

11 FEBRUARY 2020

ASX: SKY

CULLARIN PROJECT, NSW – SOIL SAMPLING RESULTS

- ◆ Re-imaging of historic airborne geophysical survey highlights distinct potassium anomaly north of the Hume Prospect
- ◆ Soil sampling has defined a robust McPhillamys pathfinder geochemical anomaly
- ◆ Geophysics and recent soil results indicate a target zone extending 4km north of HUD002

The Board of Sky Metals Limited ('SKY' or 'The Company') is pleased to provide an update on its exploration activities at the Cullarin Gold Project located approximately 20km west of Goulburn in NSW.

The following is presented in order to provide more context to SKY ASX Announcement 10 February 2020 "Outstanding Gold Results at the Cullarin Project, NSW".

CULLARIN PROJECT (SKY EARNING 80%)

AIRBORNE GEOPHYSICS

Re-imaging of a high-resolution airborne geophysical survey completed by CRAE in 1993 was completed by SKY. The CRAE survey was completed with a line spacing of 75m compared with the regional government data of 250m. Thus, interpretation of the CRAE data was able to delineate more subtle magnetic & radiometric features than the regional data.

The focus of the interpretation was to delineate anomalous potassic radiometric signatures given this is known to be associated with the targeted McPhillamys deposit. SKY's interpretation of the CRAE data has delineated a distinct potassium (K) radiometric anomaly trending to the north of SKY drillhole HUD002 (**Figure 1**).

SOIL SAMPLING

SKY has received results from its first soil sampling programme completed to the north of historic drilling at the Hume Prospect. Results indicate a coherent McPhillamys pathfinder anomaly co-incident with the radiometric anomaly noted above over what is now referred to as the Hume Target area (**Figure 1**). Data is presented in **Table 1**.

The soils programme covered an area of approximately 2km by 2km bounded to the south near drillhole HUD001. The programme tested the southern half of the radiometric anomaly noted above. Landholder access to complete soil sampling over the northern half of the radiometric anomaly has recently been completed and sampling of this area is scheduled to commence next week.

The combination of a 4km long potassium (K) radiometric signature (shown in pink in **Figure 1**, below) together with a pronounced magnetic low, and gold and multi-element pathfinder elements in the soil results, describe a compelling 'McPhillamys style target, which extends approximately 4km to the north of hole HUD002.

As noted in SKY ASX Announcement 10 February 2020 "Outstanding Gold Results at the Cullarin Project, NSW", SKY is currently evaluating these results in detail and planning of a drill focussed exploration programme is well advanced

