

31 JULY 2020

ASX: SKY

## QUARTERLY ACTIVITIES REPORT TO 30 JUNE 2020

### HIGHLIGHTS

- ◆ Follow up SKY drilling programme at the Hume Target, Cullarin Project returns outstanding gold results including:

**Hole HUD007:** 69m @ 2.2 g/t gold from 49m including,  
33m @ 3.58 g/t gold from 51m and:  
14m @ 6.76 g/t gold from 68m

**Hole HUD005:** 6m @ 6.61% Zn, 5.83% Pb, 1.28% Cu from 273m

- ◆ Initial follow up drill programme to HUD002 completed – 10 holes for 3,300m
- ◆ High grade gold target now identified over 400m of strike associated with base metal sulphide mineralisation, silica-sericite alteration and proximity to Hume Fault
- ◆ Sampling of Hume Target historic drillcore re-commenced
- ◆ Option to Purchase Agreement for the Iron Duke Copper-Gold Project, NSW
- ◆ New exploration licences pegged proximal to the Cullarin & Iron Duke Projects

SKY CEO Mark Arundell commented; “*The June 2020 Quarter has consolidated the strong start to the 2020 calendar year for SKY Metals with the intersection of further high-grade gold mineralisation at the Hume Target. Further drilling continues to open the potential for defining a large scale gold mineralised system at the Cullarin Project. SKY remains well funded and well resourced to fast-track exploration across its exciting portfolio of assets.*”

### SEPTEMBER QUARTER – PROPOSED WORK PROGRAMME

- Multi drill rig program planned to evaluate depth potential & south extension of high-grade Hume gold target
- RC drilling of high priority McPhillamys style soil targets north of Hume target
- Continue sampling of Hume Target historic drillcore at NSW Government Core Library
- RC drill testing of Caledonian Gold Target
- Soil sampling to be extended to the south to determine strike extent of Hume mineralisation
- Airborne EM survey planned for Iron Duke
- Detailed airborne magnetics/radiometrics survey planned for Doradilla

## CULLARIN PROJECT – GOLD

### SKY EARNING 80% (EL7594)

#### Diamond Core Drilling

SKY's follow up drilling programme at the Hume Prospect, Cullarin Project (**Figure 5**) was completed in June 2020 with ten diamond core holes drilled for a total of 3,331m (**Figure 2 & Table 2**). The holes were primarily targeted to test the strike and depth extent of the mineralisation intersected in HUD002 (ASX SKY 25 May 2020 & 22 June 2020).

All drillholes intersected a broad package of strongly altered volcanoclastic rocks with associated zinc and lead sulphides, consistent with the target 'McPhillamy's style' gold mineralisation. At the end of the quarter, assay results had been received from drillholes HUD003 – HUD007 (**Table 1**). Significant gold mineralisation was reported from drillholes HUD003 to the east of HUD002 (**Figures 3 & 4**) and drillhole HUD007 to the south of HUD002 (**Figures 1- 4**). A six metre zone of high-grade base metal mineralisation was intersected in HUD005 (**Table 1 & Figure 5**). This interval is considered to represent a zone of primary volcanogenic massive sulphide (VMS) mineralisation, and is open in all directions.

These results in summary include:

HUD003:	7.3m @ 2.08g/t Au, 0.5% Pb, 1.04% Zn from 49.3m
HUD005:	6.0m @ 1.28% Cu, 5.83% Pb, 6.61% Zn & 26g/t Ag
HUD007:	69.0m @ 2.21g/t Au, 0.57% Pb and 0.9% Zn, inc 33.0m @ 3.58g/t Au, 0.57% Pb and 0.9% Zn

Drillholes HUD004 & HUD006, located approximately 90m north of HUD002, were targeted to test the northern strike of the mineralisation intersected in drillhole HUD002 (**Figure 2**). Although both holes intersected a strongly altered volcanic package (silica-sericite-sulphide), gold assay results were subdued. The results are currently interpreted to indicate that these drillholes intersected the low-grade halo of the mineralisation present in HUD002.

Drillhole HUD008 – HUD010, located approximately 200 to 400m south of HUD002, were targeted as the first holes to test the southern strike extent of the Hume mineralisation (**Figures 2 & 3**). All drillholes intersected an intensely altered volcanic package (silica-sericite-sulphide) approximately 50m thick before intersecting a fault, and then passing into unmineralised footwall units. Assay results for these drillholes (**Table 3**) were reported in July (ASX SKY 24 July 2020).

