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QUARTERLY ACTIVITIES REPORT TO 30 SEPTEMBER 2026

PFS AND MAJOR RESOURCE UPGRADE CONFIRM TALLEBUNG AS A LOW-COST, HIGH-MARGIN CRITICAL METALS PROJECT

STRONG ECONOMICS, RAPID CAPITAL PAYBACK AND SIGNIFICANT GROWTH POTENTIAL, WITH DEVELOPMENT ACTIVITIES ACCELERATING TOWARDS PRODUCTION

TALLEBUNG TIN-TUNGSTEN-SILVER PROJECT, NSW

- Pre-Feasibility Study (PFS) confirms Tallebung as a technically robust and economically attractive, near-term critical metals development opportunity.
- PFS based on a single, low strip, 3Mtpa open-cut mining project, producing an average of 2,040t of tin, 31,700mtu of tungsten trioxide and 315koz of silver per year over an initial 7.3-year mine life, **with only 66% of the global Mineral Resource Estimate included**.
- PFS mine life constrained by current Measured and Indicated (M&I) Resources, with potential to extend mine life significantly by upgrading existing Inferred Resources to M&I category – **drilling has already restarted to upgrade Resources and extend life-of-mine**.
- **Compelling base case economics** using US$45,000/t Sn, US$1,500/mtu WO_3 & US$50g/t Ag[1]:
  - Pre-tax **IRR of 69%**
  - Life-of-mine average **annual EBITDA of more than A$115 million**
  - Pre-tax $NPV_{8\%}$ of approximately **A$438 million** for the initial 7.3-year mine life
  - Capital payback in **less than 17 months**
  - All-in sustaining cost (AISC) of **US$5,653/t tin produced** (net of co-products)
- **Spot commodity prices materially enhance project economics** – using spot prices of US$56,450/t Sn, US$3,075/mtu WO_3 & US$61.9/oz Ag[2] delivers:
  - Pre-tax **IRR of 130%**
  - Life-of-mine average **annual EBITDA of more than A$221 million**
  - Pre-tax $NPV_{8\%}$ of approximately **A$1.0 billion** for the initial 7.3 year mine life
  - Capital payback in **less than 9 months**
  - AISC of **negative (-) US$18,935/t tin produced** (net of co-products)
- PFS underpinned by the updated MRE released during the quarter, which **exceeded the upper limit of the previous Exploration Target**[1], increasing the project's tin, tungsten and silver inventory to:

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- **32.7Mt @ 0.16% Tin Equivalent*** for 36.8kt of contained tin, 1.14M mtu of contained tungsten trioxide (WO_3) and 9.94Moz of contained silver at a US$20/t NSR* cut-off.
- MRE now contains **58% more tin (126% more tin in Measured and Indicated Resources)**, **163% more tungsten** and includes a maiden **9.94Moz silver Resource[1].**

- **Major new 150+ hole drilling program underway**, targeting resource growth and increased Measured and Indicated Resources to support potential mine-life extensions. Results already received in this program include:

TBD022: **17m @ 0.70% Sn, 0.03% WO_3 & 14.8g/t Ag** from 26m, including:
- **4m @ 2.44% Sn, 0.06% WO_3 & 28.0g/t Ag** from 28m

TBRC471: **29m @ 0.31% Sn & 0.05% WO_3** from 27m, including:
- **2m @ 1.62% Sn, 0.10% WO_3 & 47.8g/t Ag** from 59m

TBRC468: **1m @ 5.45% WO_3 & 0.08% Sn** from 66m, and:
3m @ 1.16% Sn, 0.19% WO_3 & 10.6g/t Ag from 75m

TBRC414: **10m @ 0.61% Sn & 27.1g/t Ag** from 48m, including:
- **1m @ 2.46% Sn, 0.05% WO_3 & 14.8g/t Ag** from 53m

- Approvals milestones continue as Tallebung formally advances through the NSW State Significant Development (SSD) process with the Environmental Impact Statement (EIS) commencing during the quarter and proceeding on schedule.

CORPORATE

- SKY remains well funded, with cash and cash equivalents of A$14.5M at 30 September 2026, supporting continued drilling, studies, approvals and corporate activities.

