

## INFILL DRILLING PROGRAM TO UPGRADE KASIYA RESOURCE

- Infill drilling commenced with focus on southern Kasiya, which intends to provide ore feed for first eight years of production
- Program aims to upgrade Mineral Resource Estimate in this area from Indicated to Measured category, allowing conversion of Ore Reserves from Probable to Proven category
- Drilling program designed by Sovereign and overseen by the Rio Tinto-Sovereign Technical Committee
- Aircore and hand auger drilling will be supported by push tube and diamond core drilling
- Resource upgrade expected in early 2025

Sovereign Metals Limited (ASX: SVM; AIM: SVML; OTCQX: SVMLF) (**Sovereign** or the **Company**) is pleased to announce it has commenced an infill drilling program at its Kasiya Rutile-Graphite Project (**Kasiya** or **Project**) in Malawi to support ongoing technical studies.

Aircore, supported by push tube/diamond core and hand auger drilling, will upgrade part of the current Mineral Resource Estimate (**MRE**) planned for Stage 1 production from the Indicated to the Measured category under the JORC (2012) Code.

The drilling is planned to infill the southern part of Kasiya, specifically around previously designated pits proposed to provide ore feed in the first eight years of the Project's planned production schedule. Ore Reserves in these areas are expected to convert from the Probable to Proven category.

**Managing Director, Frank Eagar commented:** *"Our infill drilling program will target areas of Kasiya where we expect the first seven to eight years of production to come from. The program design was overseen by the Rio Tinto-Sovereign Technical Committee, which again illustrates the benefits of the Rio Tinto partnership since their initial investment in July 2023."*

An offset 200x200 metre program has been designed (see Figure 1), which will result in an average drill spacing of 142 metres. The offset spacing has the advantage of allowing analysis of geology and grade continuity in both orthogonal and diagonal directions. The drilling program will consist of:

1. 250+ aircore holes for over 5,000 metres, with an average depth of 20 metres
2. 250+ hand auger holes for over 750 metres, with an average depth of 3 metres
3. 30 push tube / diamond core holes providing samples for geotechnical analysis and verification sampling with an average depth of 20 metres
4. Several 3-metre-deep pits to obtain detailed rutile grade information from the upper profile and provide additional geotechnical information

All samples will have both rutile and graphite assayed by offsite laboratories in South Africa. Results of the drilling program and subsequent Resource upgrade are expected in early 2025.

Kasiya is already the world's largest rutile deposit and second-largest flake graphite deposit, with over 66% of the current MRE in the Indicated category.