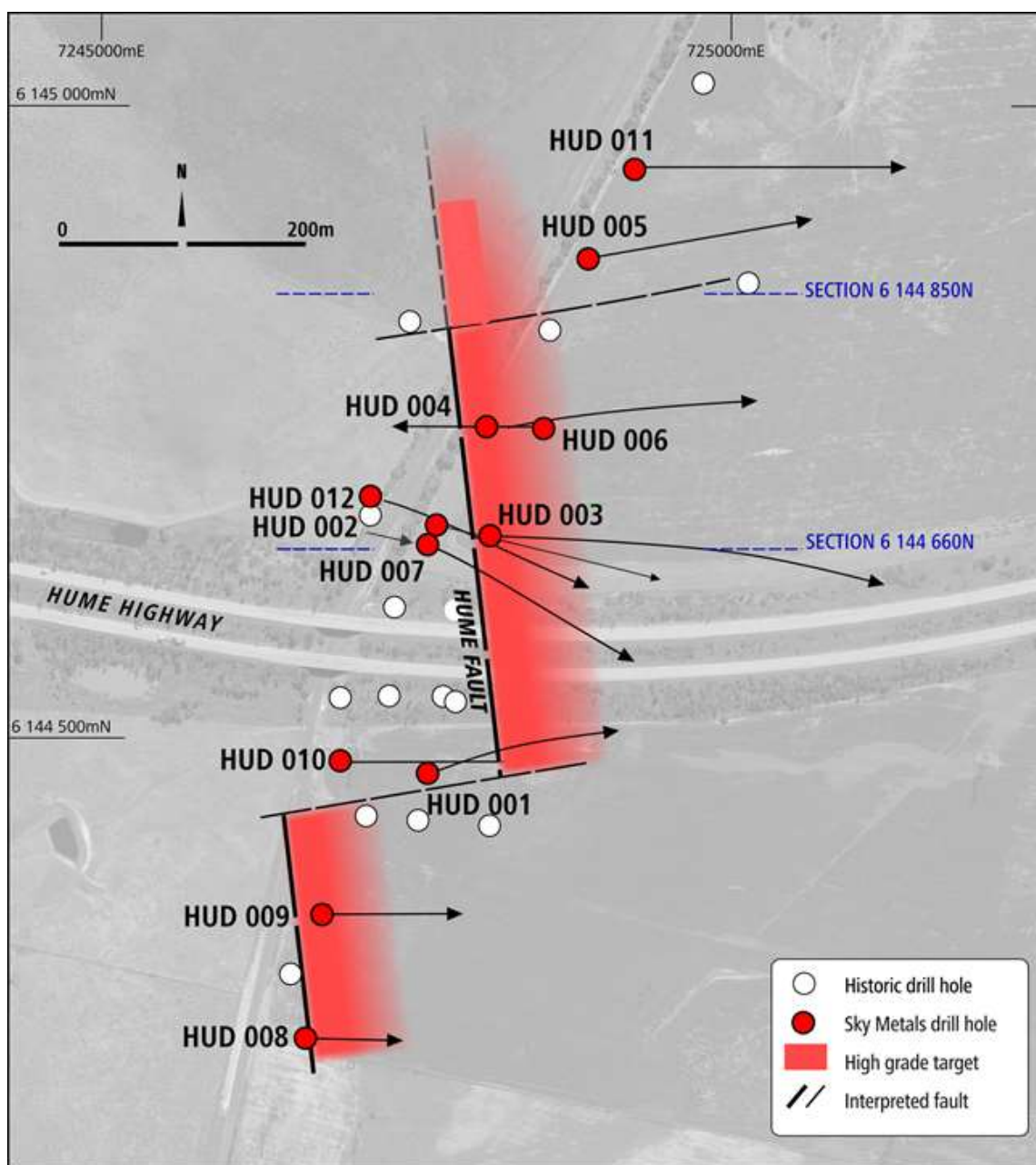
Drillhole HUD011, located approximately 325m north of HUD002, was targeted to test the strike extent of the intense alteration and base metal mineralisation intersected in HUD005 (**Figure 2**). Assay results for HUD011 are currently pending.

Drillhole HUD012, located approximately 70m west of HUD002, was targeted to test the down dip extent of mineralisation intersected in HUD002 (**Figures 2-4**). The Hume Fault was intersected at 150m with a zone of intense silica alteration with matrix base metal mineralisation present between 182-191m and stringer base metal sulphide veins extending to around 220m. The intensity of alteration in this drillhole is considered encouraging. Assay results for HUD012 are currently pending.