DECEMBER 2026 QUARTER – PROPOSED WORK PROGRAM

TALLEBUNG TIN-TUNGSTEN-SILVER PROJECT AND DORADILLA TIN PROJECT

- Advance optimisation work at Tallebung following the August 2026 PFS, progress financing and offtake discussions, and continue workstreams targeting FID during 2027.
- Tendering and selection of successful Definitive Feasibility Study (DFS) consultant, commencing the further optimisation of the project through the DFS, building on the PFS.
- Continue the bulk sample metallurgical program and project optimisation studies to support offtake marketing for tin, tungsten and silver products.
- Progress environmental approvals and permitting, targeting mining approval in late 2027.
- Continue major resource growth drilling at Tallebung and commence drill testing at the Theirman Mines Prospect.
- Commence geophysical survey over the Doradilla Tin Project ahead of planned resource and exploration drilling programs.

The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to provide a Quarterly Activities Report outlining SKY's exploration and development programs during the September 2026 Quarter.

TALLEBUNG PROJECT (EL 6699, SKY 100%)

PRE-FEASIBILITY STUDY (PFS)

During the September 2026 Quarter, SKY announced the outcomes of the Tallebung Pre-Feasibility Study (PFS), which confirmed Tallebung as a technically robust and economically attractive, near-term critical metals development opportunity.

The PFS was based on a single, low strip, 3Mtpa open-cut mining project producing an average of 2,040t of tin, 31,700mtu of tungsten trioxide and 315koz of silver per year over an initial 7.3-year mine life, with only 66% of the global Mineral Resource Estimate currently included.

The study outlined compelling economics and a low pre-production capital requirement of A$138.8 million, while highlighting significant scope to extend mine life through upgrading Inferred Resources and continuing resource growth drilling.

Full details of the PFS were provided in the Company's ASX Announcement dated 10 August 2026.

UPDATED MINERAL RESOURCE ESTIMATE

The Tallebung PFS was underpinned by an updated Mineral Resource Estimate (MRE) announced during the Quarter, which totalled **32.7Mt @ 0.16% Tin Equivalent*** for 36.8kt of contained tin, 1.14M mtu of contained tungsten trioxide (WO_3) and 9.94Moz of contained silver at a US$20/t NSR* cut-off.

The updated MRE includes an Inferred Mineral Resource of 19.9Mt grading 0.15% Tin Equivalent* which was not included in the PFS. Drilling is now underway to upgrade these Inferred Resources to the higher confidence Measured and Indicated categories for inclusion in ongoing optimisation studies, as well as to expand the Resource beyond the existing envelope.

The updated MRE remains open in all directions.

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Table 1 – Tallebung MRE showing total tonnage, grade and contained metals at a US$20/t NSR cut-off grade. NB: Previous MRE cut-off of 0.08% Sn without any WO_3 or Ag credits equates to a ~US$23/t NSR at the base case Tin price of US$37500/t. Additionally, WO_3 refers to the Tungsten reported as an oxide for which it is sold and "mtu" refers to metric tonne units as Tungsten is conventionally reported in, 1 mtu = 10 kg WO_3.

MRE Classification	Tonnes	Grade				Contained Metal		
	Mt	Sn Eq (%)	Sn (%)	WO_3 (%)	Ag (g/t)	Sn (kt)	WO_3 (MTU)	Ag (koz)
Measured	0.5	0.22	0.19	0.033	8.3	0.9	16,171	130
Indicated	12.3	0.17	0.14	0.029	8.5	17.0	356,035	3,349
Inferred	19.9	0.15	0.09	0.039	10.1	18.8	767,628	6,461
Total	**32.7**	**0.16**	**0.11**	**0.035**	**9.5**	**36.8**	**1,139,835**	**9,940**

COMMENCEMENT OF MAJOR NEW RESOURCE GROWTH-FOCUSED DRILLING PROGRAM

Following the delivery of the Tallebung PFS, SKY commenced a major new drilling program at the Tallebung Project targeting resource growth and increases in Measured and Indicated Resources to support potential mine-life extensions.

