



## STRONG VISUAL MINERALISATION AT 3KEL - DORADILLA

- The first hole (**3KDD013**) of the new drilling program at the 3KEL Target has been completed and has returned a ~12m interval of visually strong zinc sulphide mineralisation.
- Mineralisation in **3KDD013** represents a significant strike extension of 500m to the northeast from previous SKY hole **3KRC012**:

**3KRC012:** 37m @ 0.31% Sn from 91m including,  
1m @ 4.23% Sn & 0.20% Cu from 121m

- The 3KEL Target is a large-scale, zoned, tin-polymetallic system and remains open at depth and along strike for over 2.5km.
- Diamond drilling is continuing, targeting expansions to the large tin-polymetallic target at 3KEL.

The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to provide an update on exploration activities at the 3KEL Tin-Polymetallic Target at the Doradilla Tin-Polymetallic project in NSW.

### DORADILLA PROJECT: TIN- POLYMETALLIC (EL 6258, SKY 100%)

#### 3KEL TARGET - DIAMOND DRILLING

The first drill hole in the new diamond drilling program to expand the large tin-polymetallic 3KEL Target has intercepted strong visual zinc mineralisation over at least a 12m interval from approximately 145-157m (**Figure 1**). This visual mineralisation represents a 500m extension along strike of the large 3KEL Target to the northeast - assays are pending.

Zinc sulphide (sphalerite) mineralisation is typical in large and zoned tin systems such as the 3KEL discovery. The sphalerite in the hole 3KDD013 occurs as bands, stringers and zones of semi-massive sulphides. The sphalerite is observed to be very pale, indicative of a high zinc content (**Figure 1**). High zinc sphalerite can contain up to 64% zinc.

Drilling has already commenced on the next hole, **3KDD014**, at 3KEL which will aim to extend the mineralisation intercepted in **3KRC007**, extending the mineralisation down plunge at depth (**Figure 2** and **3**).

SKY Exploration Manager Oliver Davies commented "The visual zinc mineralisation is very encouraging and shows that the large tin-polymetallic system at 3KEL remains open for over 2.5km. The presence of this strong zinc mineralisation over 500m from any previous drilling by SKY indicates that the system continues along strike and tin mineralisation may continue at depth for the length of the broad 3KEL Target."

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**Figure 1:** 3KEL Target – **Top:** Diamond drill core in trays from first hole 3KDD013, 144.1-151.6m DH. **Bottom:** Close up of drill core from 150.3-150.4 with pale honeycomb coloured semi-massive sphalerite – Assays are pending.

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Diamond drillhole **3KDD014** is planned to test depth extents to the high-grade tin mineralisation intercepted in **3KRCD007**. Following this hole, a hole is planned to further extend the strike to the southwest and test under a previous high-grade tin intercept from historic aircore drilling which intercepted **42m @ 1.46% Sn from 0m (3KAC020)**. This hole is over 200m from any previous drilling by SKY and aims to further increase the strike at 3KEL. A large diameter hole also is planned to be drilled in the vicinity of **3KRCD007** to provide sample for further metallurgical test work over the next few months.

At least six holes have been planned in this current program and will aim to continue expanding the strike and depth extents of the 3KEL mineralisation.

