DRILLING COMMENCES AT TALLEBUNG
STRONG TIN AT 3KEL-DORADILLA

TALLEBUNG TIN PROJECT

- RC drilling program to commence this week with the aim of extending the bulk tonnage tin potential at the Tallebung Tin Target.
- Results are expected in the coming weeks for the bulk metallurgical testwork program to trial a simple gravity flow sheet and produce a saleable concentrate from the favourable coarse cassiterite (tin-oxide) mineralisation at Tallebung.
- Gravity testwork is expected to build on the exceptional ore sorting results which upgraded the tin by over 3x with a 98% tin recovery.

DORADILLA TIN PROJECT

- The large RC drilling campaign at the 3KEL Target has been completed with 30 holes drilled for a total of 4,532m – intercepting strong tin, copper, silver and indium mineralisation.
- Assay results for 17 of the 30 holes have been received, results include:

3KRC026: **17m @ 0.50% tin & 0.52% copper from 84m, including;**
6m @ 1.09% tin, 1.33% copper & 47.8g/t silver from 85m

3KRC025: **44m @ 0.17% tin & 0.34% copper from 76m, including;**
3m @ 0.99% tin, 3.29% copper & 105g/t silver from 99m

3KRC028: **17m @ 0.25% tin & 0.76% copper from 87m, including;**
5m @ 0.60% tin & 2.52% copper & 103g/t silver from 88m

3KRC022: **69m @ 0.22% tin from 29m, including;**
1m @ 1.21% tin from 41m and;
9m @ 0.36% tin, 0.10% copper & 73.1g/t indium from 58m

- These strong tin-polymetallic intercepts successfully demonstrate that the 3KEL Target remains open over a 2.8km strike length.
- Results for the remaining 13 holes are anticipated over the next few weeks.

The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to provide an update on the commencement of drilling at the Tallebung Tin Project and the results of the latest RC drilling campaign at the Doradilla Tin Project.

TALLEBUNG PROJECT: TIN (EL 6699, SKY 100%)

TALLEBUNG TARGET – RC DRILLING

Weather dependent, an RC drilling program of 14 RC holes for a total of approximately 2,100m will commence this week at the Tallebung Tin Target to continue to extend and infill the consistent, strong results achieved in the previous programs. The planned program will primarily be focused on extending the Tallebung mineralisation to the south (**Figure 1**) where strong potential for extensions to the bulk tonnage tin mineralisation were shown, notably in **TBRC034**, results included:

TBRC034: 43m @ 0.20% tin from 5m, including;
6m @ 0.43% tin from 5m.

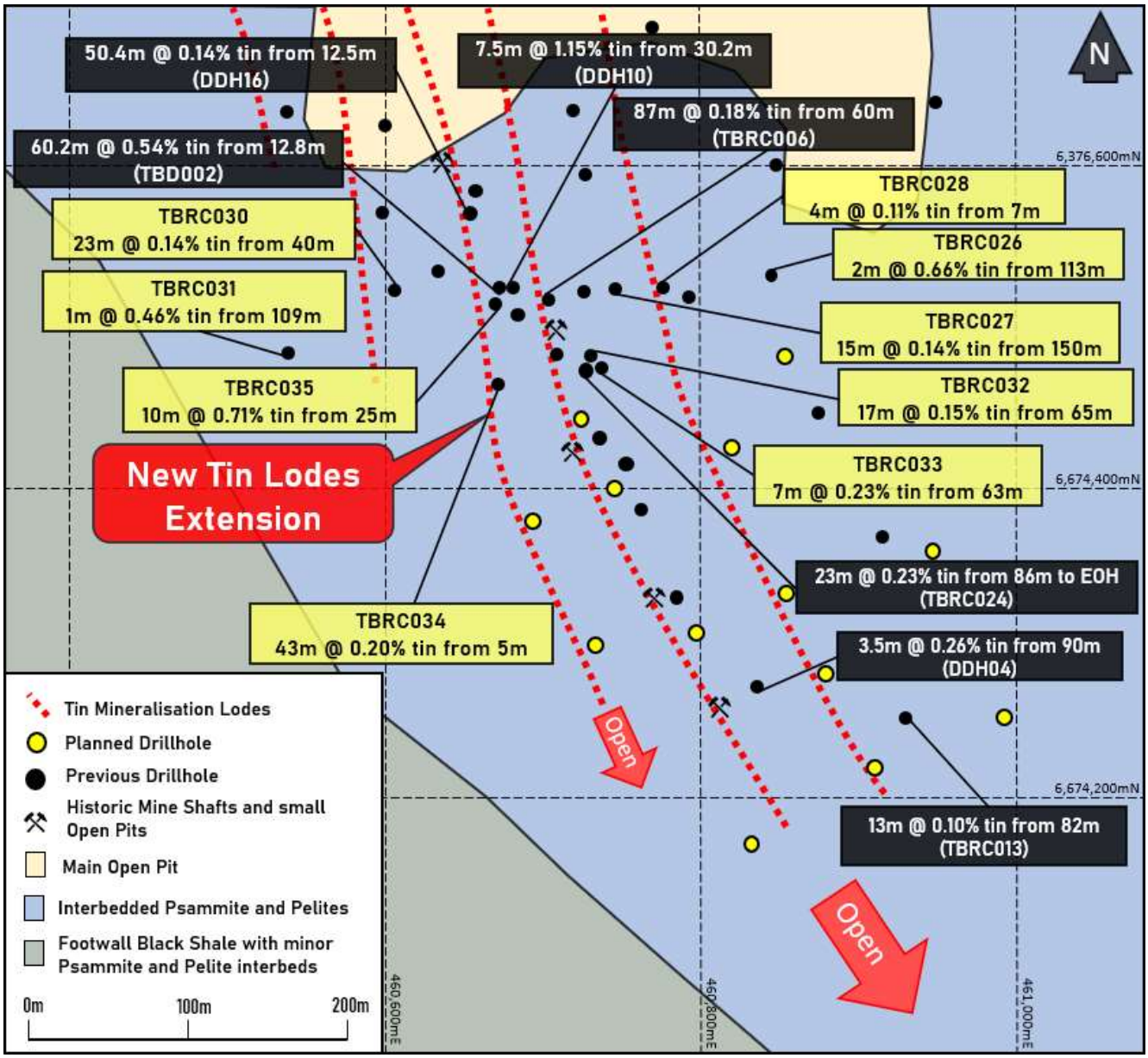

Figure 1: *Tallebung Target – Plan view showing the past drilling with the new planned RC drillholes in yellow. Recent assay results are in the yellow boxes.*

