

# \$24m raising to fund drilling with four rigs at Sunstone's two gold-copper discoveries

## Drilling ongoing with next batch of assays from the high-grade Alba porphyry discovery expected during April

Sunstone Metals Limited (ASX:STM) is pleased to advise that it has received firm commitments to raise approximately \$20 million via a share placement at 6.7 cents (\$0.067) per share (Placement).

Sunstone will also undertake a Share Purchase Plan (SPP) to raise up to \$4 million allowing current eligible shareholders, who were registered on the Sunstone share register at 7.00pm (Brisbane time) on 12 April 2022 (Record Date) with a registered address in Australia or New Zealand, to acquire shares at the same price as the placement.

Documentation outlining the details of the SPP with other key dates will be sent to eligible shareholders later in April. Sunstone encourages shareholders to ensure their email addresses are registered with our share registry Computershare <https://www.computershare.com.au/easyupdate/STM> to enable efficient receipt of documentation.

The proceeds of the Placement and SPP will be used primarily to fund exploration at the Bramaderos gold-copper project in southern Ecuador, the El Palmar gold-copper project in Northern Ecuador and for working capital. At the completion of the placement and the SPP the Company will have approximately \$30M in cash and ~\$2.5 million in tradeable equities.

**At Bramaderos**, three diamond rigs are drilling at the Alba and Brama targets. Drilling at Alba is following up strong gold-copper porphyry assays from the initial four drill holes (see ASX announcements dated 7 March 2022 and 18 Nov 2021). At Brama, infill and extension drilling are underway to provide data for an initial Mineral Resource Estimate, expected in late 2022.

The next batch of assays from Alba are expected in late April.

An electrical geophysical survey has been completed at Alba and Limon and strong targets have been identified for follow-up drilling.

**At El Palmar**, drilling is continuing with one rig while an electrical geophysical survey is being undertaken. Improvements to processing of drill core have been implemented to allow for faster movement of core through Sunstone's facility and into the laboratory. The next batch of assays results are expected in late April or early May. Results from the geophysical survey, which will assist with improved targeting of the deep magnetic targets, are also expected in late April.

Sunstone Managing Director Malcolm Norris said: "We already have two outstanding porphyry discoveries on our hands with Alba and El Palmar and several other highly prospective targets to test.

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## ASX ANNOUNCEMENT

“The funds from this raising will ensure we can conduct multiple drilling programs and other exploration work in parallel with the aim of adding substantial value as fast as possible for shareholders.”

Morgans Corporate Limited and Taylor Collison Limited acted as Joint Lead Managers to the Placement.

The Placement comprises 298,507,463 new shares and will be issued within the Company’s available capacity under ASX Listing Rule 7.1.

For further information, please visit [www.sunstonemetals.com.au](http://www.sunstonemetals.com.au)

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### About Sunstone Metals

Sunstone has an advanced portfolio of exploration and development projects in Ecuador and Scandinavia. The portfolio comprises:

1. **The Bramaderos Gold-Copper Project** where Sunstone owns an 87.5% interest with TSXV listed Cornerstone Capital Resources holding 12.5% (see ASX announcement dated 10<sup>th</sup> April 2017, 28<sup>th</sup> August 2019, and 7 January 2020). The Bramaderos gold-copper project is located in Loja province, southern Ecuador, and is highly prospective for the discovery of large porphyry gold-copper systems, and high-grade epithermal gold systems. Historical exploration results from drilling at Bramaderos together with recent exploration by Sunstone and joint venture partner Cornerstone Capital Resources (TSXV:CGP) indicate multiple fertile mineralised systems with significant discovery potential.
2. **The El Palmar Copper-Gold Project** where Sunstone holds 51% and is completing the process to increase its interest in the project to 70%, of the highly prospective 800ha El Palmar gold-copper porphyry project in Ecuador. Sunstone can acquire 100% through a Staged Acquisition Agreement. The El Palmar gold-copper project is located in Imbabura province, northern Ecuador, within the same geological belt that includes the giant Alpala and Llurimagua porphyry copper-gold and copper-molybdenum deposits.
3. **Sunstone has a large equity interest** in Stockholm listed Copperstone Resources (COPP-B.ST) following the sale of the Viscaria Copper project to Copperstone in 2019.

Mr Malcolm Norris, Managing Director of Sunstone Metals Ltd., has authorised this announcement to be lodged with the ASX.