The first assay results from the recent diamond drilling program returned new shallow, high-grade tin-tungsten-silver mineralisation, including hole TBD022 which intersected 17m @ 0.70% Sn, 0.03% WO_3 and 14.8g/t Ag from 26m, including 4m @ 2.44% Sn, 0.06% WO_3 and 28.0g/t Ag from 28m.

Recent drilling also intersected coarse wolframite-hosted tungsten mineralisation in at least two diamond holes, with assays pending (Figure 2). This is an encouraging development for the Project and may support the growing contribution from tungsten alongside tin and silver at Tallebung.

Importantly, these latest results add to significant post-MRE drilling completed after the recent Resource update cut-off, highlighting strong potential for further resource growth and future mine-life extensions.

In addition, SKY has commenced a major new RC drilling program comprising more than 150 planned holes. The program is designed to systematically test opportunities for additional resource growth and development optionality while project development activities continue.

In parallel, the Company is preparing to drill test the Theirman Mines Prospect, located approximately 20km from Tallebung, where recent surface sampling returned assays of up to 7.44% WO_3 and confirmed more than 500m of prospective strike across at least two mineralised trends.

Together, the ongoing resource growth drilling at Tallebung, pending assays from the recently completed diamond drilling and the near-term drill testing at Theirman provide SKY with a substantial pipeline of exploration and development catalysts as the Company advances Tallebung toward future tin-tungsten-silver production.

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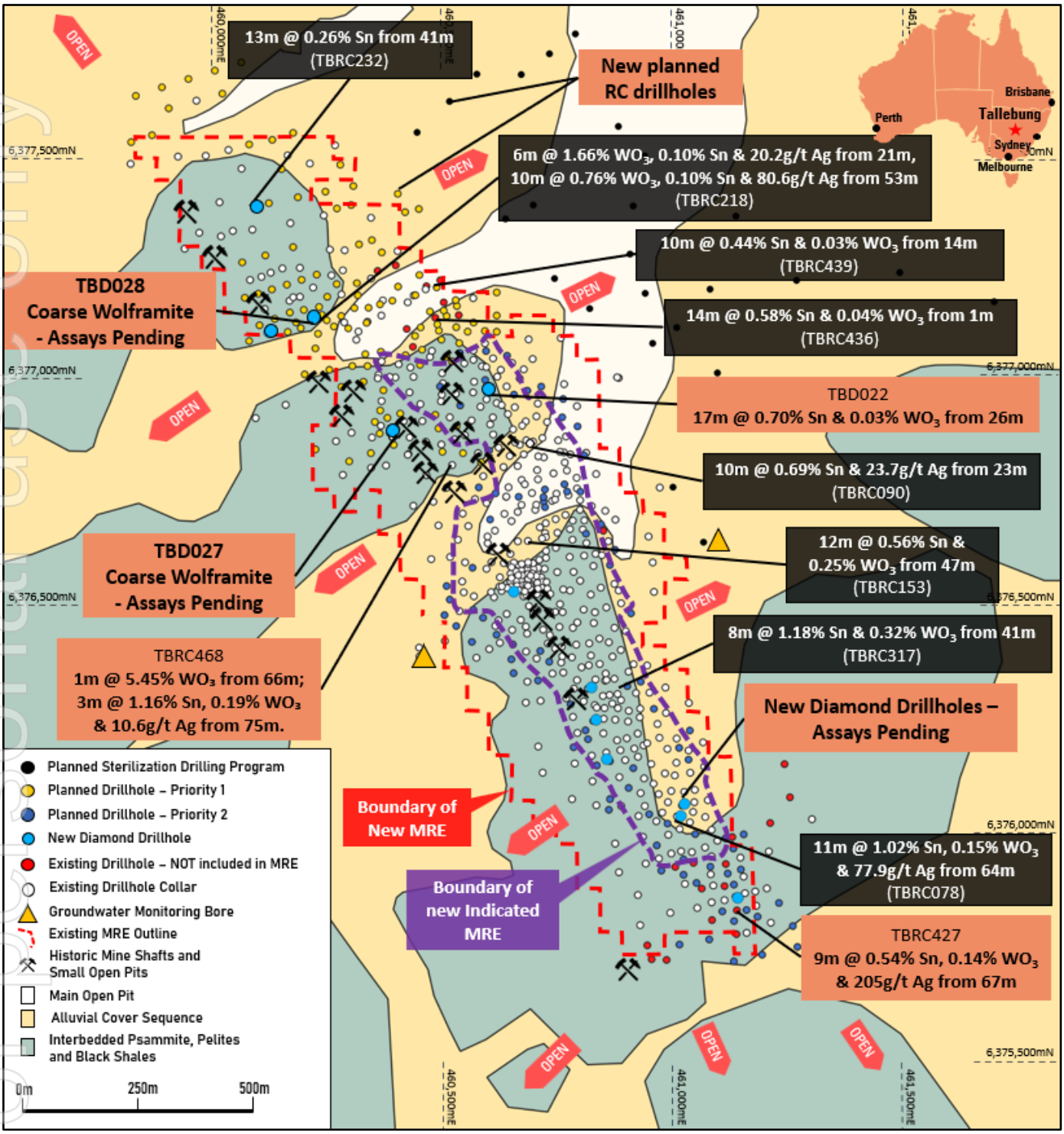