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

3KEL TARGET – RC DRILLING

The large extension and infill RC drilling program has now been completed at 3KEL. The program began on the north-eastern end of the 3KEL Target before stepping to the south-west, testing along a 2.8km strike. Thirty holes have been drilled in this program for a total of 4,532m with assay results received for the first 17 of the 30 holes (**Figure 2**).

The first holes of this program (holes **3KRC013-019**) were designed to extend the potential strike of tin and zinc mineralisation and also test underneath the rock chip results from the large 200m x 150m undrilled gossanous area 200m further to the northeast of **3KDD013**. Rock chips from this gossanous area assayed up to 0.7% tin and represented a +700m extension of the 3KEL Target. The extension has now been tested with this drilling program.

Holes **3KRC013-019** successfully intercepted the target skarn, host to tin and zinc mineralisation at 3KEL. This establishes that mineralisation is still open to the northeast along strike at 3KEL. The most north-eastern hole, **3KRC015**, of this program intercepted broad, strong tin mineralisation, showing the strong potential for additional extensions to the 2.8km strike at 3KEL.

Follow up exploration work is planned to build on these strong results. Promising mineralisation was intercepted in all of these north-eastern RC holes (**Figure 3**), results included:

3KRC013: **6m @ 0.42% zinc from 131m.**

3KRC014: **84m @ 0.46% zinc from 32m, including;**
5m @ 1.04% zinc from 102m.

3KRC015: **55m @ 0.10% tin from 16m, including;**
3m @ 0.41% tin & 56.9g/t Indium from 146m.

3KRC016: **25m @ 0.12% tin from 47m**

3KRC017: **22m @ 0.13% tin from 0m, including;**

3KRC018: **45m @ 0.10% tin from 83m, including;**
7m @ 0.28% tin & 0.05% copper from 116m.

3KRC019: **10m @ 0.19% zinc from 85m**
3m @ 0.35% zinc from 114m

Following the successful strike extension of the 3KEL target, the drilling program continued stepping to the southwest along strike with holes **3KRC020-024**, infilling between previous drilling by SKY, namely holes **3KDD013 3KRC012** (**Figure 3** & **4**). The drilling of holes **3KRC020-024** intercepted further tin mineralisation with associated polymetallic zinc, copper, indium and silver mineralisation. Results included:

3KRC020: **13m @ 0.09% tin & 0.61% zinc from 93m, including;**
4m @ 0.09% tin & 1.62% zinc from 95m.

3KRC021: **3m @ 0.08% tin & 0.12% copper from 13m,**
17m @ 0.11% tin from 133m.

3KRC022: **96m @ 0.18% tin from 2m, including;**
69m @ 0.22% tin & 32.7g/t Indium from 29m.
9m @ 0.36% tin, 0.10% copper & 73.1g/t Indium from 58m

3KRC023: **26m @ 0.17% tin, 0.14% copper & 32.7g/t Indium from 71m, including;**

8m @ 0.26% tin, 0.31% copper and 55.1g/t Indium from 80m.

3KRC024: 14m @ 0.31% tin & 0.05% copper from 213m, including;
3m @ 0.63% tin, 0.21% copper & 28.5g/t Indium from 222m.

