

MARCH 2025 QUARTERLY REPORT

Sovereign Metals Limited (ASX:SVM, AIM:SVML, OTCQX:SVMLF) (**Sovereign** or the **Company**) is pleased to provide its quarterly report for the period ended 31 March 2025.

HIGHLIGHTS DURING AND SUBSEQUENT TO THE QUARTER

Optimised PFS Results Reaffirm Kasiya's Globally Strategic Significance

- In January 2025, the Optimised Prefeasibility Study (**OPFS**) was completed with oversight from the Sovereign-Rio Tinto Technical Committee. Results of the OPFS reaffirmed Kasiya's potential to become one of the largest and lowest-cost producer of natural rutile and natural flake graphite while generating exceptional economics
- Various optimisations have led to superior project delivery, operational flexibility, environmental and social outcomes compared to the 2023 Prefeasibility Study (**PFS**)

Successful Rehabilitation of Kasiya Test Pit

- During the quarter, rehabilitation of the land at the test pit site mined during the Pilot Mining and Land Rehabilitation (**Pilot Phase**) substantially progressed. Site backfill completed and soil remediation work concluded in December 2024, with landowners accessing the site through to January 2025 to plant and cultivate crops without missing a planting season

Kasiya Graphite Suitable for >94% of End-Use Markets

- Test work completed during the quarter has demonstrated that Kasiya graphite is suitable for use in the three key segments that account for over 94% of the ~1.6Mtpa global demand for natural flake graphite-battery anodes, refractories and expanded/expandables
- Sovereign intends to produce a 96% graphite concentrate at an incremental cost of US\$241/t (FOB)

DFS Geotechnical Programs in Progress

- Subsequent to the quarter, the Company announced that extensive geotechnical investigations are underway at key project infrastructure locations across Sovereign's Kasiya Project. Results will support layout and engineering design for the Kasiya Definitive Feasibility Study (**DFS**) which is due Q4 2025

Next Steps

- Over the course of the quarter ending June 2025, Sovereign will continue to advance the DFS, publish an upgrade to the Mineral Resource Estimate (**MRE**), continue with further graphite testwork and graphite offtake discussions, and further its community and social development programs in Malawi.

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Optimised PFS Results Reaffirm Kasiya's Globally Strategic Significance

During the quarter, the Company announced the results of an **OPFS** for its Kasiya Rutile-Graphite Project (**Kasiya** or **the Project**) which was undertaken following a strategic investment by Rio Tinto Mining and Exploration Limited (**Rio Tinto**) in 2023. Under the Investment Agreement, a joint Technical Committee was established to oversee the development of Kasiya. The OPFS was conducted with oversight from the Sovereign-Rio Tinto Technical Committee.

Following input from various organisations, including internationally recognised, independent consultancies, the Company's owner's team, and subject matter experts from Rio Tinto, the OPFS has reconfirmed Kasiya as a leading global future supplier of strategic critical minerals outside of China.

The OPFS proposes a large-scale, long-life operation to deliver substantial volumes of natural rutile and graphite while generating significant returns. Table 1 below summarises the key findings from the OPFS and includes a comparison to the PFS results released 16 months ago, in September 2023.

It is important to note that the results for the 2023 PFS in Table 1 have not been updated or adjusted for inflation since their release.

TABLE 1: KEY OPFS METRICS

	Units	OPFS Results Jan 25	2023 PFS Sep 23
Production			
Initial Mine Life	Years	25	25
Plant Throughput (Stage 1: Years 1-4)	Mtpa	12	12
Plant Throughput (Stage 2: Years 5-25)	Mtpa	24	24
Average Annual Rutile Produced (95%+TiO ₂)	ktpa	222	222
Annual Average Graphite Produced (96% TGC)*	ktpa	233	244
Operating and Capital Expenditure			
Capex to First Production (Stage 1)	US\$M	665	597
Total LOM Development Capex	US\$M	1,127	1,250
Total LOM Sustaining Capex	US\$M	397	470
Operating Costs (FOB Nacala)	US\$/t product	423	404
Financial Performance			
Total Revenue*	US\$M	16,367	16,121
Annual Revenue (Average LOM)	US\$M	640	645
Annual EBITDA (Average LOM)	US\$M	409	415
NPV ₈ (real, pre-tax)	US\$M	2,322	2,419
IRR (pre-tax)	%	27%	32%
Revenue to Cost Ratio	x	2.8	2.8

*Annual average graphite produced includes 292kt of graphite processed and sold in two years post cessation of active ore mining. Average graphite produced during the 25-year initial mine life only is 240ktpa; total revenue during the same period is US\$15,990 million. All rutile is produced and sold during the 25-year initial mine life. Note: All cashflows and costs are presented in US\$ real January 2025 terms unless otherwise stated. Operating costs exclude mineral royalties and community development support costs.