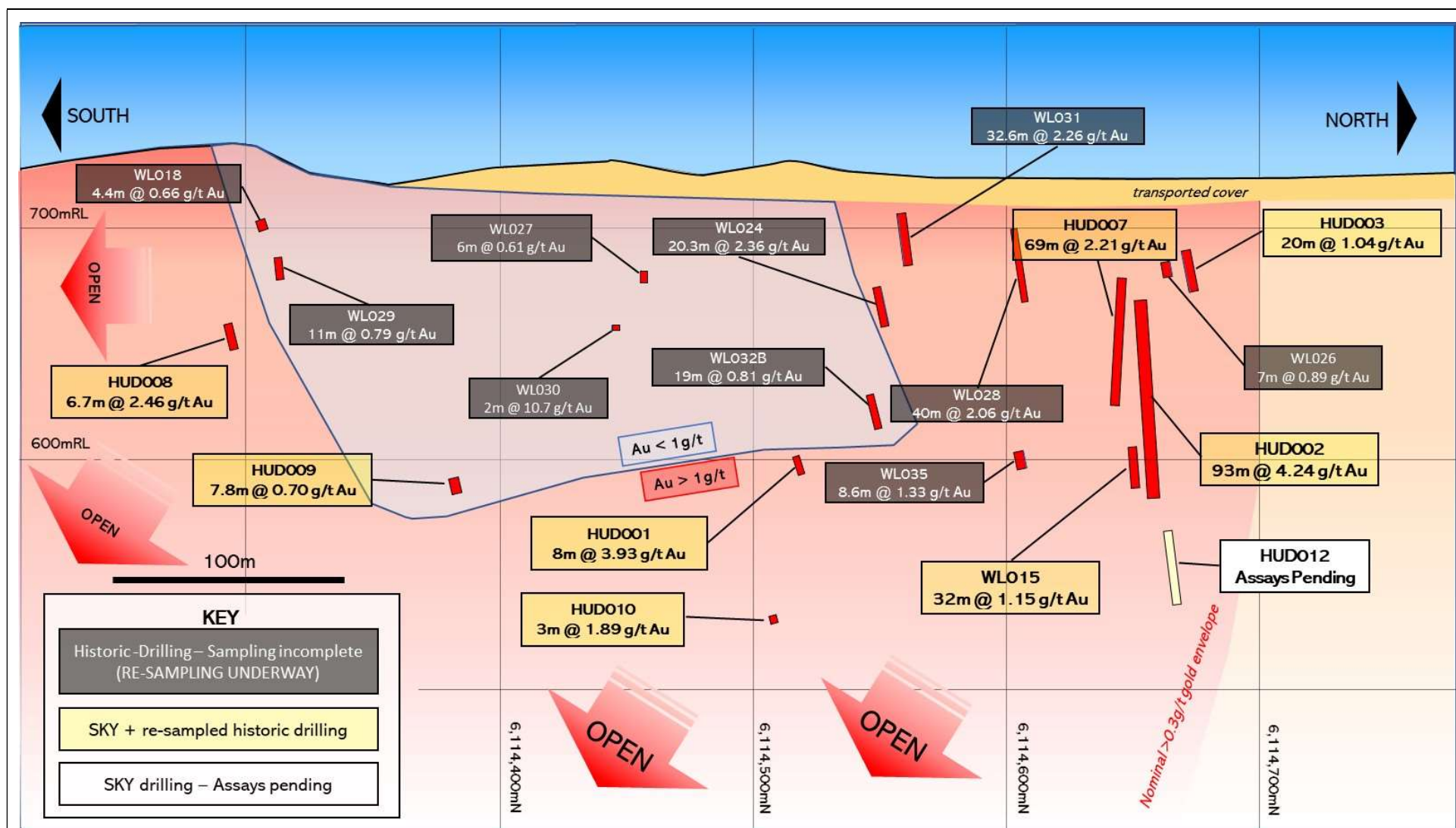
Once all assay results from the current drill program at Hume have been received and collated, SKY will look to commence a multi drill rig program to rapidly advance assessment of the potential of the Hume Target.