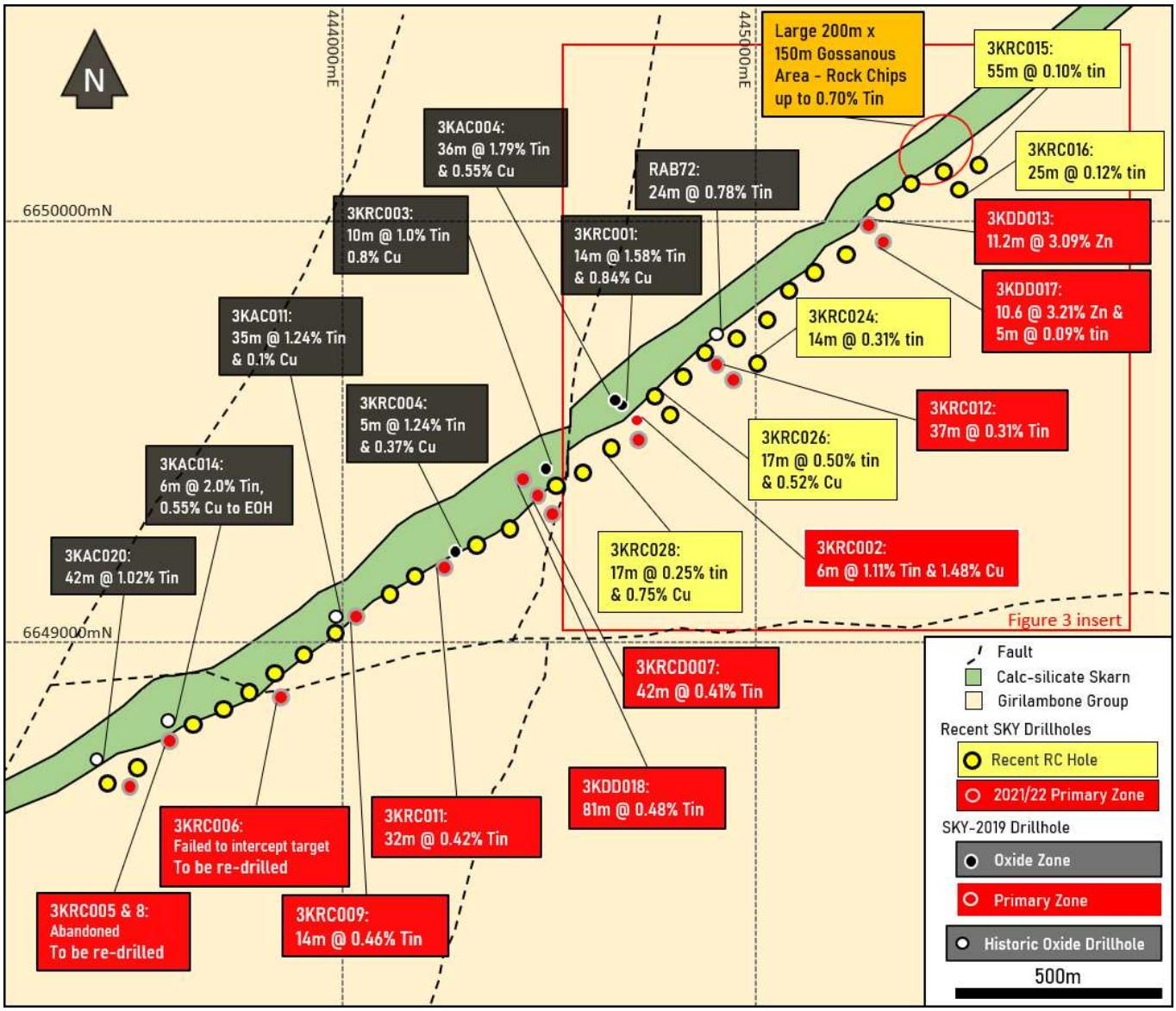

Figure 2: *3KEL Target – Plan view showing the past drilling with the recent RC drillholes. Recent results are in yellow, past results in red and black for oxide and primary intercepts, respectively.*

The program continued to further infill previous results by SKY with holes then drilled between and beyond **3KRC012 – 3KRC002**. These RC holes, **3KRC025-28** intercepted strong tin mineralisation while **3KRC029** was abandoned due to excessive groundwater downhole. **3KRC025, 26** and **28** intercepted very encouraging high-grade copper results. Further work is ongoing to better understand the distribution of the polymetallic mineralisation at 3KEL to better assess the potential scale and tenure of the polymetallic mineralisation (**Figure 3**). Results for holes **3KRC025-28** include:

3KRC025: 44m @ 0.17% tin, 0.34% copper & 9.62g/t silver from 76m, including;
7m @ 0.55% tin, 1.65% copper, 26.8g/t Indium & 50.2g/t silver from 96m.
3m @ 0.99% tin, 3.29% copper, 36g/t Indium & 105g/t silver from 99m.

3KRC026: 15m @ 0.13% tin, 0.42% copper, 15.3g/t Indium & 20.3g/t silver from 57m, including;
6m @ 0.17% tin, 0.84% copper, 18.1g/t Indium & 43.9g/t silver from 60m.

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17m @ 0.50% tin, 0.52% copper, 27.7g/t Indium & 19.1/t silver from 84m.
6m @ 1.09% tin, 1.33% copper, 56.7g/t Indium & 47.8g/t silver from 85m.

3KRC027: 11m @ 0.14% tin & 15.9g/t Indium from 87m, including;
28m @ 0.13% tin & 12.3g/t Indium from 114m.
13m @ 0.19% tin & 16.6/t Indium from 114m.
5m @ 0.32% tin & 22.0g/t Indium from 118m.

3KRC028: 17m @ 0.25% tin 0.76% copper, 14.6g/t Indium & 30.7/t silver from 87m, including;
5m @ 0.60% tin, 2.52% copper, 26.5g/t Indium & 103g/t silver from 88m.
1m @ 0.88% tin, 10.9% copper, 53.6g/t Indium & 437g/t silver from 89m.

