



QUARTERLY ACTIVITIES REPORT TO 31 MARCH 2025

DRILLING, BULK SAMPLING AND TESTWORK PROGRAMS IN FULL FLIGHT AT THE TALLEBUNG TIN PROJECT

TALLEBUNG TIN PROJECT, NSW

- **Significant high-grade extensions** to the Tallebung deposit confirmed, with **strong tin mineralisation** intersected in all five diamond drill-holes completed during the quarter. Results include:
 - TBD018: **6.65m @ 1.01% tin** from 52.35m, including: 2.65m @ 2.46% tin & 0.17% tungsten from 52.35m.
 - TBD015: **17.9m @ 0.25% tin** from 9.1m, including: 1.1m @ 2.92% tin, 51.6g/t silver & 0.44% tungsten from 9.1m.
 - TBD014: **19.25m @ 0.20% tin** from 10.1m, including: 3.55m @ 0.79% tin from 25.8m.
- **Four bulk samples** for a total of over 60 tonnes of tin mineralisation successfully excavated and crushed in preparation for a pilot-scale metallurgical program, aimed at:
 - **Optimising** the entire metallurgical flowsheet;
 - **Producing tin concentrate** for ongoing marketing and end-user engagement;
 - **Evaluating tungsten and silver** by-product recoveries; and
 - **Increasing confidence in resource estimation** with tin produced from the bulk samples to be reconciled with the grade estimate to validate the MRE model.
- **Major multi-rig Reverse Circulation (RC) drilling program** commenced in early April to help progress Tallebung towards commercial development by:
 - **Building on deposit extensions** delineated by diamond drilling; and
 - **Targeting substantial growth** in the existing Mineral Resource Estimate (MRE)¹ in terms of size, grade and confidence ahead of mine development studies, targeted for completion by mid-CY2025.

CORPORATE

- SKY stands well-funded with over \$5M in cash as at 31 March 2025.

¹ For further details on the MRE for the Tallebung Tin Project please see SKY ASX Announcement 23 January 2024.

JUNE 2025 QUARTER – PROPOSED WORK PROGRAM

TALLEBUNG PROJECT

- Major Reverse Circulation (RC) drilling program targeting ongoing Resource expansion.
- Metallurgical testwork on bulk samples to optimise the process flowsheet and produce marketable tin concentrates to aid in offtake marketing.
- Pilot-scale gravity plant testwork to produce saleable tin concentrate.
- Pending release of a mining study to consolidate the economic potential at Tallebung.

The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to provide a Quarterly Activities Report outlining SKY's exploration and development programs during the March 2025 Quarter.

TALLEBUNG PROJECT (EL 6699, SKY 100%)

DIAMOND DRILLING PROGRAM

Sky Metals undertook a diamond drilling program at the Tallebung Project during the March Quarter, with five diamond holes completed to provide high-quality data to further improve the Company's geological understanding of the deposit, vital to upgrading the MRE and to provide the basis for ongoing mining and development studies.

Assay results were reported subsequent to quarter-end, confirming significant extensions to the Tallebung deposit. Tin mineralisation was intersected in all five diamond drill-holes.

The first hole in the program, TBD014, confirmed extensions to the existing MRE. The hole was drilled outside of the eastern margin of the existing MRE and targeted down-dip extensions to newly discovered historic workings at surface, which had not been previously drill tested (Figure 1).

Significant visual tin mineralisation encountered in this first drill-hole showed that the tin mineralisation is continuous at depth and extends to the east of the existing (Figure 2) MRE. Assay results have confirmed the significant visual mineralisation, with results including:

TBD014: **19.25m @ 0.20% Sn** from 10.1m, including:
3.55m @ 0.79% Sn, 13.9g/t Ag & 0.02% W from 25.8m.

The second and third holes (TBD015 & TBD016) in the program targeted outcropping tin veins in the southern open pit as well as extensions to TBRC090², where the Tallebung deposit was extended to the east with results including:

TBRC090: **10m @ 0.69% Sn, 23.7g/t Ag & 0.03% W** from 23m, including:
2m @ 2.68% Sn, 51.4g/t Ag & 0.06% W from 28m.

Both of these holes successfully intersected further tin mineralisation and expanded the deposit to the east of the current extents of the existing MRE, with results including:

TBD015: **17.9m @ 0.25% Sn, 6.95g/t Ag & 0.06% W** from 9.1m, including:
1.1m @ 2.92% Sn, 51.6g/t Ag & 0.44% W from 85m.
5m @ 0.14% Sn from 172.3m, including:
0.6m @ 0.91m & 0.04% W from 172.3m

TBD016: **29.9m @ 0.12% Sn, 5.03g/t Ag & 0.02% W** from 45.2m, including:
3.5m @ 0.38% Sn, 18.3g/t Ag, 0.02% W from 53.5m.
14m @ 0.16% Sn from 89.8m, including:
3.2m @ 0.60% Sn & 0.44% W from 89.8m.

²Please see SKY ASX Announcement 17 July 2024 for further information.



