

## FURTHER STRONG VISUAL MINERALISATION AT 3KEL - DORADILLA

- The second hole (3KDD014) of the new drilling program at the 3KEL Target has been completed and intercepted 30-40m of potential tin-bearing Malayaite.
- 3KDD014 is drilled to extend mineralisation over 80m down dip from 3KRCD007:

3KRCD007: 42m @ 0.41% tin from 37m including,  
7m @ 1.31% tin & 0.22% copper from 63m

- The 3KEL Target is a large-scale, 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.
- Preliminary trial of the TOMRA XRT ore sorting technology has shown it can successfully be applied to 3KEL mineralisation, a bulk sample will be sent to TOMRA ore sorting for further testwork.

*Core in UV light with tin-bearing malayaite fluorescing green.*



*Core in normal visible light.*



*Figure 1: 3KEL Target -Diamond drill core from second hole 3KDD014, 182.39-182.55m DH. (Assays Pending)*

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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 Second drill hole in the ongoing diamond drilling program at the large tin-polymetallic 3KEL Target has intercepted strong visual UV fluorescent potential tin mineralisation over at least a 30–40m interval from approximately 151–189m in **3KDD014** (Figure 1). This visual mineralisation represents an 80m extension down dip at depth of the large 3KEL Target below **3KRCD007** – assays are pending.

Malayaite, which is the mineral that hosts the tin mineralisation at 3KEL, has a rare property of fluorescing strongly under short wavelength UV light. This allows areas of potential tin mineralisation to be identified via UV fluorescence. The UV fluorescence recorded in **3KDD014** is a strong indication that the tin mineralisation continues 80m down dip below hole **3KRCD007**, extending the mineralisation at 3KEL significantly at depth.

Drilling has already been completed on the next hole, **3KDD015**, at 3KEL which will aim to extend the mineralisation to the southwest (Figure 2 and 3).