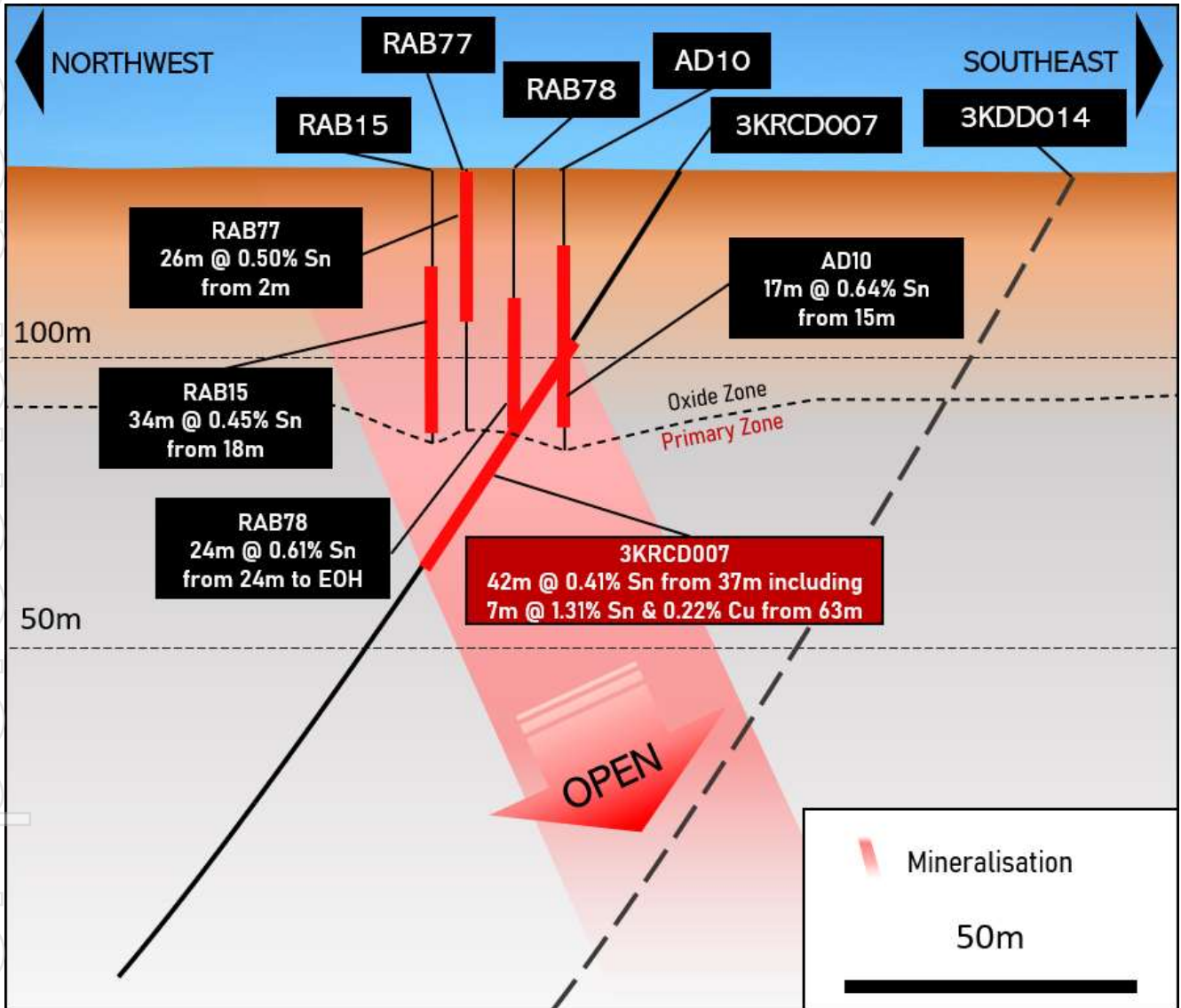


Figure 2: 3KEL Target – Cross section of **3KRCD007** and location of next drillhole **3KDD014** to drill under **3KRCD007** to extend mineralisation down plunge at depth.

