

21 April 2026

Quarterly Activities Report

Highlights:

- **Completion of the Syerston Scandium Project Feasibility Study¹ demonstrates strong economics for a long-life, high grade, low-cost and scalable operation:**
 - ***Exceptional capital efficiency:*** ~US\$120 million development cost to produce 60 tonnes per year (tpa) of scandium oxide (Sc_2O_3) with average life-of-mine C1 cash operating costs of US\$534/kg – positioning Sunrise as a globally competitive, low-cost producer
 - ***Early works activities underway:*** Mineral Resource in-fill definition drilling, detailed processing engineering design work, water supply infrastructure and equipment sourcing and procurement, targeting construction from mid-2026 and commercial production from mid-2028
 - ***U.S. Government support:*** Letter of Interest (LOI) secured from U.S. Export-Import Bank for up to US\$67 million in project financing (if required)
 - ***Significant forecast market growth:*** Global annual Sc_2O_3 demand is projected to increase to around 300 tonnes by 2030, driven by solid oxide fuel cell deployments for AI data centre power generation, defense and aerospace applications and next-generation chips/semiconductors²
 - ***Expansion Case for optionality:*** Work is on-going with the potential for an expansion case targeting a further 120 tpa of production capacity to deliver a material reduction in C1 cash operating costs
- **Recent engagement with U.S. scandium users indicates a growing interest in the Syerston Scandium Project as a strategic supplier of primary scandium, in response to a tightening of supply and a marked increase in imported scandium prices following China's imposed export licensing restrictions on rare earth minerals (including scandium) in April and October 2025**
- **Sunrise included in the S&P/ASX All Ordinaries Index**

¹ Refer to the Company's ASX announcement of 3 March 2026: "Feasibility Study Demonstrates Scalable Operation"

² Given the small and opaque nature of the market, the Company's forecast for scandium demand growth is based on the compound annual growth rate (CAGR) of 19% since 2017. Refer to the commentary on the projected break-down by end-use on pages 6-7 of the Company's ASX announcement of 3 March 2026.

MELBOURNE, Australia – Sunrise Energy Metals Limited (**Sunrise or Company**) (ASX:SRL and OTC:SREMF) Co-Chairman Robert Friedland, and Chief Executive Officer, Sam Riggall, announced are pleased to provide an update on its activities for the quarter ended 31 March 2026.

OCCUPATIONAL HEALTH AND SAFETY & ENVIRONMENTAL PERFORMANCE

The Company had no lost time injuries (LTIs) or reportable environmental incidents at the Sunrise Battery Complex in central New South Wales (NSW) during the quarter.

SYERSTON SCANDIUM PROJECT

The Syerston scandium deposit is currently the world's largest and highest-grade known source of mineable scandium (Sc) on a granted mining lease (ML1770) adjacent to excellent infrastructure, including secured freehold land rights and water rights.

Syerston Scandium Project Feasibility Study

The updated 2026 Syerston Scandium Project Feasibility Study (FS) was completed by GR Engineering Services Ltd during the quarter (*refer to the Company's ASX announcement of 3 March 2026*), which demonstrates a clear pathway to 60 tpa of scandium oxide (Sc_2O_3) capacity to meet the rapidly growing global demand for critical minerals.

Project Capacity

The Project is forecast to mine and process 64,000 tpa of ore to produce 60 tpa of high purity (>99.9%) Sc_2O_3 annually³. This strongly positions the Company to capture significant market share in a rapidly growing global market, having grown at an estimated 19% compound annual growth rate (CAGR) since 2017 (albeit off a low base) for a current estimated 50-60 tpa Sc_2O_3 , which, assuming the continuation of a 19% CAGR, is projected to increase to around 300 tpa by 2030, primarily driven by solid oxide fuel cell deployments for AI data centre power generation (the largest near term driver), defense and aerospace applications (the largest long-term driver) and the next-generation chips/semiconductors (the larger volume and non-substitutable).

