



Strategic Update and Forthcoming Shareholder Vote

Zug, Switzerland: 4th June 2025 – As we approach the end of Fiscal Year 2024/2025 of 30 June 2025, the Board of Directors of SunMirror AG (the "Company", "SunMirror", and together with its direct and indirect subsidiaries the "Group", Vienna Stock Exchange: ROR1; ISIN CH0396131929) wishes to update the shareholders on the Company's progress and outline critical next steps. This update focuses on the Company's Western Australian assets and capital strategy, with a view to an imminent shareholder vote to determine SunMirror's future direction.

Business Progress Over Fiscal Year 2024/2025

In our last Annual Report, we highlighted the substantial progress made on our Western Australian exploration assets: the **Moolyella lithium and tin licence** and the **Kingston Keith licence**, which is prospective for both **gold and lithium**.

While lithium market conditions remained weak so far through Fiscal Year 2024/2025, reducing appetite for new capital investments, gold prices have continued to strengthen. As a result, we redirected our focus and capital towards advancing our Kingston Keith asset. This year, we defined a full drilling program and actively engaged with some of our main existing shareholders to raise new equity capital, with a view to attract further investments from potential Australian investors, with appetite in local exploration assets. We believe that there is substantial value potential in SunMirror's assets. The Board of Directors believes that significant fresh capital could be raised in conjunction with a dual listing of SunMirror's shares on the Australian Securities Exchange ("ASX"), provided that existing shareholders participate meaningfully in said capital increases. Further details are provided below on the vision we have for our assets and the capital raise strategy.

Despite these efforts, we have so far been unable to secure new capital commitments from our existing core shareholders. Without this critical support, external financing avenues have proven to be very challenging and, absent access to additional capital, the Company would be unable to proceed with its strategic objectives. The alternative points to a progressive wind down of the business.

Capital Position and Implications

Securing fresh equity capital is essential not only to unlock the value of our assets but also to maintain our auditors' assessment of the Company as a going concern in their report for Fiscal Year 2024/2025. Advisors with deep experience in Australian equity capital markets believe the Company's asset portfolio has significant value potential and could form the basis for a dual listing on the ASX, particularly given recent strong appetite for gold exploration assets. However, **realising this value is conditional on the current shareholders' participation** in two share capital increases of up to EUR 500,000 (approx. CHF 470,000) and AUD 4,000,000 (approx. CHF 2,140,000) respectively, in view of a subsequent dual listing of SunMirror's shares on the ASX.

In the absence of shareholder participation, we must consider urgent measures to preserve cash. One key such measure would be to **delist SunMirror from the Vienna Stock Exchange**, a step that would significantly reduce the Company's cost base. As of today, it appears that the simplest route to achieve this would be through a down-stream merger of SunMirror into a new Swiss entity, thus automatically triggering a delisting of SunMirror.

SunMirror Asset Portfolio and Strategic Potential

1. Moolyella Licence – Lithium and Tin

- Located in a prolific lithium district near Pilgangoora and Wodgina.
- Hosts lithium-caesium-tin (LCT) pegmatites with samples up to 2.19% Li₂O.
- Drill-ready, with Plan of Works (PoW) approved for up to 495 holes.
- Further material capital investments postponed until recovery in lithium prices.
- Potential upside from tin, a strategic mineral that remains in a bull market.
- All land access requirements in place

2. Kingston Keith – Gold and Lithium

- Covers 30 km of the Agnew-Wiluna Greenstone Belt.
- Hosts historical gold workings and highly prospective geology for both gold and lithium.
- Fieldwork returned gold samples up to 35.06 g/t.
- Airborne aeromagnetic survey has led to defining 30 structural drill target areas with a focus on gold.
- Pegmatites within the licence suggest lithium potential.
- Strong interest from potential Australian JV partners.
- All land access requirements in place (subject to signing).

3. Cape Lambert Royalty Asset (the “Royalty”)– Iron Ore

- Royalty on the Cape Lambert Magnetite Project (1.687 Bt @ 31.3% Fe).
- Potential for smaller-scale project, likely economic under prevailing iron ore prices.
- Comparable projects have recently been developed in Western Australia.
- May benefit from Australia's AUD 1.5bn “Future Made in Australia” green metals initiative.
- Recent discussions with Project owner MCC regarding project restructuring have not been successful but litigation strategy could lead to significant upside.

Path Forward: Two Strategic Options

SunMirror's Board of Directors has carried out a detailed assessment to determine which strategies would be most capable of addressing SunMirror's current challenges. The Board of Directors is currently considering implementing one of the two following strategies:

Option 1 – Two Share Capital Increases, with ASX Dual Listing

Envisaged steps:

- First share capital increase of up to EUR 500,000 (approx. CHF 470,000), to be carried out as soon as possible with certain shareholders and/or third party investors, to secure the liquidity necessary for the Company to carry out the second share capital increase.
- Second share capital increase of up to AUD 4,000,000 (approx. CHF 2,140,000), to be carried out upon successful completion of the first share capital increase. 50% of this second share capital increase would have to be committed / backstopped by existing shareholders.
- Simultaneously with or shortly after the second share capital increase, dual listing of SunMirror's shares with the ASX.

