

AGM CHAIRMAN'S ADDRESS

Saturn Metals Limited (ASX:STN) ("Saturn" or the "Company") advises that the following address will be given by Non-Executive Chairman Brett Lambert at the Company's annual general meeting of shareholders this morning.

- Chairman's Address -

Ladies and Gentlemen, I am very pleased to update you this morning on the Company's progress in preparing the Apollo Hill Gold Project for development.

Not long before last year's AGM, we released the inaugural Preliminary Economical Assessment, or PEA, for Apollo Hill. This comprehensive study revealed very robust project fundamentals – a ten-year mine life, average annual gold production exceeding 120,000 ounces, average annual free cash flow of over \$90 million, IRR of 30% and capital payback in under three years¹.

The outcome of the PEA was highly encouraging and it is important to remember that these numbers were achieved with an assumed gold price of A\$2,665 per ounce. The gold price has since continued on a long-term upward trend and is today above A\$4,000 per ounce. It's not hard to imagine what that additional A\$1,300 plus per ounce would mean for project economics.

Work carried out since the PEA has supported initial findings and reinforced our conviction in the proposed form of the Apollo Hill Gold Mine, that is, a long life, large scale open pit mining and heap leaching operation that can deliver low unit costs and high operating margins.

The post PEA work has been directed at bringing the project up to Pre-Feasibility Study (PFS) level and is not only intended to confirm the findings of the PEA, but to also identify opportunities for optimisation and enhancement.

One such opportunity was highlighted by metallurgical test-work results released in May this year. These results indicate potential to significantly increase gold recovery, to exceptional levels for a heap leach operation, by reducing crush size. Impending studies will further evaluate the technical and financial aspects of finer crushing in greater detail, with the objective of further enhancing project economic performance.

A current major work-stream involves resource drilling, initially targeting the periphery of the known deposit to better define PFS mining limits. As reported to the market over recent months, this drilling has generated some strong hits outside the 2023 resource model. The results from this initial phase of drilling are being applied to update the Apollo Hill Mineral Resource Estimate (MRE), which we anticipate will deliver a material increase in contained gold compared to the 2023 MRE.

We expect to complete and release the updated MRE to the market very soon, but it is important to note that this will be in effect an interim estimate. As I speak four rigs are active on site in-fill drilling the deposit with the aim of upgrading the majority of the Inferred component of the Mineral Resource to Indicated or Measured, as is necessary for inclusion in a PFS mining inventory or Ore Reserve.

The drilling will be completed and another resource update released in the first half of next year, which will incorporate the higher resource classifications. Through drilling closing data gaps within the current resource model, we believe there is potential to identify additional gold mineralisation, so we may also be able to again report higher gold inventories in next year's MRE.

The form that we expect gold mining and processing to take at Apollo Hill remains very clear, however we have continued to leave our options open on the pathway to first gold production. Here I am referring to whether we simply continue through PFS, Feasibility Study, Final Investment Decision, then directly

on to full-scale project development, or whether concurrent with the feasibility studies, we implement a pilot phase of mining and processing.

The concept of running a pilot program at Apollo Hill is not about demonstrating that the project is viable, that is ultimately the function of the Feasibility Study. The work we have completed to date has already given us a high degree of confidence in the project and the operating techniques proposed are conventional, well established and widely used globally. So while we see a number of potential benefits in piloting, it is not a critical step in the development of Apollo Hill.

The implementation of pilot mining and processing at Apollo Hill would be a significant undertaking, we would in effect be developing a mine, so we must carefully assess the value proposition of the exercise. We have already carried out a considerable amount of work on piloting options, including matters relating to the necessary project approvals, and much of this work will also aid the full-scale project. However there remains a few key matters to resolve before a conclusion can be drawn on the merits of piloting at Apollo Hill. We anticipate being able to provide more clarity on this in the near term.

Our activities during the year were funded by two share placements totalling \$20 million (before costs) to existing and new professional investors, with an additional \$1.7 million raised through a Share Purchase Plan that enabled smaller shareholders to participate on the same terms. On behalf of the Board, I wish to sincerely thank all shareholders, large and small, for their enduring support of the Company.

I would like to close by acknowledging Saturn's employees, consultants and contractors who, under the watch of our Managing Director, Ian Bamborough, have worked tirelessly to get the Apollo Hill Gold Project to where it is today. With the level of activity on the project beginning to step up significantly, we are taking steps to build capability, both in-house and through key specialist service providers, to ensure we have the capacity and skills to liberate the full potential of Apollo Hill for the benefit of all stakeholders. This is another area we hope to be able to elaborate on soon.

