

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

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|-----------------------|---------------------------------|
| Name of entity | SOVEREIGN METALS LIMITED |
| ABN | 71 120 833 427 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

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|----------------------------|---------------|
| Name of Director | Mark Pearce |
| Date of last notice | 20 March 2019 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|---|
| Direct or indirect interest | Direct and Indirect |
| Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | <ul style="list-style-type: none">• Mr Mark Pearce and Mrs Natasha Pearce <NMLP Family A/C> (trustee and beneficial interest)• Apollo Group Pty Ltd (director and indirect shareholder)• Crystal Brook Investments Pty Ltd (director and beneficial interest) |
| Date of change | See change of director's interests in contracts below |
| No. of securities held prior to change | 4,070,842 |
| Class | Ordinary Fully Paid Shares |
| Number acquired | Nil |
| Number disposed | Nil |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small> | Not applicable |
| No. of securities held after change | 4,070,842 |
| Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small> | See change of director's interests in contracts below |

+ See chapter 19 for defined terms.

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Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

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| Detail of contract | Subject to shareholder approval, offer of Performance Rights in the Company to Mr Pearce (or his nominee) |
| Nature of interest | As above |
| Name of registered holder (if issued securities) | Mr Pearce (or his nominee) |
| Date of change | 17 May 2021 |
| No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small> | (a) Nil - Performance rights subject to the “Scoping Study Milestone” expiring on or before 31 December 2021 (b) Nil - Performance rights subject to the “Feasibility Study Milestone” expiring on or before 31 December 2023 (c) Nil - Performance rights subject to the “Decision to Mine Milestone” expiring on or before 31 October 2025 |
| Interest acquired | (a) 225,000 (b) 225,000 (c) 300,000 |
| Interest disposed | Nil |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small> | Not applicable |
| Interest after change | (a) 225,000 (b) 225,000 (c) 300,000 |

Part 3 – ⁺Closed period

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| Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required? | No |
| If so, was prior written clearance provided to allow the trade to proceed during this period? | Not applicable |
| If prior written clearance was provided, on what date was this provided? | Not applicable |

⁺ See chapter 19 for defined terms.