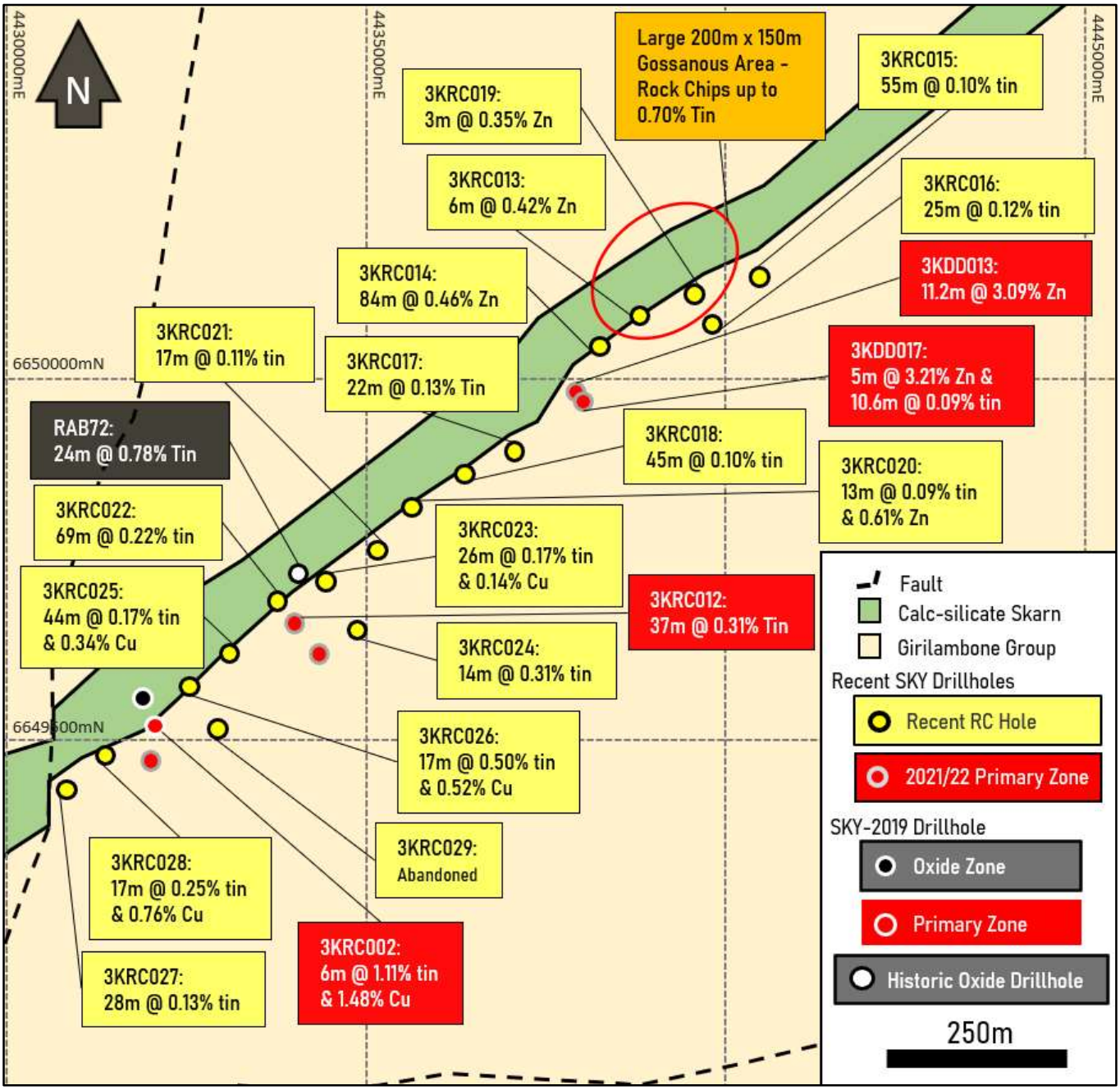

Figure 3: *3KEL Target – Plan view showing the past drilling with the recent RC drillholes. Recent results are in yellow, past results in red and black for oxide and primary intercepts, respectively.*

The RC program continued stepping to the southwest with another 13 holes drilled to infill along the rest of the 3KEL strike between **3KRC029** to **3KRCD007** (**Figure 2**). All samples from this drilling are currently at the assay lab. Visual logging of these holes indicates that all holes have intercepted the calc-silicate skarn, the host of the tin mineralisation at 3KEL.

This drill program has effectively extended the strike of the 3KEL target to approximately 2.8km and remains open in all directions with the target skarn horizon intercepted in all completed holes and over 300 metres of strike extension added by the drilling on the north-eastern extent of the 3KEL target. The remaining assays for this program are eagerly anticipated, and are expected in the next few weeks, to continue to grow this promising prospect.