Competitive Operating Cash Cost Position

With a forecast life-of-mine average cash operating cost of US\$534/kg Sc_2O_3 , the Syerston Scandium Project will be one of the world's lowest-cost sources of scandium.

³ Refer to the Company's ASX announcements of 21 October 2025 and 3 March 2026 for further details, including 2012 JORC disclosures and Cautionary Statements.

This competitive cost position stems from:

- An exceptionally high-grade ore deposit (averaging 690ppm Sc in the first 10 years);
- Efficient extraction and processing technology proven through extensive pilot testing;
- An estimated 32-year mine life providing long-term production stability; and
- Strategic location in central New South Wales with established infrastructure.

The Company refers to its ASX announcements of 21 October 2025 and 3 March 2026 which provides details on the Syerston Scandium Project FS technical parameters and economic outputs, as well as 2012 JORC disclosures on the Project's Mineral Resource and Ore Reserve Estimate (ORE).

Capital Investment

The approximate US\$120 million capital cost estimate (~A\$182 million @ A\$:US\$ FX rate of US\$0.66) has been developed to industry-standard AACE Class 3 level ($\pm 15\%$ accuracy), providing a high confidence for additional financing (if required) and support for a positive Final Investment Decision (FID), which is expected to be made in mid-2026.

Mining and Processing

Mining will use a conventional open pit method with excavators and trucks, a proven, low-risk technology. The processing plant will use hydrometallurgical leaching to extract scandium from ore, followed by refining to produce high-purity scandium oxide (Sc_2O_3). Mining operations are forecast to span 21 years, with an additional 11 years of processing from stockpiled ore, supporting a total 32-year operating life-of-mine. The mine design has been completed by Mining One Pty Ltd, a Melbourne-based global mining consultancy.

Table 1: Syerston Scandium Project Design Parameters – 60tpa Sc_2O_3

Mine Plan and Design Parameters	Phase 1 – Feasibility Study
Annual production capacity (dry tonnes)	60 tonnes Sc_2O_3
Ore processed per year	64,000 tonnes
Average ore grade (life of mine)	656 ppm scandium
Processing recovery	88%
Construction and commissioning period	24 months
Total mine life	32 years
Capital cost estimate (+/- 15%)	US\$120 million
C1 cash operating cost (life of mine average)	US\$534/kg Sc_2O_3

Note: AUD:USD FX 0.66. Sc converts to Sc_2O_3 on a dry weight basis by multiplying by 1.53.

Expansion Optionality

Based on ongoing engagement with potential offtakers and customer feedback (indicating robust demand growth and on the assumption of ongoing Chinese export restrictions), Sunrise is advancing plans to expand annual production at the Syerston Scandium Project. Initial work has commenced on the evaluation of a potential expansion case, which is expected to include a second processing unit (Train 2), targeting a further 120 tpa of production capacity to deliver a material reduction in C1 cash operating costs.

Construction and production from two trains would position the Syerston Scandium Project as an important source of Western scandium supply in a market where a significant share of global supply is currently controlled by a handful of Chinese suppliers.

The schedule for the evaluation and development of the expansion case will be dependent on a range of factors, including a demonstrated demand growth for scandium, customer support and the availability of financing to support the production capacity expansion.

Early Works Activities and Construction Development Schedule

During the quarter, early works activities were completed or commenced, including:

First Phase Mineral Resource Infill Definition Drilling

The first phase Mineral Resource infill definition drilling program was completed during the quarter, comprising 40 grade control holes drilled on a 25 metre by 25 metre spacing and covering more than 80% of the first two years of planned production. The aim of the program was to:

- increase geo-metallurgical confidence;
- reduce ore loss and dilution;
- improve selectivity during excavation; and
- improve fleet productivity.

