

\$6 MILLION CAPITAL RAISING TO ADVANCE THE TALLEBUNG TIN PROJECT, NSW

PROCEEDS TO FUND IMMINENT RESOURCE EXPANSION DRILLING, BULK SAMPLING AND FURTHER METALLURGICAL STUDIES

- Binding commitments received to raise \$6 million at \$0.05 per share.
- \$0.55 million committed by SKY Directors, subject to shareholder approval.
- Strong demand from existing shareholders and new investors including resource funds.
- Company now well-funded to advance the Tallebung Tin Project through:
 - Resource expansion drilling, including exploring extensions of the recently discovered higher-grade zones on the margins of the known deposit;
 - Bulk sampling and further metallurgical studies; and
 - Propelling the project towards mining feasibility studies.

Sky Metals Ltd (ASX: SKY) ('SKY' or the 'Company') is pleased to announce that it has received binding commitments to raise \$6 million (before costs) through a share placement (Placement) to fund the next stage of exploration and development of its flagship 100%-owned **Tallebung Tin Project** in central NSW.

The Placement will be undertaken to institutional, sophisticated and professional investors at an issue price of A\$0.05 per share, with approximately 120 million new fully-paid ordinary shares to be issued. The Placement will be completed in two tranches with the first placement of \$5.45 million under the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A, followed by a second tranche of approximately \$0.55 million, subject to shareholder approval, committed by the Company's Directors.

SKY Managing Director Oliver Davies commented: *"We are very pleased with the strong response to the Placement and would like to thank existing shareholders for their strong and continuing support, while also welcoming new investors to the register. This includes a number of leading Australian resource funds, which is testament to the outstanding potential of the Tallebung Project. The strong support shown by the Board is also greatly appreciated and shows SKY's strong conviction in the potential of the Tallebung Tin Project."*

The proceeds of the Placement will be used to progress the development of the Tallebung Project including:

- Resource expansion drilling programs, designed to extend recently discovered higher-grade zones.
- Further metallurgical testwork, with trenching and bulk sampling planned to optimise the recent exceptional ore sorting upgrade results and produce a large sample of tin concentrate for marketing purposes.
- Resource upgrade and mining studies.

The Placement will comprise the issue of approximately 120 million new fully paid ordinary shares (New Shares) at an issue price of \$0.05 per share, which represents:

- 7.4% discount to Last Close (A\$0.054/share),
- 7.1% discount to 5-day VWAP (A\$0.054/share),
- 11.5% discount to 10-day VWAP (A\$0.056/share).

The New Shares will rank equally with the Company's existing shares on issue. The Placement is being made to investors qualifying under Section 708 of the Corporations Act.

Bell Potter Securities Ltd acted as Lead Manager to the Placement.

Indicative Timetable

The proposed key dates for the placement are as follows:

Event	Date
Announcement of the Placement	Monday, 4 November 2024
Settlement of the initial tranche	Thursday, 7 November 2024
Allotment of New Shares issued under the initial tranche	Friday, 8 November 2024
Dispatch of Notice of Meeting	Thursday, 14 November 2024
General Meeting	Monday, 16 December 2024
Settlement of the second tranche of director's shares	Tuesday, 17 December 2024
Allotment of New Shares issued under the second tranche	Wednesday, 18 December 2024

This announcement is authorised for release by the Board of Sky Metals Limited.

For Further Information

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About the Tallebung Tin Project - (100% SKY)

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

The Tallebung Tin Project is the site of large-scale historical tin mining in central Western NSW with tin 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.