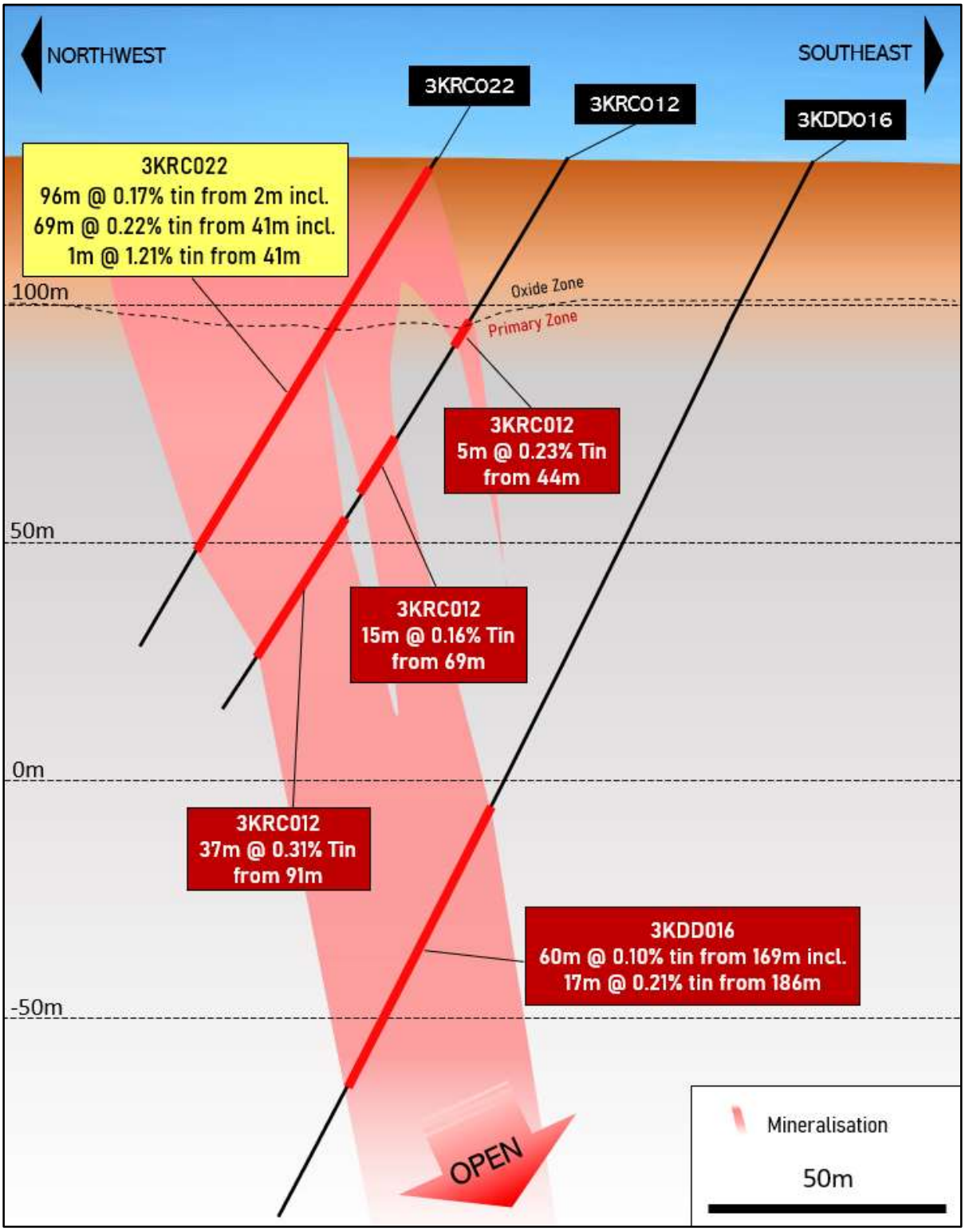

Figure 4: *3KEL Target – Cross section of* ***3KRC012, 3KDD016*** *and recent hole* ***3KRC022****, recent results are in yellow.*

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Table 1 – Doradilla Tin-Polymetallic Project, 3KEL Target. Collar summary for drill holes.

Hole ID	Easting (MGA)	Northing (MGA)	RL (m)	DIP	Azimuth (MGA)	Total Depth (m)	Comment
3KRC013	445381.44	6650079.35	128.28	-60	324.06	150	Completed
3KRC014	445314.64	6650029.73	128.31	-60	324.73	126	Abandoned due to excessive water
3KRC015	445545.87	6650132.05	129.75	-60	322.23	222	Abandoned due to hole collapse
3KRC016	445483.54	6650070.31	128.9	-60	325.05	174	Abandoned due to hole collapse
3KRC017	445215.61	6649895.01	129.09	-60	326.12	120	Completed
3KRC018	445127.56	6649876.17	129.84	-60	324.61	128	Abandoned due to cavity
3KRC019	445355.88	6650114.72	128.26	-60	324.61	162	Abandoned due to drilling difficulty
3KRC020	445064.36	6649827.79	130.13	-60	324.61	162	Completed
3KRC021	445021.87	6649752.74	130.57	-60	324.61	150	Completed
3KRC022	444880.02	6649683.41	130.85	-56	324.61	120	Completed
3KRC023	444942.7	6649725.83	130.8	-60	324.61	120	Completed. Excessive water
3KRC024	444991.01	6649649.83	130.87	-60	324.69	270	Completed
3KRC025	444815.21	6649615.65	131.34	-60	324.61	132	Completed
3KRC026	444760.47	6649578.95	131.4	-60	324.61	126	Completed
3KRC027	444590.14	6649411.62	132.33	-60	324.61	156	Completed
3KRC028	444641.42	6649463.43	131.7	-57	324.61	114	Abandoned due to water
3KRC029	444801.58	6649509.1	131.94	-57	324.61	186	Abandoned due to water
3KRC030	444458.79	6649311.33	132.27	-57	326.18	156	Completed
3KRC031	444509.65	6649367.19	131.83	-57	324.39	144	Completed
3KRC032	444394.78	6649259.12	132.58	-57	324.46	156	Completed
3KRC033	444107.96	6649102.95	139.18	-57	324.96	138	Completed
3KRC034	443585.2	6648737.59	135	-57	326.35	162	Completed
3KRC035	443446.49	6648657.29	135.2	-57	326.06	144	Completed
3KRC036	443382.61	6648613.23	135.61	-57	324.39	156	Completed
3KRC037	443310.11	6648574.72	135.77	-57	325.88	138	Completed
3KRC038	443909.84	6648964.77	133.94	-57	326.02	138	Abandoned due to water
3KRC039	443845.83	6648914.12	133.78	-57	324.61	144	Completed
3KRC040	443711.57	6648830.84	134.53	-57	324.61	150	Completed
3KRC041	443779.98	6648875.44	134.13	-57	324.61	150	Completed
3KRC042	443965.78	6649006.38	133.59	-57	324.61	138	Completed

Table 2 –Doradilla Tin-Polymetallic Project, 3KEL Target. Significant drillhole intersections.

Hole ID	From	To	Interval	Sn	Cu	Zn	In	Ag	Comment
	(m)	(m)	(m)	%	%	%	g/t	g/t	
3KRC013	131	137	6	-	-	0.42	-	-	
3KRC014	32	116	84	-	-	0.46	-	-	
	102	107	5	-	-	1.04	-	-	
	117	126	9	-	-	0.20	-	-	
3KRC015	6	8	2	0.35	-	-	7.98	-	
	16	71	55	0.10	-	-	17.8	-	
including	19	23	4	0.21	-	-	29.2	-	
	146	149	3	0.41	-	0.18	56.9	-	
3KRC016	47	72	25	0.12	-	-	12.2	-	
	103	174	71	-	-	0.25	-	-	
3KRC017	0	22	22	0.13	-	-	6.82	-	
	68	71	3	0.15	0.17	0.12	21.8	-	
	81	83	2	0.06	0.34	-	30.9	-	
	109	110	1	0.05	0.26	-	26.8	-	