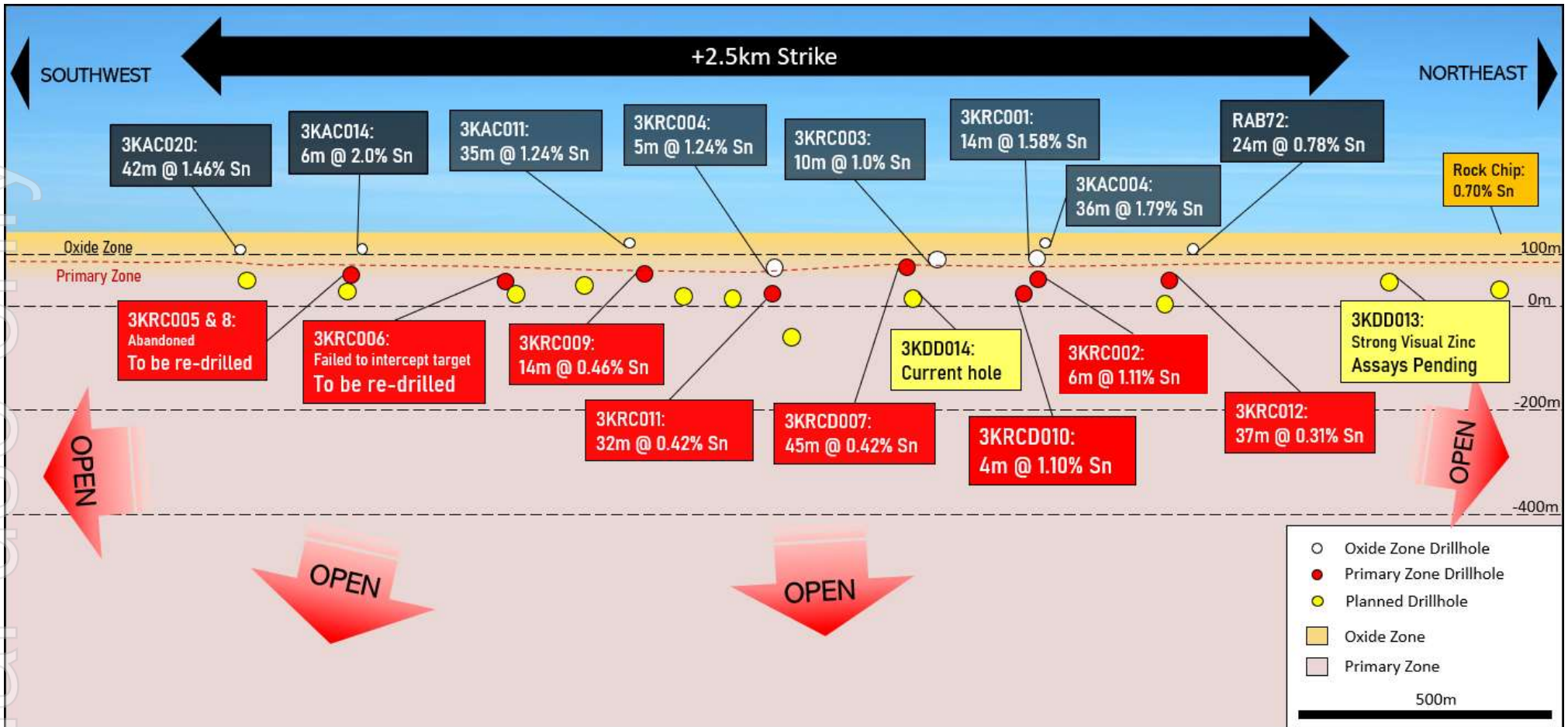


Figure 3: Schematic Long Section of the 3KEL Target. Holes 3KRC005 and 3KRC008 were drilled from the same pad and both holes were abandoned before reaching the target depth.

## 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.

### GOLD PROJECTS

#### GULLARIN / KANGIARA PROJECTS (EL7954; EL8400 & EL8573, HRR FARM-IN)

Under the HRR farm-in, SKY has now earned an 80% interest in the projects via the expenditure of \$2M prior to the formation of a joint venture (ASX: 9 October 2019). Highlight, 'McPhillamys-style' gold results from previous drilling at the Cullarin Project include 148.4m @ 0.97 g/t Au (WL31) including 14.6m @ 5.1 g/t Au from 16.2m, & 142.1m @ 0.89 g/t Au (WL28) including 12m @ 4.4 g/t Au from 25.9m. The Cullarin Project contains equivalent host stratigraphy to the McPhillamys deposit with a similar geochemical, geophysical & alteration signature. SKY's maiden drill program was very successful including core hole HUD002 which returned 93m @ 4.2 g/t Au from 56m.

