

21 October 2022

Sunrise Energy Metals Annual General Meeting

MELBOURNE, Australia – Sunrise Energy Metals Limited (**Sunrise Energy Metals** or **Company**) (ASX: SRL) will, today, at 1.00pm (AEDT) hold its 2022 Annual General Meeting (**AGM**).

Shareholders and guests are able to register and attend the AGM at <https://meetnow.global/MT5KUSS> or by attending in person at Level 6, 350 Collins Street, Melbourne, VIC 3000.

Managing Director and CEO, Mr Sam Riggall, will provide a general update at the AGM. Mr Riggall's presentation is attached.

This announcement is authorised for release to the market by the Directors of Sunrise Energy Metals.

For more information, please contact:

Corporate

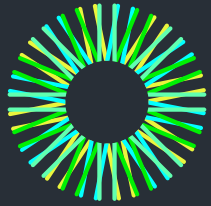
Ben Stockdale (CFO)
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Investors

Craig Sainsbury (Market Eye)
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About Sunrise Energy Metals Limited

Sunrise Energy Metals Limited (ASX: SRL) is progressing its world-class Sunrise Battery Materials Complex in New South Wales, utilising its Clean-iX[®] technology. The Sunrise Project is one of the largest and most cobalt-rich nickel laterite deposits in the world and is development-ready, with all key permits and approvals in place. Sunrise is also one of the largest and highest-grade scandium deposits globally.



sunrise
energy metals

The Future of Battery Metals

Annual General Meeting
October 2022



Cautionary statement



Certain statements in this news release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the Company’s current expectations regarding future events, performance and results, and speak only as of the date of this release.

Readers are cautioned that actual results may vary from those presented.

All such forward-looking information and statements are based on certain assumptions and analyses made by Sunrise Energy Metals’ management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; changes in commodity prices; delays in financing or project funding; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, and the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this release.

Board



Robert Friedland
Co-chair & Non-Executive Director



Jiang Zhaobai
Co-Chair and Non-Executive Director



Sam Riggall
Managing Director
And Chief Executive Officer



Eric Finlayson
Non-Executive Director



Stefanie Loader
Lead Independent Non-Executive Director



Trevor Eton
Non-Executive Director



Ben Stockdale
Chief Financial Officer



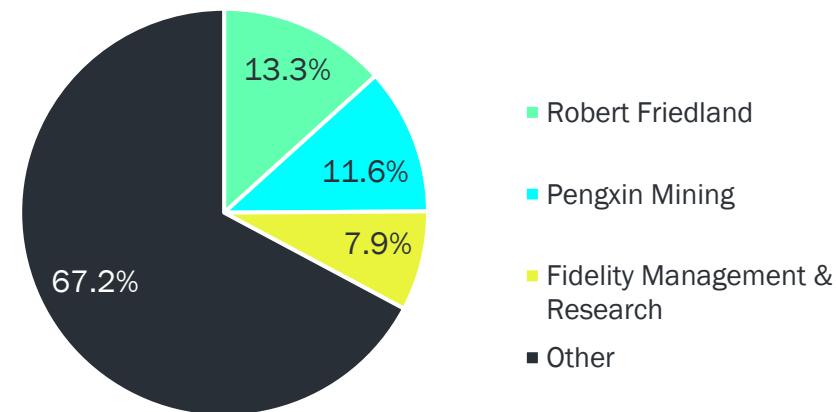
Melanie Leydin
Company Secretary

Senior Management

Sunrise Energy Metals Ltd

ASX Code	ASX:SRL
OTCQX Code	OTCQX:CTEQF
Shares on Issue	90.1M
Last Share Price (at 30 September 2022)	A\$2.70
Market Capitalisation	A\$243M
Cash (as at 30 June 2022)	A\$24.9M
Options and performance rights	2.3M

Major shareholders (as at 29 July 2022)





Continued to advance workstreams at the Sunrise Battery Material Project



Conditional financing support from EFA for up to A\$400M - additional debt support offered by other export credit agencies



Major Project Status received in 2021 from Australian Government



Ongoing discussions with major industrial partners to secure funding support and offtake commitments