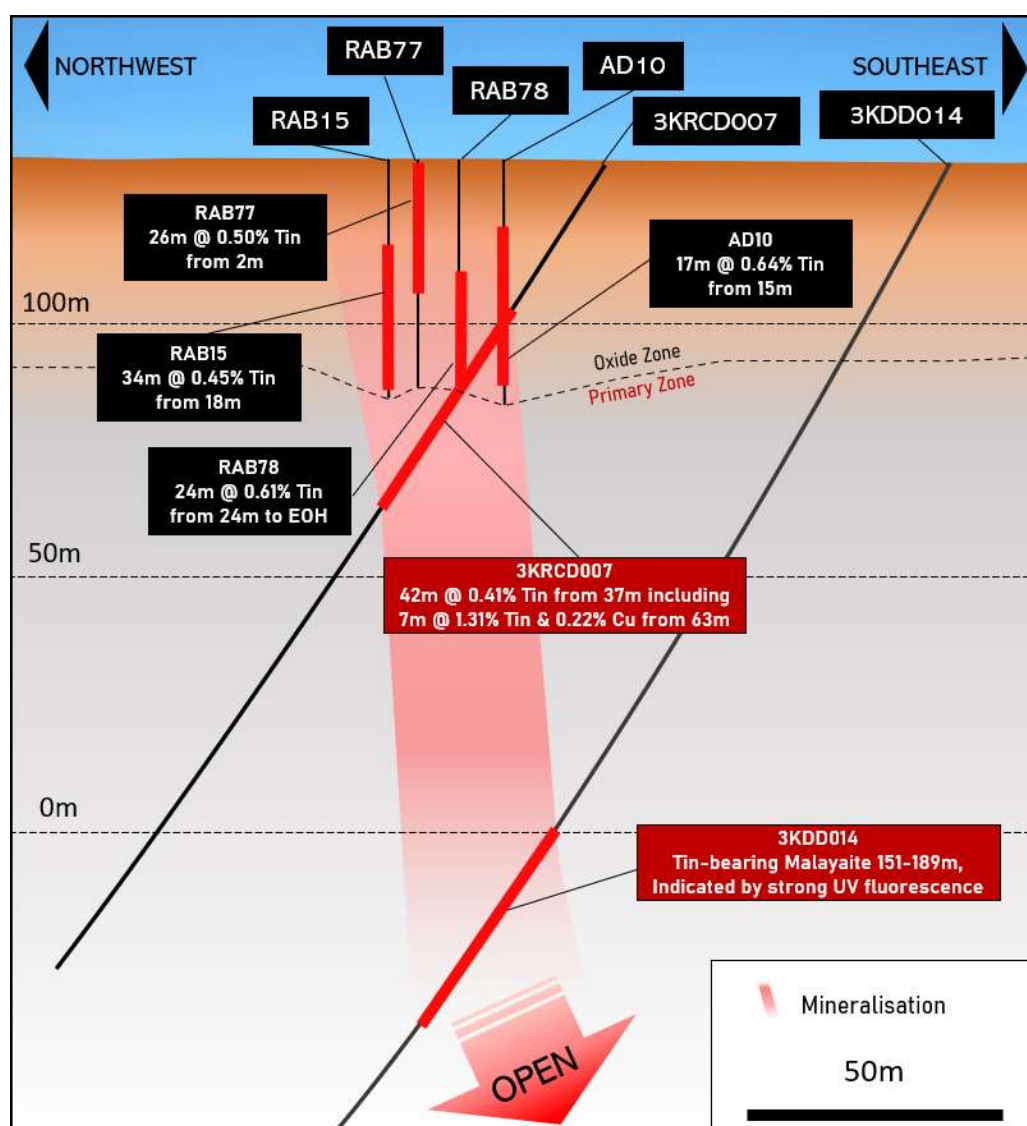


Figure 2: 3KEL Target – Cross section of **3KRCD007** and **3KDD014** aimed at extending mineralisation down plunge at depth.

**3KDD015** 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% tin 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 is planned to be drilled in the vicinity of **3KRCD007** and **3KDD014** to provide sample for further metallurgical test work over the next few months (see below).