Figure 1: *Plan showing the location of the new drilling results. Drill-hole collars, previously reported highlight drill intercepts and the limits of the existing Tallebung MRE are shown over surface geology.*

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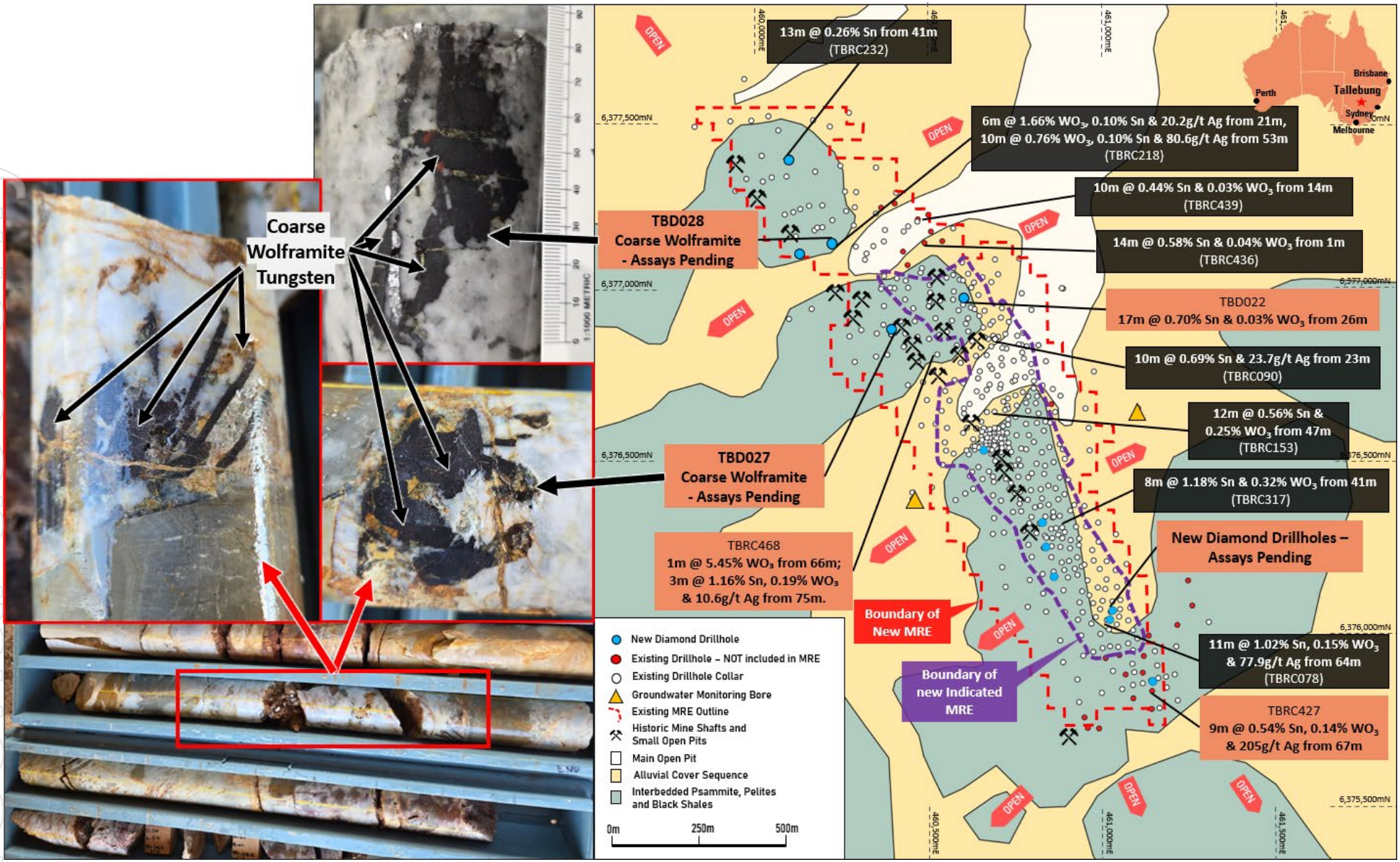


