

SALEABLE TIN CONCENTRATE PRODUCED FROM METALLURGICAL TESTWORK - TALLEBUNG - UPDATED

TALLEBUNG TIN PROJECT

- Saleable +60% tin concentrate has been produced from a simple gravity flowsheet in a bulk metallurgical testwork program.
- Final gravity concentrate was treated via reverse sulphide flotation and magnetic separation to significantly reduce smelter penalties and increase tin concentrate grade.
- This testwork continues to build on the exceptional ore sorting results which upgraded the tin by over 3x with a 98% tin recovery before undergoing further processing to deliver the final concentrate.

SKY CEO Oliver Davies commented, *"These excellent results establish that the favourable tin mineralisation present as coarse cassiterite at Tallebung is very amenable to concentration using cost-effective and simple gravity processing. When combined with the exceptional ore sorting results, the testwork has demonstrated the extremely responsive nature of the Tallebung tin mineralisation to straightforward tin concentration. In addition to these advantages, a +60% tin concentrate can achieve a very high payability with few penalties at the smelter. This work significantly strengthens the growing potential of the development of a bulk tonnage tin mine at Tallebung."*

The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to advise of the successful production of a saleable tin concentrate from the metallurgical testwork program completed on the Tallebung Tin Project.

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

TALLEBUNG TARGET - BULK METALLURGICAL TESTWORK

To build on the exceptional ore sorting results previously announced in September 2022 (ASX SKY 5 September 2022), the ore sorting products were sent for metallurgical testing to produce a saleable tin concentrate at ALS Metallurgy. This testwork has successfully yielded a saleable tin concentrate.

The testwork showed a tin concentrate from the Tallebung tin mineralisation can be achieved through concentration via a simple gravity circuit with gravity concentrate dressing via reverse sulphide flotation and wet high intensity magnetic separation (WHIMS) to produce a >60% tin concentrate (**Figure 1**).

