

APPOINTMENT OF STIFEL AS JOINT BROKER

Sovereign Metals Limited (ASX:SVM; AIM:SVML) (the **Company** or **Sovereign**) is pleased to announce the appointment of Stifel Nicolaus Europe Limited, a subsidiary of Stifel Financial Corp (**Stifel**), as joint broker to the Company with immediate effect. Stifel will work alongside Sovereign's incumbent brokers, Joh. Berenberg, Gossler & Co KG, and SP Angel Corporate Finance LLP.

Stifel is a full-service investment bank, offering securities brokerage, trading, research, underwriting and corporate advisory services.

Stifel has more than 600 investment banking professionals which allows them to deliver the full capabilities of Stifel's institutional capital markets platform, which are among the most highly regarded in the industry across all major markets in North America and Europe.

In 2023, Stifel was named US Mid-Market Equity House of the Year by International Financing Review (IFR).

ENQUIRIES

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ABOUT SOVEREIGN

Sovereign is focused on the development of its Kasiya project in Malawi. Kasiya is the **largest natural rutile deposit and the second-largest flake graphite deposit in the world**. Sovereign aims to develop a **low-CO₂ and sustainable operation** to supply highly sought-after natural rutile and graphite to global markets.

In July 2023, Rio Tinto invested A\$40.4 million in Sovereign resulting in an initial 15% shareholding. Under the Investment Agreement, Rio Tinto will provide assistance and advice on technical and marketing aspects of Kasiya.

Results of the PFS released in late 2023, demonstrated Kasiya's potential to become the **world's largest rutile producer** at 222kt per annum and **one of the world's largest natural graphite producers** outside of China at 244kt per annum based on an initial 25 year life-of-mine.

Delivering compelling economics with a post-tax NPV₈ of US\$1.6 Billion and post-tax IRR of 28%, this long-life, multi-generational operation was modelled to initially generate over US\$16 Billion of revenue and provide an average annual EBITDA of US\$415 Million per annum.

Kasiya's PFS modelling was limited to only 25 years meaning **substantial production rate and mine life upside exists**, with an initial Probable Ore Reserves declared of 538Mt, **only representing 30% of the total Mineral Resource**.

Competent Person Statement

The information in this announcement that relates to the Mineral Resource Estimate is extracted from an announcement dated 5 April 2023 entitled 'Kasiya Indicated Resource Increased by over 80%' which is available to view at www.sovereignmetals.com.au and is based on, and fairly represents information compiled by Mr Richard Stockwell, a Competent Person, who is a fellow of the Australian Institute of Geoscientists (AIG). Mr Stockwell is a principal of Placer Consulting Pty Ltd, an independent consulting company. Sovereign confirms that a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially changed from the original announcement.

The information in this announcement that relates to Production Targets, Ore Reserves, Processing, Infrastructure and Capital Operating Costs, Metallurgy (rutile and graphite) is extracted from an announcement dated 28 September 2023 entitled 'Kasiya Pre-Feasibility Study Results' which is available to view at www.sovereignmetals.com.au. Sovereign confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions and technical parameters underpinning the Production Target, and related forecast financial information derived from the Production Target included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this presentation have not been materially modified from the Announcement.

Ore Reserve for the Kasiya Deposit						
Classification	Tonnes (Mt)	Rutile Grade (%)	Contained Rutile (Mt)	Graphite Grade (TGC) (%)	Contained Graphite (Mt)	RutEq. Grade* (%)
Proved	-	-	-	-	-	-
Probable	538	1.03%	5.5	1.66%	8.9	2.00%
Total	538	1.03%	5.5	1.66%	8.9	2.00%

* RutEq. Formula: Rutile Grade x Recovery (100%) x Rutile Price (US\$1,484/t) + Graphite Grade x Recovery (67.5%) x Graphite Price (US\$1,290/t) / Rutile Price (US\$1,484/t). All assumptions are taken from this Study ** Any minor summation inconsistencies are due to rounding.

Kasiya Total Indicated + Inferred Mineral Resource Estimate at 0.7% rutile cut-off grade					
Classification	Resource (Mt)	Rutile Grade (%)	Contained Rutile (Mt)	Graphite Grade (TGC) (%)	Contained Graphite (Mt)
Indicated	1,200	1.0%	12.2	1.5%	18.0
Inferred	609	0.9%	5.7	1.1%	6.5
Total	1,809	1.0%	17.9	1.4%	24.4

Forward Looking Statement

This release may include forward-looking statements, which may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These forward-looking statements are based on Sovereign's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Sovereign, which could cause actual results to differ materially from such statements. There can be no assurance that forward-looking statements will prove to be correct. Sovereign makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

This announcement has been approved and authorised for release by the Company's Managing Director & CEO, Frank Eagar.