**Figure 1 - HUD007 - 68-70m- 33.4g/t Au - Quartz-galena-sphalerite veining**

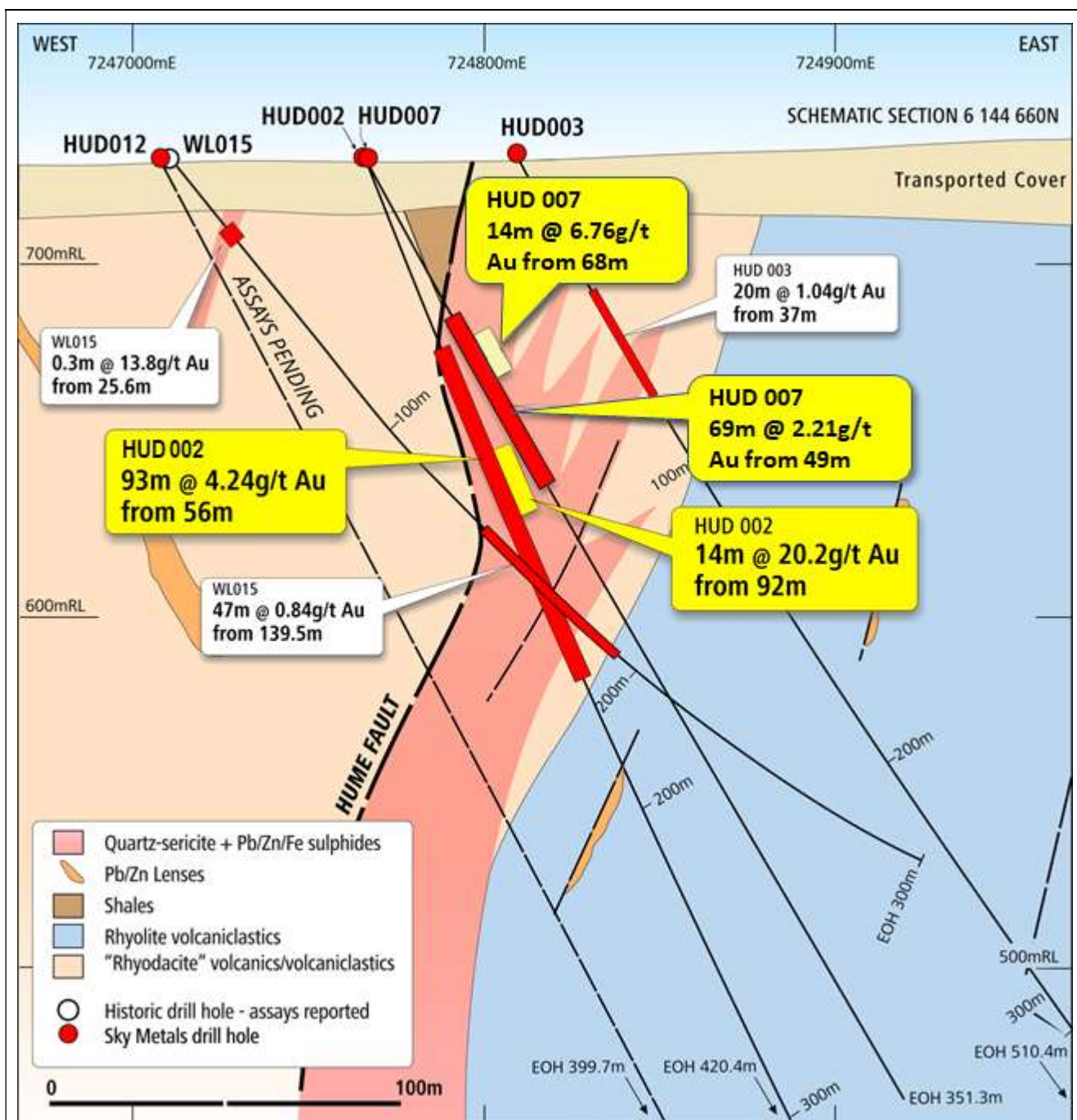


**Figure 2 - Hume Target - Drillhole Locations**



**Figure 3 - Hume Target - Long Section (schematic). Intersections reported with 0.5g/t Au cut-off**





**Figure 4 - Hume Target - Section 6,144,660N (schematic)**

Hole ID	From	To	Interval	Au	Cu	Pb	Zn	Ag
	(m)	(m)	(m)	g/t	%	%	%	g/t
HUD003	37	57	20	0.95	-	0.30	0.54	3
inc.	49.3	57	7.3	2.08		0.50	1.04	4
HUD005	273	279	6	0.09	1.28	5.83	6.61	26
HUD007	49	118	69	2.21	-	0.57	0.90	8
inc	51	84	33	3.58	-	0.57	0.90	8
inc.	68	84	14	6.76	-	0.64	1.24	6
inc.	111	113	2	8.14	-	2.59	2.18	12

**Table 1:** Cullarin Project, Hume Prospect. Significant drillhole intersections – June 2020 quarter

Hole ID	Hole Type	Easting (MGA)	Northing (MGA)	RL (m)	Dip	Azimuth (MGA)	Total Depth (m)
HUD003	DD	724810	6144660	729	-60	090	510.4
HUD004	DD	724810	6144745	735	-60	090	378.6
HUD005	DD	724885	6144880	729	-60	090	350
HUD006	DD	724850	6144745	738	-60	270	230.9
HUD007	DD	724760	6144655	729	-60	090	351.3
HUD008	DD	724660	6144260	720	-60	090	157
HUD009	DD	724670	6144360	718	-60	090	219.7
HUD010	DD	724690	6144480	720	-60	090	351.1
HUD011	DD	724925	6144950	720	-60	090	246.7
HUD012	DD	724705	6144690	720	-60	102	399.7

