10 August 2026

Sunrise announces U.S. Department of War's Office of Strategic Capital conditional commitment for US$400m loan and intention to pursue U.S. listing

Commitment aligns with the strategic goal of securing long-term scandium supply

Highlights:

- **Transformational U.S. Government funding**: The Office of Strategic Capital ("OSC") conditionally commits up to US$400 million under a proposed 25-year debt facility for development of the Syerston Scandium Project.[1]
- **A potential cornerstone of Western supply**: Syerston is being developed as a large-scale, long-life and low-cost source of primary scandium outside China.
- **U.S. listing pathway commenced**: Sunrise has commenced preparations to also list on a U.S. securities exchange - opening access to the world's largest capital market. Implementation will require shareholder, court and regulatory approvals.

MELBOURNE, Australia – Sunrise Energy Metals Limited **("Sunrise" or the "Company": ASX:SRL and OTCQX:SREMF)** Chairman Robert Friedland and Chief Executive Officer, Sam Riggall, today announced that the U.S. Department of War's Office of Strategic Capital (the "OSC") has confirmed a conditional commitment of up to US$400 million (~A$570 million)[2] in long-term debt financing to support the development of Sunrise's 100%-owned Syerston Scandium Project ("Syerston" or the "Project") in New South Wales, Australia.

The conditional commitment has the potential to significantly reduce development and funding risk for the Project and is aligned with the increasing importance of securing scandium for defence, advanced manufacturing, artificial intelligence infrastructure and wireless spectrum technologies.

[1] The conditional commitment does not constitute an offer, agreement or binding commitment to provide financing and remains subject to due diligence, the negotiation and execution of definitive documents and the satisfaction of other conditions precedent set forth in the commitment letter between OSC and Sunrise.

[2] A$:US$ FX rate of US$0.70

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Syerston is ideally positioned to answer that strategic need. The Project hosts one of the largest and highest-grade mineable scandium deposits within a Five Eyes jurisdiction and is being advanced as a scalable, long-life and low-cost source of primary scandium outside China.

Sunrise's Chairman, Mr Friedland, commented:

> "This is a landmark moment for Sunrise and Australia's mining industry, and the financing aligns with the goals of the U.S.-Australia Partnership on critical minerals. The world has entered an era in which access to critical minerals will shape industrial strength, technology leadership and national security. Scandium is one of the clearest examples, supporting the technologies, industries and defence capabilities that will shape the coming decades.
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> We thank President Donald J. Trump and the Department of War's Office of Strategic Capital for its support as we aim to establish Syerston as a cornerstone of Western scandium supply."

Key terms of conditional financing commitment

The key terms of the conditional financing commitment are summarised below. The terms are non-binding and subject to negotiation and execution of definitive documentation, OSC's completion of due diligence and the satisfaction of other conditions precedent set forth in the commitment letter. The final terms of any financing may differ from the terms summarised below.

Term. Subject to financial close, the maturity date of the proposed loan would be twenty-five (25) years.

The structure is intended to provide Sunrise with substantial capital flexibility, allowing funding to be deployed progressively in line with eligible Project expenditures, agreed development milestones and construction requirements.

Use of proceeds. The proceeds of any loan would be applied to fund expenditures for the Project as well as related fees and expenses, in each case pursuant to a budget approved by OSC.

Conditions to Funding. Funding under the debt facility is intended to be made available in a number of phases. Each disbursement will be subject to the Company's achievement of project milestones and other conditions precedent set forth in the commitment letter, including the Company's deployment of specified amounts of equity and receipt of binding offtake agreements.

Satisfaction of conditions. The conditional financing commitment remains subject to, among other things, detailed financial, legal, technical and environmental due diligence, negotiation and execution of definitive financing documents, satisfaction of conditions precedent and receipt of customary approvals (including any required regulatory approvals).

Cautionary Statement: There can be no assurance that definitive financing documents will be executed, that all conditions to the proposed facility will be satisfied or waived, that financial close will occur, that a U.S. listing will be completed or that any amount will ultimately be drawn under the proposed facility.

Syerston Scandium Project

The Syerston Scandium Project hosts one of the world's largest and highest-grade mineable scandium deposits. Strategically located in New South Wales, the Project benefits from a granted mining lease, established infrastructure, secured land and water access and more than a decade of technical, metallurgical and engineering work.

The initial development is designed to produce approximately 60 tonnes per annum (tpa) of high-purity scandium oxide over an estimated 32-year operating life.[3] Based on its forecast low-cost operating profile, Syerston is positioned to become one of the most competitive sources of primary scandium to Western supply chains.

Syerston's development is advancing at a time when global scandium supply remains highly concentrated in China, while western demand for the metal is accelerating across several strategically important industries:

- Solid oxide fuel cells providing reliable and rapidly deployable power for AI data centres and other power-constrained infrastructure.
- Lightweight aluminium-scandium alloys delivering exceptional performance for defence, aerospace and advanced mobility applications.
- Additive manufacturing and 3D printing of complex, high-strength components.
- Advanced semiconductors, non-volatile memory and next-generation communications technologies.