Discussions well advanced on land access agreements required for key infrastructure, including the water pipeline and the ETL



Exploration drilling continued to intersect more lateritic nickel and cobalt, demonstrating the optionality embedded in the project



Sunrise is development-ready

- **Location:** 350km west of Sydney in an established mining district
- **Development-ready:** A\$250M invested and all key permits and land secured
- **Extensive test work:** FEED, piloting and hydromet test work completed - significantly de-risked flowsheet
- **Infrastructure:** rail, port and renewable energy infrastructure accessible
- **Schedule:** three years from EPCM contract to first production



Tier 1 ore body with low mining risk



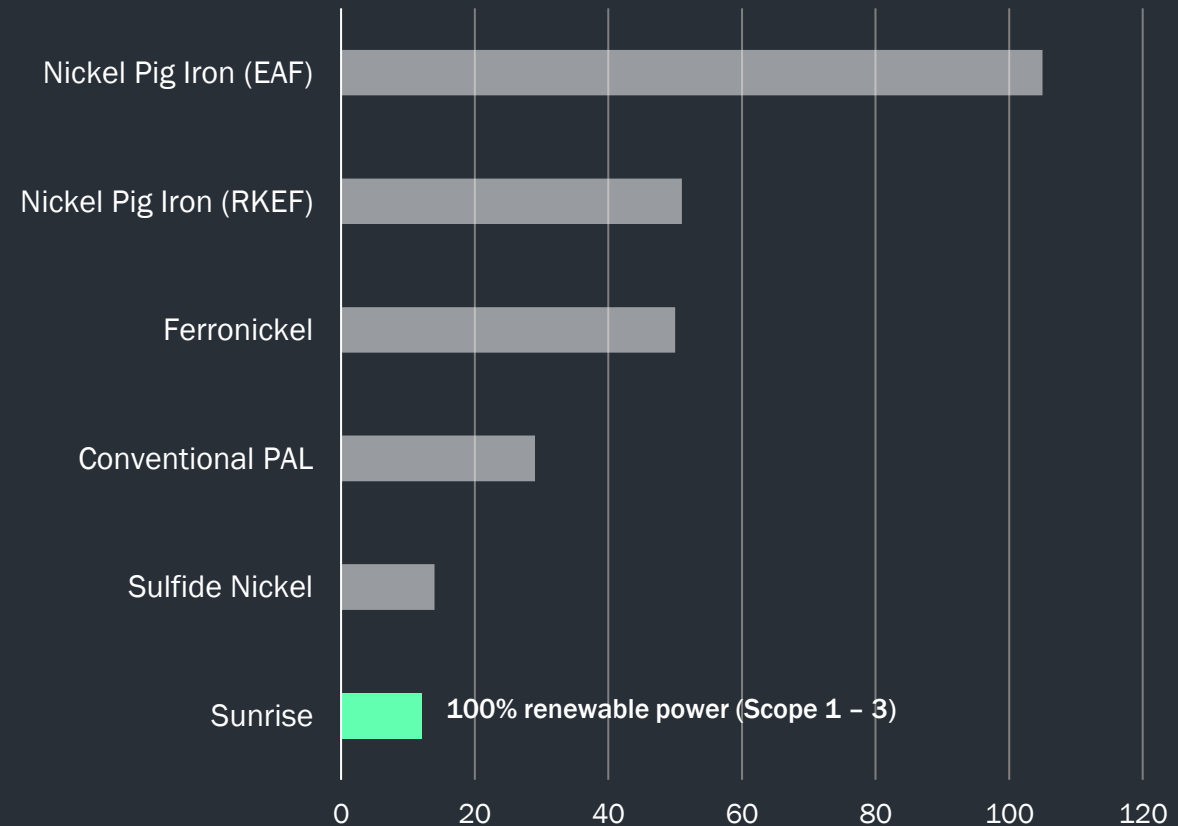
- Shallow, simple, free-dig strip mining
- Enough nickel and cobalt to convert ~30% of the current US light vehicle passenger fleet to electric
- Flexibility to tailor production plans to accommodate varying nickel-cobalt chemistries