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Summary of Optimisations

The OPFS optimises seven key areas compared to the 2023 PFS, as summarised below.

Mining Method

The PFS proposed a 25-year initial LOM based on a hydraulic mining process where slurry material would be screened and pumped overland to the processing plants.

Based on findings from the mining trials undertaken as part of the Pilot Phase, the OPFS proposes a large-scale open-pit dry mining operation using draglines and trucking of material to the processing plants. The change in mining method has not changed the initial mine life of 25 years.

Operating Model

The 2023 PFS envisaged mining would take place on a contractor basis.

During the OPFS, Sovereign undertook a trade-off analysis between the following operating options:

- Fully owner-operated mine with draglines and trucks purchased by the owner
- Owner-operated mine with draglines and trucks leased by the owner
- Mining contractor operation using excavators and trucks

Due to the preference for draglines and benefit of flexibility, an owner-operated mine with leased equipment is selected as the preferred operating model.

Plant Configuration

Dry mining Kasiya means the material received at the plant is not pre-wet and pre-scrubbed. Therefore, the OPFS proposes a process plant front end consisting of two scrubbers and two oversize screens per 12Mt plant. No further changes are proposed to the processing plant flowsheet.

Plant Location

Per the 2023 PFS, mining would commence in the southern area of the Kasiya deposit, ramping up to 12Mt per annum (**Mtpa**) and then scaling up to 24Mtpa in Year 5 by constructing a second plant module in the same area, reaching nameplate capacity by the end of that year.

In Year 10 of production, another new 12Mtpa plant module would be built and commissioned in the northern area of Kasiya, supported by the relocation to the north of one of the southern plants to maintain a steady state of 24Mtpa.

However, the OPFS has determined the most efficient plant locations to be an initial 12Mtpa South Kasiya plant followed by the construction of another 12Mtpa North Kasiya plant in year 5 of production, negating any relocation requirements in later years.

The OPFS maintains the ROM schedule with operations commencing with 12Mtpa of throughput during the first four years of production (**Stage 1**) and expanding to 24Mtpa in year 5, with full capacity reached by end of year 5 (**Stage 2**).

Tailings Management

Per the PFS, a conventional process would be used to produce rutile and graphite concentrate with tailings in separate sand and fines streams being pumped to a conventional TSF. Mined out pit areas would be backfilled as part of a rehabilitation process.

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The OPFS proposes maximising backfilling of pits as undertaken during the Pilot Phase and the introduction of mud farming on the TSF to accelerate dewatering. This approach has reduced tailings volumes in the TSF by 44% from 187 Mm³ to 105 Mm³.

Mud farming is a technique used by Rio Tinto at operations such as its 100%-owned Weipa bauxite operations in Queensland, Australia, which has been in production since 1963 and produced 35.1Mt of bauxite in 2023.

Water Management

The PFS proposed that the primary water supply for the Kasiya mining complex would be created by building a water storage dam and collecting run-off water from the greater catchment area. Following the introduction of dry mining and mud farming, the size of the water storage dam proposed in the PFS has been significantly reduced, with less process water required and more process water recovered.

The OPFS mining trials and material deposition tests indicated a water demand of 10.2 Mm³ per annum, almost a 40% decrease in water requirement from the PFS (16.7 Mm³). The effect on the water storage dam wall could be a reduction in volume from 0.79 Mm³ to 0.57 Mm³ and a reduction in dam wall height from 20 metres to 17 metres.

Power

The 2023 PFS envisaged a hybrid hydro-generated grid power plus solar power system solution.

The Malawi grid reliability has improved since completion of the PFS and is expected to further improve considerably with the commissioning of the country's first HV transmission interconnector to Mozambique in Q2 2025.