Figure 2: *LHS Top to Bottom: Coarse Wolframite in drillcore from TBD028 @ ~63.5m (NB:* ***Wolframite typically is ~77% WO_3****); Coarse Wolframite grains from TBD027 @ ~47m; Bottom: Drill core from ~46m-49m DH in TBD027. RHS: Plan showing the location of the new diamond drilling results shown over surface geology.*

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SKY METALS

APPROVALS & PERMITTING

During the Quarter, SKY continued to progress the Tallebung approvals pathway, building on the previously commenced NSW State Significant Development process.

Following completion of the PFS, the approvals process is progressing on schedule towards a target of securing mining approval in late 2027 and first production in mid-2028.

Environmental approvals, project optimisation and financing workstreams are continuing in parallel as SKY advances Tallebung toward a Final Investment Decision during 2027.

These workstreams are intended to preserve flexibility to capture further value from ongoing resource growth, project optimisation and strengthening tin, tungsten and silver market conditions.

NEXT STEPS

With the PFS now complete, the next steps at the Tallebung Project include:

- Advancing environmental approvals,
- Continuing project optimisation and advancing the DFS,
- Progressing financing and offtake discussions, and
- continuing resource growth and resource conversion drilling to support future mine-life extensions.

DORADILLA PROJECT (EL 6258, SKY 100%)

EXPLORATION TARGET

An Exploration Target has been defined for the Doradilla Tin Deposit, situated at the southwestern end of the Doradilla–Midway–3KEL (DMK) skarn line within EL6258. The target is estimated at 10-15 million tonnes (Mt) grading 0.32-0.42% Sn, representing a potential 32,000 to 63,000 tonnes of contained tin.

Table 2: *Doradilla Tin Deposit: Initial Exploration Target for only 2.5km of the total 10km strike*

Exploration Target	Tonnage Range	Grade Range	Contained Metal
	Mt	Tin (%)	Tin (t)
Total @ 0.20% tin cut-off grade	**10 – 15**	**0.32 – 0.42**	**32,000 – 63,000**

The potential quantity and grade of the Exploration Target are conceptual in nature. As such, there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain whether further exploration will result in a Mineral Resource. The Exploration Target has been prepared in accordance with the JORC Code 2012.

The Exploration Target is based on:

- Historical drilling data from North Broken Hill Ltd, Renison Ltd, Aberfoyle Exploration Pty Ltd, and others between 1972 and 1984.
- Compilation of over 94 drill collars and 5,150 assay records from SKY's database.
- Observed mineralisation style and host geology, delineating the cassiterite-rich skarn system.

Full details of the Exploration Target were provided in the Company's ASX Announcement dated 31 July 2025.

NEXT STEPS

SKY is preparing a targeted drilling program at Doradilla designed to:

- Confirm historical high-grade tin intersections;
- Test extensions of mineralisation identified in new surface sampling; and
- Begin systematic drill coverage across newly defined priority zones along the +10km corridor identified to date.

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This drilling will form the foundation for future resource work, metallurgical optimisation and broader development studies as SKY develops Doradilla as a future tin production asset.