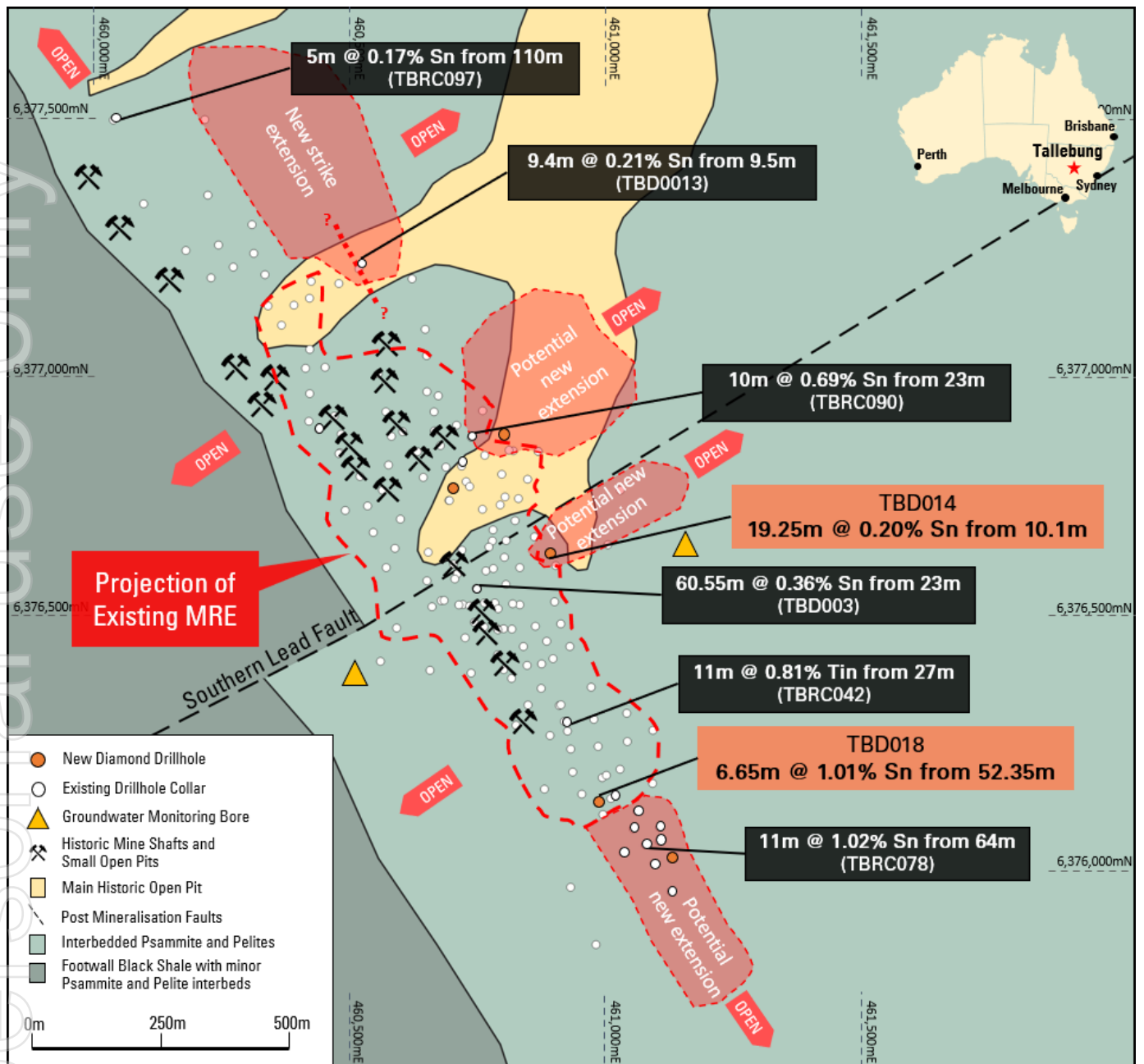


Figure 1: Plan showing the location of the diamond drill-holes in latest program as well as existing highlight drill intercepts and the boundary of the existing Tallebung MRE shown over geology.

The fourth and fifth holes (TBD017 & TBD018) in the program both intersected exceptional visual tin mineralisation within the newly discovered southern extension of the deposit. Assay results included:

TBD017: 0.65m @ 1.22% Sn & 0.06% W from 37.35m, including:
14.8m @ 0.14% Sn & 38.5g/t Ag from 57.2m, including: 0.75m @ 1.14% Sn & 187g/t Ag from 57.2m.

TBD018: **6.65m @ 1.01% Sn from 52.35m**, including:
2.65m @ 2.46% Sn & 0.17% W from 52.35m.

TBD018 intersected a shallow, wide quartz veined interval hosting abundant cassiterite (tin-oxide) throughout with grains of wolframite (tungsten) observed, typically associated with the tin mineralisation at Tallebung (see SKY ASX Announcement 1 April 2025).