Sunrise is advancing engineering, procurement, permitting, Project execution planning and offtake negotiations ahead of a Final Investment Decision (FID). In parallel, the Company is evaluating a second phase of the Project that could increase capacity by an additional 120 tonnes per annum, bringing Syerston's total potential production to 180 tonnes per annum.

3 Calculated based on the Syerston Ore Reserve Estimate, effective 30 September 2025, and the 60 tonnes per annum scandium oxide target capacity of the initial development. Refer to the Company's ASX Announcement of 3 March 2026: "Feasibility Study Demonstrates Scalable Operation".

Updates to design scope and capital

As part of the Company's engagement with OSC, the Project's scope has been significantly revised and broadened to cover not only the development of the mine and refinery in New South Wales, but also:

- Construction of scandium metal refining capacity in the United States, as well as associated modifications to the refinery to produce a range of chemical-grade scandium compounds;
- Preserving options to accelerate expansion of the project to circa 180tpa of scandium oxide capacity[4] by bringing some expansion capital forward into the initial development for utilities and civil infrastructure; and
- Bringing the cost of power generation for the mine and refinery into capital expenditure, rather than off-balance sheet financing via third parties, to deliver greater control over permitting timelines for power connection.

The use of proceeds under the proposed debt facility will also incorporate potential downstream investment in both alloy and semiconductor markets to ensure that the supply chains for both aerospace and wireless communications markets are strengthened.

Procurement activities for the initial build have also been scoped to prioritise, where practicable, Western materials, equipment and reagent supply. As a result, key contracts priced early in 2025 have been re-tendered as the Project advances towards a final investment decision, with higher construction, equipment and capital costs reflected in the updated estimate, together with a materially increased contingency allowance.

Based on this revised scope - which now includes a greenfield metallization plant, a refinery capable of producing a broader range of compounds convertible into other scandium products and increased investments in water and power infrastructure to support future expansion options – a revised capital estimate of approximately A$450-475 million (US$315-333 million)[5] has been presented to OSC as the basis for delivering a comprehensive scandium supply chain solution, which will be supported by the sizing of the proposed debt facility.

4 See the Company's ASX Announcement of 23 July 2026: "Sunrise Accelerates Expansion Study".
5 A$:US$ FX rate of US$0.70

Final Investment Decision

Capital estimates for the mine and processing plant, the metallisation plant and early expansion capital remain at different levels of maturity and will be finalised over August 2026.

The objective is to enable a positive Final Investment Decision (**FID**) recommendation to be presented to the Board in 2H26. Notwithstanding the timing on FID, early works construction activities have commenced, as has procurement of long-lead items with a view to preserving a first production target of 2H28.

For more information about the status of current Project developments, refer to the Company's ASX Announcement of 23 July 2026.

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

For more information, please contact:

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About Sunrise Energy Metals Limited (ASX:SRL: OTCQX:SREMF) – Sunrise Energy Metals Limited (SRL) is developing the Syerston Scandium Project, near Fifield in central-west New South Wales (NSW), with the aim of delivering the world's first source of mineable, high-grade scandium. Sunrise also owns the Sunrise Nickel-Cobalt Project, one of the largest and most cobalt-rich nickel laterite deposits in the world.

About the Syerston Scandium Project – The Syerston Scandium Project hosts one of the world's largest and highest-grade scandium deposits. The Project is supported by extensive piloting, metallurgical test work and engineering. Scandium oxide produced by the Project will service key technology markets, including fuel cells, advanced aluminium alloys and semiconductors.

Transaction Advisors – Sullivan & Cromwell acted as legal counsel and Grant Samuel acted as corporate advisor to Sunrise in structuring and executing the conditional commitment by the OSC.

No offer

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such offer would be illegal. Any securities described in this announcement have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States absent registration or in transactions that are exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Forward Looking Statements Disclaimer

Certain statements in this announcement constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. All statements other than statements of historical fact contained in this announcement, including statements regarding the OSC conditional commitment and any resulting financing arrangements, the expected outcomes of such financing, the proposed U.S. listing (whilst retaining its ASX listing) and the expected timing, terms and effects of any of the foregoing, the Company's plans, goals, projections, expected costs, expected production, expected operating life, expected demand for scandium, and other statements that are not historical facts, are forward-looking statements. 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 differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements may be identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "intend", "may", "plan", "predict", "scheduled", "will", "would", and other similar terminology, or by reference to future dates.

Forward-looking statements are based on management's expectations as of the date of this announcement. There can be no assurance that actual results will be consistent with these forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, many of which are beyond the Company's control. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may differ materially from those anticipated, believed, estimated or expected.

These forward-looking statements are made as of the date of this announcement 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 in this announcement to reflect events or circumstances occurring after the date of this announcement. For more information about Sunrise Energy Metals, please visit the Company's website at www.sunriseem.com.