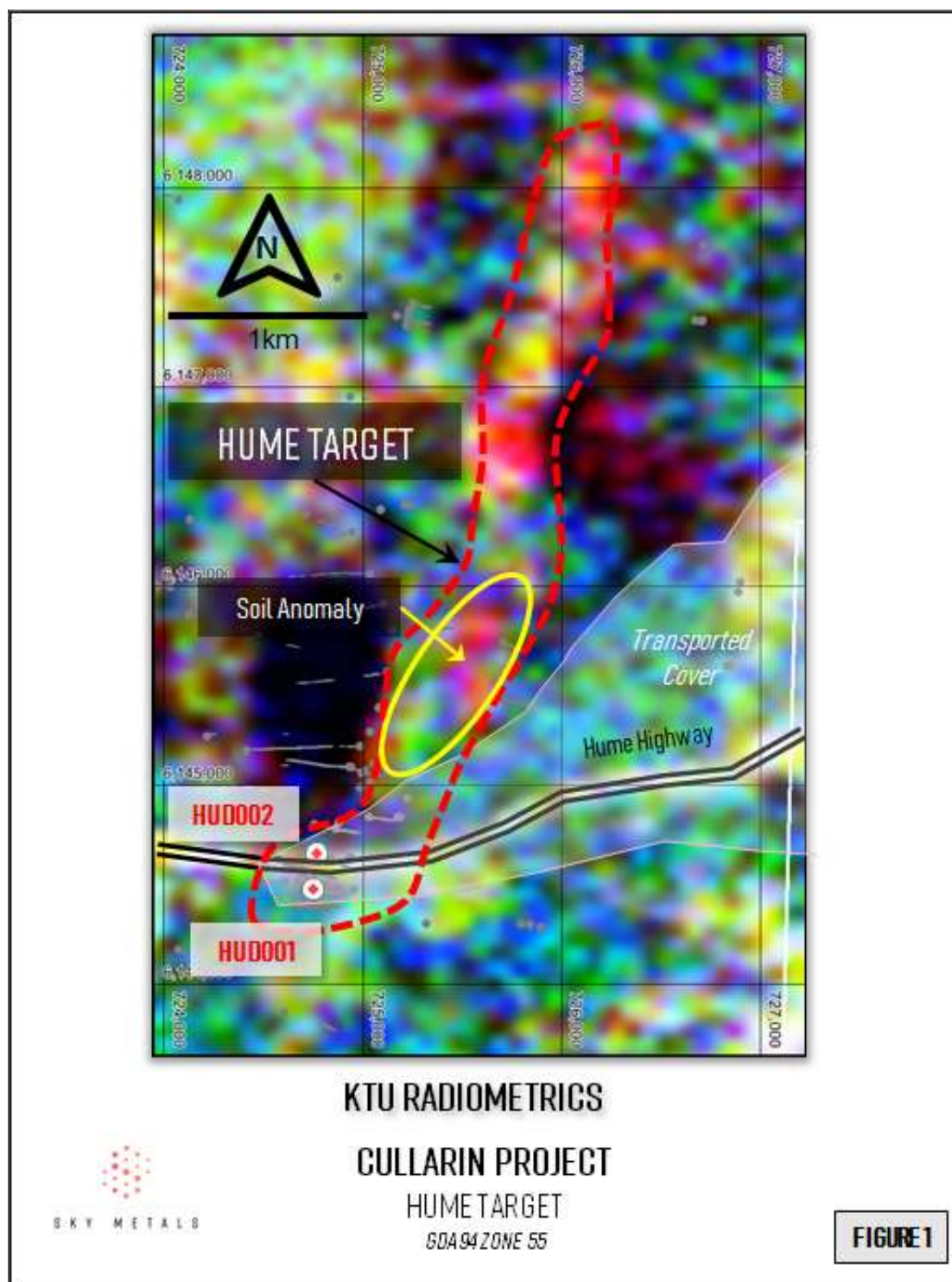


Table 1 – Hume Target – Soils sampling analytical results

SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00003	726350	6146300	0.004	12.3	17.3	3.9	0.15	0.59
CUS00004	726400	6146300	0.002	10.4	19	1.6	0.1	0.65
CUS00005	726450	6146300	<0.002	16.5	20	2	0.12	0.59
CUS00006	726500	6146300	<0.002	8	13.6	1.1	0.07	0.25
CUS00007	726550	6146300	0.006	7.3	17.9	3.4	0.08	0.32
CUS00008	726600	6146300	0.007	7.8	14.9	1.5	0.08	0.24
CUS00009	726650	6146300	0.007	7.8	7.8	1.2	0.11	0.3
CUS00010	726700	6146300	0.002	19.8	18.3	11.4	0.29	0.73
CUS00011	726750	6146300	0.003	8.4	4.9	1.9	0.15	0.37
CUS00012	726800	6146300	0.002	12.2	6.7	3.6	0.2	0.42
CUS00013	726850	6146300	<0.002	8.7	7.7	2.9	0.09	0.36
CUS00014	726900	6146300	0.008	13.4	8.5	4.2	0.2	0.45
CUS00015	726950	6146300	<0.002	17	11.6	6.7	0.31	0.45
CUS00016	727000	6146300	0.002	23.2	17.7	24.5	0.36	0.63
CUS00017	727050	6146300	0.005	15	10.6	8.6	0.25	0.62
CUS00018	727100	6146300	0.002	19.2	24.4	16.5	0.4	0.53
CUS00019	725250	6146100	0.003	18.1	9.8	2.3	0.3	0.43
CUS00020	725300	6146100	0.005	18.3	8.2	2.7	0.26	0.47
CUS00021	725350	6146100	0.008	20	8.1	1.8	0.26	0.48
CUS00022	725400	6146100	0.008	34.2	11.2	10.8	0.37	1.19
CUS00023	725450	6146100	0.007	40.6	12.2	11.1	0.27	1.11
CUS00024	725500	6146100	0.007	110.5	18.6	20.5	0.41	1.6
CUS00025	725550	6146100	0.008	28.9	8.6	2.1	0.22	0.43
CUS00026	725600	6146105	0.014	113	28.8	9.5	0.49	1.14
CUS00027	725660	6146110	0.016	152.5	33.3	26.8	0.95	1.96
CUS00028	725700	6146100	0.017	313	70.8	55.4	1.15	3.68
CUS00030	725750	6146100	0.014	288	52.8	18	0.68	2.72
CUS00031	726050	6146100	0.007	17.7	8.6	1.6	0.18	0.53
CUS00032	726100	6146100	0.01	15.7	7.1	1.6	0.18	0.5
CUS00033	726150	6146100	0.006	21.9	8.5	2	0.19	0.42
CUS00034	726200	6146100	0.006	22.6	8.8	2.6	0.21	0.62
CUS00035	726250	6146100	0.007	14	7.5	1.4	0.17	0.48
CUS00036	726300	6146100	0.013	9	7.1	1	0.14	0.43
CUS00037	726350	6146100	0.007	10.6	8.6	1.8	0.16	0.54
CUS00038	726395	6146100	0.007	8.8	7.7	1.6	0.13	0.47
CUS00039	726450	6146100	0.008	10.3	7.4	1.5	0.14	0.5
CUS00040	726500	6146100	0.009	7.8	6.5	1.3	0.12	0.38
CUS00041	726550	6146100	0.004	10.5	7.5	1.2	0.15	0.42
CUS00042	726600	6146100	0.018	11.5	7.7	3.7	0.15	0.56
CUS00043	726650	6146100	0.005	8.7	7.2	1.4	0.14	0.44
CUS00044	726700	6146100	0.007	8.9	5.4	2.6	0.14	0.42
CUS00045	726750	6146100	0.005	11.6	6	5.4	0.18	0.36



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00046	726800	6146100	0.003	8.9	4.7	2.4	0.14	0.31
CUS00047	726850	6146100	0.009	15.9	9.8	6	0.24	0.45
CUS00048	726900	6146100	0.008	23.1	19.1	7.3	0.37	0.4
CUS00049	726950	6146100	0.008	21.4	14.2	16.4	0.31	0.64
CUS00050	727000	6146100	0.006	17.5	12.7	11.2	0.28	0.51
CUS00051	725200	6145900	0.005	55.6	121.5	34.9	0.67	0.69
CUS00052	725245	6145895	0.01	35.6	27.1	59.4	0.41	0.66
CUS00053	725300	6145900	0.005	30.3	9.8	6.5	0.22	0.49
CUS00054	725350	6145900	0.004	31.9	13.7	5.1	0.25	0.57
CUS00055	725400	6145900	0.005	63.1	11.4	17.1	0.36	1.24
CUS00056	725450	6145900	0.003	15.8	8.8	5.4	0.2	0.54
CUS00057	725500	6145900	0.012	19	5.7	9.5	0.16	0.67
CUS00058	725550	6145900	0.007	23.5	10.9	18.1	0.18	0.46
CUS00060	725600	6145900	0.033	57.5	27.7	27.4	0.66	1.32
CUS00061	725650	6145900	0.021	80.2	23.6	16.5	0.74	1.7
CUS00062	725700	6145900	0.016	47.9	13.9	16.2	0.3	1
CUS00063	726150	6145900	0.004	15.8	7.5	3.6	0.16	0.6
CUS00064	726200	6145900	0.005	14.8	10.6	2.1	0.22	0.61
CUS00065	726250	6145900	0.002	35.3	12.6	6.2	0.2	0.82
CUS00066	726300	6145900	0.005	24.2	11.9	4.1	0.2	0.7
CUS00067	726350	6145900	0.005	18.6	8.1	3.1	0.16	0.72
CUS00068	726400	6145900	0.004	15.1	7.6	2	0.22	0.5
CUS00069	726450	6145900	0.005	12	6.9	1.3	0.18	0.36
CUS00070	726490	6145985	0.004	11.1	7.2	3.5	0.15	0.56
CUS00071	726550	6145900	0.006	9.6	6.7	1.6	0.16	0.44
CUS00072	726600	6145900	0.004	11.2	7.3	1.7	0.16	0.41
CUS00073	726650	6145900	0.007	10.9	7.5	1.8	0.16	0.36
CUS00074	726700	6145900	0.009	14.4	8.4	2.6	0.25	0.45
CUS00075	726750	6145890	0.009	12.3	7.4	3	0.2	0.42
CUS00076	726800	6145890	0.007	12.1	7.2	2.8	0.18	0.44
CUS00077	726850	6145900	0.008	19.1	10.2	5.1	0.26	0.54
CUS00078	726900	6145900	0.005	21.4	11.9	6.6	0.29	0.49
CUS00079	726950	6145900	0.003	18.6	12.4	8.5	0.3	0.57
CUS00080	727000	6145900	<0.002	20.9	23.3	9	0.33	0.45
CUS00081	725200	6145700	0.002	33.8	11.8	2.8	0.32	0.49
CUS00082	725250	6145700	<0.002	51.2	35.6	12.5	0.58	0.97
CUS00083	725300	6145700	0.01	47.3	49.9	13	0.73	0.95
CUS00084	725350	6145700	0.005	19.2	18.8	7.2	0.41	0.48
CUS00085	725400	6145700	0.004	25.2	8.9	4.1	0.21	0.65
CUS00086	725450	6145700	0.007	25	25.8	26	0.36	0.7
CUS00087	725500	6145700	0.01	42.8	14.9	31.8	0.23	0.75
CUS00088	725550	6145700	0.011	56.6	12	12.2	0.18	0.6
CUS00090	725600	6145700	0.006	98.3	17.4	6.5	0.18	0.74
CUS00091	725650	6145700	0.006	48.9	17.3	10.6	0.43	1.37