Focus on sustainability in mining design

- Key design features of the Sunrise Project include:
 - ✓ 100% renewable power for mine and processing plant
 - ✓ Use of co-gen to reduce electricity demand
 - ✓ Water re-use from on-site water treatment facilitates
 - ✓ Managing HSEC obligations to international best practice
 - ✓ Applying ANCOLD standards to waste management
 - ✓ Option to by-pass crystallisation with on-site pCAM
 - ✓ Capacity to recycle for a fully circular supply chain

Deforestation and pollution from nickel mining in SE Asia

Carbon intensity of nickel production (kg CO₂/Kg Nickel in sulphate)



Source: Energetics, Life Cycle Assessment Report: greenhouse gas emission comparison for nickel production routes (Feb 2020). The GHG emission intensities of alternative processing routes are based on literature data that cannot be effectively harmonized. For comparison purposes the only harmonization that has occurred has been on end product (NiSO₄) and using economic allocation to end products. Comparisons against Sunrise should be considered indicative. See also Nickel Institute, Life Cycle Data Assessment. Energy consumption for conventional PAL, ferronickel and NPI products assumes Indonesian development utilizing coal as primary power source. Sulfide nickel data varies between 9 and 19 kg CO₂e depending on power source.

Strong Annual Production¹

Nickel: 21.3 ktpa
Cobalt: 4.4 ktpa

Robust Economics

NPV_g: US\$1.2 billion
IRR: 15.4%

Capex and Payback

US\$1.8 billion
5 years

Exceptional Cash Flow

LOM EBITDA: US\$10.8 billion
Avg FCF (post-tax): US\$308 million pa

Negative Nickel Cash Cost

Negative US\$0.80/lb Ni after
by-product credits

Long Life with Options

50-year reserve life with expansion
options

Note: 1) Average over first decade of operation. Financial evaluation based on first 25 years of operation. Refer to ASX Release of 28 September 2020 for more details.

Large resource and strong economics support a conventional project debt financing package, whilst ESG credentials and geographic location are attractive to OECD governments and OEM players

Bank debt

- Leading global banks appointed to arrange the project debt facility, targeting ~50% of the project's funding requirement from commercial debt
- Technical due diligence well progressed

Government

- New policies globally aim to promote diversified supply chains for critical raw materials
- Letter of support from Export Finance Australia for up to A\$400 million for the Sunrise Project, plus indications of support from other global export credit agencies

Equity partners

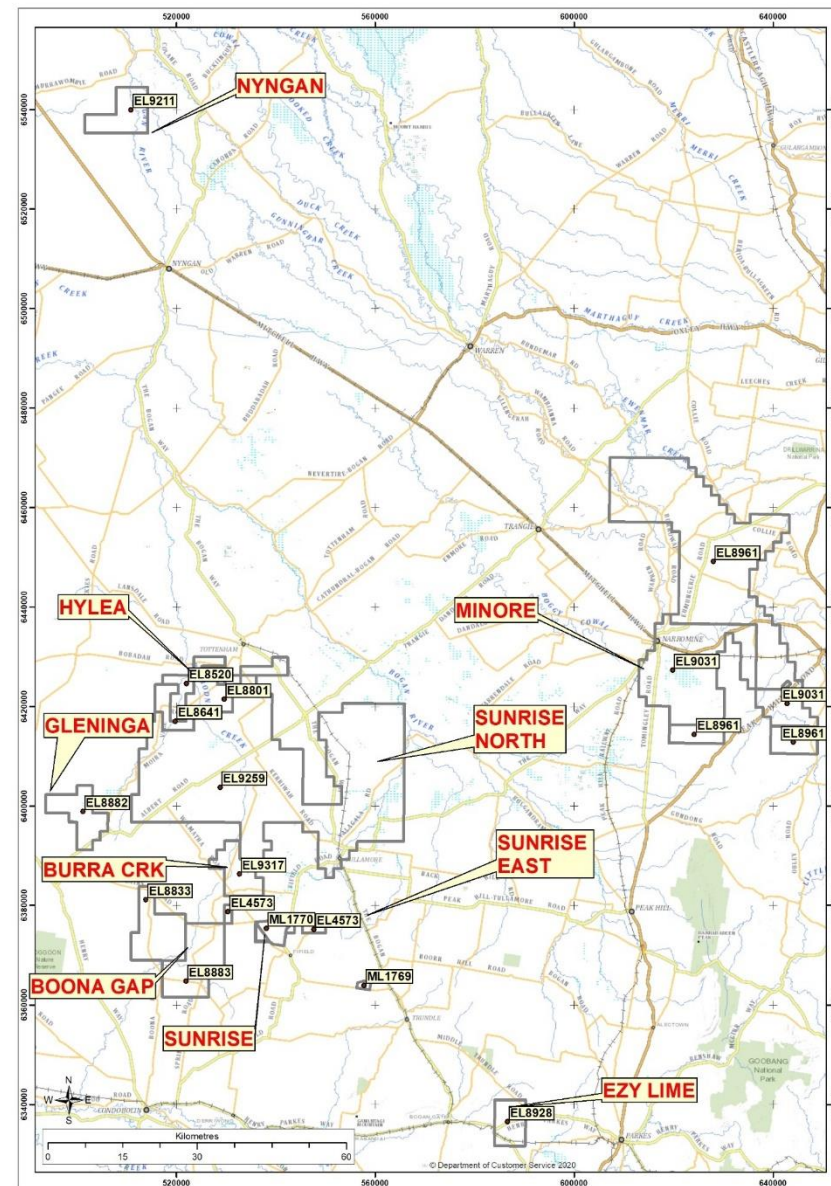
- Discussions continue with potential partners to link offtake to project level investment
- OEMs understand their EV ambitions rely on significant new raw material supply, and momentum is building for offtake and investment support for mining development