**Table 2:** Cullarin Project, collar summary for drill holes – June 2020 quarter

Hole ID	From	To	Interval	Au	Cu	Pb	Zn	Ag	Comment
	(m)	(m)	(m)	g/t	%	%	%	g/t	
HUD007	335	342	7	0.53		0.06	0.14	34	HUD07
HUD008	58	83.2	25.2	0.94		0.27	0.28	4	85% recovery
inc	75.7	82.4	6.7	2.46		0.13	0.38	4	60% recovery
HUD009	146	153.8	7.8	0.70		0.23	0.69	24	
HUD010	220	223	3	1.89		0.87	1.45	24	

**Table 3:** Cullarin Project, Hume Target. Significant drillhole intersections (Au > 0.5g/t) (ASX SKY 24 July 2020)



**Figure 5 – HUD005 – 275-278m – High grade Zinc-Lead-Copper mineralisation**

### Historic Core Sampling

During the quarter SKY was able to obtain precise locations for the historic drillholes completed during the 1980's by North Broken Hill (NBH) (**Figure 2**). Conversion of the original Imperial and ISG Grid co-ordinates to GDA94 was undertaken. This work was undertaken in order that both historical assay and current SKY sampling could be made compliant with JORC 2012 standards.

Sampling of historic diamond core holes at the NSW Government drillcore library recommenced in early June. All historic diamond drillholes completed by previous explorers between HUD002 and HUD008 are being logged and sampled. Although each of these drillholes record wide intervals of gold mineralisation, the historic sampling has been incomplete. Assay results from the initial batch of samples are pending.

Sampling of these drillholes offers SKY a great opportunity to advance the evaluation of the Hume Target. Not only is SKY enacting a sampling program which will save significant time and money, this work is in effect a continuation of the current drill program.

### Hume Target Soil Sampling

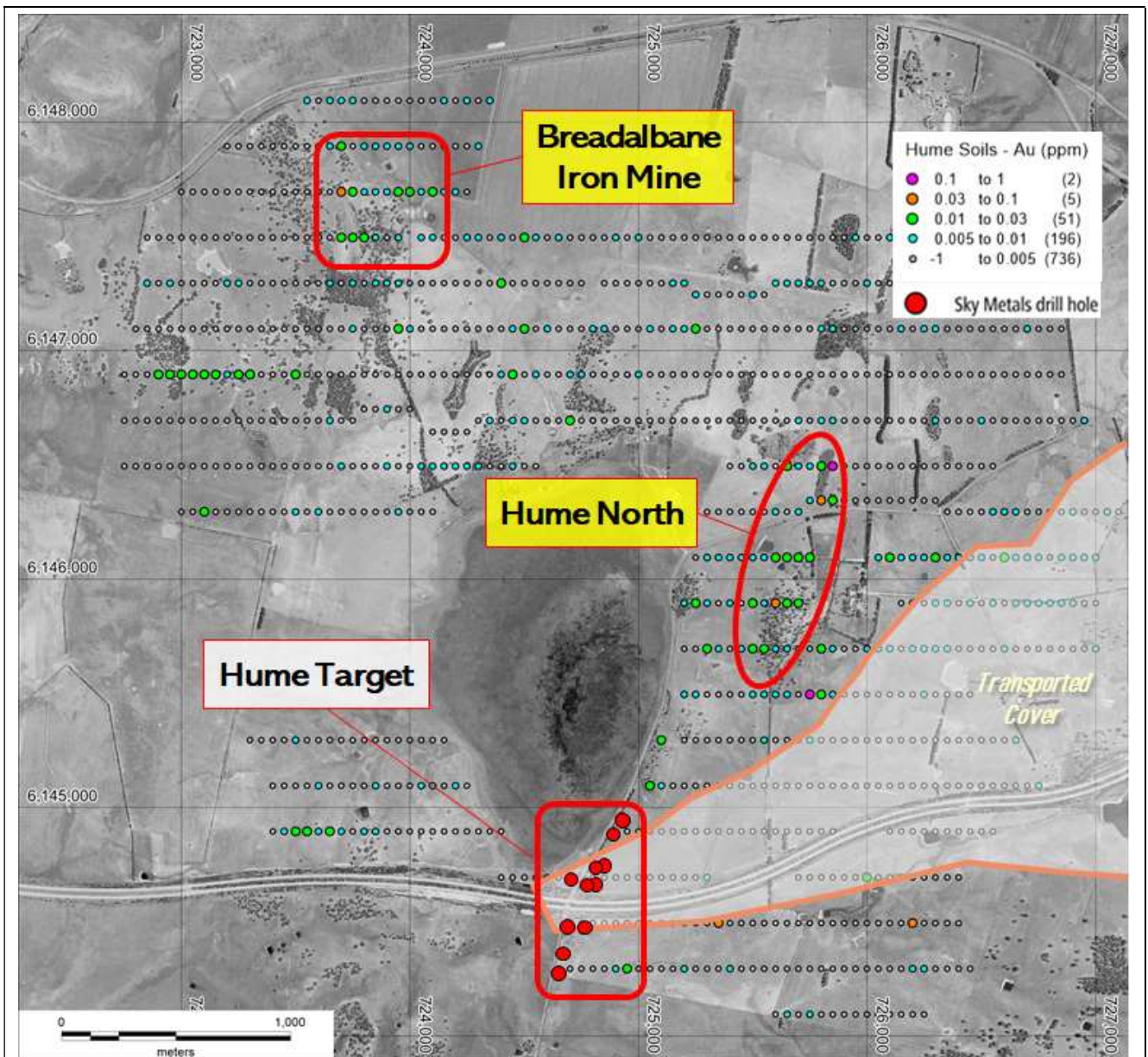
Results were received subsequent to the end of the quarter from a program of soil sampling completed over the northern part of the Hume Target (ASX SKY 24 July 2020). This work was completed in order to assess the potassium radiometric anomaly identified along strike north of SKY's Hume drilling (ASX SKY 11 February 2020).