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00092	725700	6145700	<0.002	27.7	10	2.6	0.17	0.5
CUS00093	725750	6145700	0.002	77.1	14.7	8.2	0.21	0.65
CUS00094	725800	6145700	0.025	777	41.7	13.1	0.22	1.21
CUS00095	725850	6145700	0.006	188	25.6	4.2	0.16	0.52
CUS00096	725900	6145700	<0.002	44.2	10.2	2.1	0.17	0.43
CUS00097	725950	6145700	<0.002	34.6	11.9	2.5	0.29	0.44
CUS00098	726000	6145700	0.009	23.9	9.7	6.2	0.16	0.61
CUS00099	726050	6145700	0.005	24.5	8.4	7.8	0.17	0.54
CUS00100	726100	6145700	0.006	33.9	9.8	8.9	0.23	0.78
CUS00101	726150	6145700	0.003	14.8	7.4	1.2	0.21	0.38
CUS00102	726200	6145700	0.005	16.3	9.4	3.1	0.3	0.55
CUS00103	726250	6145700	0.005	24.6	12.7	4.6	0.32	0.81
CUS00104	726300	6145700	0.006	14.5	7.3	2.1	0.23	0.4
CUS00105	726350	6145700	0.005	16.5	7.6	4.2	0.22	0.45
CUS00106	726400	6145700	0.003	14	7.2	3.6	0.21	0.43
CUS00107	726450	6145700	<0.002	14.2	6.6	5.3	0.22	0.36
CUS00108	726500	6145700	<0.002	17.3	8	3	0.22	0.55
CUS00109	726550	6145700	0.004	12.7	7.6	1.4	0.2	0.41
CUS00110	726600	6145700	0.006	14.2	8.8	2.5	0.21	0.51
CUS00111	726650	6145700	<0.002	12.5	7.2	2	0.19	0.41
CUS00112	726700	6145700	0.003	17	8.1	3.4	0.26	0.47
CUS00113	726750	6145700	0.004	12.9	8	2.4	0.22	0.35
CUS00114	726800	6145700	<0.002	10.4	6.1	1.7	0.16	0.35
CUS00115	726850	6145700	<0.002	11.5	7.8	4.2	0.18	0.63
CUS00116	726900	6145700	<0.002	10.8	7.2	3.3	0.17	0.44
CUS00117	726950	6145700	0.004	20.5	12.7	16.2	0.29	0.67
CUS00118	727000	6145700	0.005	34.6	16.1	17.4	0.26	0.74
CUS00120	725200	6145500	0.008	37.7	17.9	3.6	0.44	0.57
CUS00121	725250	6145500	0.009	70.1	80.8	17.3	1.25	1.6
CUS00122	725300	6145500	<0.002	29.1	23.2	3.5	0.7	0.52
CUS00123	725350	6145500	<0.002	23.9	10.2	2.3	0.28	0.4
CUS00124	725400	6145500	0.003	21.4	8.2	1.9	0.26	0.39
CUS00125	725450	6145500	0.003	21.6	6.7	2.7	0.19	0.45
CUS00126	725500	6145500	0.006	39	8.4	3.7	0.23	0.47
CUS00127	725550	6145500	0.006	48.2	11.4	5.2	0.22	0.7
CUS00128	725600	6145500	0.007	70.7	11.9	5.6	0.24	0.58
CUS00129	725650	6145500	0.008	80.1	24.5	5.4	0.4	0.67
CUS00130	725700	6145500	0.003	38.9	10.5	3.2	0.21	0.46
CUS00131	725750	6145500	0.133	27.1	8.4	2.7	0.21	0.46
CUS00132	725800	6145500	0.011	56.5	16	9.6	0.31	0.96
CUS00133	725850	6145500	0.005	27.4	8.4	3.7	0.24	0.63
CUS00134	725900	6145500	0.003	54.6	11.2	3.2	0.16	0.5
CUS00135	725950	6145500	<0.002	52.2	8.9	2.9	0.19	0.61
CUS00136	726000	6145500	<0.002	24.6	7.3	2.1	0.15	0.37