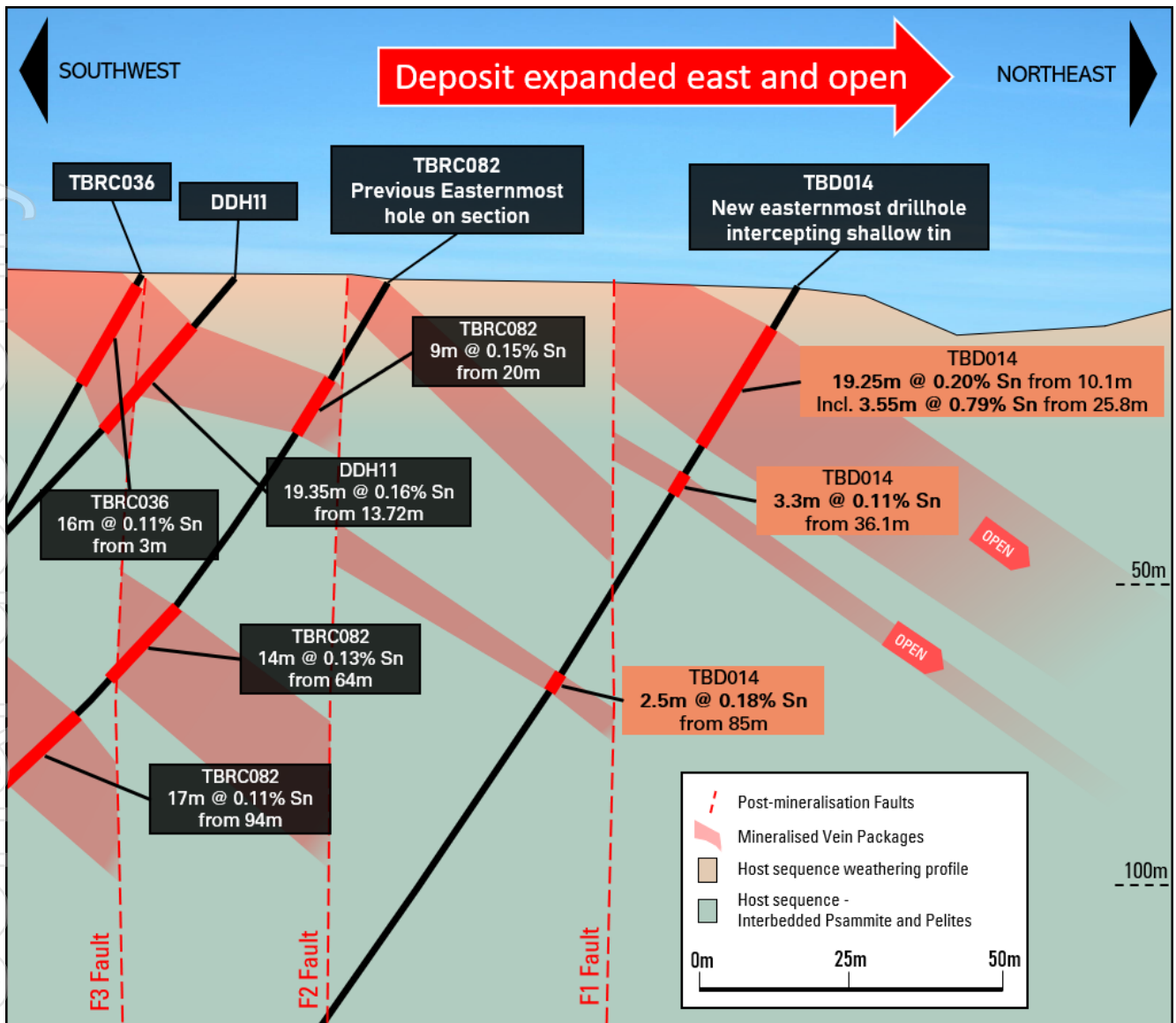


Figure 2: Cross-section of TBD014 with previous drilling and highlighting the extension to the eastern margin of known tin mineralisation at Tallebung. Section looking north-west and depth shown as metres below surface.

These holes have successfully identified additional tin-tungsten mineralisation at Tallebung and will also contribute to increasing the Company's geological understanding of the deposit, improving its geological models and increasing confidence in future upgrades of both the MRE and the Exploration Target.

EXTENSIVE RESOURCE GROWTH-FOCUSED RC DRILLING PROGRAM

Approvals were received during the Quarter and a drill contractor appointed for a Reverse Circulation (RC) drilling program comprising approximately 70 RC holes for more than 8,000m of drilling. The program commenced in early April aimed at extending new zones of higher-grade tin mineralisation discovered beyond the margins of the known tin resources at Tallebung.

A significant number of shallow RC holes are also planned in southern area of the existing MRE to expand the higher confidence Indicated Resources within the MRE in areas where future mining is likely to be focused in the early stages of operations to extract higher-grade, shallow tin mineralisation to facilitate a rapid capital payback.

Once all the results from this program are received, an updated MRE will be completed to enable Scoping and Feasibility Studies to be released.

The RC drilling program will also target extensions to the higher-grade tin mineralisation discovered in previous drilling programs completed in 2024. This drilling is designed to exploit opportunities to delineate additional shallow, higher grade mineralisation that will also underpin the goal of achieving a faster payback of project CAPEX by incorporating these areas in the early stages of the mine plan.

Two RC drill rigs will be utilised to expedite the program and provide results quickly to build on the existing MRE at Tallebung. Drilling is expected to be completed by May with results expected to flow from May onwards.

TRENCHING AND BULK SAMPLING PROGRAM

Following the completion of a trenching program for bulk metallurgical testwork and MRE validation at Tallebung during the December 2024 Quarter, assay results were reported during the March 2025 Quarter, with all trenches successfully intersecting tin mineralisation at surface, providing valuable insights into the geology at Tallebung (see Figure 3).