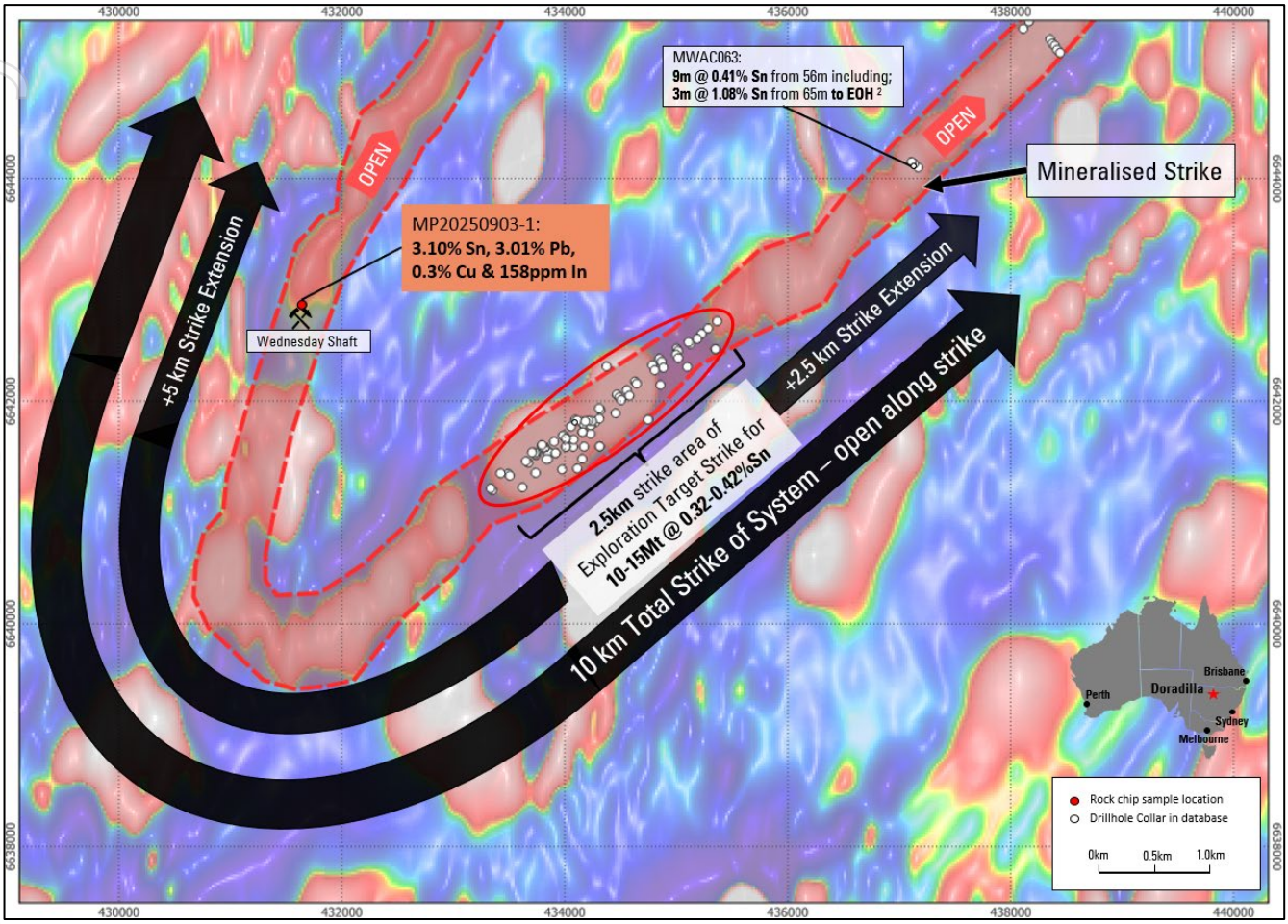


Figure 3: *Plan showing the initial Exploration Target area and the extensions to quadruple the Exploration Target strike, overlaid on regional magnetics, strongly indicating that the mineralised strike is continuous over more than 10km and open along strike in both directions.*

NARRIAH PROJECT (EL 9524, SKY 100%)

DATA REVIEW AND SURFACE GEOCHMISTRY

Compilation of historical data showed strong potential for near surface tin-tungsten mineralisation at the Conapaira Mining Reserve. This was further evidenced by the extensive historical workings in the area.