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00137	726050	6145500	<0.002	23.1	8.7	2.9	0.24	0.5
CUS00138	726100	6145500	0.004	14	6.7	3.1	0.21	0.3
CUS00139	726150	6145500	<0.002	12.6	6.2	2.4	0.19	0.4
CUS00140	726200	6145500	<0.002	11.5	6.8	2	0.18	0.32
CUS00141	726250	6145500	0.006	11.9	6.4	2	0.2	0.37
CUS00142	726300	6145500	<0.002	13.2	7.3	3.6	0.22	0.41
CUS00143	726350	6145500	<0.002	12.4	6.8	2.2	0.22	0.4
CUS00144	726400	6145500	<0.002	26	15.5	10.1	0.31	0.69
CUS00145	726450	6145500	0.002	27	18	8.3	0.3	0.7
CUS00146	725100	6145300	0.014	657	22.4	12.1	0.28	1.18
CUS00147	725150	6145300	NSS	NSS	NSS	NSS	NSS	NSS
CUS00148	725200	6145300	<0.002	77.2	50	28.6	0.6	1.28
CUS00150	725250	6145300	<0.002	37.6	14.3	4.6	0.31	0.41
CUS00151	725300	6145300	0.003	41.6	19.1	6.5	0.33	0.5
CUS00152	725350	6145300	0.004	23.1	12.1	3.1	0.25	0.43
CUS00153	725400	6145300	0.003	31	13.2	2.5	0.24	0.56
CUS00154	725450	6145300	<0.002	18.5	7	1.4	0.2	0.34
CUS00155	725500	6145300	0.004	31.4	10.6	2.4	0.22	0.47
CUS00156	725550	6145300	0.007	41.5	13.7	2.7	0.2	0.48
CUS00157	725600	6145300	0.003	78.2	19	3.2	0.26	0.5
CUS00158	725650	6145300	0.003	31.1	17.8	2	0.28	0.43
CUS00159	725700	6145300	0.002	21.5	8.2	1.9	0.22	0.41
CUS00160	725750	6145300	0.007	14.8	8.3	1.4	0.23	0.41
CUS00161	725800	6145300	0.004	25.3	7.9	2.8	0.24	0.53
CUS00162	725860	6145300	<0.002	17.1	7.7	3.8	0.23	0.47
CUS00163	725900	6145300	0.003	18.4	8.5	4.3	0.24	0.56
CUS00164	725950	6145300	<0.002	15.9	9.1	2.4	0.17	0.58
CUS00165	726000	6145300	0.002	14.4	7.9	2.2	0.2	0.42
CUS00166	726050	6145300	0.004	12.8	6.6	1.7	0.23	0.48
CUS00167	726100	6145300	0.004	12.4	6.4	1.8	0.16	0.31
CUS00168	726150	6145300	<0.002	16.8	9.5	3.1	0.23	0.54
CUS00169	726200	6145300	<0.002	13.6	6.9	1.9	0.22	0.4
CUS00170	726250	6145300	0.002	12.6	7.7	2.5	0.19	0.38
CUS00171	726300	6145300	<0.002	15.4	7.4	3.5	0.19	0.58
CUS00172	726350	6145300	0.002	12.3	6.9	2.3	0.21	0.48
CUS00173	726400	6145300	<0.002	11.2	5.9	1.8	0.19	0.33
CUS00174	726450	6145300	<0.002	9.7	6	2.1	0.18	0.36
CUS00175	726500	6145300	<0.002	13.3	8.2	3.1	0.18	0.35
CUS00176	726550	6145300	0.004	12.5	7.7	14.7	0.23	0.37
CUS00177	726600	6145300	<0.002	12.7	6.4	2.8	0.21	0.33
CUS00178	726650	6145300	0.007	11.8	6.7	2.9	0.2	0.48
CUS00180	725050	6145100	0.019	542	98.5	26.7	0.58	1.17
CUS00181	725100	6145100	0.006	189	21.1	19.9	0.33	1.08
CUS00182	725150	6145100	0.002	238	26.1	8.4	0.26	0.82



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00183	725200	6145100	<0.002	121	21.1	5.4	0.27	0.71
CUS00184	725250	6145100	<0.002	33.3	11.5	2.6	0.31	0.48
CUS00185	725300	6145100	<0.002	19.2	5.9	1.6	0.16	0.32
CUS00186	725350	6145100	<0.002	21.8	7	1.6	0.2	0.33
CUS00187	725400	6145100	<0.002	19.8	8	1.8	0.28	0.47
CUS00188	725450	6145100	<0.002	21.4	8.1	2.5	0.25	0.48
CUS00189	725500	6145100	<0.002	20.5	7.9	2.6	0.25	0.52
CUS00190	725550	6145100	<0.002	19.3	7.8	3.2	0.24	0.49
CUS00191	725600	6145100	<0.002	19.8	8.6	3	0.26	0.52
CUS00192	725650	6145100	<0.002	21.6	12.7	4.8	0.33	0.61
CUS00193	725700	6145100	<0.002	15.3	6.9	3	0.25	0.51
CUS00194	725750	6145100	<0.002	11.2	4.9	2.3	0.18	0.27
CUS00195	725800	6145100	<0.002	12	5.5	2.6	0.2	0.44
CUS00196	725850	6145100	<0.002	12.2	5.7	2.3	0.22	0.38
CUS00197	725900	6145100	<0.002	11.5	5.7	2.9	0.19	0.52
CUS00198	725950	6145100	<0.002	11.9	5.5	2.6	0.2	0.49
CUS00199	726000	6145100	0.004	15.9	6.9	4.5	0.23	0.57
CUS00200	726050	6145100	<0.002	16.6	6.4	4.2	0.21	0.68
CUS00201	726100	6145100	<0.002	11.9	5.8	2.7	0.19	0.44
CUS00202	726150	6145100	<0.002	11.8	5.4	3	0.2	0.47
CUS00203	726200	6145100	<0.002	11.5	5.1	2.5	0.19	0.38
CUS00204	726250	6145100	<0.002	12.9	5.6	2.8	0.2	0.34
CUS00205	726300	6145100	<0.002	11.8	5.5	2.4	0.18	0.48
CUS00206	726350	6145100	<0.002	14	6	3.4	0.21	0.49
CUS00207	726400	6145100	<0.002	14	5.8	2.9	0.19	0.53
CUS00208	726450	6145100	<0.002	21.9	7.3	6.2	0.19	0.64
CUS00210	726500	6145100	<0.002	12.1	5.9	2.9	0.19	0.39
CUS00211	726550	6145100	<0.002	12.3	5.2	3.8	0.19	0.35
CUS00212	726600	6145100	<0.002	12.7	5.4	2.9	0.17	0.32
CUS00213	726650	6145100	<0.002	12.4	5.2	2.1	0.21	0.36
CUS00214	726700	6145100	<0.002	12.8	7.2	2.1	0.23	0.44
CUS00215	726750	6145100	0.005	14.8	21.3	8.9	0.31	0.7
CUS00216	724950	6144900	<0.002	30.4	9.3	1.9	0.25	0.38
CUS00217	725000	6144900	<0.002	56.5	10.6	3.5	0.22	0.47
CUS00218	725050	6144900	<0.002	58.5	13.1	4.3	0.19	0.45
CUS00219	725100	6144900	<0.002	24.2	7.2	1.5	0.22	0.31
CUS00220	725150	6144900	<0.002	42.9	14.6	3.5	0.27	0.54
CUS00221	725200	6144900	<0.002	16.8	9	1.3	0.23	0.39
CUS00222	725250	6144900	<0.002	13.9	6.3	1.5	0.21	0.31
CUS00223	725300	6144900	<0.002	18.1	9.2	1.5	0.26	0.42
CUS00224	725350	6144900	<0.002	19.1	8.4	3	0.27	0.42
CUS00225	725400	6144900	<0.002	21.3	9.8	3.1	0.31	0.52
CUS00226	725450	6144900	<0.002	12.7	5.4	2.4	0.21	0.43
CUS00227	725500	6144900	<0.002	16.4	6.4	2.9	0.23	0.43