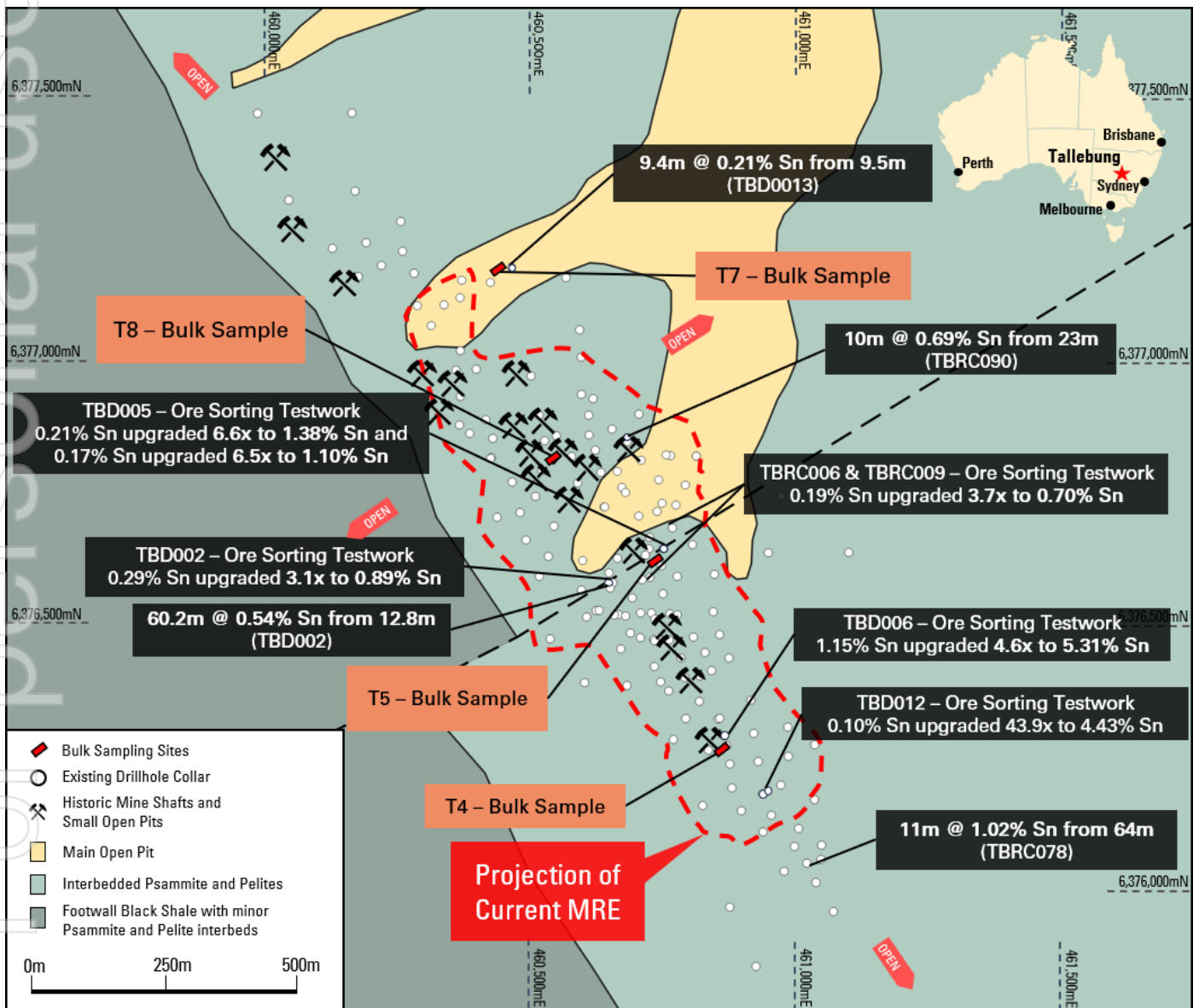


Figure 3: Plan showing the location of the samples excavated for the bulk sampling program in orange as well as existing drilling, highlight drill intercepts and the boundary of the existing Tallebung MRE shown over geology.

Results from the trenching and bulk sampling program included:

T4: 3m @ 0.16% Sn from 12m along trench.

- T5: 10m @ 0.15% Sn & 0.02% W from 22m along trench (NB: includes 2.8m from 28-30.8m where no sample was taken due to an interceding channel removing bedrock between 28-30.8m, therefore intercept is calculated with 0.00% Sn used for 28-30.8m accordingly), including:
6m @ 0.20 % Sn & 0.02% W from 22m along trench, including:
1m @ 0.44% Sn & 0.03% W from 22m along trench.
- T6: 1m @ 0.19 % Sn & 8.41g/t Ag from 41m along trench.
- T7: **4.9m @ 0.37% Sn** from 8m along trench (NB: intercept was terminated on zone of historic selective mining which had been deeply excavated immediately adjacent to the intercept), including:
0.9m @ 1.15% Sn from 12m along trench (immediately adjacent to selectively mined zone).
- T8: 1m @ 0.15% Sn & 12.1g/t Ag from 2m along trench; and
2m @ 0.18% Sn & 0.03% W from 30m along trench.
- T9: 6m @ 0.08% Sn, 0.03% W & 48.3g/t Ag from 11m along trench, including:
1m @ 0.24% Sn, 0.10% W & 221g/t Ag from 11m along trench.

