash on hand.

Proposed redomiciliation to the United States and Nasdaq listing

As previously announced on 2 October 2026, the Company has entered into a Scheme Implementation Deed with Sunrise Energy Metals, Inc. ("**Holdco**"), a newly incorporated Delaware Corporation, to give effect to a proposed redomiciliation of the parent company of the Sunrise Group from Australia to the United States and the listing of Holdco shares on Nasdaq (the "**Proposed Transaction**"). The Proposed Transaction will be implemented by way of a members' Scheme of Arrangement ("**Scheme**") required under the *Corporations Act 2001 (Cth)*, in which Holdco will acquire all of the ordinary shares in Sunrise and become the new parent company of the Sunrise Group.

The redomiciliation and U.S. listing pathway is consistent with the conditional commitment of up to US$400 million in long term debt financing from the OSC.

A Scheme Booklet to give effect to the Proposed Transaction is being prepared and will be provided shortly to Sunrise shareholders. The Scheme Booklet will contain detailed information relating to the Scheme, including the advantages and disadvantages of the Scheme, the Independent Expert's Report, details of the Scheme Meeting, the election process for shareholders who wish to receive Holdco shares rather than Holdco's ASX listed CHESS depositary interest (CDIs), a summary of the tax implications of the Scheme and information on U.S. securities law matters.

This announcement has been authorised for release by the Board of Directors of Sunrise Energy Metals Limited.

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[4] Refer to the Company's ASX announcement of 10 August 2026 "Sunrise announces U.S. Department of War's Office of Strategic Capital conditional commitment for US$400m loan and intention to pursue U.S. listing"

About Sunrise Energy Metals Limited (ASX:SRL; OTCQX:SREMF) – Sunrise Energy Metals Limited (SRL) is developing the Syerston Scandium Project, near Fifield in central-west New South Wales (NSW), with the aim of delivering the world's first source of mineable, high-grade scandium. Sunrise also owns the Sunrise Nickel-Cobalt Project, one of the largest and most cobalt-rich nickel laterite deposits in the world.

About the Syerston Scandium Project – The Syerston Scandium Project hosts one of the world's largest and highest-grade scandium deposits. The Project is supported by extensive piloting, metallurgical test work and engineering. Scandium oxide produced by the Project will service key technology markets, including fuel cells, advanced aluminium alloys and semiconductors.

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Forward Looking Statements Disclaimer

Certain statements in this announcement constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. All statements other than statements of historical fact, including statements regarding the Proposed Transaction, the Scheme and the indicative timetable for its implementation, the proposed Nasdaq listing and ASX Foreign Exempt Listing, the OSC conditional commitment and any resulting financing arrangements, the expected timing, terms and effects of any of the foregoing, the Company's plans, goals, projections, expected costs, expected production, expected operating life, expected demand for scandium, and other statements that are not historical facts, are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements may be identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "predict", "scheduled", "will", "would", and other similar terminology, or by reference to future dates.

Forward-looking statements are based on management's expectations as of the date of this announcement. There can be no assurance that actual results will be consistent with these forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, many of which are beyond the Company's control. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may differ materially from those anticipated, believed, estimated or expected. These forward-looking statements are made as of the date of this announcement and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained in this announcement to reflect events or circumstances occurring after the date of this announcement. For more information about Sunrise Energy Metals, please visit the Company's website at www.sunriseem.com.