

## DIVESTMENT OF NON-CORE IRON DUKE COPPER-GOLD PROJECT IN NSW

Sky Metals Limited (ASX: SKY) ("Sky" or the "Company") is pleased to advise that it has entered into a binding option agreement with Locksley Resources Limited (ASX: LKY) ("Locksley") for the divestment of its non-core Iron Duke Copper-Gold Project, located in New South Wales, **for a total transaction value of \$1.1 million.**

The divestment is consistent with Sky's strategy to actively manage its exploration portfolio and prioritise its capital and management focus on its advanced tin development assets at Tallebung and Doradilla.

### TRANSACTION OVERVIEW

Balmain Minerals Pty Ltd, a wholly-owned subsidiary of Sky Metals, has entered into a binding option agreement with Locksley under which Locksley has been granted an exclusive option to acquire 100% interest in the Iron Duke Project, comprising Exploration Licences EL9191 and EL6064. Key terms of the agreement include:

- **Option Fee:** \$100,000 cash (non-refundable)
- **Option Period:** 9 months
- **Initial Consideration (on exercise):** \$500,000, payable in cash and/or Locksley shares (subject to shareholder approval if required)
- **Milestone Payment:** \$500,000 payable upon the earlier of:
  - Delineation of a JORC Code-compliant Mineral Resource of at least 3.0Mt at a minimum grade of 1.0% copper equivalent; or
  - Sale or transfer of the Iron Duke Project to a third party

### DIVESTMENT ADVANTAGE

The Iron Duke Project is an early-stage copper-gold exploration asset which, while considered highly prospective, is non-core to Sky's strategic focus on advancing its tin development portfolio. The transaction enables Sky to unlock value from the Iron Duke Project through a structured divestment that delivers:

- Immediate non-dilutive funding;
- Consolidation of the Project with complementary and adjacent copper-gold assets;
- Retained exposure to potential exploration and development success through milestone-linked consideration; and
- Redeployment of capital toward Sky's advanced tin development projects.

The transaction reflects a disciplined and value-focused approach to portfolio optimisation while preserving potential upside for SKY shareholders.

*This announcement is authorised for release by SKY's Managing Director.*

**Investors:**

Oliver Davies – Managing Director & CEO  
+61 (0) 430 359 547

**Media:**

Nicholas Read – Read Corporate  
+61 (0) 419 929 046