Hole ID	From	To	Interval	Sn	Cu	Zn	In	Ag	Comment
	(m)	(m)	(m)	%	%	%	g/t	g/t	
3KRC018	83	128	45	0.10	-	0.12	10.1	-	
including	116	123	7	0.28	0.05	-	21.9	-	
including	119	120	1	0.81	0.25	0.1	20.1	6.21	
3KRC019	85	95	10	-	-	0.19	-	-	
	114	117	3	-	-	0.35	-	-	
	120	124	4	-	-	0.25	-	-	
3KRC020	93	106	13	0.09	-	0.61	19.8	-	
including	95	99	4	0.09	-	1.62	28.5	-	
and	101	102	1	0.09	0.01	0.94	14.35	37.7	0.61% Pb
3KRC021	43	46	3	0.08	0.12	0.1	22.0	-	
	133	150	17	0.11	-	-	-	-	
3KRC022	2	98	96	0.18	-	-	-	-	
including	29	98	69	0.22	-	-	32.7	-	
including	29	37	8	0.20	0.12	-	19.0	-	
including	41	42	1	1.21	0.07	-	45.0	-	
including	58	67	9	0.36	0.10	-	73.1	-	
	118	119	1	0.21	-	-	-	-	
3KRC023	11	14	3	0.13	-	-	-	-	
	51	55	4	0.22	0.08	-	23.5	-	
	58	61	3	0.05	-	0.32	-	-	
	71	97	26	0.17	0.14	-	32.7	-	0.06% W
including	80	88	8	0.26	0.31	0.11	55.1	8.05	
3KRC024	213	227	14	0.31	0.05	-	20.9	-	
including	222	225	3	0.63	0.21	-	28.5	-	
3KRC025	76	120	44	0.17	0.34	-	15.7	9.62	
including	96	103	7	0.55	1.65	-	26.8	50.2	
including	99	102	3	0.99	3.29	-	36	105	
3KRC026	57	72	15	0.13	0.42	-	15.3	20.3	
including	60	66	6	0.17	0.84	-	18.1	43.9	
	84	101	17	0.5	0.52	-	27.7	19.1	
including	85	91	6	1.09	1.33	-	56.7	47.8	
3KRC027	87	98	11	0.14	-	-	15.9	-	
	114	142	28	0.13	-	-	12.3	-	
including	114	127	13	0.19	-	-	16.6	-	
including	118	123	5	0.32	-	-	22.0	-	
3KRC028	87	104	17	0.25	0.76	-	14.6	30.7	
including	88	93	5	0.60	2.52	-	26.5	103	
including	89	90	1	0.88	10.9	-	53.6	437	
3KRC029	173	175	2	0.08	-	-	11.0	-	Hole abandoned due to groundwater

This report has been approved for release by the Board of Directors.

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.

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 have considerable potential to host hardrock tin resources and limited modern exploration has been conducted.

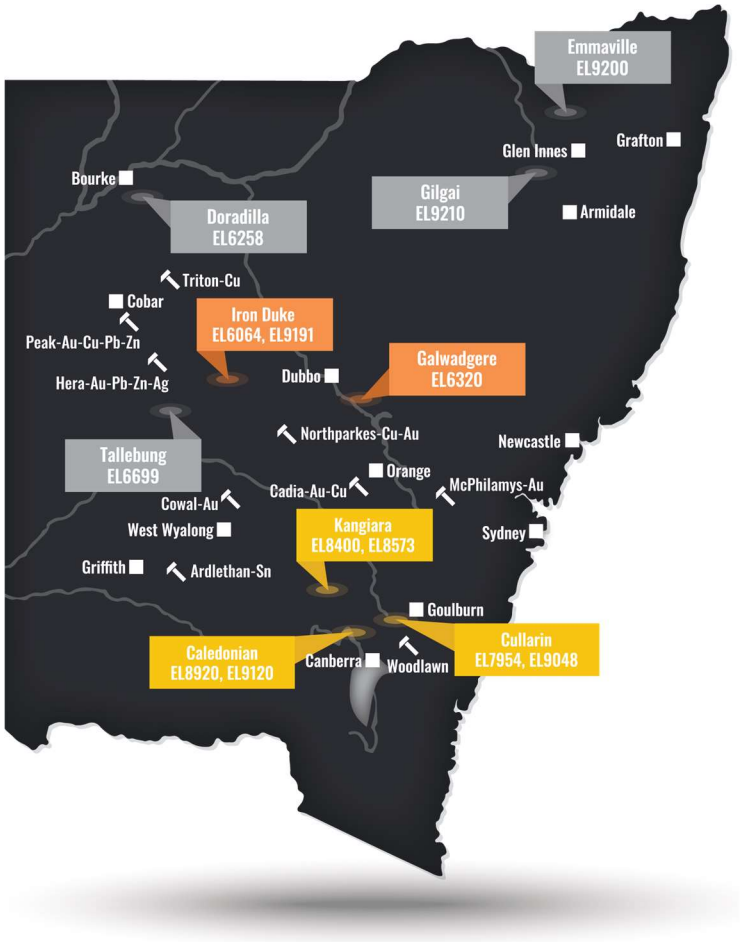

Figure 5: *SKY Tenement Location Map*

COPPER GOLD PROJECTS

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).

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.

GOLD PROJECTS

CULLARIN / KANGIARA PROJECTS (EL7954; EL8400 & EL8573, DVP FARM-IN)

The Cullarin Project contains equivalent host stratigraphy to the McPhillamys deposit with a similar geochemical, geophysical & alteration signature. '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. SKY's maiden drill program was successful, including HUD002 which returned 93m @ 4.2 g/t Au from 56m.

CALEDONIAN / TIRRANA 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.

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). 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.

