RNS Number : 3565Q
Sovereign Metals Limited
17 December 2024

NEWS RELEASE I 17 DECEMBER 2024

TEST PIT REHABILITATION UNDERWAY FOLLOWING SUCCESSFUL BACKFILLING

- **Run of mine material placed back in test pit post successful mining trials**
- **Rehabilitation of test pit area underway, remediating soils to support sustainable farming post-closure**
- **Test pit mined, backfilled, rehabilitated and returned to farmers without loss of a single planting season**

Figure 1: Test pit backfilling

Sovereign Metals Limited (ASX:SVM; AIM:SVML; OTCQX: SVMLF) (**Sovereign** or **the Company**) is pleased to announce that the test pit mined during the Pilot Mining and Land Rehabilitation Program (**Pilot Phase**) at its Kasiya Rutile-Graphite Project (**Kasiya** or **the Project**) in Malawi has been successfully backfilled. This has allowed Sovereign to commence with on-site soil remediation and land rehabilitation activities, testing our proposed rehabilitation approach and demonstrating that the mined land can support sustainable farming post-closure.

Managing Director and CEO Frank Eagar commented: "The successful backfilling of the test pit has confirmed our understanding of the Kasiya orebody and provides valuable data for our Optimisation Study. Now we have moved on to rehabilitation, demonstrating to local communities how we will progressively mine, backfill and rehabilitate land during operations. This was an important objective of the Pilot Phase. The successful return of farmers to their land within such a short space of time and without missing a single planting season after mining and backfilling 170,000m^3 will build on our positive community relationships. These farmers will be direct beneficiaries of our ongoing conservation farming initiatives to develop successful smallholder farmers."

Backfill Program Successfully Complete

During the Pilot Phase mining trials, 170,000m^3 was mined using a conventional excavator fleet. The fleet was used to place mined material back into the pit, filling the pit to the original ground level in less than two months and ahead of schedule.

Figures 2-5: Stages of test pit mining and backfilling

Test Pit Rehabilitation

The rehabilitation approach has been based on agronomic principles, including promoting sustainable farming practices and providing various end-land uses. Rehabilitation is underway through a five-step process:

Step 1: Introduce Lime

The land rehabilitation demonstration commenced with the application and incorporation of locally sourced dolomitic lime (calcium and calcium-magnesium-carbonate) to improve naturally low PH levels.

Step 2: Introduce Carbon and Basic Nutrients

Sovereign is augmenting the mined area with organic carbon and basic nutrients to support post-closure farming. The Company is testing the application of biochar (to provide carbon) and fertiliser (in the form of potash (MOP), phosphate (MAP) and a blend of nitrogen, potash, and sulphur (NPK) 15:23:16).

Step 3: Grading, Ripping and Discing

Lime, biochar, and fertiliser are incorporated into the soil through grading, ripping, and discing using graders and locally sourced farming equipment. This ensures the land is level and safe and that essential inputs are incorporated into the soil.

Step 4: Planting of Rehabilitation Crops

In December 2024 and January 2025, Sovereign has and will plant rehabilitation crops to maximise the benefit of the coming summer rainfall. Giant bamboo will be introduced in 4 by 8-metre blocks and will act as the primary crop to enhance carbon and bioactivity in the remediated soils. To return the land to farmers, maize and other cover crops will be intercropped between the giant bamboo in formalised farm blocks.

Step 5: Monitoring and Evaluation

Sovereign will monitor soil remediation, plant growth and crop yields. As part of stakeholder engagement, the Company will work with local farmers to improve results through conservation farming, composting operations, testing new seed varieties and establishing an indigenous, fruit and farming nursery. This will serve as a live demonstration of rehabilitation and timely return of land to pre-mining use.

Figure 6: Introduction of lime at the backfilled test pit

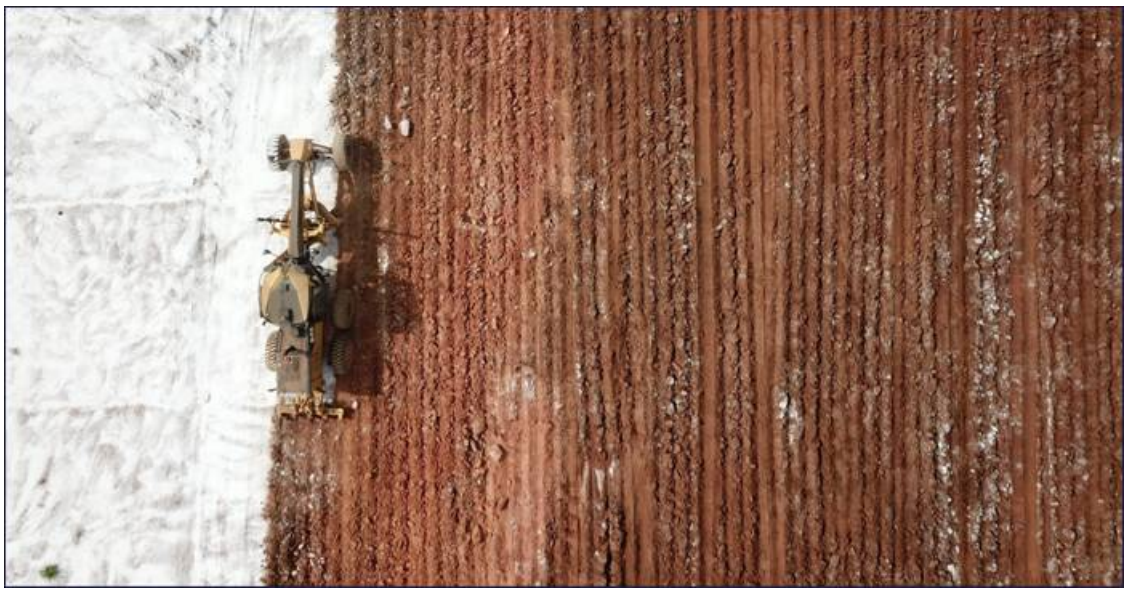

Figure 7: Farming equipment incorporating lime, biochar and fertiliser into the previously mined soil

Enquires

Frank Eagar, Managing Director & CEO
South Africa / Malawi
+27 21 065 1890

Sapan Ghai, CCO
London
+44 207 478 3900

Nominated Adviser on AIM and Joint Broker
SP Angel Corporate Finance LLP *+44 20 3470 0470*
Ewan Leggat
Charlie Bouverat

Joint Brokers
Stifel *+44 20 7710 7600*
Varun Talwar
Ashton Clanfield

Berenberg *+44 20 3207 7800*
Matthew Armitt
Jennifer Lee

Buchanan *+ 44 20 7466 5000*

Forward Looking Statement

This release may include forward looking statements, which may be identified by words such as "expects"

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.

END

MSCEAAAXFDKLFEA