

JUNE 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 30 June 2025 including advances made at its Kasiya Rutile-Graphite Project (**Kasiya** or **the Project**) in Malawi.

HIGHLIGHTS DURING AND SUBSEQUENT TO THE QUARTER

DFS Progresses with Completion of Geotechnical Program and Power Supply MOU Signed

- In April 2025, the Company announced that several geotechnical drilling programs were underway at all critical project infrastructure locations across Kasiya.
- Geotechnical investigations were successfully completed subsequent to the quarter end, with preliminary findings confirming favourable subsurface conditions for infrastructure construction.
- In May 2025, Sovereign and Electricity Supply Corporation of Malawi (**ESCOM**) entered into a non-binding Memorandum of Understanding (**MOU**) to ensure the long-term supply of electricity to Kasiya, establishing a framework for negotiating future definitive agreements.
- In May 2025, the World Bank approved a US\$350m grant to support Malawi's Mpatamanga Hydropower Storage Project to significantly increase Malawi's installed capacity by 2030.

Japan's Toho Titanium Confirms Kasiya Rutile's Suitability for Producing High-Performance Products

- During the quarter, one of Japan's premier titanium metal producers, Toho Titanium Company Limited (**Toho Titanium**), confirmed that natural rutile from Kasiya is suitable for manufacturing its high-specification titanium products critical to aerospace and industrial applications.
- Toho Titanium is a cornerstone supplier in the global titanium value chain, serving the world's most demanding aerospace and industrial manufacturers.

New Graphite Tariff Environment Underscores Kasiya's Global Significance

- In July 2025, the U.S. Commerce Department announced 93.5% preliminary anti-dumping duties on Chinese graphite imports, fundamentally altering the economics for battery manufacturers seeking secure, cost-competitive supply chains.
- The new tariff environment highlights Kasiya's potential as the world's largest and lowest-cost non-Chinese graphite producer with industry-leading US\$241/t incremental cost of production.
- Latest coating optimisation testwork achieved successful coated spherical purified graphite (**CSPG**) production characteristics with superior performance metrics to support advancing offtake discussions.

Expanded Conservation Farming Program Increases Crop Yields Fourfold

- Sovereign's 2025 Conservation Farming Program increased crop yields for participating farmers by four times (4x), with the top farmer achieving a 10x yield versus traditional farming techniques.
- Sovereign has adopted Conservation Farming as one of the cornerstones of its livelihood improvement initiatives for the Kasiya Project.



Next Steps

Over the quarter ending September 2025, Sovereign will:

- continue to advance the Kasiya Definitive Feasibility Study (**DFS**), including finalising mining fleet design, process plant configuration, and mine gate-to-vessel logistics solutions;
- advancing rutile and graphite offtake discussions; and
- further the Company's community and social development programs in Malawi.

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DFS GEOTECHNICAL PROGRAMS COMPLETE

In April 2025, the Company announced that several geotechnical drilling programs were underway at Kasiya as part of the DFS. Subsequent to the quarter, the programs were successfully completed.

The extensive programs, conducted by ARQ Geotech (Pty) Ltd and with oversight from the Sovereign-Rio Tinto Technical Committee, represent a critical milestone in the Project's ongoing DFS. The continued progress demonstrates momentum towards advancing this Tier-1 project.

The geotechnical investigations provide essential subsurface data that will inform detailed engineering design and infrastructure planning across major Project components. The comprehensive scope covered critical infrastructure areas, including mining operations, process plants, tailings storage facility (**TSF**), and raw water storage dam – representing the foundational elements required for the Project's development.

Understanding subsurface conditions is crucial for predicting interactions between in-situ geological strata and the overlying infrastructure. The geotechnical data will inform the design of foundations, earthworks, slope stability measures, and material suitability; ultimately contributing to safe, efficient, and cost-effective development.

The fieldwork programs employed a sophisticated combination of near-surface and deep investigation techniques across the project site, with over 400 individual tests conducted to characterise soil and rock profiles comprehensively.