A site visit for ground-truthing historical data, geological mapping and rock chip sampling was completed in the March Quarter, leading to the discovery of extensive workings throughout the mining reserve and widespread evidence for these workings occurring in close proximity to the Erigolia Granite Margin. Evidence for the close proximately to the granite margin included exposed and preserved roof pendants.

Given the prospective position of these historical workings, rock chip samples were taken from areas of outcrop and mine workings. These rock chip samples successfully identified high-grade tin, tungsten and silver mineralisation over a strike length of more than 3km, with results including:

- 1.80% tin, 13.9g/t silver & 0.05% copper (JN240223-05);
- 1.50% tin, 0.26% tungsten & 14.7g/t silver (JN240223-04);
- 1.20% tin & 1.77% tungsten (JN240223-10).

GEOPHYSICAL MAGNETICS SURVEY

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In the September Quarter 2024, a large aeromagnetics survey was flown over the +16km long prospective horizon within the Narriah Project. The results from this survey will be combined with the rock chip results from the Conapaira Mining Reserve to aid in targeting large-scale and high-grade tin and tungsten mineralisation.

Furthermore, the potential hard rock tin mineralisation in the majority of the Narriah Project remains untested by previous explorers.

Results of the geophysical survey will be combined with a thorough compilation of the historical data and the rock chip results to target follow-up drilling, aiming to discover a large-scale and high-grade tin-tungsten deposit.

CULLARIN PROJECT: GOLD-LEAD-ZINC-COPPER

SKY 80%; DVP JV (EL7954)

Initial exploration at the Cullarin Project successfully validated historical results, returning broad zones of high-grade mineralisation. Most notably:

HUD002: **93m @ 4.24g/t Au** & 1.87% Pb+Zn from 56m

In addition to the excellent drill results, re-assay of historical auger drilling pulps has revealed multiple untested gold anomalies, including at the Poplar Prospect, where 9.91g/t Au was intercepted with no follow-up work completed to date, demonstrating the prospectivity of a +20km gold corridor at Cullarin.

Given the exceptional potential of these high-grade gold prospects and SKY's strategic focus on advancing its tin portfolio, the Company is open to partnering with groups capable of accelerating exploration and development at Cullarin. SKY is enthusiastic to see further exploration on this project offering significant upside in a proven +20km mineralised corridor.

CALEDONIAN PROJECT: GOLD

100% SKY (EL8920 & EL9020)

SKY has completed a soil sampling program, a phase of AC drilling, two phases of RC drilling and two diamond drill holes at the Caledonian Prospect and intersected high-grade gold, results included:

CARC011:	5m @ 4.46 g/t Au from 11m including,
	2m @ 8.82 g/t Au from 11m
CARC002:	3m @ 13.6 g/t Au from 14m including,
	1m @ 38.4 g/t Au from 15m
CAD001:	2m @ 11.4 g/t Au from 22m including,
	1m @ 21.9 g/t Au from 22m

A recent review of drill core indicates that SKY was incorrect to target the Caledonian Prospect as a strata-hosted skarn deposit and instead is more similar to the McPhillamys Deposit as first interpreted.

SKY has been informed of the proposed development of a solar farm on the northern area of EL8920. This area covers the Jerrawa Strike, which is a trend of metallic occurrences that SKY interprets to be an exhalative horizon with strong potential to host gold-silver and base metal mineralisation. Work to date has delineated a gold soil anomaly which SKY plans to follow up in the following quarters, pending ongoing negotiations with the Solar Farm developers.

GALWADGERE PROJECT: COPPER-GOLD

100% SKY (EL6320)

In 2021, SKY announced the Galwadgere maiden JORC-2012 Inferred Resource of 3.6Mt at 0.82% Cu & 0.27g/t Au prepared by H&S Consultants (H&SC). H&S were engaged by SKY to complete the maiden resource using drilling completed by SKY in 2020 and previous drilling completed by Alkane Resources (ALK) and other past explorers.

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Further drilling program is planned at the Galwadgere Target to further expand on the maiden JORC 2012 resource.