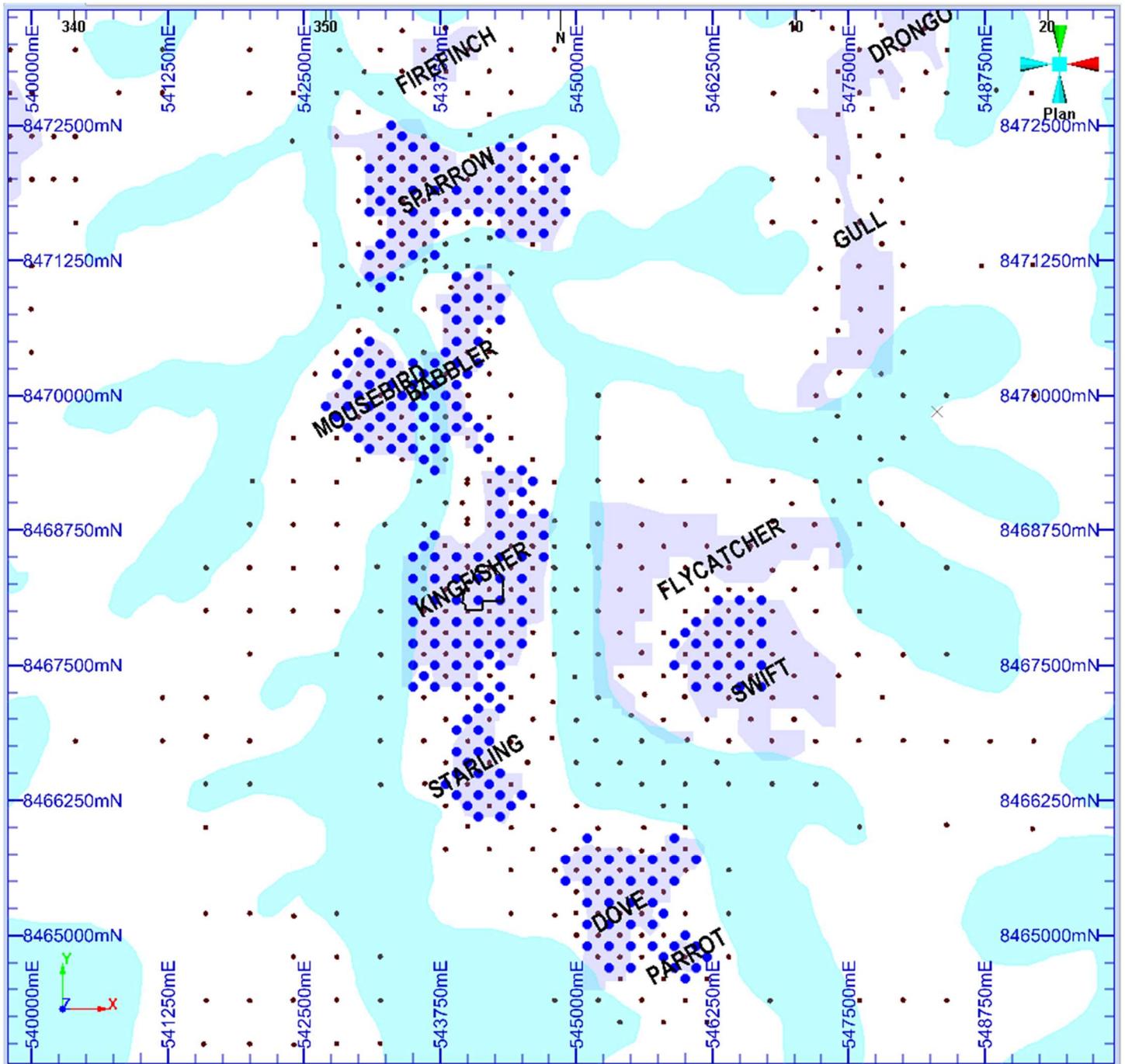


Figure 1: Planned aircore drill holes (blue dots) over Kasiya pit shells; pilot site in Kingfisher pit shown for scale (black outline)