In the case of the best two results in T5 and T7, both trenches had zones where the trench did not have bedrock to be sampled. In T5, an erosional channel had removed a zone within the mineralised tin intercept, and in T7 historic selective mining had extracted a section of the bedrock immediately adjacent to where the best trenching assay result was returned.

As a result of these factors, the results from of these trenches might have been significantly higher in grade and width had these areas been intact and present to be sampled. Regardless, the trenching results will be incorporated into the geological model to increase both the size and confidence in the MRE.

Four (4) bulk samples for a total of over 60 tonnes of tin mineralisation were successfully excavated and crushed during the March 2025 Quarter in preparation for a pilot-scale metallurgical program.

The bulk sampling sites were selected to target variation of deposit tin grades and traverse zones across the entire footprint of the currently defined extent of the Tallebung tin mineralisation.

The four bulk samples were crushed to -40mm and screened to remove the -7mm fines from the sample.

The 7-40mm sample and the -7mm fines have been transported to TOMRA Ore Sorting Solutions in Sydney. The 7-40mm sample will be ore sorted on a full-scale, commercial TOMRA XRT Ore Sorter to produce a high-recovery product.

The high-recovery ore sort product will then be sorted a second time to produce a high-upgrade ore sorting product where up to over 95% of the mass may be rejected. The reject from the second ore sort will be combined with the -7mm fines sample.

The second ore sort product will be transported directly to ALS Burnie, while the other sample will be sent to ALS Perth. ALS Perth will assay all samples received and then complete a DMS trial on the second ore sort reject and fines samples which may remove 95% of the mass again from the second ore sort reject and fines to produce another pre-concentrate – the DMS pre-concentrate.

The DMS pre-concentrate will then be sent to ALS Burnie and combined with the second ore sort product to be trialled in a pilot-scale gravity plant. The pilot-scale gravity plant at ALS Burnie will produce a tin concentrate from these samples which will be vital in marketing future product from Tallebung to downstream businesses.

This program will be completed over the coming months with results to be reported regularly as the bulk samples progress through the large program.

METALLURGICAL TESTWORK – DMS TRIAL

During 2024, ore sorting testwork completed by TOMRA Ore Sorting solutions demonstrated an exceptional result using an aggressive ore sorting method where a substantial increase in tin grade with reasonable recovery of tin was achieved in less than 2% of the original mass. This showed that most of the tin could be recovered while rejecting 98% of the sorted mass (Table 1).

While this result shows the potential for greater tin pre-concentration upgrade and mass reduction from TOMRA ore sorting, the payoff between upgrade and tin recovery requires further optimisation to be completed in the ongoing bulk sampling program.

Table 1: Results for the TOMRA ore sorting testwork. Silver (Ag) shows a strong upgrade and reasonable recovery with the tin (Sn) in the sorted products, however tungsten (W) appears to be largely upgraded in the 'Fines' fraction. NB: The 'High Recovery' product includes the 'High Upgrade' sorted sample.

Sample	Sn Grade	Sn Recovery	Sn Upgrade	Ag Grade	Ag Recovery	Ag Upgrade	W Grade	W Recovery
	%	%	x	g/t	g/t	x	%	%
Head Sample before sorting	0.10	100	-	10.7	100	-	0.45	100
8-32mm High Upgrade Sort	4.42	82.9	43.9	342	55.3	29.3	0.01	0.0
8-32mm High Recovery Sort	0.65	91.5	6.4	57.2	76.0	6.4	0.01	0.2
8-32mm 1 st Sorting Waste	0.01	8.5	0.1	3.0	8.5	0.1	0.07	11.0
<8mm Fines (unsorted)	0.14	-	-	8.0	-	-	2.04	88.7

To investigate better tin recovery processes with the aggressive ore sorting, a successful DMS trial was completed. This was aimed at providing a solution to recover the tin lost in the aggressive ore sorting process while still substantially reducing the mass for further processing. Results are detailed in **Table 2** for this testwork and show **75% of the tin** lost in the aggressive ore sorting process can be recovered in **5.7% of the original waste mass** in a **1.50% Sn pre-concentrate, rejecting over 94% of the waste mass**.

Table 2: Results for DMS testwork to recover tin from the TOMRA ore sorting testwork. Silver (Ag) again shows a strong upgrade and recovery with the tin (Sn) with poor recovery of tungsten (W).

Sample	Mass	Sn Grade	Sn Recovery	Sn Upgrade	Ag Grade	Ag Recovery	Ag Upgrade	W Grade	W Recovery
	%	%	%	x	g/t	g/t	x	%	%
8-32mm Sorting Waste	100	0.11	100	-	19	100	-	0.12	100
DMS Product	5.7	1.50	74.5	13.6	167	50.0	8.8	0.33	15.3
DMS Waste	94.3	0.03	25.5	0.3	9.3	50.0	0.5	0.11	84.7

This result represents an excellent solution to recovering the tin lost during the aggressive ore sorting process while still maintaining a large +90% mass rejection of the total feed. This will be further reviewed and optimised in the upcoming bulk sampling and metallurgical testwork over the coming months.