Detailed Processing Engineering Design Work

In December 2025, the Company engaged GR Engineering Services Limited (ASX:GNG) for the completion of a Front-End Engineering Design (FEED) Study on the beneficiation and leaching circuit of the process plant and in January 2026, Clean Teq Water Limited (ASX:CNQ) was engaged to progress the Resin-In-Pulp (RIP) and back-end refinery components of the processing unit. Clean Teq's work (to a Feasibility Study confidence level) is focussed on verifying the refinery process design to incorporate a higher scandium grade and to verify the lithology of ore in the first open pits. Both engineering contracts are expected to be completed in mid-2026.

Other Early Works Activities

Other activities that have commenced include water supply infrastructure design work and the identification, sourcing and pricing of specialised process plant equipment and confirmation of long lead items and procurement timing.

Development and Construction Schedule

On the assumption and expectation that a positive FID is made by the Board in mid-2026, site works are expected to commence in 2H 2026, with commissioning of the process plant in 1H 2028 and commercial production in 2H 2028, as shown in Table 2.

Table 2: Development and Construction Schedule – 60 tpa Case

Activity	2026				2027				2028			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FID												
EPCM / Contract Awards												
Early Site Works												
FEED/Engineering												
Equipment Procurement												
Site Works Contracts												
Construction												
Commissioning												
Commercial Production												

Shire Councils and Community Engagement

During the quarter, the site based Syerston Project Team conducted a number of community events to inform and educate the local shire councils and communities around Parkes and Fifield on aspects of the Project that will directly and indirectly impact residents, businesses and the nearby farming community.

Scandium Marketing and Offtake Discussions

The Company is continuing to progress discussions with a range of offtake end-users of both chemical grade scandium oxide and scandium metal, with the aim of securing firm supply arrangements for the Syerston Scandium Project.

SUNRISE BATTERY MATERIALS COMPLEX

Until market conditions improve, activities at the Sunrise Battery Materials Complex (Ni-Co) remain focussed on minimising holdings costs and preserving project optionality.

EXPLORATION ACTIVITIES

Queensland (QLD)

Clonagh Trend Farm-In and Joint Venture (Sunrise earning up to a 75% interest)

In December 2025, a moving loop electro-magnetic (MLEM) survey was completed by JV Manager, Continental Copper Pty Ltd, over the Maureen-Lola tenements which resulted in a significant EM anomaly being defined.

Planning continues to advance on the commencement of a drilling campaign of the EM target in April/May 2026 following the end of the wet season and after other geophysics data has been collected and interpreted.