Results indicate a robust McPhillamys multi-element anomaly (**Hume North**) over ~1,200m strike extent associated with the radiometric anomaly approximately 1.5km north of HUD002 (**Figure 6**). The combination of the potassium (K) radiometric signature together with a pronounced magnetic low, and gold and multi-element pathfinder elements in the soil results, describe a compelling 'McPhillamys style' target at Hume North.

A second gold anomaly has been identified to the northwest of Hume North proximal to the **Breadalbane Iron Mine**. A McPhillamys multi-element anomaly is also present over an area of 500m x 400m peripheral to a distinct magnetic high associated with the iron mine (**Figure 6**).

A programme of RC percussion drilling is proposed to test these anomalies commencing in August.





**Figure 6 – Hume Target – Soil samples (colour by Au grade) and drill targets**



## KANGIARA PROJECT – GOLD

### SKY EARNING 80% (EL8400, EL8573)

The Kangiara Project (EL8400, EL8573) is located 30km northwest of Yass in the Southern Tablelands of New South Wales (**Figure 6**). The Project contains volcanic/volcaniclastic rocks of the Silurian Douro Group considered prospective for gold and base metal (copper-zinc) mineralisation.

The high grade Kangiara Mine operated during the early 1900s, with documented production of ~40,000 tonnes at 16% Pb, 3% Cu, 5% Zn, 280g/t Ag and 2g/t Au from narrow north-south trending sulphide veins (ASX PDM 18 June 2009). Mining occurred up to 120m depth. Previous work by Paradigm Metals led to the calculation of an Indicated and Inferred Mineral Resource at Kangiara.

Exploration activity during the June 2020 quarter was initially focussed on obtaining access to drill the footwall gold target identified in the previous quarter. Identification of a previously unsampled drillhole (DDH-1B) at the NSW Government drillcore library which tested the targeted footwall position has led to a deferral of the planned drill program. Logging and sampling of this drillhole will be conducted before further work is conducted.

## CALEDONIAN PROJECT – GOLD

### 100% SKY (EL8920)

The Caledonian Project (EL8920) is located 30km southeast of Yass in the Southern Tablelands of New South Wales (**Figure 6**). The area contains the historic Caledonian Gold Mine. The distribution of multiple historic drill intersections at Caledonian Prospect indicate a potentially large and shallow mineralised gold system with discrete high-grade zones (e.g. 6m @ 8g/t Au recorded from the main lode, GSNSW; ASX SKY 11 Nov 2019). The deepest historical drillhole is 62m and most holes are ~25m deep. These drillholes are within a coherent 600 x 100m soil gold anomaly (+0.1ppm).

Historic shallow drill intercepts include:

- 10m @ 2.15 g/t Au from 16m
- 19m @ 1.8 g/t Au from 1.7m to EOH

Exploration activity during the June 2020 quarter was focussed on obtaining access to drill the gold target identified in the previous quarter. SKY intends to drill two or three RC and/or diamond core holes to determine the depth extent and controls on the gold mineralisation during the coming quarter.

## MYLORA PROJECT – GOLD

### 100% SKY (EL8915)

The Mylora Project (EL8915) is located 20km west of Yass in the Southern Tablelands of New South Wales (**Figure 5**). Historic gold occurrences in the Mylora area display extensive disseminated/stringer pyrite-sericite alteration zones within Late Silurian volcanics associated with a distinctive multielement geochemical signature of Au-Ag-Zn-Pb-Bi-Mo-Ba-Cu. This is considered to be prospective for McPhillamys-type gold mineralisation.