This will provide the Project with sufficient power and therefore the OPFS proposes to connect the Project's power system to the hydro-sourced grid network only. This mitigates any risks associated with commissioning a new solar power project and reducing the overall power tariff by eliminating the need for an Independent Power Producer as per the 2023 PFS.

Successful Rehabilitation of Kasiya Test Pit

In March 2025, the Company announced that the rehabilitation of the land at the test pit mined during the Pilot Phase has been substantially progressed. Soils remediation work was concluded in December 2024 with landowners accessing the site between December 2024 and January 2025 to plant and cultivate crops without missing a planting season.

All soil remediation works as well as planting was done by hand with the use of a grader and tractor to prepare the soils. Sovereign employed the local landowners to work with us in both the soil remediation and planting work, so they were able to directly experience and learn about our rehabilitation work on their land.

Sovereign is working closely with the landowners to ensure that the crops provide a good yield in 2025, while simultaneously testing a variety of rehabilitation crops. This includes the intercropping of giant bamboo with maize, which will be retained by the landowners.

Sovereign is committed to ensuring that all mined-out land is appropriately rehabilitated to support sustainable farming practices after closure. The soil remediation methods aim to revitalise the soils within a two-to-three-year timeframe and to ensure that soils can be sustainably farmed in the long term. The remediation of soil to a depth of 1 metre from surface, will ensure the land can support small-scale or full-commercial farming operations.

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Figure 1: Test pit site prior to mining (May 2024)



Figure 2: Test pit site mined (August 2024)



Figure 3: Rehabilitation site backfilled (December 2024)



Figure 4: Rehabilitation site (February 2025)

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Kasiya Graphite Suitable for >94% of End-Use Markets

In February 2025, the Company announced that downstream testwork completed on graphite from Kasiya confirmed that Kasiya's graphite has the key characteristics required for use in refractory applications.

Graphite's key properties for use in refractory applications are its resistance to oxidation, chemical inertness and good thermal conductivity.

Graphite products for refractory applications typically require larger flake sizes than the smaller graphite flake products used to produce battery anode materials. Larger flake size graphite products tend to attract significantly higher prices than smaller flake products.

During the same month, Sovereign announced that further testwork confirmed that Kasiya graphite has the key characteristics required for use in expandable (fire retardant) and expanded (gaskets, seal, and brake lining) applications.



Sovereign had previously announced in 2024 that Kasiya graphite had produced outstanding battery anode material. Together with the refractories and expanded/expandables market, Kasiya's graphite is suitable for over 94% of end-use markets.

In Q4 2024, Syrah Resources Limited (the world's largest, publicly listed natural graphite producer outside of China) reported a price for smaller flake graphite concentrate to be used for battery anode production of US\$564 per tonne (CIF) based on third-party sales. In December 2024, large flake graphite used in the refractory sector achieved prices of up to US\$1,193/t (based on data from Benchmark Mineral Intelligence).

The incremental cost of producing a tonne of graphite from Kasiya under Sovereign's recently announced Optimised Prefeasibility Study is US\$241/t (see ASX announcement "Kasiya – Optimised PFS Results" dated 22 January 2025) making Kasiya the only advanced graphite project capable of competing with current Chinese graphite production costs.