In addition to delivering a much higher tin grade, the benefits of ore sorting and mass reduction include:

- **Reduced CapEx** as only a fraction of the sorted mass requires processing and therefore a significantly smaller and lower cost processing plant can be considered to support any future mining operation;
- **Reduced Opex** through reduced mill throughput, lower processing costs and lower cost bulk-mining techniques;
- **Excellent environmental outcomes** including:
 - A small fraction of the water will be required to produce saleable tin concentrates;
 - A small fraction of the power will be required to produce saleable tin concentrates; and
 - Reduced mine footprint including smaller waste emplacements such as tailings dams.

This sample was from drill-hole TBD012 between 42-92m of PQ half core for a total of 289.2kg which was sent to TOMRA Ore Sorting Solutions test facility in Castle Hill, Sydney, NSW in July last year. The sample was crushed to -40mm and sized with -8mm fraction retained separately as a fines sample. The 8-32mm sample was then sorted via XRT ore sorting to obtain a high tin recovery sorting setting.

The product (tin-bearing) fraction was then sorted again for a high tin upgrade sort, with the goal of recovering as much tin as possible in as little mass as possible. The waste from this second sort is what has been trialled in the DMS testwork program, the results of which are detailed above.

ENVIRONMENTAL STUDIES AND MINING APPROVALS

Environmental studies required to secure key mining approvals continue to be expedited, with an initial background biodiversity study completed and a weather station being completed over the last quarters.

The installation of a weather station will provide vital data for the environmental studies needed for the mining approvals process. This installation complements the work already completed on these studies, with the groundwater monitoring bores already installed and geochemical studies well advanced.

The installation of these data collectors and the biodiversity and geochemical studies are all in preparation to quickly advance the mining approvals process required to commence development of the Tallebung Tin Project.

NEXT STEPS

The major Reverse Circulation (RC) drilling program outlined above will be progressed throughout the June Quarter, comprising at least 70 RC drill-holes for a total of approximately 8,000m. The current program will target further shallow extensions to the tin mineralisation, aiming to further broaden the Tallebung Deposit. First assay results are anticipated in May, with a steady stream of results expected over the coming months as drilling continues.

In parallel, SKY is advancing the bulk sample metallurgical program to optimise the process flowsheet and produce marketable tin concentrates to aid in offtake marketing.

The new drilling results and bulk sampling data will support the delivery of an updated Mineral Resource Estimate (MRE) for Tallebung. The new MRE and metallurgical work will then be incorporated into Mining Studies to demonstrate the potential Tallebung project economics.

NARRIAH PROJECT (EL 9524, SKY 100%)

MAIDEN DIAMOND DRILLING PROGRAM

During the March Quarter 2024, compilation of historic data showed strong potential for near surface tin-tungsten mineralisation at the Conapaira Mining Reserve. This was further evidenced by the extensive historic workings in the area.

A site visit for ground-truthing historic data, geological mapping and rock chip sampling was completed in the area and discovered extensive workings throughout the mining reserve and widespread evidence for these workings occurring in close, prospective proximity to the Erigolia Granite Margin. Evidence for the close proximity to the granite margin included exposed and preserved roof pendants.

Given the prospective position of these historic workings, rock chip samples were taken of areas of outcrop and mine workings. These rock chip samples successfully identified high-grade tin, tungsten and silver mineralisation over a strike length of more than 3km, with results including:

- 1.80% tin, 13.9g/t silver & 0.05% copper (JN240223-05);
- 1.50% tin, 0.26% tungsten & 14.7g/t silver (JN240223-04);
- 1.20% tin & 1.77% tungsten (JN240223-10).

GEOPHYSICAL MAGNETICS SURVEY

In the September Quarter, FY2025, a large aeromagnetics survey was flown over the +16km long prospective horizon within the Narriah Project. The results from this survey will be combined with the rock chip results from the Conapaira Mining Reserve to aid in targeting large-scale and high-grade tin and tungsten mineralisation.

Furthermore, the potential hard rock tin mineralisation in the majority of the Narriah Project remains untested by previous explorers.

The results of the geophysical survey will be combined with the thorough compilation of the historic data and the rock chip results to target follow up drilling, aiming to discover a large-scale and high-grade tin-tungsten deposit.

DORADILLA PROJECT (EL 6258, SKY 100%)

POLYMETALLIC MINERALISATION – METALLURGICAL TESTWORK PROGRAM

A recent review of historic petrology and metallurgical testwork at the Doradilla Tin Deposit identified that the tin is hosted in fine cassiterite in the vicinity of the Doradilla Tin Target on the south-west end of the 'DMK' Line. Additionally, this mineralisation has not been tested for concentration via modern flotation methods.

This represents an encouraging development at Doradilla. Work is underway to confirm the historic findings and, if confirmed, to test modern flotation methods to concentrate the tin. This work will aim to evaluate if it is possible to produce a saleable tin concentrate using these methods on the Doradilla mineralisation and, subsequently, if there are viable pathways to mine economically at Doradilla.

SKY is continuing to work with engaged metallurgical consultants, UNSW, ALS Burnie and ANSTO, along with other experts, to continue to develop the broad range of methods available to extract the REE, tin and polymetallic mineralisation on the DMK Line to unlock the high-value, widespread mineralisation discovered at Doradilla.