JORC CODE, 2012 - TABLE 1

Section 1 Sampling Techniques and Data – DORADILLA PROJECT

(Criteria in this section apply to all succeeding sections)

Criteria	Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	All RC drilling samples were submitted to ALS Orange for preparation and assaying.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	For RC drilling, assay standards or blanks are inserted at least every 50 samples. All sample lab received weights show consistency with core recovery and interval length.
	• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Each sample was dried, crushed and pulverised as per standard industry practice. RC Drilling – the total sample (~20-30kg) is delivered via cyclone into a large plastic bag which is retained for future use if required. 1m intervals are split using a cone splitter on the rig into a separate calico at the time of drilling. Where mineralisation has not been logged, 5m composites have been made by using a riffle splitter to combine equal amounts of samples from each 1m calico. The primary metal of interest, tin (Sn) and also W were determined by lithium borate fusion XRF (method ME-MS85) – considered appropriate for these elements. Multielement assaying was completed for 48 elements by 0.25g four-acid digest with ICPMS determination (method ME-ICP61).
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc)*	Reverse circulation (RC) drilling using 110mm rods, 144mm face sampling hammer.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed*	RC drilling - high capacity RC rig was used to enable dry samples collected. Drill cyclone is cleaned between rod changes and after each hole to minimise cross-hole contamination.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples*	Sample weights are recorded for each sample. Recoveries were generally excellent and consistent, however, if samples were wet the recoveries were less consistent.
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material*	There is no known relationship between sample recovery and grade. Where samples recoveries are less than 95% there is no relationship observed between grade and sample recovery. Relationships between sample recovery and grade are not considered significant where recoveries exceeded 95% in fresh rock.

Criteria	Explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies*	Systematic geological and geotechnical logging was undertaken by NBH and their joint venture partners when the holes were originally drilled. Data collected includes: • Nature and extent of lithologies. • Relationship between lithologies. • Amount and mode of occurrence of ore minerals. • Location, extent, and nature of structures such as bedding, cleavage, veins, faults etc. Structural data (alpha & beta) are recorded for orientated core. • Geotechnical data such as recovery, RQD, fracture frequency, qualitative IRS, microfractures, veinlets and number of defect sets. For some geotechnical holes the orientation, nature of defects and defect fill are recorded.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography*	Both qualitative and quantitative data is collected. RC chips, half core (HQ) & ¾ core (PQ) samples are retained in trays for future reference.
	• *The total length and percentage of the relevant intersections logged*	All chips were geologically logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken*	N/A
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry*	RC drilling - the total sample (~20-30kg) is delivered via cyclone into a large plastic bag which is retained for future use if required. 1m intervals are split using a cone splitter on the rig into a separate calico at the time of drilling. Where 5m composites have been made, a riffle splitter is used to split equal amounts of each metre into the 5m composite.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique*	Samples were dried crushed and pulverised to 90% passing 75 microns. This is considered to appropriately homogenise the sample to allow subsampling for the various assay techniques.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples*	SKY: Certified Reference Material (CRM) and blanks were inserted at least every 50 samples to assess the accuracy and reproducibility of the drill core results. The results of the standards were to be within ±10% variance from known certified result. If greater than 10% variance the standard and up to 10 samples each side were re-assayed. ALS conducted internal check samples every 20 for multielement assay.
	• *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*	RC drilling - duplicate samples are collected of re-split intervals. Duplicates generally show excellent repeatability.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled*	Sample sizes are industry standard and considered appropriate
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total*	Standard assay procedures performed by a reputable assay lab, (ALS Group), were undertaken. Forty-eight elements Ag, As, Cu, Fe, Pb, S, Zn are digested by four-acid digest then analysed by ICPMS (method ME-MS61). Sn and W assays were generated by lithium borate fusion XRF (method ME-MS85) – considered appropriate for these elements.

Criteria	Explanation	Commentary
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc*	Not applicable as no geophysical tools were used in the determination of assay results.
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established*	Certified reference material or blanks were inserted at least every 50 samples. Standards are purchased from Certified Reference Material manufacture companies: Standards were purchased in foil lined packets of between 60g and 100g. Different reference materials were used to cover high grade, medium grade, low grade, and trace ranges of elements, with a primary focus on Sn and Cu.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	Drill data is compiled and collated and reviewed by senior staff. External consultants do not routinely verify exploration data until resource estimation procedures are deemed necessary. The intersection calculations were viewed by >1 geological personnel.
	• *The use of twinned holes.*	Twinned holes have been used by past explorers to validate the results achieved and have confirmed these historic results.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	Drill Hole Data including: meta data, any gear left in the drill hole, lithological, mineral, survey, sampling, magnetic susceptibility was collected and stored as physical and electronic copies or entered directly into an excel spread sheet using drop down codes. When complete the spreadsheet was combined into a master excel spreadsheet as the drill hole database. Assay data was provided by ALS via .csv spreadsheets. The data was validated using the results received from the known certified reference material. Hard copies of the assay certificates were stored with drill hole data such as drillers plods, invoices, and hole planning documents.
	• *Discuss any adjustment to assay data*	Assay data is not adjusted.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Historic drill hole collars were located using either a licenced surveyor or on a local imperial or metric grid. Conversion of the local grid co-ordinates has been undertaken by previous exploration companies. SKY has used DGPS surveying of drillholes (± 0.1m) to accurately locate them.
	• *Specification of the grid system used*	All coordinates are based on Map Grid Australia Zone 55E, Geodetic Datum of Australia 1994.
	• *Quality and adequacy of topographic control*	Historic drill hole collars were located using either a licenced surveyor or on a local imperial or metric grid. SKY has used DGPS surveying of drillholes (± 0.1m) to accurately locate them.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results*	At this early exploration stage, the data spacing is variable as the focus is on geological mapping and identifying new zones of mineralisation.
	• *Data spacing for reporting of Exploration Results Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied*	Not Applicable as no JORC-2012 resource estimate has been completed.
	• *Whether sample compositing has been applied*	Sample compositing is not applied.