Preliminary Findings

Initial results indicate highly favourable subsurface conditions that correlate well with the expected regional geology. The material profiles encountered across all infrastructure sites show generally consistent stratigraphy. Consistent stratigraphy and suitable subsurface conditions enable more standardised foundation designs and construction approaches across infrastructure areas, potentially reducing engineering complexity and construction costs. The findings will be integrated into detailed engineering design work to optimise infrastructure placement, foundation design, and construction methodologies.



Figures 1-4 Clockwise from Top Left: Geotechnical diamond drilling, auger drilling, seismic geophysics testing using multi-channel analysis of surface waves (MASW), Cone Penetration Test with pore pressure measurements (CPTu) rig.

POWER SUPPLY MOU SIGNED AS WORLD BANK APPROVES MALAWI HYDROPOWER PROJECT

In May 2025, Sovereign announced that it had entered into a non-binding MOU with ESCOM (Malawi's national electricity utility) to ensure the long-term supply of electricity to the Kasiya Project. The MOU establishes the framework for negotiating the following future definitive agreements:

- Project Implementation Agreement, including construction and installation of a new 132kV overhead power line, and
- Power Supply Agreement, for the provision of bulk power supply from Malawi's national grid.

The MOU follows discussions with ESCOM regarding the provision of electricity to the Kasiya Project in preparation for construction and operation. The total installed capacity in Malawi is currently 549MW, with approximately 73% of this capacity coming from hydropower.

During Stage 1, Kasiya's power demand will amount to 30MW, increasing to 60MW at steady-state production in Year 6 of operation. To supply power from the hydro-based grid network, a 132kV overhead transmission line will be constructed to connect the Kasiya site to the Nkhoma substation, approximately 97km away. Nkhoma has been identified as the most suitable connection point based on power reliability, technical feasibility, and environmental and social considerations. This line will supply the 132/33kV Kasiya bulk intake substation.



The purpose of the MOU with ESCOM is to record the mutual understanding for negotiation in good faith of a Project Implementation Agreement and a Power Supply Agreement (Definitive Agreements). The MOU is non-exclusive and non-binding and remains subject to negotiation and execution of the Definitive Agreements. The MOU will expire upon execution of the Definitive Agreements or on 30 June 2026, whichever is the earliest, but it can be mutually extended by 12 months.



Figure 5: Nkhoma substation has capacity for connection to the Kasiya operation.
(Source: Millenium Challenge Corporation, USA)

Mpatamanga Hydropower Storage Project

On 15 May 2025, the World Bank approved a US\$350m grant to support Malawi's Mpatamanga Hydropower Storage Project (**MHSP**), a large infrastructure operation aiming to "transform the country's energy landscape and its economic development trajectory." (Source: World Bank)

In September 2022, the Malawian Government selected a consortium of strategic sponsors, which currently owns the MHSP, and consists of Electricité de France (**EDF**) and SN Malawi BV, which in turn is owned by the UK Government's development finance institution, British International Investment plc, the Norwegian Parliament's development finance institution, Norfund, and global energy company TotalEnergies SE. Once complete, the US\$1.5 billion MHSP will deliver 358MW of additional generation capacity to the Malawi electricity grid.

MHSP is one of several large energy projects in Malawi supported by the World Bank Group, reflecting the institution's strong commitment to supporting this sector as an essential enabler of economic growth and development.

In a World Bank press release, **Nathan Belete, World Bank Division Director for Malawi, Tanzania, Zambia and Zimbabwe commented:** "This new hydropower project is a game-changer for Malawi, capable of catalyzing transformative change in productive economic sectors such as mining, agribusiness and tourism. As the country works on driving its economic development agenda, this new source of clean and reliable energy will help drive business growth, create jobs, and improve the lives of millions of Malawians."



TOHO TITANIUM VALIDATES KASIYA RUTILE FOR HIGH-SPECIFICATION TITANIUM PRODUCTS

In June 2025, the Company announced that one of Japan's premier titanium metal (sponge and ingot) producers, Toho Titanium, confirmed the suitability of natural rutile from Sovereign's Kasiya Project for manufacturing high-specification titanium products critical to aerospace and industrial applications.