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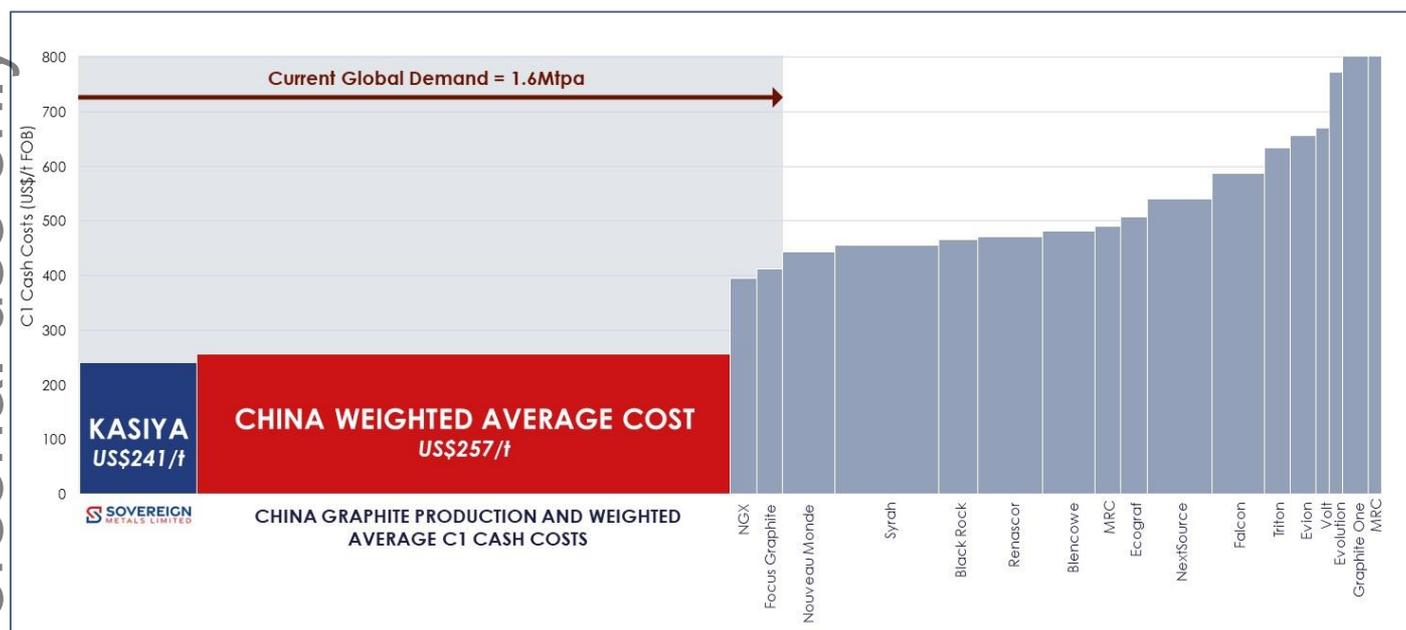


Figure 5: Natural Graphite Cost Curve including China
(Sources: See Appendix 4)

DFS Geotechnical Programs in Progress

In April 2025 and subsequent to the quarter, the Company announced that several geotechnical drilling programs are underway at Kasiya as part of the DFS. The results of the programs will be used to support the infrastructure layout and engineering design.

Selected locations are based on the findings of the OPFS announced in January 2025. The OPFS proposes a large-scale, long-life operation to deliver substantial volumes of natural rutile and graphite while generating significant returns. The Project layout was determined by evaluating technical, environmental and social factors.

Infrastructure covered by the geotechnical programs includes the processing plant areas, the tailings storage facility (TSF) area, the raw water storage dam, the Kasiya substation, and other mining infrastructure. Various geotechnical and geophysics methods are being used across the project site area.



Placement and Corporate Update

In March 2025, Sovereign completed a placement of 47,058,824 new fully paid ordinary shares at an issue price of A\$0.85 to raise gross proceeds of A\$40 million (**Placement**). Following the Placement, Sovereign has over A\$65 million in cash and no debt.

To date, Rio Tinto has invested A\$60 million into Sovereign to fund completion of the DFS. The DFS is expected to be completed in Q4 2025, thereby providing Rio Tinto with up to 180 days to exercise its option to become operator of the Kasiya Project. Rio Tinto did not participate in the Placement as they believe the Company has sufficient funds to complete the Kasiya DFS.

Accordingly, Rio Tinto's shareholding in Sovereign remains at approximately 119.4 million shares. Due to the issuance of new shares under the Placement, Rio Tinto's relative shareholding has decreased from 19.9% to 18.5% (refer to change in substantial holding notice dated 4 April 2025).

Rio Tinto, via the joint Sovereign-Rio Tinto Technical Committee, continues to be supportive of the Project and, as a strategic investor, continues to play an integral part in the Kasiya DFS process, including site visits, project environmental and social workstreams, with their subject matter experts involved in numerous aspects of the Project.

As discussed above, the Kasiya DFS remains on track for completion in Q4 2025. Upon announcement of the DFS results and under the July 2023 Investment Agreement, Rio Tinto will have up to 180 days to exercise its option to become the operator of the Kasiya Project and be granted exclusive marketing rights for 40% of Kasiya's annual production.