- Ends -

This announcement has been approved for release by the Chairman of Saturn Metals Limited.

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¹ Complete details of the Preliminary Economic Assessment were published in the ASX Announcement dated 17 August 2023 titled "Updated Preliminary Economic Assessment". Saturn reports that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and there have been no adverse material changes.

Appendix 1:

Saturn Metals Project Areas

Apollo Hill (29.15°S and 121.68°E) is located approximately 60km south-east of Leonora in the heart of WA's goldfields region (Figure 1). The deposit and the Apollo Hill Project are 100% owned by Saturn and are surrounded by good infrastructure and several significant gold deposits. The Apollo Hill Project has the potential to become a large tonnage, simple metallurgy, low strip open pit mining operation.

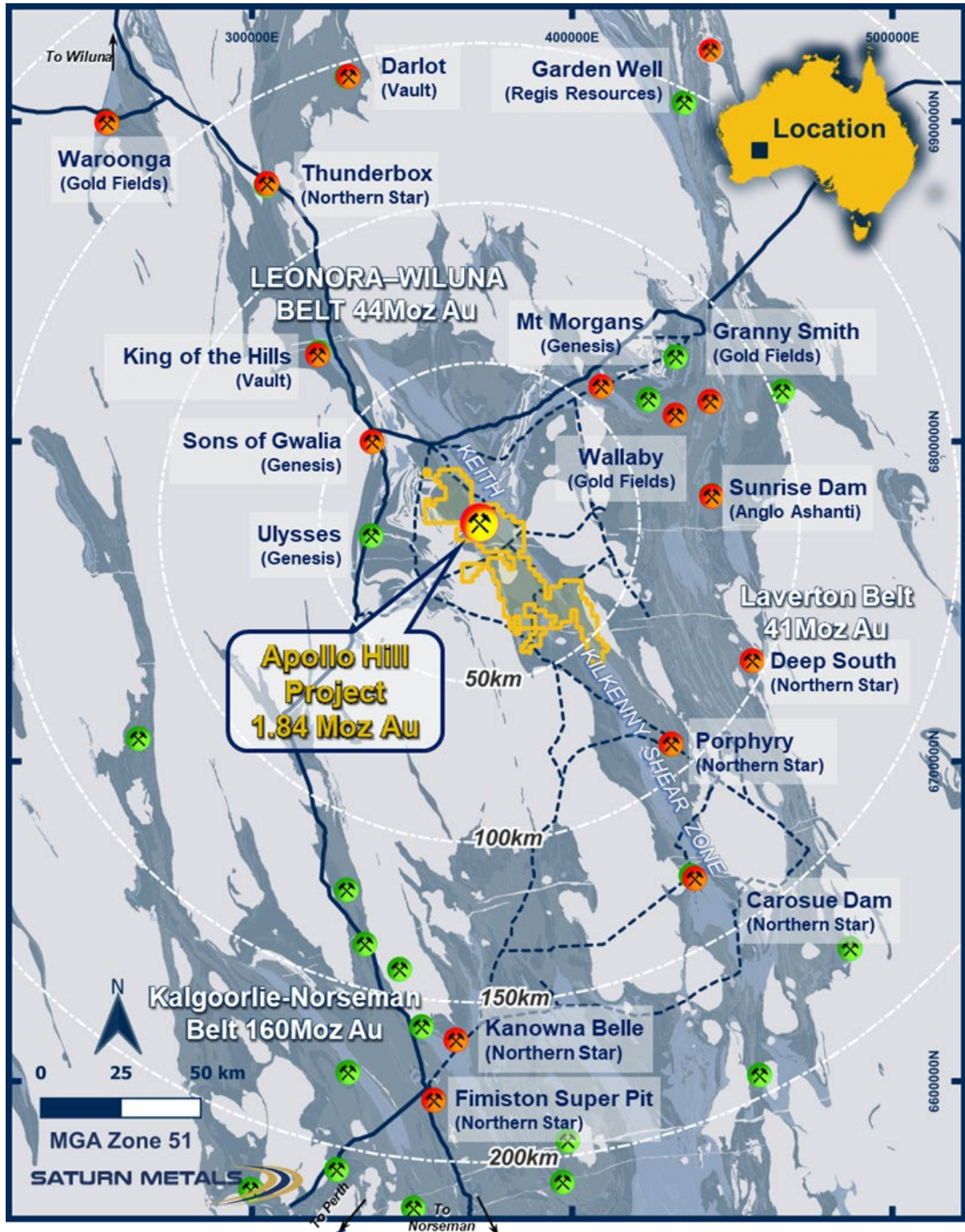


Figure 1 – Apollo Hill location, Saturn Metals' tenements and surrounding gold deposits, gold endowment and infrastructure.