Toho Titanium's analysis of a sample of rutile from Kasiya concluded that **"it is of a quality that can be used without any issues"**. Kasiya's rutile surpassed the requirements for TiO₂ grade (>95%), low or no deleterious elements, low radiation value, and suitable particle size distribution and density.

Toho Titanium represents a cornerstone supplier in the global titanium value chain, with combined decades of expertise serving the world's most demanding aerospace and industrial manufacturers. Toho Titanium, together with Japan's other major titanium metal producer, Osaka Titanium Technologies Co., Ltd., account for over 15% of global titanium production capacity and over 60% of non-sanctioned, aerospace-grade titanium metal production (i.e. excluding China, which is not qualified to produce aerospace-grade titanium, and Russia).

Toho Titanium occupies a critical position in titanium supply chains, supporting the aerospace industry across the United States, Europe, and the Indo-Pacific region. Recent geopolitical developments have intensified focus on secure titanium supply chains, creating unprecedented strategic opportunities and strengthening the strategic nature of Kasiya as a future supplier of high-grade titanium feedstock.

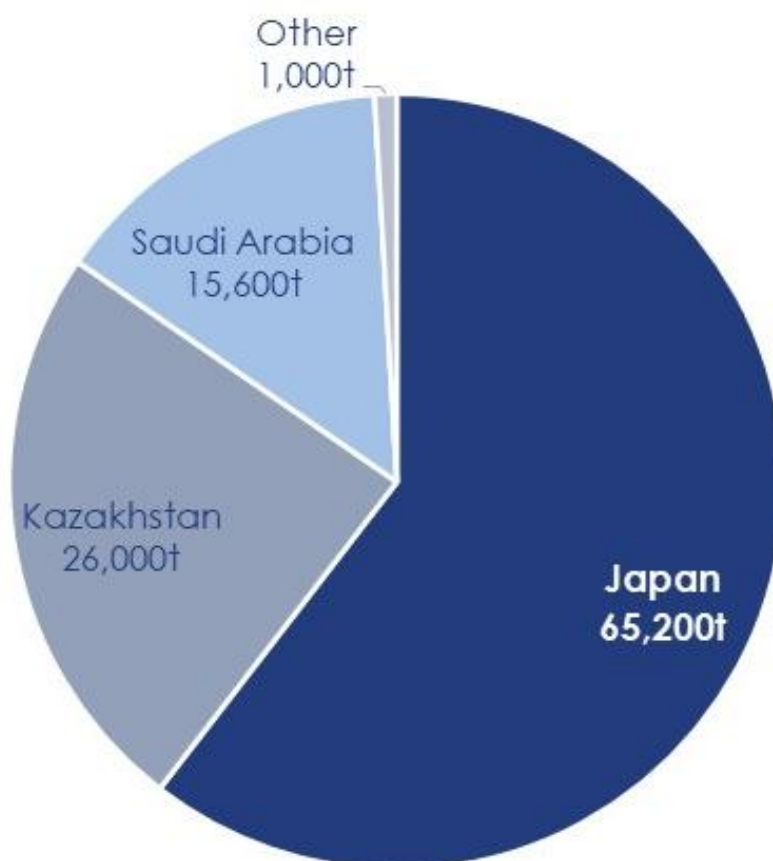


Figure 6: 2024 Global Titanium Sponge Production Capacity by Non-Sanctioned Countries Qualified to Produce Aerospace-Grade Titanium Products.

(Source: US Geological Survey; "Other" includes USA and India)



Kasiya Rutile Suitable for all Major End-Use Markets

Bulk scale metallurgical test work conducted by Allied Mineral Laboratories in Australia has previously confirmed that a premium-grade rutile product can be produced via a simple, conventional process flowsheet with no requirements for flotation or acid leaching.

World-class specification rutile products were reported ranging from 95.0% to 97.2% TiO₂ with low impurities and exceptional metallurgical recoveries of up to 100% (Refer to ASX Announcement: "Outstanding Metallurgical Results at Kasiya" dated 7 December 2021).