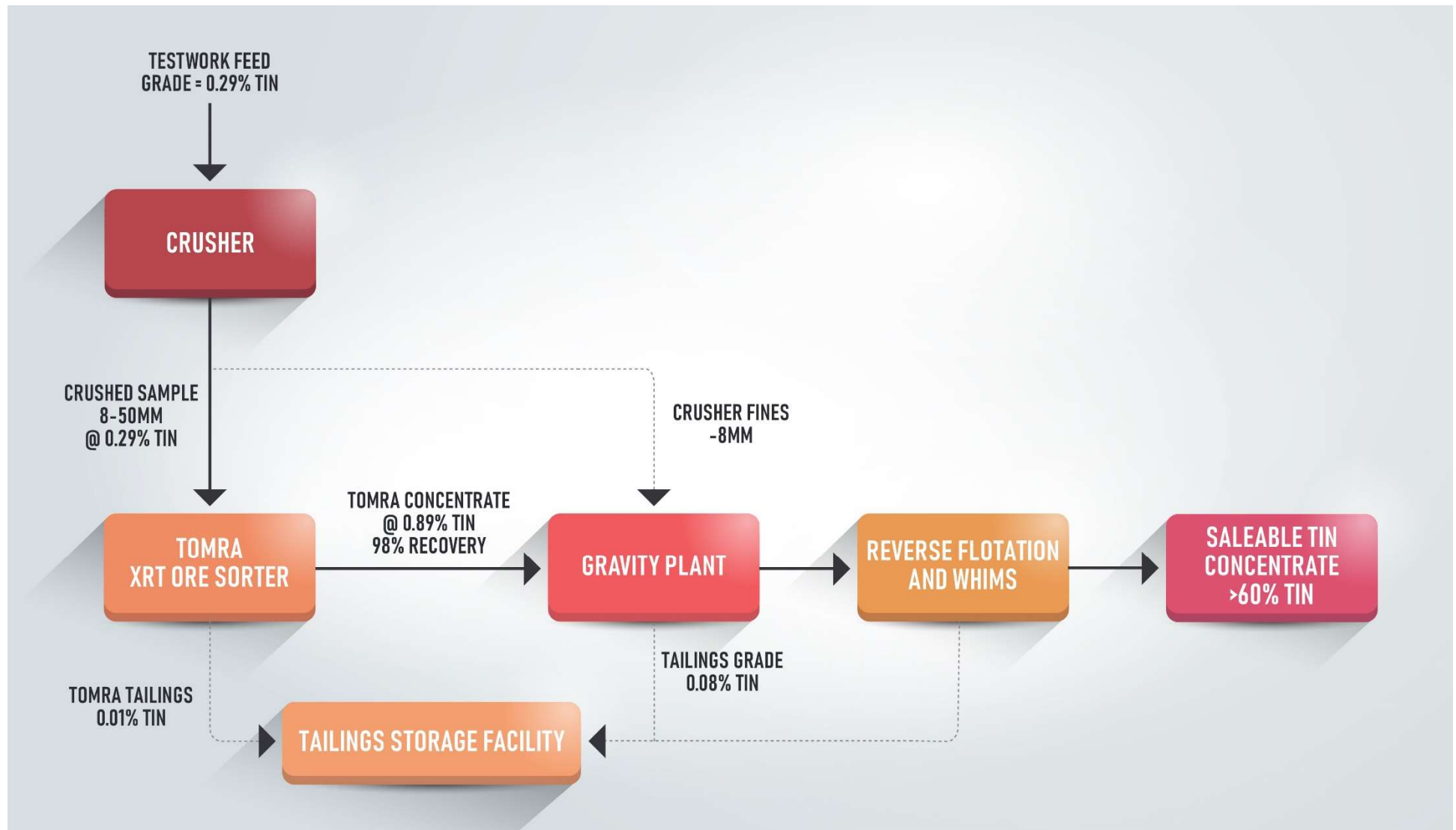


Figure 1: Tallebung Target – Simplified schematic flowsheet starting with the TOMRA XRT Ore Sorter to increase the tin grade and significantly reduce the total mass to undergo further processing. The TOMRA concentrate then gets further upgraded in the gravity plant before reverse flotation and WHIMS dressing to produce the saleable tin concentrate.

TALLEBUNG TARGET –TESTWORK PROCEDURE

These results were generated from the typical samples of the Tallebung tin mineralisation collected from the wide-diameter diamond drillhole **TBD002** (60.2m @ 0.54% tin from 12.8m) from 2m – 92m for a total 542kg. This sample was sent to TOMRA Ore Sorting Solutions in Sydney and was crushed to down into -50mm grains. The sample was then split into 25-50mm and 8-25mm fractions for sorting and a <8mm fines fraction which was too fine to be sorted effectively.

The 25-50mm and 8-25mm fractions were then sorted with TOMRA's XRT ore sorter into a product and waste. Assays for this testwork showed a tripling of the tin grade with 98% recovery for tin. Further work will be conducted on ore sorting to continue to build on these very exceptional results in the future.

The ore sorted samples were then sent on to ALS Metallurgy, Burnie, Tasmania where a thorough testwork program has developed a gravity flowsheet. This started with combining the TOMRA Ore Sorting product with the fines which were crushed and ground to -1180um before a series of spirals followed by a set of tables were used to produce a gravity concentrate. These gravity concentration processes removed over 97% of the total mass processed and upgraded the tin concentration by over 25 times.

The tin grade in the gravity concentrate is then further increased with a reverse sulphide flotation and Wet, High-Intensity Magnetic Separation (WHIMS) dressing of the gravity concentrate to produce a saleable +60% tin concentrate with low smelter penalties and a high payability product. 70-75% is the standard range of tin recovery for operations using this conventional tin gravity concentration methods as used in this testwork program, SKY has achieved over 73% recovery through the entire testwork process, however, SKY will be looking to increase the recovery with the addition of a gravity circuit for ultrafines to recover further fine tin and incremental improvements throughout the process.

SKY will continue to build on these excellent initial testwork programs with large scale testing of ore sorting and further development of this simple flowsheet to refine the production of a saleable tin concentrate for the Tallebung tin mineralisation over the coming months.