In addition, Saturn has a second quality gold exploration project in Australia. The Company has an option to earn an 85% joint venture interest in the West Wyalong Project (Figure 2), which represents a high-grade vein opportunity on the highly gold prospective Gilmore suture within the famous Lachlan Fold belt of NSW.

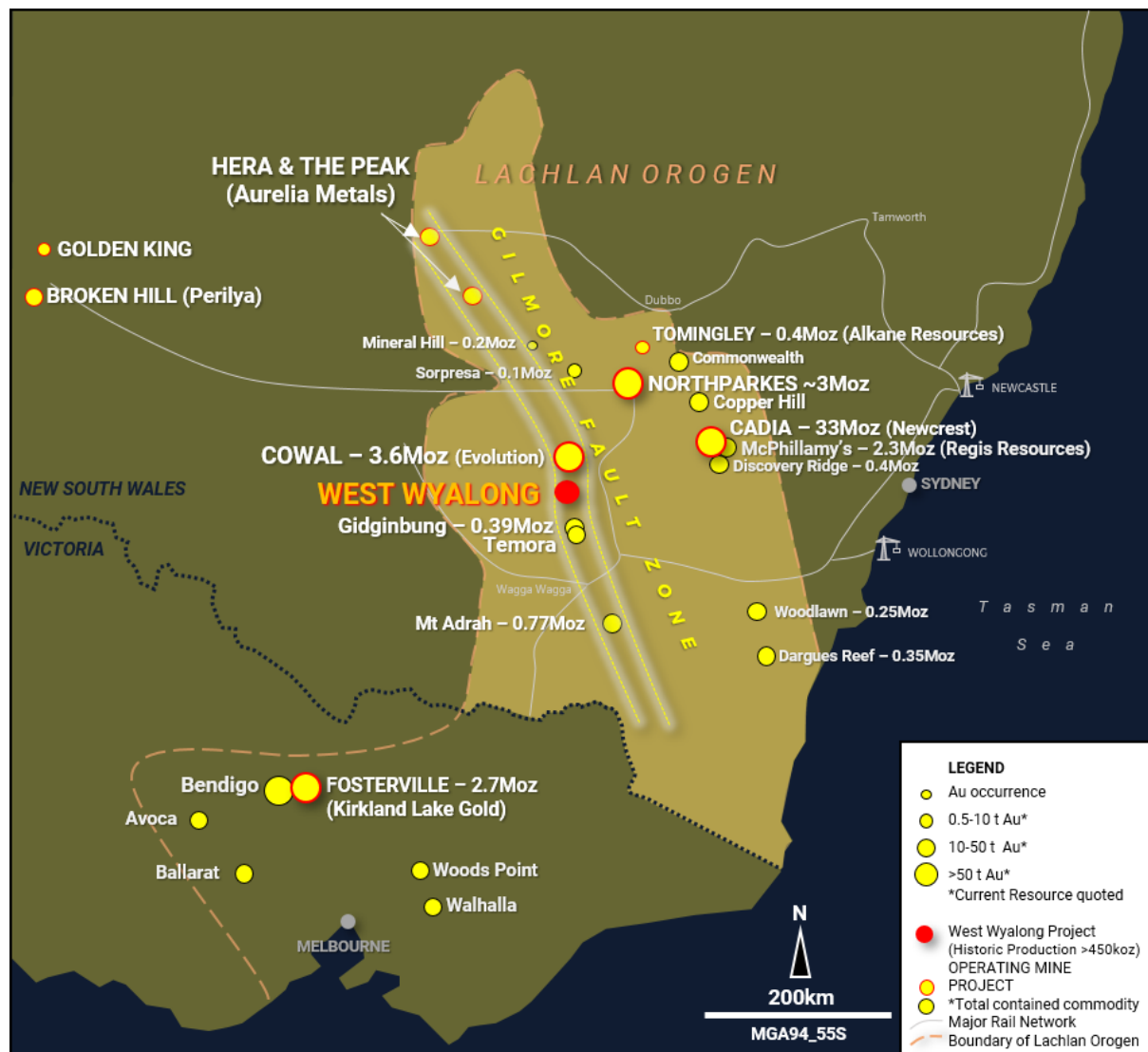


Figure 2 – Regional setting and location of the West Wyalong Gold Project in relation to other gold projects in New South Wales and Victoria (map taken from Saturn ASX announcement on 28 April 2020 where full references are provided).