The premium chemical parameters and particle sizing (d₅₀ 126µm, 8.6% <75µm) of Kasiya's rutile indicate that the product is suitable for all major end-use markets. Specifically, Kasiya's rutile product specification makes it a suitable feedstock for superior, high-performance titanium metal products. Confirmation that Kasiya's rutile can be used by Toho Titanium establishes Sovereign Metals as a credible future supplier to the global titanium industry's most discerning customers. This technical endorsement, combined with Kasiya's unmatched scale and strategic location, positions Sovereign as a potential market leader in the titanium supply chain.

NEW GRAPHITE TARIFF ENVIRONMENT UNDERSCORES KASIYA'S GLOBAL SIGNIFICANCE

Subsequent to the quarter end, the Company announced that the latest testwork on graphite from Kasiya has delivered highly successful results. The testwork focused on optimising the coating process for conversion of Kasiya-derived spherical purified graphite (**SPG**) coated spherical CSPG while maintaining premium performance.

The results will assist with ongoing offtake discussions with anode manufacturers. Sovereign is developing Kasiya to potentially become the world's largest and lowest-cost natural graphite producer outside of China with an incremental cost of graphite production of US\$241/t.

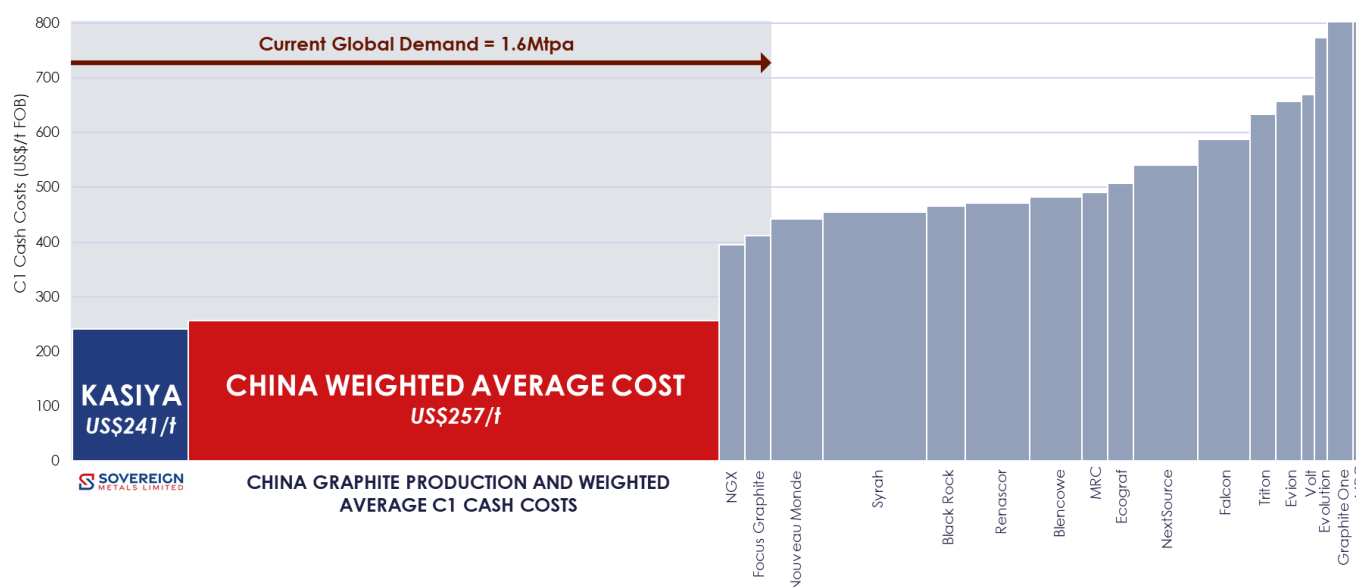


Figure 7: Natural Flake Graphite Industry Cost Curve for Projects at Prefeasibility Stage or Later.
(Sources: See Appendix 4)

The global graphite supply chain is experiencing fundamental realignment following the U.S. Commerce Department's 17 July 2025 announcement of 93.5% preliminary anti-dumping duties on Chinese graphite imports. Combined with existing tariffs, this creates an effective 160% barrier on Chinese graphite, fundamentally altering the economics for battery manufacturers seeking secure, cost-competitive supply chains. China currently controls approximately 75% of global graphite



production and 97% of anode material processing, creating critical supply chain vulnerabilities that major battery manufacturers are now actively addressing.