Soil sampling undertaken along strike from the Galwadgere MRE has identified two prospective copper-gold, multi-element pathfinder soil anomalies. The northern soil sampling program has delineated a soil anomaly which is coincident with the McDowell's Mine, where several historical mine shafts and copper-carbonate minerals were discovered near these workings. Soil sampling south of the Galwadgere Target has identified another soil anomaly which appears similar in tenor to the anomaly identified at the McDowell's Mine. These anomalies are within 3km of the Galwadgere resource and provide strong support for expanding the copper-gold resource at Galwadgere with along strike exploration. These are priority drill targets to be tested along with other copper-gold working within the tenement.

KANGIARA PROJECT: GOLD

80% SKY (EL8400 & EL8573; DVP JV)

The Kangiara Project (EL8400, EL8573) is located 30km north-west of Yass in the Southern Tablelands of New South Wales. The project contains volcanic/volcaniclastic rocks of the Silurian Douro Group, considered prospective for gold and base metal (copper-zinc) mineralisation. The high-grade Kangiara Mine operated during the early 1900s, with documented production of ~40,000 tonnes at 16% Pb, 3% Cu, 5% Zn, 280g/t Ag and 2g/t Au from narrow north-south trending sulphide veins (ASX: PDM 18 June 2009). Previous work by Paradigm Metals led to the calculation of an Indicated and Inferred Mineral Resource at Kangiara.

Desktop studies have identified potential for copper-gold mineralisation at the Crosby Prospect. Field investigations are planned for the upcoming quarters to investigate this prospect.

IRON DUKE PROJECT: COPPER-GOLD

100% SKY (EL6064 & 9191)

During the June 2026 Quarter, the Company entered into a binding agreement to divest the non-core Iron Duke Project. This transaction is subject to a nine-month Option Period, which expires in February 2027.

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FINANCIAL

During the quarter $2,258k was spent on the exploration activities outlined in this report.

No mining production and development activities were undertaken for the quarter.

During the quarter $55k was paid as Non-Executive Director and Consulting fees.

TENEMENT SUMMARY

Table 3: Tenement Summary.

Holder	Equity	Licence ID	Grant Date	Expiry Date	Units	Area	Comment
Tarago Exploration Pty Ltd (DVP sub)	80%	EL7954	19-6-2012	19-6-2028	51	144 km^2	Cullarin Project, SKY: DVP JV
Ochre Resources Pty Ltd (DVP sub)	80%	EL8400	20-10-2015	20-10-2024	52	147 km^2	Kangiara Project, SKY: DVP JV
Ochre Resources Pty Ltd (DVP sub)	80%	EL8573	23-5-2017	23-5-2029	17	48 km^2	Kangiara Project, SKY: DVP JV
Aurum Metals Pty Ltd (SKY sub)	100%	EL8920	5-12-2019	5-12-2025	65	183 km^2	Caledonian Project
Cuprum Aurum Pty Ltd (SKY sub)	100%	EL6320	12-10-2004	12-10-2026	14	41 km^2	Galwadgere Project
Balmain Minerals Pty Ltd (SKY sub)	100%	EL6064	21-3-2003	20-3-2028	5	15 km^2	Iron Duke Project
Balmain Minerals Pty Ltd (SKY sub)	100%	EL9191	8-6-2021	8-6-2027	60	174 km^2	Iron Duke Project
Stannum Pty Ltd (SKY sub)	100%	EL6258	21-6-2004	21-6-2026	38	113 km^2	Doradilla Project
Stannum Pty Ltd (SKY sub)	100%	EL6699	10-1-2007	10-1-2027	14	41 km^2	Tallebung Project
Stannum Pty Ltd (SKY sub)	100%	EL9524	8-2-2023	8-2-2029	92	262 km^2	Narriah Project
Stannum Pty Ltd (SKY sub)	100%	EL9779	5-7-2024	15-05-2031	101	287 km^2	Narriah Project
Stannum Pty Ltd (SKY sub)	100%	EL9904	Granted on 5-5-2025	05-05-2032	177	514 km^2	Tallebung Project
Stannum Pty Ltd (SKY sub)	100%	EL9864	6-2-2026	6-2-2032	6	18 km^2	Tallebung Project

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

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Oliver Davies, who is a Member of the Australasian Institute of Geoscientists. Mr. Oliver Davies is an employee and 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. Davies 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). 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.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geoscientists.

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