At the Mylora prospect, extensive 'gossanous' phyllic alteration extends over ~1.5km of strike. Historic drillhole DDH1 returned 3m @ 1.84g/t Au from 150m which is considered very encouraging and no drill testing has previously been conducted beneath historical open pits at Mylora North.



A detailed review of previous exploration covering EL8915 was conducted during the June 2020 quarter. Geological reconnaissance combined with mineral occurrence sampling will be conducted in the September quarter as an initial test of gold potential of the area.

## TIRRANA PROJECT - GOLD

### 100% SKY (ELA5968)

As part of a regional review of the Cullarin area for McPhillamys-style gold mineralisation, SKY identified an area of open ground to the south-east of the Cullarin project that satisfied a number of the key McPhillamys criteria. SKY has thus applied for an exploration licence (ELA5968) to cover this highly prospective area (**Figure 6**).

A detailed review of previous exploration covering Tirrana is planned for the September quarter.

## IRON DUKE PROJECT - COPPER-GOLD

### OPTION TO PURCHASE 100% (EL6699); 100% SKY (ELA5991)

SKY has been granted an exclusive Option to Purchase the Iron Duke Copper-Gold Project from Balmain Minerals Pty Ltd (**Figure 6**). Previous exploration has delineated a shallow, open-ended Copper-Gold resource at Iron Duke (ASX KBL Mining 4<sup>th</sup> June 2012).

SKY has identified the Iron Duke prospect for immediate drill testing. SKY has also devised a programme to assess the regional potential of EL 6064 including the Christmas Gift workings. Negotiations for land access are currently in progress in order to commence field activities in the September quarter. Initial work proposed include soil sampling and an airborne EM survey in order to generate drill targets.

As part of a regional review of the Iron Duke area, SKY identified the area surrounding EL6064 as being prospective for Iron Duke style mineralisation. SKY has thus applied for an exploration licence (ELA5991) to cover this highly prospective area.

## TALLEBUNG PROJECT - TIN

### 100% SKY (EL6699)

The Tallebung Project is located approximately 70km north-west of Condobolin in central NSW (**Figure 6**). 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-style tin - tungsten mineralisation. Outcropping mineralisation is developed over two kilometres as sheeted/stockwork quartz-cassiterite-wolframite sulphide veins above a mineralising granite.

Results from drilling conducted in 2019 indicate the presence of a coherent, narrow high-grade lode structure extending for up to 2000m of strike. Follow up to the results of the 2019 drilling program is currently being formulated.

## DORADILLA PROJECT – TIN, POLYMETALLIC 100% SKY (EL6258)

The Doradilla Project is located approximately 30km south of Bourke in north-western NSW and represents a large and strategic tin project with potential for significant polymetallic mineralisation (tin, tungsten, copper, bismuth, indium, nickel, cobalt, gold) (**Figure 6**).

A programme of RC drilling of multiple targets at the Doradilla Tin and 3KEL Prospects was completed in 2019. As previously reported (ASX SKY 10<sup>th</sup> March 2020), a number of drillholes intersected high grade tin, copper, indium and silver from the 3KEL & Doradilla Prospects. Of particular significance is the results from 3KEL in hole 3KRC002 (**6m @ 1.11% Sn, 1.48% Cu, 44g/t Ag, 65g/t In** from 105m) which represent the first time significant **primary** tin and copper mineralisation has been recognised at 3KEL. This mineralisation remains open along strike and at depth.

A project review of Doradilla was undertaken in early June in order to determine a work program and budget for the 2021 financial year. Flying a detailed low level airborne magnetic/radiometric survey was proposed as a high order priority for the Doradilla Project. The survey will be focussed on the zone between the Doradilla and 3KEL Prospects and SKY are aiming to conduct this work in the September quarter.





## CORPORATE

On April 1<sup>st</sup>, SKY notified Heron Resources Limited (Heron or HRR) that it had met the Option Fee Expenditure of the Farm-In and Joint Venture Agreement. SKY had expended in excess of A\$400,000 across the Cullarin and Kangiara Projects within the 12 month Option period. Furthermore, SKY notified Heron that it has elected to proceed to earn an undivided 80% equity interest in the Tenements pursuant to the Agreement by the expenditure of a further \$1.6M within three years. Share options previously issued to Heron pursuant to the Agreement vested - 10 million options with a 24 month term with an exercise price of \$0.15

During the quarter \$1,027k was spent on the exploration activities outlined in this report.

No mining production and development activities undertaken for the quarter.

During the quarter \$51k was paid in Director's consulting and Non-Executive Director fees.