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 Tallegbung Project is located ~70km north-west of Condobolin in central NSW. The project encompasses the historic Tallegbung 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.

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 / 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.



Figure 2: SKY Tenement 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). 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 – TALLEBUNG PROJECT

(Criteria in this section apply to all succeeding sections)

| Criteria | Explanation | Commentary |
|-----------------------|--|---|
| Sampling techniques | <ul style="list-style-type: none"> 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. | <p>Drill core sampling is by sawn half core HQ core. Nominal sample intervals are 1m with a range from 0.3m to 2.0m.</p> <p>All diamond drill core and RC chips were submitted to ALS Orange for preparation and assaying.</p> |
| | <ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | <p>Assay standards or blanks are inserted at least every 30 samples for diamond drill core. All sample lab received weights show consistency with core recovery and interval length.</p> |
| | <ul style="list-style-type: none"> 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. | <p>Each sample was dried, crushed and pulverised as per standard industry practice.</p> <p>Diamond drilling - core samples were taken at nominally 1m, but with a range between 0.3-2m. PQ core samples are cut in quarters with ¾ retained for reference and metallurgical test work and ¼ submitted for assay - dried, crushed and pulverised to 90% passing 75 microns.</p> <p>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. Though the Permian overlying sequence, composite spear samples of 3m were taken.</p> <p>Forty-eight elements including Ag, As, Cu, Fe, In, 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 and by XRF fusion for +1% ore grade assays.</p> |
| Drilling techniques | <ul style="list-style-type: none"> 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) | <p>Diamond Drilling completed by drilling PQ. PQ was drilled to EOH to produce the largest sample.</p> <p>PQ core was not orientated.</p> <p>Reverse circulation (RC) drilling using 110mm rods, 144mm face sampling hammer.</p> |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed | <p>Diamond drill core recovery recorded against intervals drilled as part of geotechnical logging to determine recovery. Recoveries are generally greater than 95% once in fresh rock.</p> <p>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.</p> |

| Criteria | Explanation | Commentary |
|---|--|---|
| | <ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples | <p>Diamond drilling utilising triple tube drilling and short drilling runs employed to maximise core recovery.</p> <p>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.</p> |
| | <ul style="list-style-type: none"> 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 | <p>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.</p> |
| Logging | <ul style="list-style-type: none"> 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 | <p>Systematic geological and geotechnical logging was undertaken by NBH and their joint venture partners when the holes were originally drilled. Data collected includes:</p> <ul style="list-style-type: none"> 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. |
| | <ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography | <p>Both qualitative and quantitative data is collected.</p> <p>Half core (HQ) & ¼ core (PQ) samples are retained in trays for future reference.</p> |
| | <ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged | <p>All core was geologically and geotechnically logged.</p> |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken | <p>Diamond drilling - core was sawn with half core (HQ) or quarter core (PQ) submitted for assay. Sampling was consistently on one side of the orientation line so that the same part of the core is sent for assay.</p> <p>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 riffle splitter on the rig into a separate calico at the time of drilling.</p> |
| | <ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry | <p>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 riffle splitter on the rig into a separate calico at the time of drilling.</p> |
| | <ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique | <p>Core 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.</p> <p>For RC samples: samples were dried crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample to allow subsampling for the various assay techniques.</p> |

| Criteria | Explanation | Commentary |
|---|---|--|
| | <ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples | 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 $\pm 10\%$ 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. |
| | <ul style="list-style-type: none"> 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. | <p>No field duplicates are taken for core samples. Core samples were cut in $\frac{1}{2}$ for HQ and $\frac{1}{4}$ for PQ generally in down hole intervals of 1m, however, intervals can range from 0.3-2.0m. This is considered representative of the in-situ material. The sample was crushed and pulverised to 90% passing 75 microns. This was considered to appropriately homogenise the sample.</p> <p>Field duplicates were taken for RC samples with spear sampling of zones of visual mineralisation. Duplicates performed well. The sample was crushed and pulverised to 90% passing 75 microns. This was considered to appropriately homogenise the sample.</p> |
| | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total | <p>Standard assay procedures performed by a reputable assay lab, (ALS Group), were undertaken. Forty-eight elements including Ag, As, Cu, Fe, Pb, S, Zn are digested by four-acid digest then analysed by ICPMS (method ME-MS61).</p> <p>Sn and W assays were generated by lithium borate fusion XRF (method ME-MS85) – considered appropriate for these elements. XRF analysis was used for sample over 1% Sn or W.</p> |
| | <ul style="list-style-type: none"> 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. |
| | <ul style="list-style-type: none"> 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 30 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 | <ul style="list-style-type: none"> 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. |
| | <ul style="list-style-type: none"> The use of twinned holes. | Twinned holes have been used by past explorers at the Doradilla project to validate the results achieved and have confirmed these historic results. |