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00228	725550	6144900	<0.002	18.5	7	2.9	0.24	0.58
CUS00229	725800	6144900	<0.002	13	5.6	2	0.19	0.4
CUS00230	725750	6144900	<0.002	13.1	6.1	2.1	0.19	0.46
CUS00231	725700	6144900	<0.002	11.7	5.4	1.6	0.17	0.51
CUS00232	725650	6144900	<0.002	13.2	6.5	1.7	0.19	0.4
CUS00233	725600	6144900	0.002	14.2	6.7	1.8	0.2	0.45
CUS00234	725850	6144920	<0.002	13.2	6	1.7	0.21	0.33
CUS00235	726100	6144900	<0.002	13.1	6.5	1.3	0.19	0.43
CUS00236	726150	6144900	<0.002	11.7	6.6	1.5	0.2	0.41
CUS00237	726200	6144900	<0.002	13.6	6.4	1.5	0.19	0.39
CUS00238	726250	6144950	<0.002	14.4	6.9	1.5	0.21	0.45
CUS00240	726300	6144950	<0.002	13.2	7.7	1.6	0.19	0.46
CUS00241	726350	6144950	<0.002	12.9	6.9	1.6	0.18	0.49
CUS00242	726400	6144950	<0.002	12.6	6.5	1.4	0.15	0.4
CUS00243	726450	6144950	<0.002	11.4	6.8	1.3	0.14	0.43
CUS00244	726500	6144950	<0.002	11.9	6.9	1.6	0.15	0.39
CUS00245	726550	6144950	0.004	23.2	11.4	6.3	0.21	0.61
CUS00248	724800	6144700	0.004	38.7	11.8	4.5	0.38	0.77
CUS00249	724850	6144700	<0.002	17.3	7.5	1.6	0.24	0.41
CUS00250	724900	6144700	<0.002	20.8	7.4	1.5	0.2	0.35
CUS00251	724950	6144700	<0.002	16.8	7.5	1.3	0.2	0.42
CUS00252	725000	6144700	<0.002	16.1	7.4	1.1	0.21	0.36
CUS00253	725050	6144700	<0.002	14.2	6.5	1.1	0.18	0.33
CUS00254	725100	6144700	<0.002	14.6	7.1	1.2	0.19	0.35
CUS00255	725150	6144700	0.004	13.8	6.4	1.1	0.2	0.4
CUS00256	725200	6144700	<0.002	11.5	6.1	1.4	0.19	0.36
CUS00257	725250	6144700	0.003	17.2	7.7	1.5	0.21	0.45
CUS00258	725300	6144700	0.005	20.2	7.6	2.7	0.26	0.51
CUS00259	725700	6144700	<0.002	13.2	5.4	2	0.19	0.37
CUS00260	725750	6144700	<0.002	12.5	8.1	2.4	0.17	0.41
CUS00261	725800	6144700	<0.002	12	6.5	1.4	0.18	0.44
CUS00262	725850	6144700	<0.002	11.6	5.5	1.9	0.16	0.4
CUS00263	725900	6144700	0.003	11.4	5.6	1.7	0.16	0.4
CUS00264	725950	6144750	<0.002	10.7	5.1	1.9	0.17	0.36
CUS00265	726000	6144750	0.01	12.6	6.4	1.8	0.17	0.3
CUS00266	726050	6144750	<0.002	13.7	6.4	2.7	0.2	0.43
CUS00267	726100	6144750	<0.002	12.5	5.7	2.2	0.2	0.39
CUS00268	726150	6144750	<0.002	17	7	3.6	0.22	0.42
CUS00270	726200	6144700	<0.002	12.1	6.3	1.5	0.16	0.33
CUS00271	726250	6144700	<0.002	11.7	5.8	1.5	0.16	0.35
CUS00272	726300	6144700	<0.002	10.9	5.4	1.6	0.15	0.36
CUS00273	726350	6144700	<0.002	9.9	5.6	1.4	0.16	0.29
CUS00274	726400	6144700	<0.002	10.7	6.1	1.6	0.16	0.36
CUS00275	724700	6144500	<0.002	25.9	8.4	2.1	0.29	0.39