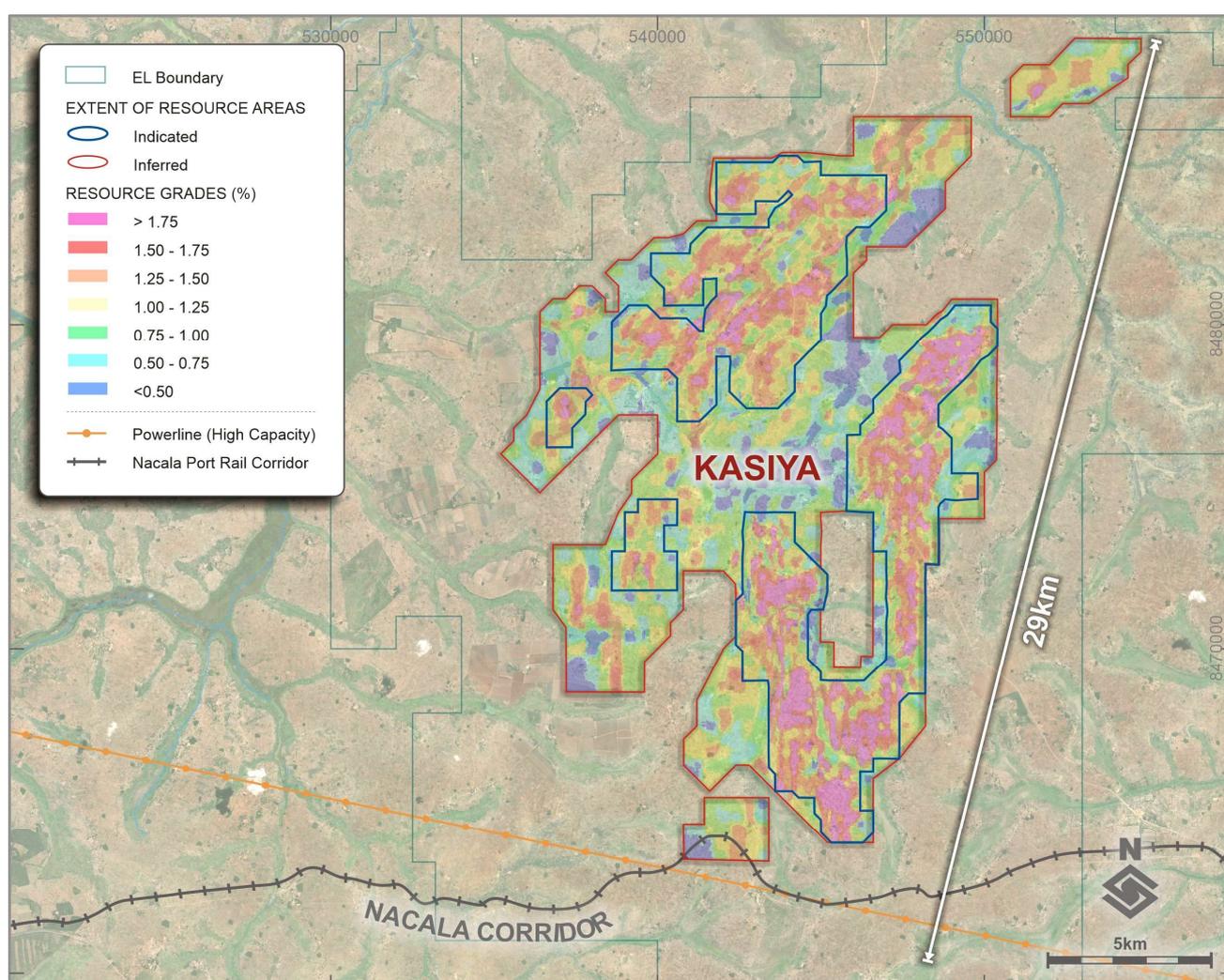
**Table 1: Ore Reserve for the Kasiya Deposit**

Classification	Tonnes (Mt)	Rutile Grade (%)	Contained Rutile (Mt)	Graphite Grade (TGC) (%)	Contained Graphite (Mt)
Proved	-	-	-	-	-
Probable	538	1.03%	5.5	1.66%	8.9
<b>Total</b>	<b>538</b>	<b>1.03%</b>	<b>5.5</b>	<b>1.66%</b>	<b>8.9</b>

**Table 2: 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
<b>Total</b>	<b>1,809</b>	<b>1.0%</b>	<b>17.9</b>	<b>1.4%</b>	<b>24.4</b>

Any minor summation inconsistencies are due to rounding



**Figure 2: Kasiya map showing rutile grades of the upper blocks of the current MRE block model**

The current MRE defined broad and contiguous zones of high-grade rutile and graphite, which occur across a very large area of over 201km<sup>2</sup> (Figure 2). Rutile mineralisation is concentrated in laterally extensive, near-surface, flat “blanket” style bodies in areas where the weathering profile is preserved and not significantly eroded. Graphite is depleted near the surface, with grades improving at depths generally >4m to the base of the saprolite zone, which averages about 22m.

Sovereign’s 2022 drill program at Kasiya used push tube core holes to in-fill and convert Inferred mineralisation into the Indicated category. The consistency and robustness of the geology allowed for an efficient conversion of this previously Inferred material on a near-identical one-for-one basis to the Indicated category.



Figure 3: Push tube drilling in action at Kasiya during 2022

### Incentive Securities

Subject to shareholder approval, the Company is proposing to issue the following performance rights to Directors (and others) following a remuneration review post 30 June 2024:

	Tranche 1 – DFS Milestone (expiring 31 October 2025)	Tranche 2 – Grant of Mining Licence Milestone (expiring 31 March 2026)	Tranche 3 – Final Investment Decision Milestone (expiring 30 June 2026)
Benjamin Stoikovich	300,000	300,000	400,000
Frank Eagar	300,000	300,000	400,000
Other key employees and consultants	675,000	675,000	900,000

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## Competent Person Statement

*The information in this announcement that relates to Exploration Results and 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](http://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](http://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.*

## 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.*