| Criteria | Explanation | Commentary |
|--|--|--|
| | <ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | <p>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.</p> <p>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.</p> |
| | <ul style="list-style-type: none"> Discuss any adjustment to assay data | Assay data is not adjusted. |
| Location of data points | <ul style="list-style-type: none"> 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 and has been checked by SKY staff and contract surveyors to provide SKY with a +/-5m accuracy of historic drillhole collars. SKY has used DGPS surveying of drillholes ($\pm 0.1\text{m}$) to accurately locate them once completed and an initial handheld GPS (+/-3m) reading is used before holes are surveyed via DGPS. |
| | <ul style="list-style-type: none"> Specification of the grid system used | All coordinates are based on Map Grid Australia Zone 55E, Geodetic Datum of Australia 1994. |
| | <ul style="list-style-type: none"> 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 ($\pm 0.1\text{m}$) to accurately locate them and an initial handheld GPS (+/-3m) reading is used before holes are surveyed via DGPS. |
| Data spacing and distribution | <ul style="list-style-type: none"> 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. |
| | <ul style="list-style-type: none"> 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. |
| | <ul style="list-style-type: none"> Whether sample compositing has been applied | Sample compositing is not applied. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type | <p>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.</p> <p>In the case of the hole for metallurgical sample, however, drilling was orientated to drill sub-parallel to mineralisation to maximise sample of the mineralisation to provide the largest sample possible for metallurgical test work.</p> |
| | <ul style="list-style-type: none"> 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, however, the unique orientation of the metallurgical drillholes may introduce some sampling bias. The structural controls on mineralisation is considered well understood and consistent. |

| Criteria | Explanation | Commentary |
|--------------------------|--|---|
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security | <p>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.</p> <p>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.</p> <p>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.</p> |
| Audits or reviews | <ul style="list-style-type: none"> 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 – TALLEBUNG PROJECT

(Criteria listed in the preceding section also apply to this section)

| Criteria | Explanation | Commentary |
|--|--|--|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> 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. | <p>The Tallebung Project is described by NSW Exploration Licence 6699</p> <p>The tenement is 100% owned by Stannum Pty Ltd, a 100% owned subsidiary of Big Sky Metals Pty Ltd and Sky Metals Ltd.</p> <p>The Tallebung tenement is overlain by Native Title Determination Application No NC12/1 (Federal Court No NSD 415/12). A determination of extinguished native title was received over a portion of the Tallebung Tin Field.</p> |
| | <ul style="list-style-type: none"> 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 | Stannum Pty Ltd have previously commence a Right to Negotiate Process (RTN) with the claimant group with respect to Application No NC12/1 (Federal Court No NSD 415/12). These negotiations did not conclude. Stannum Pty Ltd has recently (June 2018) resubmitted a Native Title Clearance report to the NSW Dept of Planning. A determination of extinguished native title was received over a portion of the Tallebung Tin Field. |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties | <p>The Tallebung Project area was subject to a large, modern scale alluvial/colluvial mining by the Tullebong Tin Syndicate in the period 1963-1972. The Tullebong Syndicate completed a programme of 24 short diamond holes in 1968-69 designed to test the lode mineralisation at Tallebung.</p> <p>Pruessag completed a large-scale assessment of the alluvial tin deposits in 1984-85, including RC drilling, identifying the potential for a large, low grade alluvial deep lead.</p> <p>In recent exploration, YTC Resources (now Aurelia Metals Ltd) completed trenching, diamond drilling, aircore drilling of tailings, and resistivity geophysics (EH4) at the Tallebung tin field. YTC recognised the continued potential for both shallow high grade, and large scale low-grade 'porphyry-style' tin mineralisation.</p> |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation | The Ordovician aged Tallebung Group sediments in the Tallebung Tin Field area outcrop as a sequence of weakly metamorphosed shales, siltstones, carbonaceous mudstones and minor quartz-rich sandstones. |