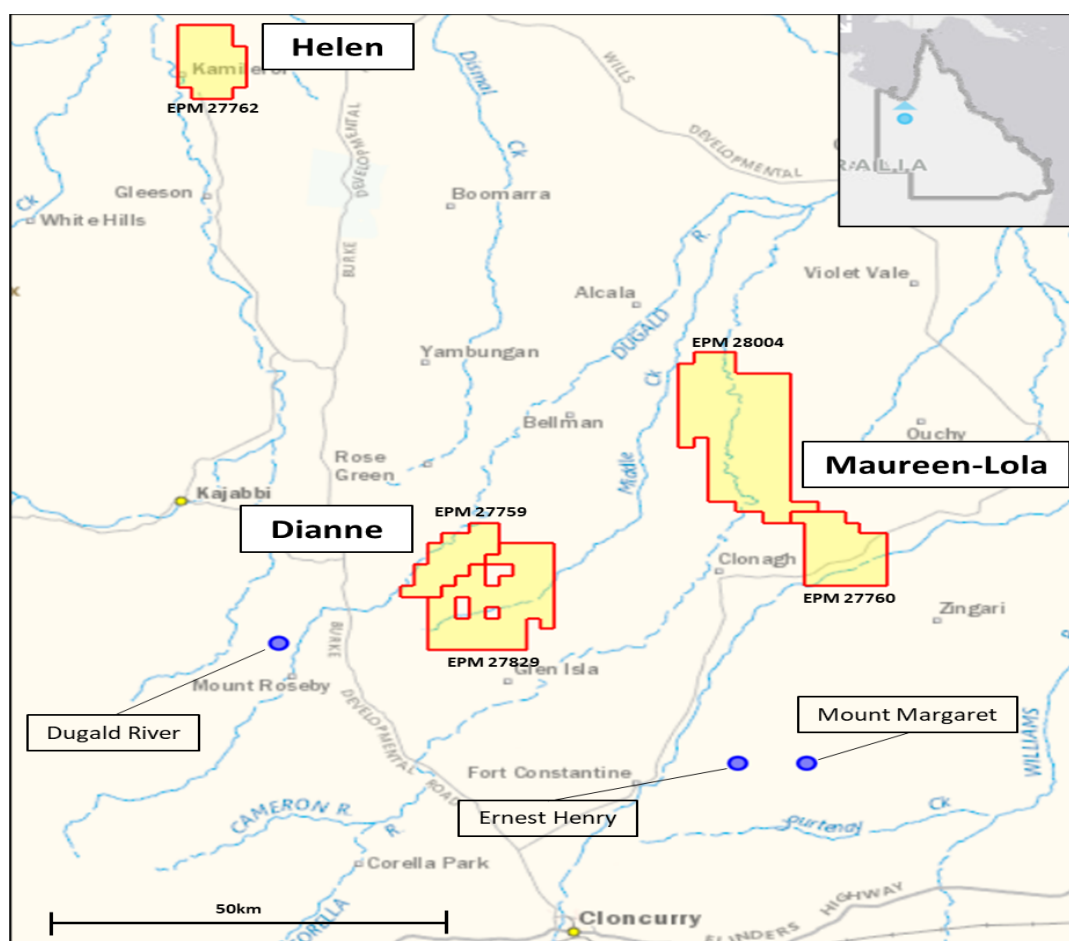


Figure 1: Clonagh Trend JV Tenements (yellow highlight), Cloncurry, QLD

Millungera Basin Joint Venture

In November 2025, the Company (via 100% subsidiary SRL Hot Rocks Pty Ltd) executed the “Farm-in Agreement – Millungera Basin JV” with Greenvale Energy Limited (ASX:GRV) (“Greenvale”) whereby Sunrise is able to earn an interest in the Millungera Basin tenements located in central Queensland, the host to a large-scale geothermal resource.

On 24 March 2026, Sunrise announced a partnership with leading U.S.-based private technology company I-Pulse to deploy and validate its G-Pulse pulsed-power drilling technology on the Millungera Basin tenements. Under the Agreement with Sunrise and Greenvale, I-Pulse will assume operational control and invest a minimum of \$5 million to earn an 80% interest in the Millungera Basin Geothermal Project.

Neither Sunrise nor Greenvale will have any obligation to fund until completion of the earn-in, at which point a joint venture will be established for the project with the JV parties being I-Pulse (65%), Greenvale (20%) and Sunrise (15%).

I-Pulse subsidiary G-Pulse is focused on deploying high pulsed power technology to address one of the most challenging and expensive stages of geothermal development, drilling deep wells into extremely hard rock formations to access hot granites deep beneath the Earth’s surface. Using this technology, I-Pulse plans to advance detailed technical programs designed to unlock the full geothermal potential of the Millungera Basin.

New South Wales (NSW)

Other than general maintenance and statutory holding requirements, there were no exploration activities across the Company’s exploration (EL) tenements in NSW.

CORPORATE

ASX All Ordinaries Index

On 10 March 2026, S&P Dow Jones Indices announced that the Company was to be included in the S&P/ASX All Ordinaries Index. The inclusion was effective prior to the market opening on 23 March 2026. Becoming a constituent in the ASX All Ordinaries Index will give Sunrise a much broader exposure to the Australian equity market including active index funds and ETFs that track the S&P/ASX All Ordinaries Index.

Financial Position at the end of the quarter

As at 31 March 2026, cash on hand was \$117 million. Material cash inflows during the quarter comprised ~\$71 million from capital raisings and the exercise of unlisted options.