Actual Expenditure to 31 March 2020 v Prospectus 2 YEAR Use of Funds		
	Prospectus 2 Year Use of Funds	Actual Expenditure to Date (30 June 2020)
	\$A'000	\$A'000
Cost of Acquisition & Capital Raise	500	453
Tallebung Project Exploration Expenditure	2,000	882
Doradilla Project Exploration Expenditure	800	329
Gold Projects Exploration Expenditure	-	1,458
Working Capital	1,684	1,595
<b>Total</b>	<b>4,984</b>	<b>4,717</b>

**Table 5:** Actual Expenditure to 31 June 2020 v Prospectus 2 YEAR Use of Funds

### Comments

- Cost of Acquisition & Capital Raise less than forecast
- Tin exploration activities generally in line with prospectus, for year 1.
- NSW Gold project strategy not planned at time of prospectus. Increasing focus on gold projects
- Working Capital, includes \$204k for acquisition of vehicles, plant & equipment. Larger than forecast as a result of a higher level of corporate activity associated with gold project strategy.

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

Holder	Equity	Licence ID	Grant Date	Expiry Date	Units	Area	Comment
Tarago Exploration Pty Ltd (HRR sub)	Earning 80%	EL7954	19-6-2012	19-6-2022	51	144 km <sup>2</sup>	Cullarin Project, earning up to 80% + Heron JV
Ochre Resources Pty Ltd (HRR sub)	Earning 80%	EL8400	20-10-2015	20-10-2024	52	147 km <sup>2</sup>	Kangiarra Project, earning up to 80% + Heron JV
Ochre Resources Pty Ltd (HRR sub)	Earning 80%	EL8573	23-5-2017	23-5-2023	17	48 km <sup>2</sup>	Kangiarra Project, earning up to 80% + Heron JV
Aurum Metals Pty Ltd (SKY sub)	100%	EL8920	5-12-2019	5-12-2025	65	183 km <sup>2</sup>	Caledonian Project
Aurum Metals Pty Ltd (SKY sub)	100%	EL8915	18-11-2019	18-11-2024	29	82 km <sup>2</sup>	Mylora Project
Aurum Metals Pty Ltd (SKY sub)	100%	ELA5968	-	-	52	147 km <sup>2</sup>	Tirrara Project - application
Balmain Minerals Pty Ltd	Option to Purchase 100%	EL6064	21-3-2003	20-3-2022	5	82 km <sup>2</sup>	Iron Duke Project
Aurum Metals Pty Ltd (SKY sub)	100%	ELA5991	-	-	60	174 km <sup>2</sup>	Iron Duke Project - application
Stannum Pty Ltd (SKY sub)	100%	EL6258	21-6-2004	21-6-2020	38	110 km <sup>2</sup>	Doradilla Project
Stannum Pty Ltd (SKY sub)	100%	EL6699	10-1-2007	10-1-2021	14	41 km <sup>2</sup>	Tallebung Project

**Table 6:** Tenement Summary, changes in the June quarter highlighted

## 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 gold, copper and tin markets in the world class mining jurisdiction of NSW.

## GOLD PROJECTS

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

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). Highlight, '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, and 142.1m @ 0.89 g/t Au (WL28) including 12m @ 4.4 g/t Au from 25.9m. The Cullarin Project contains equivalent host stratigraphy to the McPhillamys deposit with a similar geochemical (multielement pathfinders), geophysical (magnetics, radiometrics & IP) and alteration (white mica) signature. SKY's maiden drill programme to follow up this historical work has been very successful including core hole HUD002 which returned 93m @ 4.2 g/t Au from 56m.

### MYLORA / CALEDONIAN / TIRRANA PROJECTS ( EL8915, EL8920, ELA5968 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 Costeaning: 81m @ 0.87g/t Au in a costean on EL8920 at the Caledonian Prospect, Caledonian Project. At the Caledonian Prospect, the distribution of multiple historic drill intersections indicates a potentially large mineralised 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

## COPPER GOLD PROJECT

### IRON DUKE (EL6064, BALMAIN OPTION; ELA5991 100% SKY)

The Iron Duke project is located approximately 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) and the mineralisation is considered to be open to the south and down dip.

## TIN PROJECTS

### 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.

### 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).



Figure 6: 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](http://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.

SKY ASX releases released during the June 2020 Quarter are listed below:

ASX 1 April 2020 – SKY ASX Announcement 'SKY Advances the Cullarin Gold Project in NSW'

ASX 20 April 2020 – SKY ASX Announcement 'SKY Gold Projects – Major Exploration effort launched across Key Targets'

ASX 25 May 2020 – SKY ASX Announcement 'Cullarin Project – Exploration Update'

ASX 11 June 2020 – SKY ASX Announcement 'Option to Purchase Iron Duke Copper-Gold Project'

ASX 18 June 2020 – SKY ASX Announcement 'Stockhead Interview Investor Presentation'

ASX 22 June 2020 – SKY ASX Announcement 'Cullarin Project – Further High Grade Gold Intersected'

## 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.