This work will include ongoing data compilations, targeted geophysical surveys as required and continuing geological studies by SKY in partnership with UNSW.



CULLARIN PROJECT: GOLD-LEAD-ZINC-COPPER (EL 7954, SKY 80%; DVP JV)

HUME TARGET – DIAMOND DRILLING AND DHEM

Diamond drilling completed at the Hume Target in 2021 highlighted the potential of the high-grade, gold-lead-zinc-copper mineralisation at depth at Hume. HUD031 intercepted intervals of massive sulphides and strong base metal mineralisation, deeper than any previous drilling at Hume. Results included:

HUD031: 32m @ 5.09% Pb+Zn, 0.15% Cu, 6g/t Ag from 420m including;
6m @ 8.93% Pb+Zn, 0.51% Cu, 18g/t Ag, 0.13g/t Au from 446m

SKY was encouraged by these thicker intervals of mineralisation at the Hume Target. In the March 2023 Quarter, SKY re-entered HUD030 and extended the hole to intercept the Hume Structure 100m below HUD031. Previously, HUD030 had been drilled to 303.6m in 2021 to test for extensions to the strong base metal mineralisation intercepted in HUD005 (6m @ 1.28% Cu & 12.44% Pb+Zn). HUD030 was extended and drilled on to 702.4m.

Geological logging and modelling of HUD030 indicated that the hole had drilled through an interpreted moderately west-dipping fault named the Eastern Fault. Although the hole intersected multiple zones of intense sericite-silica-pyrite alteration, results were subdued. The assay results and advances in the geological understanding of the Hume Target from this drilling will be studied by SKY geologists to identify any further targets for expanding the gold-rich, polymetallic mineralisation at the Cullarin Project.

SKY is evaluating a number of new approaches to delineate and target further mineralisation at Cullarin in the coming quarters. These will aim to highlight prospective areas for discovering more of the high-grade mineralisation already encountered across the project.

IRON DUKE PROJECT: COPPER-GOLD (EL6064 & 9191, SKY 100%)

100% SKY (EL6064 & 9191)

SKY exercised the option to purchase EL6064 – Iron Duke Project and SKY now holds 100% of the Project. The Iron Duke Project covers the Iron Duke Shear Zone, which extends over a strike length of at least 4km and remains open to the south. Several historic copper mines occur along the Iron Duke Shear Zone including the Iron Duke, Christmas Gift, Monarch, Mount Pleasant and Silver Linings mines, along with several unnamed copper workings and shafts. In the June 2021 Quarter, SKY completed a maiden drilling program at the Iron Duke Mine, in conjunction with a VTEM survey and DHEM, to identify extensions to the high-grade copper-gold mineralisation along the Iron Duke Shear Zone (SKY:ASX Announcement 2nd June 2021).

An RC and diamond drilling program is planned to test for further extensions to the Iron Duke mine and test the previously undrilled historic mines at the Christmas Gift Workings (comprising of the Christmas Gift, Monarch, Mount Pleasant and Silver Linings mines). This program was delayed due to extremely wet ground conditions preventing access to the area. Currently, this program is planned for the following quarters after a detailed review of the geophysics, mining records, historic data and previous drilling to develop robust targets for further drill testing and expansion of the known Iron Duke mineralisation.

CALEDONIAN PROJECT: GOLD

100% SKY (EL8920 & EL9020)

SKY has now completed a soil sampling program, a phase of AC drilling, two phases of RC drilling and two diamond drill holes at the Caledonian Target. A review of both SKY's and historic results indicates that the Caledonian gold mineralisation likely represents a shallow, sub-horizontal blanket of oxide and supergene gold mineralisation developed over an oxidised skarn.

SKY completed a shallow aircore (AC) drilling program over the area consisting of 38 vertical AC holes for a total of 697m on 50-100m spacing over the 600m x 400m area of mineralisation defined by the previous drilling, soil sampling and costeaning. Due to significant ground waters intersected by the AC drilling, which prevented all but four of the 38 holes drilled from reaching refusal, SKY does not consider the target concept of a shallow, subhorizontal blanket of oxide and supergene gold mineralisation to have been effectively tested. These results will be evaluated, along with the previous drilling, to direct SKY to further shallow high-grade oxide gold mineralisation in the target area.

SKY has been informed of the proposed development of a solar farm on the northern area of EL8920. This area covers the Jerrawa Strike, which is a trend of metallic occurrences that SKY interprets to be an exhalative horizon with strong potential to host gold-silver and base metal mineralisation. SKY is continuing to work with the solar farm developers to ensure that the solar farm will not be developed over significant mineralisation. The work to date has delineated a gold soil anomaly which SKY plans to follow up in the following quarters, pending ongoing negotiations with the Solar Farm developers.

GALWADGERE PROJECT: COPPER-GOLD

100% SKY (EL6320)

SKY and Burrendong Minerals Ltd (BML) entered into to a purchase agreement for the divestment of SKY's non-core Galwadgere Project. Galwadgere, EL6320, will be purchased outright with \$600,000 worth of BML shares on the successful IPO of BML within a year from the commencement of the agreement.