Payments to related parties and their associates during the quarter, as outlined in Section 6 of the accompanying Appendix 5B to this quarter's activities report, were \$219,000. These payments were for salaries, superannuation, advisory and consultancy fees paid to directors and/or director related entities.

Sunrise Energy Metals – Interests in Mineral Tenements

Licence Number	Project Name	Location	Equity Interest Current Quarter	Equity Interest Prior Quarter
EL8961	Minore	NSW	100%	100%
EL9031	Minore	NSW	100%	100%
EL8520	Hylea	NSW	100%	100%
EL8641	Hylea	NSW	100%	100%
EL8801	Hylea	NSW	100%	100%
EL9211	Nyngan	NSW	100%	100%
EL4573	Sunrise	NSW	100%	100%
EL8928	Sunrise	NSW	100%	100%
EL8833	Sunrise	NSW	100%	100%
EL8882	Sunrise	NSW	-	100%
EL8883	Sunrise	NSW	-	100%
EL9259	Sunrise	NSW	100%	100%
EL9317	Sunrise	NSW	100%	100%
EL9598	Sunrise	NSW	100%	100%
EL9627	Sunrise	NSW	100%	100%
ML1770	Sunrise	NSW	100%	100%
ML1769	Sunrise	NSW	100%	100%

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

**For more information, please contact: Investors
Corporate**

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About Sunrise Energy Metals Limited (ASX:SRL: OTCQX:SREMF) – Sunrise Energy Metals Limited (SEM) 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 (Sc). 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 (Project), located near Fifield in central-west NSW, hosts one of the world's largest and highest-grade scandium (Sc) deposits. A Feasibility Study (Study) for the Project was completed in August 2016, supported by extensive piloting, metallurgical test work and engineering. The Company has updated this Study and the updated Project Feasibility Study was released in March 2026.

Previously Reported Information

The information in this announcement that references previously reported exploration results is extracted from the Company's ASX market announcements released on the date noted in the body of the text where that reference appears. The previous market announcements are available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that is not aware of any new information or data that materially affects the information included in the original announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Forward Looking Statements Disclaimer

Certain statements in this announcement may 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 report. Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this announcement 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 report 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 announcement. For more information about Sunrise Energy Metals, please visit the Company's website www.sunriseem.com.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

SUNRISE ENERGY METALS LIMITED

ABN

34 127 457 916

Quarter ended ("current quarter")

31 MARCH 2026

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(49)	(360)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(498)	(1,499)
	(e) administration and corporate costs	(593)	(1,771)
	(f) research and development	-	-
	(g) Syerston/ Sunrise Projects expenditure	(1,286)	(2,590)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	282	504
1.5	Interest and other costs of finance paid	2	(2)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(2,142)	(5,718)
2.	Cash flows from investing activities		
2.1	Rental Income	20	86
2.2	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(12)	(18)
	(d) exploration & evaluation	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(e) investments	-	-
	(f) other non-current assets	-	-
2.3	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.4	Cash flows from loans to other entities	-	-
2.5	Dividends received (see note 3)	-	-
2.6	Other (provide details if material)	-	-
2.7	Net cash from / (used in) investing activities	8	68

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	59,158	96,968
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	12,393	15,782
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(126)	(521)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings/payment of principal for rental leases	(34)	(94)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material):		
	(a) Cash backing of security bonds	-	-
3.10	Net cash from / (used in) financing activities	71,391	112,135

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	47,942	10,714
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,142)	(5,718)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.7 above)	8	68
4.4	Net cash from / (used in) financing activities (item 3.10 above)	71,391	112,135
4.5	Effect of movement in exchange rates on cash held	-	
4.6	Cash and cash equivalents at end of period	117,199	117,199

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	129	113
5.2	Call deposits	11,865	27,830
5.3	Bank overdrafts	-	-
5.4	Other (provide details): Term Deposit	105,205	20,000
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	117,199	47,942

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	219
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,142)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,142)
8.4	Cash and cash equivalents at quarter end (item 4.6)	117,199
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	117,199
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	54.7
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 21 April 2026

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.