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$6.1 MILLION CAPITAL RAISING TO ADVANCE THE TALLEBUNG TIN PROJECT, NSW

- Binding commitments received to raise $6.1 million at $0.065 per share.
- $592k committed by SKY Directors and Management, subject to shareholder approval.
- Strong demand from existing shareholders and new investors including excellent institutional fund support.
- Company is well-funded to advance the Tallebung Tin Project through:
    - Resource expansion drilling, including exploring extensions of the recently discovered higher-grade zones of tin and silver, expanding beyond the margins of the known deposit;
    - Completion of the bulk sampling and 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 $6.1 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$0.065 per share, with approximately 93.7 million new fully-paid ordinary shares to be issued. The Placement will be completed in two tranches with the first placement of $5.5 million under the Company's existing placement capacity under ASX Listing Rule 7.1, followed by a second tranche of approximately $592k, subject to shareholder approval, committed by the Company's Directors and Management.

SKY Managing Director Oliver Davies commented: *"Thank you to existing shareholders for their strong and continuing support. We also welcome new shareholders including a number of leading resource funds, which is testament to the outstanding potential of the Tallebung Project and SKY's growing project portfolio. The strong support shown by the Board and Management is also greatly appreciated and shows SKY's strong conviction in the potential of the Tallebung Tin Project in the near-term."*

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 93.7 million new fully paid ordinary shares (New Shares) at an issue price of $0.065 per share, which represents:

- 8.5% discount to Last Close (A$0.071/share),
- 18.4% discount to 5-day VWAP (A$0.080/share),
- 15.5% discount to 10-day VWAP (A$0.077/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. Bell Potter will receive a fee of 5% of the proceeds of the Placement.

Indicative Timetable

The proposed key dates for the placement are as follows:

Event	Date
Announcement of the Placement	Thursday, 31 July 2025
Settlement of the initial tranche	Wednesday, 6 August 2025
Allotment of New Shares issued under the initial tranche	Thursday, 7 August 2025
Dispatch of Notice of Meeting	Thursday, 14 November 2024
General Meeting	To be advised

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

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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.

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