The Galwadgere Project has been returned to SKY, 100%, at the end of the March Quarter after Burrendong Minerals failed to list on the ASX with an IPO of a portfolio of nearby projects. SKY will continue to develop value at Galwadgere with a review of the non-core Galwadgere Project while remaining focused on developing the Company's core assets.

KANGIARA PROJECT: GOLD

80% SKY (EL8400 & EL8573; DVP JV)

The Kangiara Project (EL8400, EL8573) is located 30km north-west of Yass in the Southern Tablelands of New South Wales (Figure 5). The project contains volcanic/volcaniclastic rocks of the Silurian Douro Group, considered prospective for gold and base metal (copper-zinc) mineralisation. The high-grade Kangiara Mine operated during the early 1900s, with documented production of ~40,000 tonnes at 16% Pb, 3% Cu, 5% Zn, 280g/t Ag and 2g/t Au from narrow north-south trending sulphide veins (ASX: PDM 18 June 2009). Previous work by Paradigm Metals led to the calculation of an Indicated and Inferred Mineral Resource at Kangiara.

Desktop studies have identified potential for copper-gold mineralisation at the Crosby Prospect. Field investigations are planned for the upcoming quarters to investigate this prospect.

CORPORATE

FINANCIAL

During the quarter \$667k was spent on the exploration activities outlined in this report.

No mining production and development activities were undertaken for the quarter.

During the quarter \$53k was paid as Non-Executive Director fees.

TENEMENT SUMMARY

Table 2: Tenement Summary.

Holder	Equity	Licence ID	Grant Date	Expiry Date	Units	Area	Comment
Tarago Exploration Pty Ltd (DVP sub)	80%	EL7954	19-6-2012	19-6-2028	51	144 km ²	Cullarin Project, SKY: DVP JV
Ochre Resources Pty Ltd (DVP sub)	80%	EL8400	20-10-2015	20-10-2024	52	147 km ²	Kangiarra Project, SKY: DVP JV Renewal submitted
Ochre Resources Pty Ltd (DVP sub)	80%	EL8573	23-5-2017	23-5-2029	17	48 km ²	Kangiarra Project, SKY: DVP JV
Aurum Metals Pty Ltd (SKY sub)	100%	EL8920	5-12-2019	5-12-2025	65	183 km ²	Caledonian Project
Aurum Metals Pty Ltd (SKY sub)	100%	EL9120	30-3-2021	30-3-2027	50	141 km ²	Caledonian Project
Cuprum Aurum Pty Ltd (SKY sub)	100%	EL6320	12-10-2004	12-10-2026	14	41 km ²	Galwadgere Project - agreement with pre-IPO Burrendong Minerals Ltd
Balmain Minerals Pty Ltd (SKY sub)	100%	EL6064	21-3-2003	20-3-2028	5	15 km ²	Iron Duke Project
Balmain Minerals Pty Ltd (SKY sub)	100%	EL9191	8-6-2021	8-6-2027	60	174 km ²	Iron Duke Project
Stannum Pty Ltd (SKY sub)	100%	EL6258	21-6-2004	21-6-2026	38	113 km ²	Doradilla Project
Stannum Pty Ltd (SKY sub)	100%	EL6699	10-1-2007	10-1-2027	14	41 km ²	Tallebung Project
Stannum Pty Ltd (SKY sub)	100%	EL9524	8-2-2023	08-02-2029	92	262 km ²	Narriah Project
Stannum Pty Ltd (SKY sub)	100%	ELA6786	Applied for on 5-7-2024	-	101	287 km ²	Narriah Project – Application

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

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About the Tallebung Tin Project (100% SKY)

Tallebung stands as an open-pit, technology enabled, near-term tin development project. Tallebung is uniquely placed to provide secure tin supply, to feed irreplaceable and rapidly expanding tin demand, essential in semi-conductors, electronics and solar PV technologies.

The Tallebung Tin Project is located at the site of large-scale historical tin mining in central Western NSW where tin was first discovered in the 1890s. SKY is progressively defining a large-scale hardrock tin resource with recent higher-grade tin zones discovered on the margins of the known deposit and exceptional metallurgical performance demonstrated across the entire known deposit.

The shallow, open-pit tin veins combined with the ideal nature of the tin, hosted as large, discrete grains of simple tin-oxide (cassiterite minerals), all ideally lends itself to low-cost tin production advantages, including exceptional X-ray based ore sorting performance, demonstrated to upgrade the tin up to **44x**, prior to low-cost gravity separation to produce a saleable tin concentrate.

Competent Persons Statement

The information in this report that relates to Exploration Results 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.

SKY ASX releases released during the March 2025 Quarter or referenced in the announcement are listed below:

15 April 2025 – SKY ASX Announcement 'Major RC Program underway at Tallebung'

8 April 2025 – SKY ASX Announcement 'High-grade Tin Results at Tallebung'

1 April 2025 – SKY ASX Announcement 'Tallebung Tin Deposit Extensions Confirmed'



5 March 2025 – SKY ASX Announcement ‘Tallebung Tin Project – Bulk Sampling & RC Drill Program’
12 February 2025 – SKY ASX Announcement ‘Tallebung Tin Project – Drilling Update’
24 January 2025 – SKY ASX Announcement ‘Strong Trenching Results at Tallebung Tin Project’
23 January 2025 – SKY ASX Announcement ‘Tallebung Tin Project Update - Amended’

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