Tesla, Inc. (**Tesla**) and Panasonic were among companies that opposed the new US tariffs, with Tesla's submission to the U.S. Government stating that U.S. graphite producers have yet to demonstrate the "technical ability to produce commercial quantities" of graphite at the quality and purity required by Tesla and other battery cell manufacturers.

Once developed, Kasiya has the potential to become the world's largest and lowest-cost natural flake graphite producer, offering battery manufacturers a strategic alternative to Chinese supply chains for anode material feedstock. The latest successful coating testwork is a further demonstration of Kasiya's increasing strategic importance.

Latest Testwork Validates Kasiya Graphite's World-Class Quality to Anode Manufacturers

Optimisation testwork conducted by Prographite GmbH (**Prographite**) has once again demonstrated the exceptional characteristics of Kasiya graphite for CSPG production. The optimisation process successfully achieved target coating specifications and optimised inputs into the coating process while maintaining the premium performance metrics that position Kasiya graphite among the highest-quality sources globally (refer to Announcement "*Outstanding Battery Anode Material Produced From Kasiya Graphite*" dated 4 September 2024 for previously announced premium performance metrics).

Pitch coating is a standard refinement process where carbon-rich pitch material is applied to spherical graphite particles to create protective layers that enhance battery performance and longevity, turning SPG into CSPG. The latest testwork systematically evaluated pitch content to achieve optimal performance parameters.

Key achievements from the process include:

- **Process Efficiency Demonstrated:** Coating requirements optimised while maintaining superior CSPG characteristics
- **Premium Performance Maintained:** All target specifications achieved for discharge capacity (>360mAh/g) and first cycle efficiency (>94%)
- **Physical Properties Achieved:** Specific surface area (<4m²/g) and tap density (>1.0 g/cm³) specifications met

The electrochemical test results demonstrate the consistently high quality of CSPG produced from Kasiya graphite:

Table 1: Electrochemical Half-Cell Testing Results			
Pitch Coating Level	Initial Charge (mAh/g)	Initial Discharge (mAh/g)	First Cycle Efficiency (%)
Baseline (100%)	390	369	94.64
Optimised (60%)	388	366	94.36

The data confirms that Kasiya graphite consistently delivers discharge capacity well above the critical 360mAh/g threshold while achieving first cycle efficiency above 94% - both key specifications for premium-quality natural graphite anode materials.



EXPANDED CONSERVATION FARMING PROGRAM INCREASES CROP YIELDS FOURFOLD

During the quarter, Sovereign announced the results of its 2025 Conservation Farming Program harvest season at Kasiya.

As part of Sovereign's commitment to improving livelihoods and local communities near the Kasiya Project, the Company launched a Program in 2024 to support the development of successful smallholder farmers. Local farmers received training to increase maize crop yield, protect soil from erosion and degradation and ultimately improve long-term food security.

During the 2024 harvest season, the Program delivered strong results, with visibly improved crop growth with the 90 participating farmers reporting harvest yields three-times (3x) higher than previous years despite an El Niño-driven drought.

In 2025, 350 farmers, of which 50% are female, have participated in the Program with yield surveys of all farmers who have harvested their crops demonstrating four times (4x) higher than typical yields from conventional farming.

The top farmer this season, harvested 12.8 tonnes/ha i.e. a ten-times (10x) increase in crops, compared to last season's top farmer who achieved 6 tonnes/ha and a five-times (5x) higher crop yield. Top-performing farmers have not only managed to meet their household food requirements, but have also sold surplus crop with proceeds being used to upgrade their houses and invest in trading businesses.



Figure 8: Conservation farming vs. conventional farming methods.



