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NEWS RELEASE | 26 MARCH 2025

SOVEREIGN COMPLETES A 40 MILLION PLACEMENT

Sovereign Metals Limited (ASX:SVM; AIM:SVML; OTCQX: SVMLF) (Sovereign or the Company) is pleased to announce that it has received firm commitments for a placement of 47,058,824 new fully paid ordinary shares at an issue price of A 0.85 per share (**New Shares**) to raise gross proceeds of A 40,000,000 before costs (**Placement**).

The Placement was strongly supported by new and existing shareholders, including large global institutional investors.

Proceeds from the Placement will be used for development activities at the Company's Kasiya Rutile-Graphite Project (**Kasiya or the Project**), located in Malawi, including permitting, studies, general working capital, and other corporate purposes.

The issue price of A 0.85 per New Share represents a 12.8% discount to the last close of A 0.975 and an 8.1% discount to the 15-day volume weighted average price of A 0.925.

Petra Capital Pty Ltd acted as Sole Lead Manager and Sole Bookrunner. Clients of Stifel Nicolaus Europe Limited, SCP Resource Finance LP and Acova Capital Pty Ltd also participated in the Placement.

The Placement is expected to settle on 1 April 2025, and Company will issue the New Shares on or about 2 April 2025.

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AIM Admission

Application to AIM will be made for the 47,058,824 New Shares to be admitted to trading on AIM (**AIM Admission**). It is expected that AIM Admission will take place and dealings will commence on AIM on or around 8.00 a.m. on 2 April 2025.

Total Voting Rights

Immediately following the AIM Admission, the Company's issued share capital will be 646,938,703 shares, with each share carrying the right to one vote. The Company does not hold any Ordinary Shares in treasury. The total voting rights figure immediately following the AIM Admission of 646,938,703 may be used by shareholders (and others with notification obligations) as the denominator for the calculations by which they will determine whether they are required to notify their interest in, or a change to their interest in, the Company under the Disclosure Guidance and Transparency Rules.

Following the issue of Shares, the Company will have the following securities on issue:

- 646,938,703 fully paid ordinary shares (of no par value);
- 10,977,500 unlisted performance rights subject to the "Definitive Feasibility Study Milestone" expiring on or before 31 October 2025;
- 4,992,500 unlisted performance rights subject to the "Grant of Mining Licence Milestone" expiring on or before 31 March 2026; and
- 6,190,000 unlisted performance rights subject to the "Final Investment Decision Milestone" expiring on or before 30 June 2026.

Not an offer in the United States

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Forward Looking Statements

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.

The information contained within this announcement is deemed by Sovereign to constitute inside information as stipulated under the Regulation 2014/596/EU which is part of domestic law pursuant to the Market Abuse (Amendment) (EU Exit) Regulations (SI 2019/310) ("UK MAR"). By the publication of this announcement via a Regulatory Information Service, this inside information (as defined in UK MAR) is now considered to be in the public domain.

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