Next Steps

The Company plans to update the market on the following progress in the coming months:

- Rehabilitation component of the Pilot Phase
- MRE upgrade following 2024 infill drilling program
- Further graphite test work results as the Company continues to advance the qualification of its graphite product for the lithium-ion battery and traditional graphite sectors
- Progress in discussions with future potential end-users of rutile and graphite
- Updates on community and social development programs
- Progress of the DFS, which is targeted for completion by Q4, 2025



Competent Person Statement

The information in this announcement that relates to Production Targets, Ore Reserves, Processing, Infrastructure and Capital and Operating Costs is extracted from an announcement dated 22 January 2025, which is available to view at 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 original announcement.

The information in this announcement that relates to the Exploration Results (metallurgy - rutile and graphite) is extracted from announcements dated 8 May 2024, 15 May 2024, 4 September 2024 and 21 November 2024, which are available to view at 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 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 report have not been materially changed from the announcement.

The information in this announcement that relates to the Mineral Resource Estimate is extracted from Sovereign's 2024 Annual Report 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 2024 Annual Report continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in 2024 Annual Report have not been materially changed from the disclosure in the 2024 Annual Report.

Ore Reserve for the Kasiya Deposit

Classification	Tonnes (Mt)	Rutile Grade (%)	Contained Rutile (Mt)	Graphite Grade (TGC) (%)	Contained Graphite (Mt)	RutEq. Grade* (%)
Proved	-	-	-	-	-	-
Probable	538	1.03%	5.5	1.66%	8.9	2.00%
Total	538	1.03%	5.5	1.66%	8.9	2.00%

* RutEq. Formula: Rutile Grade x Recovery (100%) x Rutile Price (US\$1,484/t) + Graphite Grade x Recovery (67.5%) x Graphite Price (US\$1,290/t) / Rutile Price (US\$1,484/t). All assumptions are from the Kasiya PFS ** Any minor summation inconsistencies are due to rounding

Kasiya Total Indicated + Inferred Mineral Resource Estimate at 0.7% rutile cut-off grade (inclusive of Ore Reserves)

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
Total	1,809	1.0%	17.9	1.4%	24.4



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.

APPENDIX 1: SUMMARY OF MINING TENEMENTS

As at 31 March 2025, the Company had an interest in the following tenements:

Licence	Holding Entity	Interest	Type	Licence Renewal Date	Expiry Term Date ¹	Licence Area (km ²)	Status
EL0609	MML	100%	Exploration	25/09/2026	25/09/2028	219.5	Granted
EL0582	SSL	100%	Exploration	15/09/2025	15/09/2027	141.3	Granted
EL0492	SSL	100%	Exploration	29/01/2025	29/01/2025 ²	454.9	Granted
EL0528	SSL	100%	Exploration	27/11/2025	27/11/2025	16.2	Granted
EL0545	SSL	100%	Exploration	12/05/2026	12/05/2026	24.2	Granted
EL0561	SSL	100%	Exploration	15/09/2025	15/09/2027	61.9	Granted
EL0657	SSL	100%	Exploration	3/10/2025	3/10/2029	2.3	Granted
EL0710	SSL	100%	Exploration	1/02/2027	1/02/2031	38.4	Granted

Notes:

SSL: Sovereign Services Limited, MML: McCourt Mining Limited

¹ An exploration licence (**EL**) covering a preliminary period in accordance with the Malawi Mines and Minerals Act (No 8. Of 2019) (**2019 Mines Act**) is granted for a period not exceeding three (3) years. Thereafter two successive periods of renewal may be granted, but each must not exceed two (2) years. This means that an EL has a potential life span of seven (7) years under the 2019 Mines Act. ELs that have come to the end of their term can be converted by the EL holder into a retention licence (**RL**) for a term of up to 5 years subject to meeting certain criteria. All of Sovereign's ELs were originally granted under the 2019 Mines Act. On 28 June 2024, the Mines and Minerals Act (2023) (**2023 Mines Act**) was gazetted and came into force. As previously disclosed, the New Act introduces amendments to improve transparency and governance of the mining industry in Malawi. Sovereign notes the following updates in the New Act which may affect the Company going forward: (i) ELs granted under the 2023 Mines Act will be granted for an initial period of 5 years with the ability to extend by 3 years on two occasions (total 11 years); (ii) the Malawian Government maintains a right to free equity ownership for large-scale mining licences but the New Act has removed the automatic free government equity ownership with the right to be a negotiation matter; and (iii) A new Mining and Regulatory Authority will be responsible for implementing the objectives of the New Act.

