

Stock Commentary

Subject: Sky Metals Limited

IRON DUKE PROJECT:

HIGH GRADE COPPER SURFACE RESULTS AHEAD OF IMMINENT DRILLING

RECENT AIRBORNE EM SURVEY DELINEATES SEVERAL WALK-UP DRILL TARGETS

Background

Sky Metals Limited (ASX:SKY) announced on 8TH April 2021 the results of a recent surface sampling program targeting workings and dumps associated with the historical Christmas Gift and Monarch line of workings situated on the southern part of SKY's Iron Duke Project Licence area, located 10km SE of Tottenham, NSW.

The sampling exercise was highly successful with several sample results returning exceptionally high grade copper.

Iron Duke Project (SKY earning 100%) Christmas Gift & Monarch Line of Workings new results include:

- **26.1% Cu & 0.41gpt Au**
- **11.0% Cu & 0.11gpt Au**
- **8.3% Cu**
- **8.11% Cu**
- **7.92% Cu & 0.37gpt Au**
- **7.06% Cu**

SKY also announced the completion of a fruitful Airborne EM geophysical survey over the Iron Duke tenement and the imminent commencement of drilling at the historical main Iron Duke Copper-Gold mine.

Key Takeaway Points

Christmas Gift & Monarch Line of Workings Results

- 1) Of the 21 samples collected from the line of workings and associated dumps over half have come back >1% copper which is a great result.
- 2) The mineralisation is classic oxide (malachite, azurite and chalcocite) with evidence of chalcopyrite which to us is demonstrating a sizeable zone of supergene is present above a sulphide mineralised body(s).
- 3) **NB) THIS LINE OF WORKINGS HAS NEVER BEEN DRILLED BEFORE**

EM Survey Results

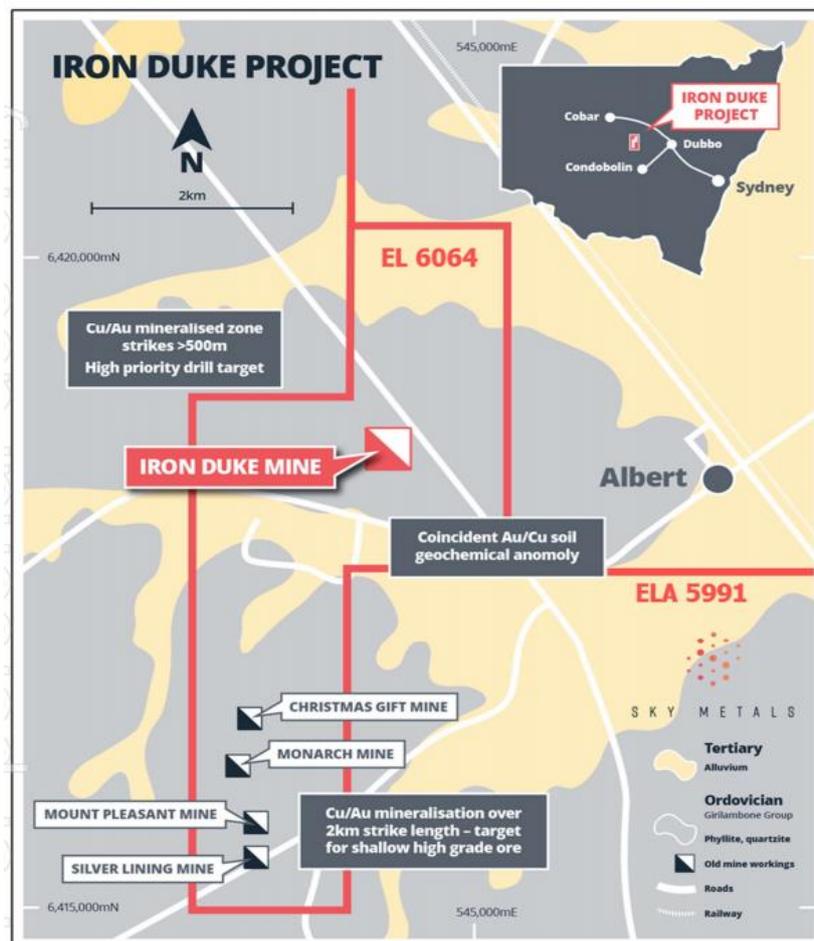
- 4) A recently completed Airborne Electro-magnetic (AEM) survey over the Iron Duke tenement, despite interpretation of the data still ongoing, has already identified some very strong EM anomalies some of which, coincident with known historical shallow workings, provides for a series of "Walk Up" drill targets some of which will be drill tested during the upcoming RC drilling program.
- 5) SKY is keen to point out the demonstrated effectiveness of AEM in the district for the discovery of massive sulphide copper-gold mineralisation as illustrated by Aeris Resources December 2020



Constellation discovery (Discovery hole: 20m grading 2.41%Cu, 0.64gpt Au, 4.46gpt Ag from 197m) located 20km NE of Girilambone as a compelling example.

Upcoming Drilling Program

- 6) Whilst the Company's announcement has fallen short of providing specific details on the planned upcoming RC drilling program, we are nevertheless very excited by its announcement and imminent commencement and will be watching very closely.
- 7) We understand the drilling will be targeting (200m each side) strike extensions of the current Iron Duke historical resource (currently extending for a strike length of 400m) as well as drill testing the known mineralisation down dip beneath existing workings and the current resource envelope.
- 8) In addition, in the light of the very positive results returned from the Christmas Gift – Monarch line of workings, drilling will also test for the first time targets delineated through a combination of surface drilling results and the new EM data.
- 9) In closing we note the Company highlighting some historical intercepts at Iron Duke including:
 - 31m grading 1.13% Cu & 0.96gpt Au from 34m
 - 24m grading 1.07% Cu & 0.24gpt Au from 32m
 - 24m grading 1.53% Cu & 1.55gpt Au from 49m and
 - 13m grading 1.56% Cu & 4.48gpt Au from 37m



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