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00276	724750	6144500	<0.002	58.4	19.8	6.8	0.37	0.83
CUS00277	724800	6144500	<0.002	41.6	10	3.4	0.23	0.45
CUS00278	724850	6144500	<0.002	28	9.6	2.4	0.23	0.5
CUS00279	724900	6144500	<0.002	21.1	9.1	1.8	0.23	0.36
CUS00280	724950	6144500	<0.002	23.1	9.7	3	0.3	0.51
CUS00281	725000	6144500	<0.002	22.4	9.4	3.1	0.29	0.59
CUS00282	725050	6144500	<0.002	17.7	7.9	3.4	0.24	0.56
CUS00283	725100	6144500	0.002	20.1	8.1	3.7	0.27	0.56
CUS00284	725150	6144500	<0.002	20.1	8.5	2.7	0.3	0.48
CUS00285	725200	6144500	<0.002	22.6	10.6	4	0.33	0.51
CUS00286	725250	6144500	<0.002	14.8	9.5	3	0.27	0.49
CUS00287	725300	6144500	<0.002	14	9.4	2.8	0.28	0.32
CUS00288	725350	6144500	0.04	16.4	10.2	3.7	0.28	0.42
CUS00289	725400	6144500	<0.002	14.2	9.7	3.2	0.25	0.39
CUS00290	725450	6144500	<0.002	15.7	10	3.8	0.26	0.44
CUS00291	725500	6144500	<0.002	17	12.3	4.5	0.32	0.43
CUS00292	725550	6144500	<0.002	21.8	14.7	7.2	0.34	0.5
CUS00293	725600	6144500	<0.002	24.2	16	8.8	0.35	0.48
CUS00294	725650	6144500	<0.002	20.8	14.2	6.7	0.31	0.47
CUS00295	725698	6144495	<0.002	21.8	14.4	7.8	0.33	0.45
CUS00296	725750	6144500	<0.002	36.9	10.3	8.9	0.27	0.94
CUS00297	725800	6144500	<0.002	14.6	9.2	1.8	0.24	0.47
CUS00298	725850	6144500	<0.002	14.3	8.7	2	0.22	0.46
CUS00300	725900	6144500	<0.002	14.8	8.5	3.3	0.26	0.35
CUS00301	725950	6144500	<0.002	14.1	7.2	3.1	0.27	0.31
CUS00302	726000	6144500	<0.002	15.5	7.5	3.5	0.29	0.3
CUS00303	726050	6144500	<0.002	14.7	7.4	3.4	0.29	0.35
CUS00304	726100	6144500	0.002	16.7	8.4	3.2	0.27	0.35
CUS00305	726150	6144500	<0.002	14.7	10.3	4.4	0.28	0.49
CUS00306	726200	6144500	0.044	11.8	11.4	3.7	0.29	0.33
CUS00307	726250	6144500	0.003	17.1	11.4	4.9	0.3	0.37
CUS00308	726300	6144500	<0.002	15.8	8	2.4	0.32	0.32
CUS00309	726350	6144500	<0.002	19.7	13.1	6.5	0.38	0.5
CUS00310	726400	6144500	<0.002	16.6	9.5	5	0.27	0.34
CUS00311	724650	6144300	<0.002	42.7	11.4	3.4	0.22	0.47
CUS00312	724700	6144300	0.002	30.4	7.9	3	0.21	0.36
CUS00313	724750	6144300	0.004	31.5	10.1	3.7	0.38	0.53
CUS00314	724800	6144300	<0.002	24.6	10.1	5.6	0.33	0.63
CUS00315	724850	6144300	<0.002	19.5	8.6	3.9	0.3	0.55
CUS00316	724900	6144300	0.009	20	10.6	2.9	0.36	0.51
CUS00317	724950	6144300	0.017	23.9	13.2	5.3	0.37	0.67
CUS00318	725000	6144300	<0.002	25.4	15.3	7.2	0.36	0.68
CUS00319	725050	6144300	<0.002	15.2	7.7	2.5	0.23	0.49
CUS00320	725100	6144300	<0.002	13.2	7	2	0.23	0.33



SAMPLE ID	EASTING	NORTHING	Au	Pb	Cu	As	Bi	Mo
	GDA94 Zone 55	GDA94 Zone 55	ppm	ppm	ppm	ppm	ppm	ppm
CUS00321	725150	6144300	<0.002	13.4	8.2	2.5	0.23	0.36
CUS00322	725200	6144300	0.007	23.6	10.5	6	0.36	0.52
CUS00323	725250	6144300	<0.002	18.2	10.2	3.9	0.33	0.53
CUS00324	725300	6144300	<0.002	15.3	8.7	3.5	0.29	0.39
CUS00325	725350	6144300	<0.002	15.1	9.6	3.2	0.31	0.42
CUS00326	725400	6144300	0.005	14.8	8.4	2.6	0.28	0.38
CUS00327	725450	6144300	<0.002	15.9	9.5	3.2	0.31	0.44
CUS00328	725500	6144300	<0.002	13	7.1	2.6	0.24	0.4
CUS00330	725550	6144300	<0.002	16.7	10.4	3.5	0.27	0.53
CUS00331	725600	6144300	0.004	13.7	6.2	2.4	0.22	0.45
CUS00332	725650	6144300	0.002	16.1	10	3.2	0.24	0.47
CUS00333	725700	6144300	0.002	12.4	8	1.8	0.21	0.57
CUS00334	725750	6144300	<0.002	12.7	6.6	1.9	0.19	0.4
CUS00335	725800	6144300	0.003	17.8	11.7	2.6	0.24	0.58
CUS00336	725850	6144300	<0.002	12.2	7.1	1.7	0.18	0.38
CUS00337	725900	6144300	0.002	17.5	10.8	2.3	0.22	0.48
CUS00338	725950	6144300	<0.002	10.5	6.3	2.4	0.18	0.36
CUS00339	726000	6144300	0.003	13.3	8.1	1.4	0.2	0.44
CUS00340	726050	6144300	0.003	11.4	5.3	2.2	0.21	0.32
CUS00341	726100	6144300	0.002	11.4	6.2	2.2	0.2	0.34
CUS00342	726150	6144300	0.002	11.9	6.1	2	0.23	0.34
CUS00343	726200	6144300	0.005	12.7	6.9	2.1	0.25	0.36
CUS00344	726250	6144300	0.005	10.5	6.3	2.1	0.18	0.3
CUS00345	726300	6144300	<0.002	11.2	6.2	2	0.18	0.35
CUS00346	726350	6144300	0.003	10.7	6.2	2.5	0.21	0.37
CUS00347	726400	6144300	0.003	16.4	8.1	3.6	0.33	0.39
CUS00348	726450	6144300	0.004	19	11.3	8.1	0.32	0.37
CUS00349	725600	6144100	0.002	13	9.4	2.4	0.23	0.64
CUS00350	725650	6144100	0.007	12.4	7.5	1.5	0.19	0.39
CUS00351	725700	6144100	<0.002	12.7	7.7	1.6	0.2	0.41
CUS00352	725750	6144100	0.006	12.3	7.4	1.6	0.18	0.36
CUS00353	725800	6144100	0.004	16.6	9	2.6	0.21	0.49
CUS00354	725850	6144100	0.003	12.3	7	1.6	0.16	0.37
CUS00355	725900	6144100	0.002	11.7	7.8	1.6	0.18	0.45
CUS00356	725950	6144100	<0.002	10.4	6.5	1.4	0.15	0.33
CUS00357	726000	6144100	0.004	11.9	7.7	1.7	0.18	0.41
CUS00358	726050	6144100	0.005	11.4	8.3	2.1	0.18	0.46
CUS00360	726100	6144100	0.002	10.9	7.4	2	0.18	0.47
CUS00361	726150	6144100	0.002	10.8	6.7	1.8	0.18	0.34
CUS00362	726200	6144100	0.003	11.2	6.8	1.4	0.16	0.36
CUS00363	726250	6144100	0.003	12.1	8.3	2.1	0.18	0.49