² SSL has applied for RLs in relation to EL0492 in accordance with the 2023 Mines Act.

APPENDIX 2: RELATED PARTY PAYMENTS

During the quarter ended 31 March 2025, the Company made payments of A\$318,000 to related parties and their associates. These payments relate to existing remuneration arrangements (executive salaries, director fees, superannuation and bonuses (A\$221,000)) and provision of serviced office facilities, company secretarial services and administration services (A\$97,000).



APPENDIX 3: MINING EXPLORATION EXPENDITURES

During the quarter, the Company made the following payments in relation to mining exploration activities:

Activity	A\$'000
Feasibility Studies (DFS, OPFS, Pilot Phase)	3,810
Drilling related	566
Assaying and Metallurgical Test-work	526
ESG related (including community and social development programs)	621
Malawi Operations - Site Office, Personnel, Field Supplies, Equipment, Vehicles and Travel	1,470
Total as reported in Appendix 5B	6,993

There were no mining or production activities and expenses incurred during the quarter ended 31 March 2025.

APPENDIX 4: FLAKE GRAPHITE OPERATING COST INFORMATION

1. China weighted average C1 cash cost source: Benchmark Mineral Intelligence
2. Cumulative Demand & China graphite production source: S&P Global Market Intelligence
3. Company specific disclosure sources as follows:

Company	Project	Stage of Development	C1 Cash Costs (FOB) US\$/t	Steady State Production tpa	Current Production tpa	Notes	Source
Black Rock Mining	Mahenge	Financing post DFS	466	89,000	-	Operating costs are for first 10 years therefore production of first 10 years only shown	Company Announcement: Black Rock Completes FEED and eDFS Update (10 October 2022)
Blencowe Resources	Orom-Cross	PFS Complete	482	101,000	-	-	Company Announcement: Major Milestone as Blencowe Delivers US\$482M NPV Pre-Feasibility Study for Orom-Cross Graphite Project (19 July 2022)
Ecograp	Epanko	BFS Complete	508	73,000	-	-	Updated Epanko Ore Reserve (25 July 2024) Epanko Pre-Development Program Delivers Outstanding Results (28 April 2023)
Evion	Maniry	DFS Complete	657	56,400	-	Production of 56.4ktpa is from year 4. Years 1-3 production is 39ktpa	BlackEarth Minerals Maniry Graphite Project Definitive Feasibility Study (3 November 2022)
Evolution Energy	Chilalo	DFS Complete	773	52,000	-	Operating costs are for first 9 years of production	Company Announcement: FEED and updated DFS confirms Chilalo as a standout high margin, low capex and development-ready graphite project (20 March 2023)



