



\$4.2 MILLION SHARE PLACEMENT TO PROGRESS THE TALLEBUNG TIN PROJECT

- Firm bids received to raise \$4.2 million at \$0.033 per share.
- Strong demand from existing shareholders and new investors.
- Company now well-funded to advance the Tallebung Tin Project towards mining feasibility studies.

Sky Metals Ltd (ASX:SKY) ('SKY' or the 'Company') is pleased to announce that it has received firm commitments to raise \$4.2 million (before costs) via a share placement to institutional, sophisticated and professional investors at A\$0.033 per share with approximately 127 million new fully-paid ordinary shares to be issued ('Placement').

The Placement will occur in two tranches with an initial placement of \$3.5 million, under the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A, followed by a second tranche of approximately \$0.7 million, subject to shareholder approval, including \$0.6 million committed by the Company's Directors and management.

A Notice of Meeting will be distributed to shareholders on or around 28 March 2024 seeking to approve the second tranche.

SKY CEO Oliver Davies commented: *"Thank you to the existing shareholders for their strong and continuing support and we gladly welcome the new shareholders onto the register. Additionally, the tremendous support from the Board is greatly appreciated and shows the strong conviction to the advancement of the Tallebung Tin Project. These funds will be focussed on continuing the significant progress towards feasibility studies at Tallebung with the aim of building a low cost and environmentally best practice tin project to meet the growing global demand for ethical and reliable sources of tin, necessary for global electrification."*

The Placement will enable SKY to swiftly progress advancement towards mining feasibility studies at the Tallebung Project with drilling aiming to increase the resources and other activities to progress the project.

The proceeds of the Placement will be used for:

- Tallebung Project Resource Expansion Drilling and further Metallurgical Testwork
- Tallebung Resource and Mining studies
- Narriah Geophysics and Drilling

The Placement will comprise the issue of approximately 127 million new fully paid ordinary shares (New Shares) at an issue price of \$0.033 per share, which represents:

- 21.4% discount to Last Close (A\$0.042/share),
- 19.5% discount to 5-day VWAP (A\$0.041/share),
- 19.5% discount to 15-day VWAP (A\$0.041/share),
- 5.7% discount to 30-day VWAP (A\$0.035/share).

SKY METALS LIMITED

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.

Indicative Timetable

The proposed key dates for the placement are as follows,

- Announcement of the Placement 14 March 2024
- Settlement of the initial tranche Friday, 20 March 2024
- Allotment of New Shares issued under the initial tranche 21 March 2024
- Dispatch of Notice of Meeting 28 March 2024
- General Meeting 2 May 2024
- Settlement of second tranche 9 May 2024
- Allotment of New Shares issued under the second tranche 10 May 2024

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

For Further Information

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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.

SKY metals have focussed on the high-quality tin assets as tin is vital for global electrification, largely due to its irreplaceable use as a solder to hold all electronics together. Tin is also used to join solar cells and as additions in lead-acid batteries among many other uses. Demand will also grow with new technologies requiring more computing such as AI technologies.

TALLEBUNG TIN 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. SKY has grown the MRE to 15.6Mt @ 0.15% Tin* and plans to advance the Tallebung by increasing the resource to the estimated 23-32Mt* Exploration Target and progress development for future mining. Ore sorting has been shown to increase the 0.15% Tin grade to over 0.70% Tin and low-cost open pit mining and simple processing to produce a saleable tin concentrate position the project to be a potential, future low-cost tin producer. (*SKY ASX Announcement 23 January 2024).



Figure 1: SKY Project Location Map