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 market, where a long-term growth in prices reflects challenged supply and growing demand amid new applications for the metal; and the gold market.

GOLD PROJECTS (CULLARIN EL7954 / KANGIARA EL8400 & EL8573, HRR FARM-IN; EL8915, EL8920 100% SKY)

SKY's emerging gold exploration strategy leverages the SKY exploration team's significant combined experience during the early stages of the McPhillamys gold discovery (69Mt @ 1.05g/t Au for 2.03MOz, Regis Resources Ltd). The McPhillamys mineralisation represents a distinct and economically important gold target style in NSW. The McPhillamys Gold Deposit was discovered in 2006 during the Alkane/Newmont 'Orange District Exploration Joint Venture' and is currently being advanced by Regis Resources Ltd, with a proposed 7Mt/annum mining operation and ore reserves of 60.1Mt @ 1.05g/t Au for 2.03MOz (ASX RRL 8 September 2017). Under the HRR farm-in, SKY may earn up to an 80% interest in the projects via the expenditure of \$2M prior to the formation of a joint venture (ASX: 9 October 2019).

TALLEBUNG PROJECT (EL6699, 100% SKY)

The Tallebung Project is located approximately 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. Tin-tungsten mineralisation occurs as outcropping sheeted quartz - cassiterite - wolframite ± sulphide veins over a 2 kilometre strike with preservation of an underlying porphyry setting interpreted from resistivity geophysics. The potential of porphyry-style tin in Australia remains poorly tested, despite forming high value polymetallic mineral resources elsewhere in the world (e.g. Central Andean Tin Belt). The prospectivity of this target style in the Wagga Tin Belt is highlighted by the nearby Ardlethan Tin Mine, where an intrusion-hosted porphyry-breccia complex is the site of mainland Australia's most productive tin field (66500t total tin resources @ A\$28,000/t = A\$1.8b total metal endowment value).

DORADILLA PROJECT (EL6258, 100% SKY)

The Doradilla Project is located approximately 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). The area lies between the Lachlan and Thompson Orogens, with known mineralisation hosted within the extensive Doradilla-Midway-3KEL skarn ('DMK-skarn') which marks a 20-100m wide zone extending over 16 kilometres along strike. Immediate exploration upside is recognized, with sporadic historical multielement assaying highlighting potential for economically significant polymetallic mineralisation at the 3KEL Prospect (40m @ 0.56% Cu, 1.6% Sn, 0.38% Zn from 6m to EOH, 3KAC004) and tin mineralisation over 3.5km strike length at the Doradilla Tin Prospect (10m @ 1.09% Sn from 80m, DRAC009) (ASX: 22 November 2018).