| Criteria | Explanation | Commentary |
|---|--|---|
| | | <p>The rocks are tightly folded, striking NNW at around 330o with variable dips. The tin mineralisation is thought to be sourced from the Silurian-aged Erimeran granite, which outcrops 2km south of the Tallebung Tin Field. The Tallebung Tin Field represents a site of significant tin and tungsten production from high grade, quartz lodes and their associated alluvial and deep lead deposits. The field has been worked sporadically from the discovery of lode tin in the 1890's, through to the large-scale open cut mining of alluvial tin by the Tullabong Tin Syndicate in the period 1963 to 1971. The Tallebung Tin Field contains significant, tin bearing, unconsolidated sediments which are alluvial to elluvial in nature, poorly sorted and contain coarse bedrock fragments up to 15cm in a matrix of sandy/silty clay with some iron oxides and cemented layers. Sediment thickness varies from 5m to 36 metres. The east-trending, tin bearing leads and deep leads draining the Tallebung lode deposits are the dominant source of historic tin production from the field. The Tallebung site is now a large-scale derelict mining environment with approximate 1.2km strike of shallow open cuts, large scale tailings dam and decaying mine site housing and infrastructure.</p> <p>The tin and tungsten bearing quartz reefs are located on the western edge of the worked out alluvial open pits. The lodes form a well-developed quartz vein stock work zone extending for approximately 1.2km on a 330o trend. Thicker quartz lodes >0.5m have been selectively exploited in historic shafts and shallow open cuts along the trend.</p> |
| Drill hole Information | <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 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. | <p>See body of announcement.</p> <p>Not applicable as drill hole information is included.</p> |
| Data aggregation methods | <ul style="list-style-type: none"> 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 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. The assumptions used for any reporting of metal equivalent values should be clearly stated | <p>Where reported, drilling results from the Doradilla and Tallebung Projects have been length weighted. Grades greater than 0.1% Sn or 2% Zn have been used to calculate intercepts. No high cut-off has been applied.</p> <p>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.</p> <p>No metal equivalences quoted.</p> |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results- <ul style="list-style-type: none"> 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'). | <p>At Tallebung, orientated drill core has been used to allow determination of orientation of structures and mineralisation. Lode orientation of the Tallebung is well constrained by previous drilling and outcrop.</p> |

| Criteria | Explanation | Commentary |
|---|---|---|
| Diagrams | <ul style="list-style-type: none"> 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, SKY ASX Announcement 27 June 2022 and SKY ASX Announcement 5 September 2022. |
| Balanced reporting | <ul style="list-style-type: none"> 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, 22 November 2018, SKY ASX announcement 4 September 2019, SKY ASX announcement 5 December 2019, SKY ASX Announcement 10 May 2022, SKY ASX Announcement 27 June 2022 and SKY ASX Announcement 5 September 2022. |
| Other substantive exploration data | <ul style="list-style-type: none"> 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 | <ul style="list-style-type: none"> 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, ASX announcement, 22 November 2018, SKY ASX announcement 4 September 2019, SKY ASX announcement 5 December 2019, SKY ASX Announcement 10 May 2022, SKY ASX Announcement 27 June 2022 and SKY ASX Announcement 5 September 2022. |
| | <ul style="list-style-type: none"> 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 ASX announcement, 22 November 2018, SKY ASX announcement 4 September 2019, SKY ASX announcement 5 December 2019, SKY ASX Announcement 10 May 2022, SKY ASX Announcement 27 June 2022 and SKY ASX Announcement 5 September 2022. |