Falcon Energy Materials	Lola	Updated DFS Complete	588	92,435	-	-	SEDAR Filing: Lola Graphite Project NI 43-101 Technical Report - Updated Feasibility Study (7 April 2023)
Focus Graphite	Lac Knife	FS Complete	413	50,000	-	Converted from Canadian Dollars to US Dollars based on exchange rate used in source document of 1.00 CAD / 0.736 USD	Company Announcement: NI 43-101 Technical Report – Feasibility Study Update Lac Knife Graphite Project Québec, Canada (14 April 2023)
Graphite One	Graphite Creek	PFS Complete	1,394	51,813	-	Production and costs relate to Graphite Creek Mine and not the proposed graphite manufacturing facility	Company Announcement: Graphite One Advances its United States Graphite Supply Chain Solution Demonstrating a Pre-tax USD\$1.9B NPV (8%), 26.0% IRR and 4.6 Year Payback on its Integrated Project (29 August 2022)
Mineral Commodities (MRC)	Skandaland	Production	1,434	10,000	10,000	Production based on annual operating target, costs based on latest reported numbers for September 2024	Quarterly Activities Report: September 2024
Mineral Commodities (MRC)	Munglinup	DFS Complete	491	54,000	-		
NextSource Materials	Molo	Construction	541	150,000	-	Figures relate to Molo expansion case. Operating Costs are US\$392.59/t Minesite Operating Cost plus Selling Cost of US\$148.80	Company Announcement: Nextsource Materials announces robust feasibility study results for Molo Mine expansion to 150,000 tonnes per annum of Superflake® graphite concentrate (12 December 2023)
NGX	Malingunde	PFS Complete	396	52,000	-	-	Company Presentation: Clean Energy Minerals in Africa (August 2024)
Nouveau Monde Graphite	Matawinie	Construction	443	103,328	-	Exchange rate used as per technical report	Technical Report: Feasibility Study for the Matawinie Property
Renascor	Siviour	DFS Complete	472	150,000	-		Company Announcement: Siviour Battery Anode Material Study Results (8 August 2023)
Syrax Resources	Balama	Production	455	240,000	-	Production based on Company guidance of 20kt per month production rate. Operating costs based on midpoint of Balama C1 cost (FOB Nacala/Pemba)	Company Quarterly Activities Report September 2024 (30 October 2024)

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medium-term guidance of US\$430-480 per tonne.

Triton	Ancuabe	DFS Complete	634	60,000	-	2023 updates to DFS do not include updated costs and base case production figures. On 9th December 2024, Triton Minerals announced that it had executed a Share Sale and Purchase Agreement with Shandong Yulong Gold Limited for the sale of at least 70% of its interests in the entities that hold the Ancuabe Graphite Project	Company Announcement: Triton Delivers Robust Ancuabe Definitive Feasibility Study and Declares Maiden Ore Reserve (15 December 2017)
Volt Resources	Bunyu	Stage 1 FS Complete	670	24,780	-	Relates to stage 1 development which has had a feasibility study completed	Company Announcement: Feasibility Study Update for Bunyu Graphite Project Stage 1, Tanzania, delivers significantly improved economics (14 August 2023)

Notes:

1. Blencowe Resources C1 cash costs calculated as US\$499/t operating costs (FOB) less US\$17/t royalties as disclosed in the source above
2. South Star Battery Metals Corp.'s Santa Cruz mine not included as FOB costs not disclosed. For reference, operating costs are disclosed as US\$4396/t from source: Technical Report: Updated Resources and Reserves Assessment and Pre-feasibility Study (18 March 2020)
3. Magnis not included while shares are suspended by the ASX in December 2023
4. Walkabout's Lindi Project not included following appointment of voluntary administrators and Receivers in November 2024
5. Leading Edge Materials Woxna Graphite not included as it is currently under care and maintenance
6. Northern Graphite's Lac des Iles not included due to recent maintenance
7. Talga Group not shown as latest technical study based on integrated anode plant strategy
8. Tirupati Graphite not included due to lack of relevant disclosure

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Sovereign Metals Limited

ABN

71 120 833 427

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(6,993)	(21,849)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(323)	(968)
	(e) administration and corporate costs	(277)	(1,247)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	286	1,316
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – Business Development	(354)	(1,184)
1.9	Net cash from / (used in) operating activities	(7,661)	(23,932)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(92)	(1,057)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(92)	(1,057)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	63	19,237
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(45)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	63	19,192
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	33,531	31,562
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,661)	(23,932)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(92)	(1,057)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	63	19,192

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	6	82
4.6	Cash and cash equivalents at end of period	25,847	25,847

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,827	14,991
5.2	Call deposits	23,020	18,540
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	25,847	33,531

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(318)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	40,000	-
7.4	Total financing facilities	40,000	-
7.5	Unused financing facilities available at quarter end		40,000
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Subsequent to the end of the quarter, the Company completed a placement to raise gross proceeds of A\$40 million from new and existing shareholders, including large global institutional investors		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(7,661)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(7,661)
8.4	Cash and cash equivalents at quarter end (item 4.6)	25,847
8.5	Unused finance facilities available at quarter end (item 7.5)	40,000
8.6	Total available funding (item 8.4 + item 8.5)	65,847
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	9
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer: Not applicable	
	8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer: Not applicable	
	8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: Not applicable	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025

Authorised by: Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.