Drilling will continue in the new year to expand the strike and depth extents of the 3KEL mineralisation and planning for an infill RC program planned for the new year has commenced.

### **3KEL TARGET – TOMRA ORE SORTING**

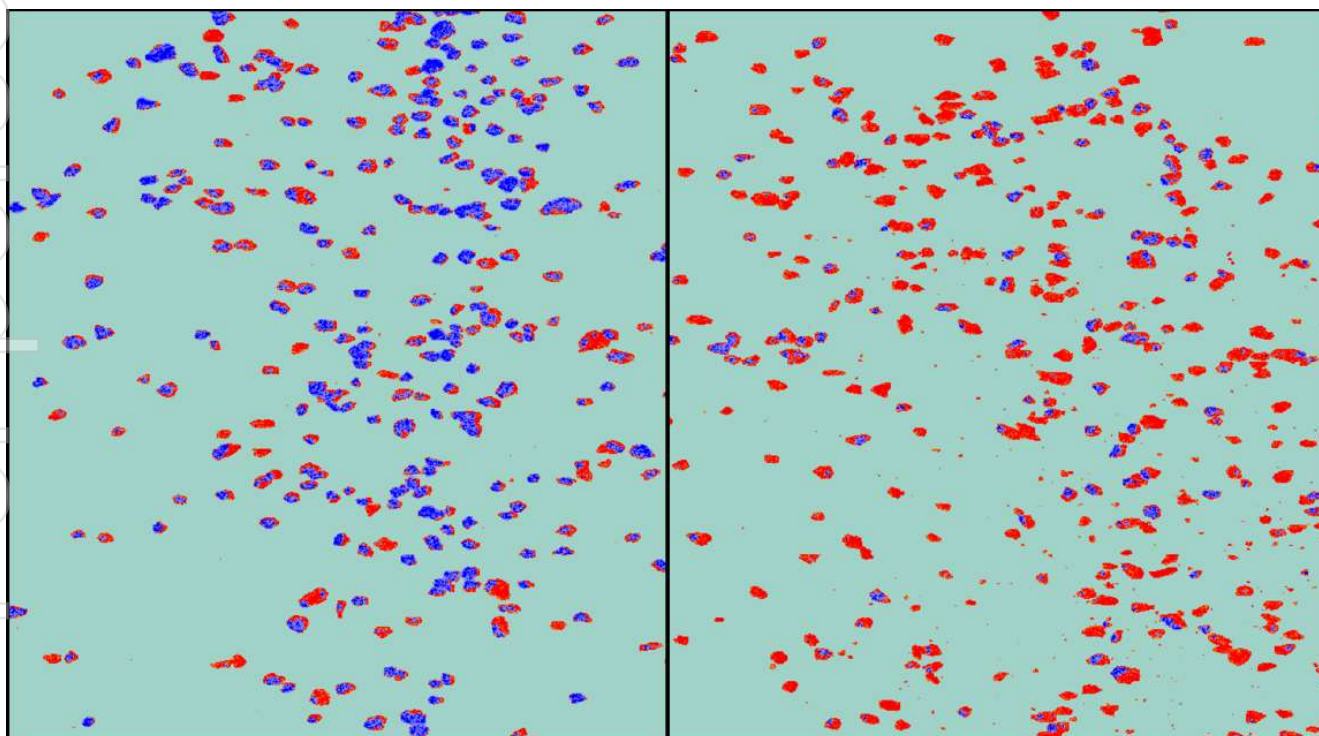
TOMRA Sorting Solutions were engaged by SKY to conduct a preliminary ore sorting trial to assess the effectiveness of X-Ray Transmission (XRT) ore sorting on the tin mineralisation at 3KEL (SKY ASX Announcement 4 November 2021).