Criteria	Explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type*	Drilling was orientated to cross the mineralisation trend at moderate to high angles. The use of orientated core allows estimates of the true width and orientation of the mineralisation to be made.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced sampling bias, this should be assessed and reported if material*	No sample bias due to drilling orientation is known. The structural controls on mineralisation is considered well understood and consistent.
Sample security	• *The measures taken to ensure sample security*	Sample chain of custody has been managed by the employees of Sky Metals who commissioned the drilling and transport samples from the drilling rig to assay laboratory. All samples are bagged in tied numbered calico bags, grouped into larger tied polyweave bags, or placed in a stillage box and transported to ALS in Orange by SKY personnel. All sample submissions are documented via ALS tracking system and all assays are reported via email. Sample pulps are returned to site and stored for an appropriate length of time (minimum 3 years). The Company has in place protocols to ensure data security.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data*	The Company does not routinely have external consultants verify exploration data until resource estimation procedures are deemed necessary.

Section 2 Reporting of Exploration Results – DORADILLA PROJECT
(Criteria listed in the preceding section also apply to this section)

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Doradilla Project is described by NSW Exploration Licence 6258 The tenement is 100% owned by Stannum Pty Ltd, a 100% owned subsidiary of Big Sky Metals Pty Ltd and Sky Metals Ltd.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area*	The conditions of the license for the Doradilla Project require the prior written consent from NSW Minister for Planning (Minister) before any change in effective control of the licence holder or foreign acquisition of substantial control of the licence holder. No impediments known.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties*	The Doradilla Project area has an extensive exploration history, with the tenement area subject to extensive past exploration within 22 previous exploration licences. The main DMK line skarn zone was discovered by North Broken Hill Ltd in 1972. Between 1972 and 1984 several companies, (North Broken Hill Ltd, Renison Ltd, Aberfoyle Exploration Pty Ltd, Metals Exploration Ltd, and Preussag Australia Pty Ltd), drilled multiple diamond, percussion and auger drill holes on the prospect, defining a stratigraphically persistent, low grade, tin-bearing calc-silicate skarn. Significant exploration efforts were also completed by Shell Minerals, Cleveland Tin, Aberfoyle, Eastmet and Metals Exploration. More recent exploration was completed by Goldminco Corporation and YTC Resources (now Aurelia Metals), who completed aircore drilling programmes on 3KEL, the Doradilla deposit, as well as aircore and diamond core holes across a number of ultramafic serpentinite bodies, exploring for Avebury-style related nickel

Criteria	Explanation	Commentary
		mineralisation.
Geology	• *Deposit type, geological setting and style of mineralisation*	The bedrock geology of EL6258 comprises units of low to moderate metamorphic grade phyllite, schist, slate, siltstone, and conglomerate that have been previously interpreted to be part of the Ordovician Girilambone Group. The mineralisation at Doradilla is mainly skarn/replacement tin/tungsten mineralisation hosted with the DMK Line. The DMK Line is a belt of calc-silicate skarns after limestone and marl that is up to 100m thick. This unit is considered to be a conformable part of the Devonian stratigraphy. Other calc silicates have been located at Doradilla Trig, Wednesday Shaft and Northern Shaft. Post-dating deformation and regional metamorphism is the emplacement of a large fractioned A-type granite batholith with an evolved suite of quartz porphyry dykes (the Midway Granite), interpreted to be the source of mineralising fluids at Doradilla. Recent dating has demonstrated a Triassic age for these intrusions. Mineralisation appears to be related to emplacement of this batholith.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* - *easting and northing of the drill hole collar* - *elevation or RL (Reduced Level–elevation above sea level in metres) of the drill hole collar* - *dip and azimuth of the hole* - *down hole length and interception depth* - *hole length*	See body of announcement.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Not applicable as drill hole information is included.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Where reported, drilling results from the Doradilla Project have been length weighted. Grades greater than 0.1% Sn or 0.2% Zn have been used to calculate intercepts. No high cut-off has been applied.
	• *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	Intercepts are length weighted with no cutting of grades. This may lead to elevation of intercept grades due to the presence of a narrow interval of high-grade material. Such high grade zones are reported as included intercepts inside the broader intercept.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated*	No metal equivalences quoted.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results-* - *if the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* - *if it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Orientated drill core used to allow determination of orientation of structures and mineralisation. Lode orientation of the 3KEL mineralisation is well constrained by previous drilling, outcrop and orientated drillcore measurements.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See body of announcement, and SKY ASX announcement 9 March 2020, SKY ASX announcement 22 September 2021, SKY ASX announcement 25 October 2021 SKY ASX announcement 17 January 2022, SKY ASX announcement 27 January 2022, SKY ASX announcement 7 March 2022 and SKY ASX announcement 1 June 2022.

Criteria	Explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	See body of announcement, and SKY ASX announcement 9 March 2020, SKY ASX announcement 22 September 2021, SKY ASX announcement 25 October 2021 SKY ASX announcement 17 January 2022, SKY ASX announcement 27 January 2022, SKY ASX announcement 7 March 2022 and SKY ASX announcement 1 June 2022.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples–size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	N/A.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work is imminent to continue exploring the tenement. See body of announcement, and SKY ASX announcement 9 March 2020, SKY ASX announcement 25 October 2021, SKY ASX announcement 17 January 2022, SKY ASX announcement 27 January 2022, SKY ASX announcement 7 March 2022 and SKY ASX announcement 1 June 2022.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	See body of announcement, and SKY ASX announcement 9 March 2020, SKY ASX announcement 22 September 2021, SKY ASX announcement 25 October 2021 SKY ASX announcement 17 January 2022, SKY ASX announcement 27 January 2022, SKY ASX announcement 7 March 2022 and SKY ASX announcement 1 June 2022.