Over the past year we continued to expand our exploration footprint and completed the acquisition of the Hylea Project.

We undertook exploration drilling at Sunrise East and Boona Gap, and acquired new tenements at Burra Creek, Sunrise North and Nyngan.

Recent drilling has continued to intersect more nickel and cobalt mineralisation around Sunrise, demonstrating the optionality embedded the project. Key updates include:

- **Sunrise Project:** Ongoing research work continued through the quarter evaluating platinum and Platinum Group Element (PGE) potential across the Sunrise Project area
- **Sunrise East:** Sample analysis results confirmed the discovery of a new composite intrusion located to the east of the Company's flagship Sunrise Project named the "Tout East"
- **Hylea:** 96 hole drilling program completed. Program was designed to test for potential economic nickel-cobalt-scandium laterite mineralisation, as well as hard rock platinum and copper potential over the Hylea Intrusive Complex using 500m spaced drill collars. Assay results received included encouraging cobalt and scandium intervals.

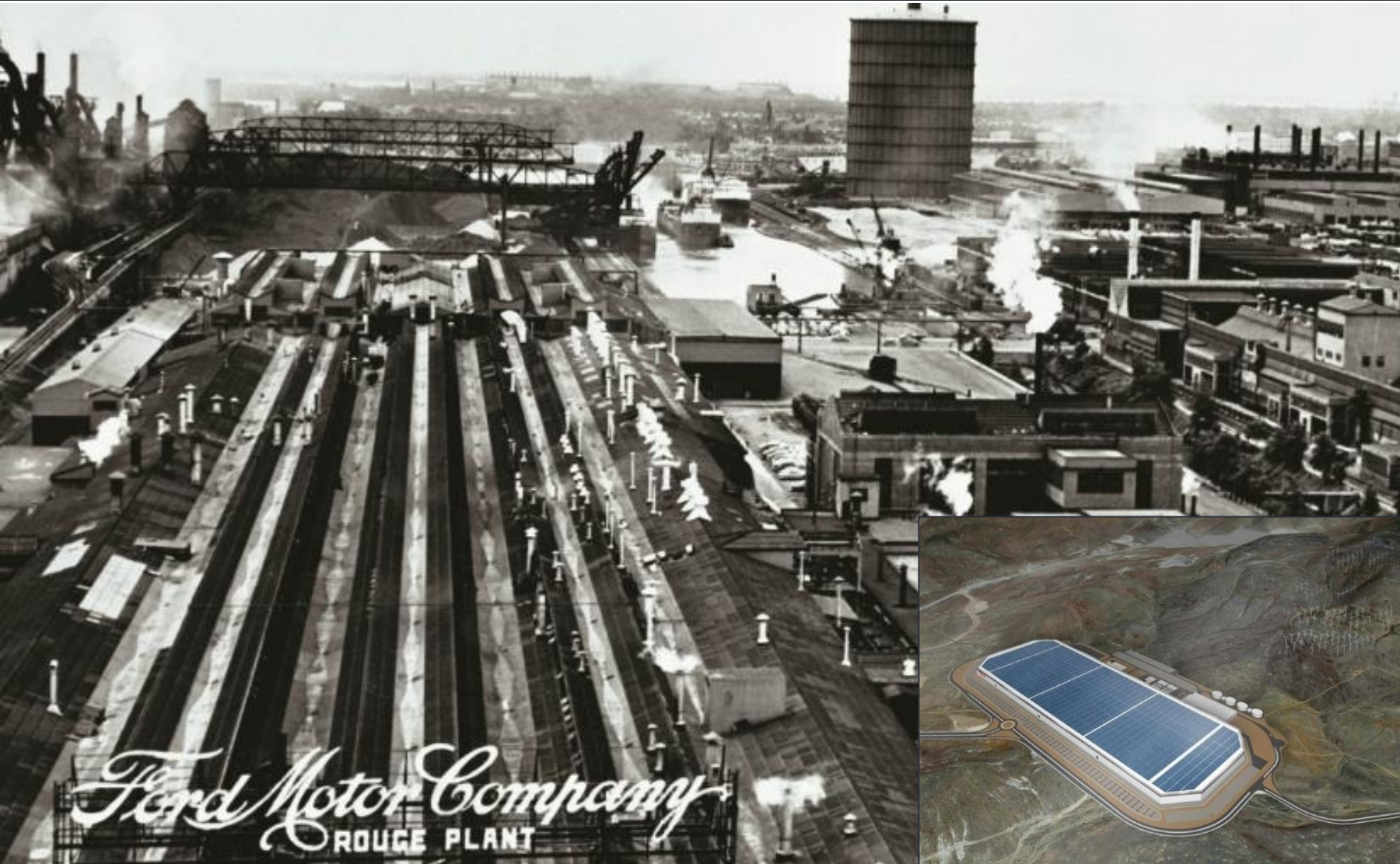


When automotive meets mining

- The Ukraine War has forced a global reassessment of supply chain risk for all metals
- Russia accounts for ~7% of world nickel production but ~20% of Class 1 nickel