NEXT STEPS

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

- Finalisation of mine fleet design and plant configuration,
- DFS-level mine gate to vessel logistics solution,
- Progress in discussions with future potential end-users and offtakers of rutile and graphite,
- Updates on community and social development programs, including DFS-level rehabilitation strategy,
- MRE update to be published in conjunction with the DFS following completion of further infill drilling, and
- Progress of the DFS, which is targeted for completion by Q4, 2025.



Competent Person Statement

The information in this announcement that relates to the exploration results (metallurgy - graphite) is extracted from an announcement dated 28 July 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 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 graphite operating costs and marketing 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 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 modified from the original 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.



APPENDIX 1: SUMMARY OF MINING TENEMENTS

As at 30 June 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 ²	15/09/2027	141.3	Granted
EL0492	SSL	100%	Exploration	29/01/2025 ³	29/01/2025 ³	282.2	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 ²	15/09/2027	61.9	Granted
EL0657	SSL	100%	Exploration	3/10/2025 ²	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 During and subsequent to the quarter, SSL submitted EL extension applications prior to their renewal dates in accordance with the 2023 Mines Act.

³ Subsequent to the quarter, RLs in relation to EL0492 were granted for a period of 12 months in accordance with the 2023 Mines Act.

APPENDIX 2: RELATED PARTY PAYMENTS

During the quarter ended 30 June 2025, the Company made payments of A\$533,000 to related parties and their associates. These payments relate to existing remuneration arrangements (executive salaries, director fees, superannuation and bonuses (A\$435,000)) and provision of serviced office facilities, company secretarial services and administration services (A\$98,000).

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 & trial mining pilot phase)	3,546
Drilling related	610
Assaying and Metallurgical Test-work	320
ESG related (including community and social development programs)	1,059
Malawi Operations (site office, personnel, field supplies, equipment, vehicles and travel)	1,692
Total as reported in Appendix 5B	7,227

There were no mining or production activities and expenses incurred during the quarter ended 30 June 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)
Ecograf	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



Company	Project	Stage of Development	C1 Cash Costs (FOB) US\$/t	Steady State Production tpa	Current Production tpa	Notes	Source
Integrated Project (29 August 2022)							
Mineral Commodities (MRC)	Skaaland	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	-	-	Company Announcement: Robust Munglinup DFS Results Allow MRC to Move to 90% Ownership of Munglinup Graphite Project (8 January 2020)
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	Sivour	DFS Complete	472	150,000	-	-	Company Announcement: Sivour Battery Anode Material Study Results (8 August 2023)
Syrah 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) medium-term guidance of US\$430-480 per tonne.	Company Quarterly Activities Report September 2024 (30 October 2024)
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	Company Announcement: Triton Delivers Robust Ancuabe Definitive Feasibility Study and Declares Maiden Ore Reserve (15 December 2017)



Company	Project	Stage of Development	C1 Cash Costs (FOB) US\$/t	Steady State Production tpa	Current Production tpa	Notes	Source
entities that hold the Ancuabe Graphite Project							
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

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")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(7,227)	(29,076)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(706)	(1,673)
	(e) administration and corporate costs	(660)	(1,907)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	398	1,714
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	(608)	(1,793)
1.9	Net cash from / (used in) operating activities	(8,803)	(32,735)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(35)	(1,091)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(35)	(1,091)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	39,937	59,174
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	(2,355)	(2,400)
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	37,582	56,774

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	25,847	31,562
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,803)	(32,735)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(35)	(1,091)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	37,582	56,774

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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(53)	28
4.6	Cash and cash equivalents at end of period	54,538	54,538

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	5,018	2,827
5.2	Call deposits	49,520	23,020
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)	54,538	25,847

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	(533)
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>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(8,803)
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)	(8,803)
8.4	Cash and cash equivalents at quarter end (item 4.6)	54,538
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	54,538
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.2
<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?	
	<div style="border: 1px solid black; padding: 2px;">Answer: Not applicable</div>	
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?	
	<div style="border: 1px solid black; padding: 2px;">Answer: Not applicable</div>	
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?	
	<div style="border: 1px solid black; padding: 2px;">Answer: Not applicable</div>	
<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: 31 July 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.

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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.