Identified potential benefits:

- Leverage strong gold market and investor appetite in Australia.
- Opens pathway to:
 - Accelerated gold exploration.
 - Unlock Royalty value.
 - Potential spin-off of Australian assets under local management.
 - Development of European asset base under SunMirror.

Option 2 – Merger, Delisting and Wind-Down

Envisaged steps:

- Incorporation by SunMirror of a fully-owned new Swiss subsidiary.
- Merger of SunMirror into the new Swiss subsidiary by means of a merger by absorption, under which the new Swiss subsidiary would be the surviving entity. SunMirror's shareholders would receive shares in the new Swiss subsidiary in the same proportion.
- Upon successful merger, SunMirror would automatically be delisted from the Vienna Stock Exchange. The shares in the new Swiss subsidiary would not be listed on any stock exchange.
- Depending on the circumstances: Wind down / liquidation of the business.

Identified potential benefits:

- Minimises cash burn, focuses on joint-venture opportunities.
- Aim to retain upside from potential joint-ventures and royalty while reducing liabilities.

Next Steps

We invite shareholders to share their views with the Board of Directors by 12 June 2025, on the two above-mentioned options and any other alternative option they would see. Shareholders supporting Option 1 need to be ready to participate in both capital increases. Based on the shareholder's feedback, we will consider convening an **Extraordinary General Meeting (EGM)** to vote *inter alia* on a proposed strategy.

Moreover, the Board of Directors also invites the shareholders to propose by 12 June 2025, highly motivated and qualified individuals to serve on the Board of Directors, alongside Mr. Laurent Quélin, in order to strengthen the current Board of Directors.

We thank all shareholders for their continued support and look forward to engaging on this pivotal decision.

Further update on routine audit by Austrian authorities of 2021 and 2022 Financial Statements

Separately, we would like to also give an update on the Austrian Financial Market Authority (FMA)'s audit ongoing since December 2023. As a reminder, in December 2022 the Austrian Financial Reporting Enforcement Panel (AFREP) commenced a routine audit of the Company's annual financial statements for 2021 and 2022. Please refer to note 3.1 in the Company's 2024 audited financial statements for details on the results of AFREP's audit communicated to SunMirror in October 2023. Following thorough consultation with the Company's advisors and auditors, SunMirror's Board of Directors concluded that it did not agree with AFREP's audit findings. AFREP subsequently forwarded the proceedings to the FMA. Based on its preliminary findings, the FMA has communicated to the Company that in the FMA's view the Company had not properly accounted for the Royalty:

Classification of the Royalty:

The Company classified the Royalty as an intangible asset based on IFRS 6 Exploration for and Evaluation of Mineral Resources that is not subject to scheduled amortization due to its indefinite useful life. The FMA is of the opinion that the Royalty should instead have been classified as a financial instrument in accordance with IFRS 9 (Financial Instruments) and IAS 32 (Financial Instruments: Presentation).

Valuation of the Royalty:

Furthermore, the FMA is of the opinion that existing material risk and uncertainty factors were not sufficiently considered in the valuation of the Royalty. The FMA has left open the extent to which they think it may be the case and what the impact may be on the valuation of the Royalty.

Reporting of critical accounting judgments or assumptions in accordance with IAS 1:

Finally, the FMA states that SunMirror should have disclosed critical accounting judgments and assumptions in relation to the Royalty in its 2021 and 2022 financial statements.

If the Royalty were to be recognized as a financial instrument in accordance with IFRS 9 and IFRS 32, as per the FMA's preliminary conclusions, it would be subject to annual impairment testing, which could result in a write down and restatement of prior years' financial statements.

The FMA now gives SunMirror the opportunity to comment on its findings. We will keep investors updated on any further development in this matter.

About SunMirror AG

The Group invests into strategic mineral exploration assets with a strong focus on sustainable green battery metals, such as cobalt, lithium and nickel, as well as copper and gold deposits in developed markets. The company aims to either produce minerals at a later stage or sell those assets to strategic buyers. SunMirror's key exploration assets acquired in 2020, are currently located in Western Australia but the Group aims to complement its portfolio with additional early stage mining licenses, focused on Europe with the ultimate aim of providing a secure, stable and sustainable supply of battery raw materials to support the electric revolution. SunMirror's core belief is that exploring for green battery metals must be accompanied by a sustainable approach to mining, thereby aiming to become a reference in terms of "responsible exploration".

The company's shares (ISIN CH0396131929) are listed on the Vienna Stock Exchange (auction trading, ticker: ROR1). For further information, please visit: www.sunmirror.com.

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