#### CALEDONIAN / TIRRAWA PROJECTS ( EL8920, EL9048, 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. The distribution of multiple historic drill intersections indicates a potentially large gold zone with discrete high-grade zones, e.g. 6m @ 8g /t Au recorded from lode at historic Caledonian Mines (GSNSW). A strong, robust soil gold anomaly (600 x 100m @ +0.1ppm) occurs and most drillholes (depth ~25m) terminate in the mineralised zone.

### COPPER GOLD PROJECTS

#### GALWADGERE (EL6320, 100% SKY)

The Galwadgere project is located ~15km south-east of Wellington in central NSW. High grade copper-gold mineralisation has been intersected by previous explorers (e.g. 47m @ 0.90% Cu & 1.58g/t Au) and the mineralisation is open along strike and at depth.

#### IRON DUKE (EL6064, BALMAIN OPTION; EL9191 100% SKY)

The Iron Duke project is located ~10km south-east of Tottenham in central NSW. High grade copper-gold mineralisation has been intersected by previous explorers (e.g. 13m @ 1.56% Cu & 4.48g/t Au) and the mineralisation is open down dip to and to the south.

### 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 and is considered prospective for lode and porphyry-style tin - tungsten mineralisation.

#### DORADILLA PROJECT (EL6258, 100% SKY)

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

#### NEW ENGLAND PROJECT (EL9200 & 9210, 100% SKY)

SKY has been granted two exploration licences in the New England Orogen covering areas of significant historical tin production - Emmaville & Gilgai. These areas were selected as they were considered to have considerable potential to host hardrock tin resource and limited modern day exploration has been conducted.

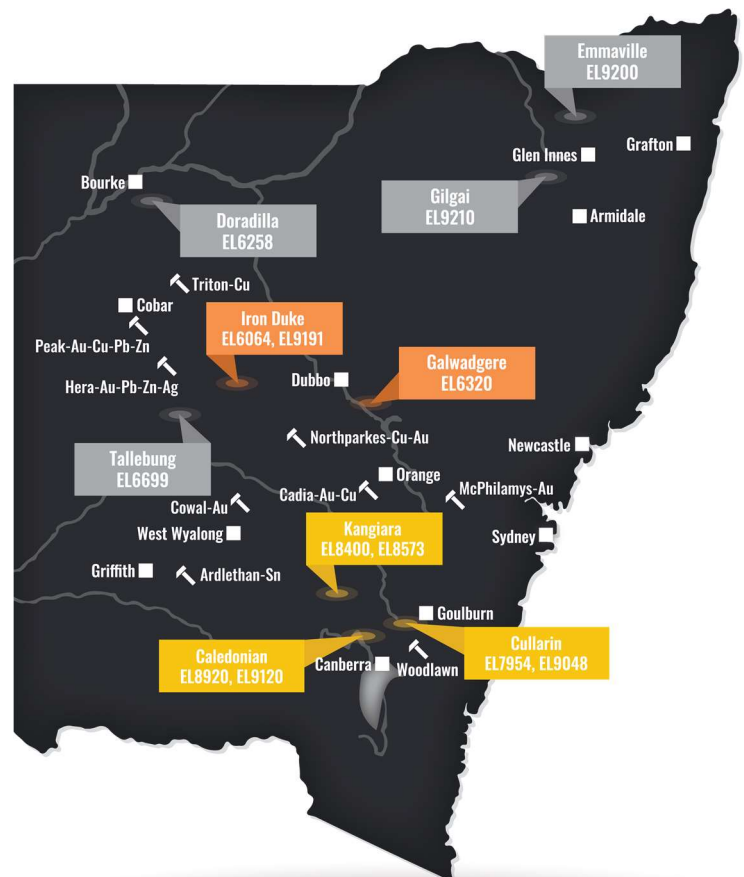


Figure 4: SKY Location Map



## COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Rimas Kairaitis, who is a Member of the Australasian Institute of Mining and Metallurgy. Rimas Kairaitis is a Director 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 Kairaitis 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](http://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.

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