- So far Russian nickel remains unsanctioned, but the LME is reviewing its position



The first gigafactory



Déjà vu?

Sometimes vertical integration is the only way to manage business risk

“Henry Ford’s ultimate goal was to achieve total self-sufficiency by owning, operating and coordinating all the resources needed to produce complete automobiles...no one has ever come so close on such a grand scale.”

The Henry Ford Rouge



The Sunrise Project is Australia's largest and most advanced battery materials project with a 50-year mine life



Fully integrated from mine to battery chemicals with an average annual metal-equivalent production of 21.3kt of nickel and 4.4kt of cobalt as sulphate



Sustainably designed to operate on 100% renewable power with industry-leading carbon footprint, water re-use and responsible waste management



Low unit costs drive exceptional project economics with average free cash flow (post-tax) of US\$308 million pa and NPV₈ of US\$1.2 billion

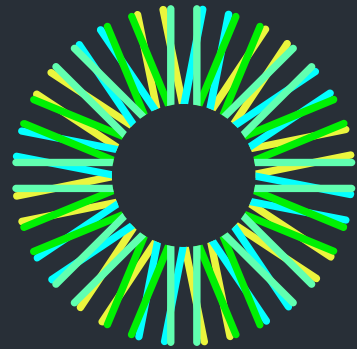


Optionality to produce cathode precursor and to recycle spent battery cathode to recover and re-use nickel and cobalt



Uniquely positioned as a western world provider of sustainable battery materials – currently engaged on securing funding and offtake





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Corporate

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