SKY provided samples to the TOMRA Sorting facility in Sydney, NSW in September with varying grades and grain sizes. The samples were imaged and classified by TOMRA's XRT ore sorter (**Figure 3**).

Preliminary results indicate XRT ore sorting can play an important role in upgrading lower grade material (<0.5% tin) to higher grades (>1%tin) ahead of further tin concentration.

The results of the trial CXRT ore sorting by TOMRA have shown potential for the XRT ore sorting to be applied to the 3KEL mineralisation to significantly reduce tonnages to be processed and upgrade low grade ore to become economic to mine and process.

A wide diameter metallurgical hole is planned for next year to provide material for a bulk sample to be sent to TOMRA ore sorting to continue this encouraging work and for further metallurgical testwork.



*Figure 3: Classified XRT images of the sorted material (left) and the waste (right). The blue, higher density material has been concentrated in the sorted product to increase the tin content and remove waste. Image provided by TOMRA.*

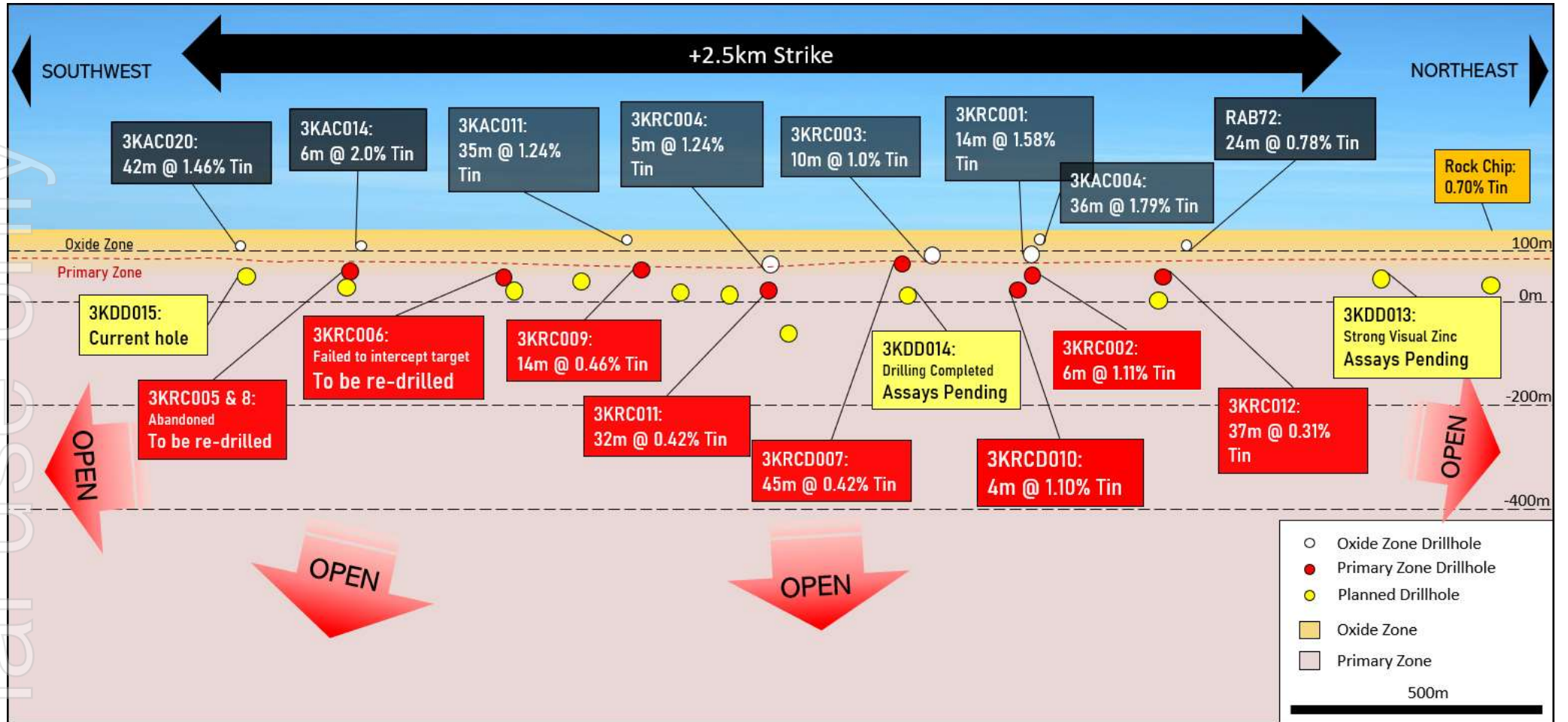


Figure 4: Schematic Long Section of the 3KEL Target. Holes 3KRC005 and 3KRC008 were drilled from the same pad and both holes were abandoned before reaching the target depth.

## 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.

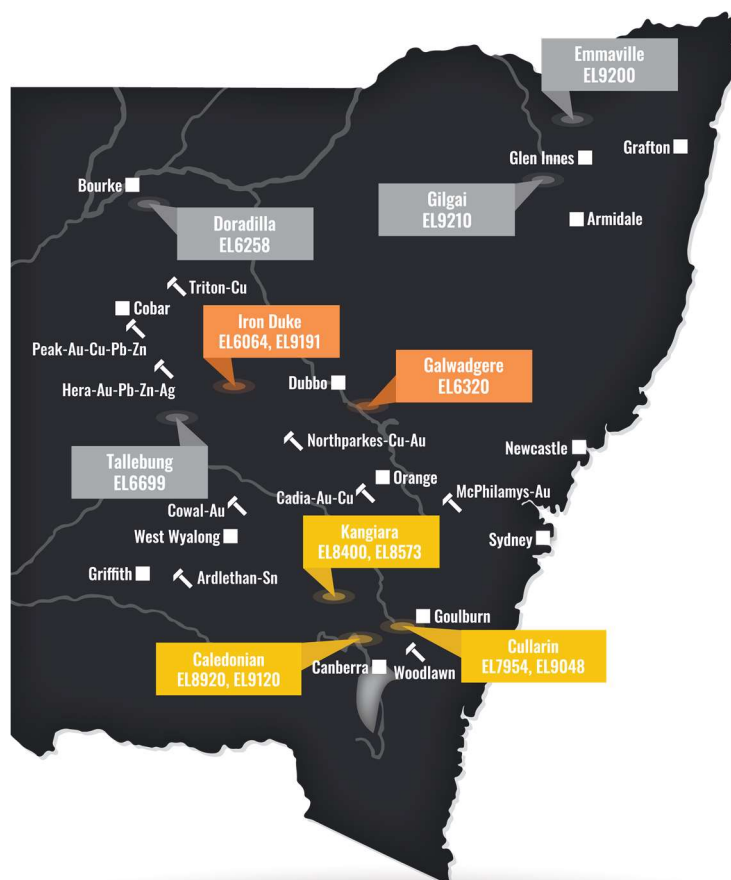


Figure 5: SKY Location Map

## 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

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