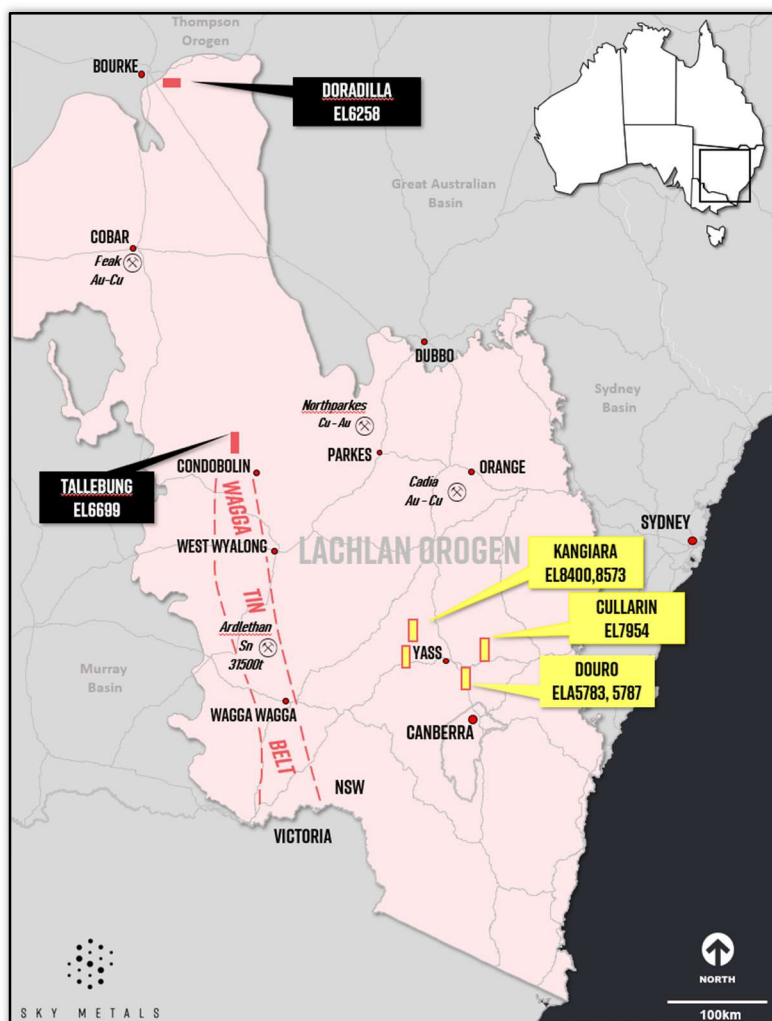


Figure 4: SKY Location Map

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to geology and exploration results and planning was compiled by Mark Arundell, who is a Member of the Australasian Institute of Geoscientists (AIG) and CEO of Sky Metals Ltd. Mr Arundell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Arundell consents to the inclusion in the report of the matters based on the 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 –CULLARIN 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>Soil samples were collected from holes approximately 15cm in depth and sieved to 0.2mm, a 50-100g sample was collected for assay.</p> <p>All samples were submitted to ALS Chemex 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. 	Standards and field duplicates were used at least every 50 samples for soil sampling with field duplicates to ensure sample representivity.
	<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>Soil sampling – Gold was determined by 30g fire assay for trace Au with Au-AA21 with a detection limit of 0.002ppm. Multielement assaying was completed for 48 elements by 30g four-acid digest with ICPMS determination (method ME-ICP61).</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) 	N/A. Soil sampling only
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed 	N/A. Soil sampling only
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples 	N/A. Soil sampling only
	<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 	N/A. Soil sampling only
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 	N/A. Soil sampling only
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography 	N/A. Soil sampling only
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged 	N/A. Soil sampling only
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 	N/A. Soil sampling only
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry 	Soil samples were collected from holes approximately 15cm in depth and sieved to 0.2mm, a 50-100g sample was collected for assay.



Criteria	Explanation	Commentary
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique 	Soil 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.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples 	Standards and field duplicates were used at least every 50 samples for soil sampling. 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 samples for Au and every 20 for multielement assay. Field duplicate soil samples demonstrated representivity of samples.
	<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. 	Field duplicate soil samples were collected and demonstrated representivity of soils samples.
	<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 	Standard assay procedures performed by a reputable assay lab, (ALS Group), were undertaken. Gold (Au) was determined by 50g fire assay (method Au-AA26) with a detection limit 0.01ppm for drill core and soils samples were determined by 30g fire assay for trace Au with Au-AA21 with a detection limit of 0.002ppm. Multielement assaying for both drill core and soil samples was completed for 48 elements by 30g four-acid total digest with ICPMS determination (method ME-ICP61).
	<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 every 50 samples in soil samples alternating with field duplicates. 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 gold.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	N/A. Soil sampling only
	<ul style="list-style-type: none"> The use of twinned holes. 	N/A. Soil sampling only.
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	Soils sampling data including location, soil type and colour, details regarding nearby outcrop and regolith details were all recorded manually in the field and then scanned and added into spreadsheets to store data electronically. 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.
	<ul style="list-style-type: none"> Discuss any adjustment to assay data 	Assay data is not adjusted.



Criteria	Explanation	Commentary
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. 	Soil samples were located using hand held GPS (accuracy $\pm 2\text{m}$).
	<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 	Soil samples were located using hand held GPS (accuracy $\pm 2\text{m}$). DGPS surveying of holes will be completed on completion ($\pm 0.1\text{m}$)
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 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 	Soil sampling traverses were completed west to east to most appropriately sample dominantly north-south striking structures.
	<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 	N/A. Soil sampling only.
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 from the drilling rig to assay laboratory.</p> <p>All samples are bagged in tied numbered calico bags, grouped into larger tied polyweave bags and transported to ALS in Orange by SKY personnel. Soil samples are collected in bags 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 - CULLARIN 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 Cullarin Project is described by NSW Exploration Licence 7954.</p> <p>The tenement is 100% owned by Tarago Exploration Pty Ltd, a 100% owned subsidiary of Heron Resources Ltd. This licence is one of three under the HRR-SKY JV with Sky Metals Ltd to earn an 80% interest the JV tenements following a farm-in expenditure of \$2,000,000 within 36 months. See SKY ASX announcement 9 October 2019 for more details.</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 	<p>All exploration licences are in good standing.</p> <p>EL7954 expires on 19 June 2022.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties 	<p>Significant exploration was carried out initially interested in base metals and shifting to gold in the 1980s with the Hume prospect identified as a Au-rich VMS system with similarities to the Henty Mine in western Tasmania. Shallow diamond drilling at the Hume prospect identified broad low-grade Au mineralisation including high grade zones suitable for underground mining before the 1990s. From the 1990s a period of exploration for largely intrusion-related deposit styles commenced and included the re-assay of historic drill core and collation of previous exploration data.</p> <p>An airborne magnetics/radiometrics survey was completed by previous explorer CRAE in 1993. Flight line spacing was 75m in an east-west direction and a mean terrain clearance of 40m. Magnetics was sampled at 0.1 sec (~8m) and spectrometer sample interval was 1.0 seconds (~80m). Navigation and recovery were by differential GPS and a total of 2,776 line km were surveyed. The contractor was Kevron Geophysics Pty Ltd. These data are of greater detail than the regional government data.</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation 	<p>Mineralisation at the Hume prospect is associated with sulphide-rich and intensely silica-sericite altered horizons hosted in a late Silurian volcanoclastic sequence interpreted to be equivalent to the stratigraphy to that which hosts the McPhillamys deposit near Blaney NSW. This stratigraphy is likely to represent basin opening of the Hill End Trough. The mineralisation is interpreted as Au-rich VMS with similarities to the Henty Mine in western Tasmania and the McPhillamys deposit in NSW. Gold mineralisation appears to be coincident with Zn, Pb, Cu and Ag mineralisation.</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 	<p>See body of announcement and appendix table of sampling results.</p>
	<ul style="list-style-type: none"> 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>Not applicable as drill hole information is included.</p>

Criteria	Explanation	Commentary
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. 	N/A.
	<ul style="list-style-type: none"> 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. 	N/A. Soil sampling only
	<ul style="list-style-type: none"> 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	<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'). 	N/A. Soil sampling only
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, appendix of ASX announcement, 10 February 2020.
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 table in appendix of this ASX announcement.
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. 	See body of announcement
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 soil sampling to assess the scale and grade of the mineralisation is planned along with investigation of related targets.
	<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.