

Sunshine Metals Ltd
ABN 12 063 388 821
ASX Code: SHN

ASX Release | 30 October 2024

Quarterly Report

For the quarter ended
30 September 2024

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Sunshine Metals is focused on discovery and development at its high quality projects in Queensland, led by the Ravenswood Consolidated Project, which lies within a district that has produced over 20Moz gold, and 14Mt of volcanic massive sulphides ore (zinc-copper-lead).

Highlights

- **Liontown West Resource drilling delivers thick, solid results”**
 - 11.0m @ 4.90g/t Au, 0.52% Cu & 1.73% Zn from 73m (24LTRC028), including 6.0m @ 8.54g/t Au, 0.80% Cu & 2.70% Zn from 73m at Liontown West
 - 10.0m @ 2.60g/t Au, 1.04% Cu & 1.21% Zn from 83m (24LTDD011) at Liontown West
- **High-grade gold targets confirmed at Lighthouse Farm-In. Rock chip results include: 32.7g/t Au, 25.9g/t Au, 23.5g/t Au.**
- **Completion of 6 diamond drill holes (2,323.4m) in the Gap Zone, Liontown***
- **Divestment of the Triumph Gold Project for \$2m to Dart Mining NL (ASX:DTM)****

* Assays outstanding
** Subject to completion

Ravenswood Consolidated Project

Gold, Copper, Zinc, Lead, Silver, Molybdenum
Ownership 100% / Earning 75% (Lighthouse JV) | Queensland

The 1,760km² Ravenswood Consolidated Project near Charters Towers is located within a prolific mining district which hosts some of Queensland's largest mines and has collectively produced over 20Moz gold, and 14Mt of volcanogenic massive sulphide (VMS) ore (copper-gold, zinc-lead). The project holds a Au-Cu, Zn-Pb-Ag VMS Resource of 5.45mt @ 12.0% ZnEq (47% Indicated, 53% Inferred¹).

Liontown West Resource drilling delivers thick, solid results

On 14 August 2024, Sunshine announced thick, high-grade gold and copper results from Resource infill drilling at Liontown West. The results included:

- **11.0m @ 4.90g/t Au, 0.52% Cu, 1.73% Zn & 0.91% Pb** (from 73m, 24LTRC028) Including **6.0m @ 8.54g/t Au, 0.80% Cu, 2.70% Zn & 1.32% Pb** (from 73m, 24LTRC028)
- **10.0m @ 2.60g/t Au, 1.04% Cu, 1.21% Zn & 0.28% Pb** (from 83m, 24LTRC026)
- **11.0m @ 0.29g/t Au, 1.47% Cu, 4.81% Zn & 0.47% Pb** (from 179m, 24LTRC027) Including **6.0m @ 0.44g/t Au, 1.67% Cu, 6.95% Zn & 0.75% Pb** (from 279m, 24LTRC027)
- **3.0m @ 1.16g/t Au, 0.30% Cu, 0.24% Zn & 14.35% Pb** (from 15m, 24LTRC029)

Three shallow, high-grade Au prospects identified at Lighthouse Farm-in

On 12 August 2024, Sunshine announced the validation of high-grade, gold bearing quartz veins at Double Event, part of the Lighthouse Farm-In at Ravenswood Consolidated. The mapping and sampling program returned seven high-grade gold rock chip results from 13 samples collected. Results included:

- **32.7g/t Au, 31.2g/t Ag, 1.18% Pb** (DE24_001)
- **25.9g/t Au, 35.7g/t Ag, 2.32% Pb** (DE24_011)
- **23.5g/t Au, 28.1g/t Ag** (DE24_007)
- **22.5g/t Au, 30.4g/t Ag, 1.61% Pb** (DE24_008)
- **15.95g/t Au, 20.4g/t Ag, 2.90% Pb** (DE24_004)
- **6.32g/t Au** (DE24_006)
- **3.1g/t Au** (DE24_010)

¹ SHN ASX Release, 7 February 2024, "Significant Increase in Liontown Resource"

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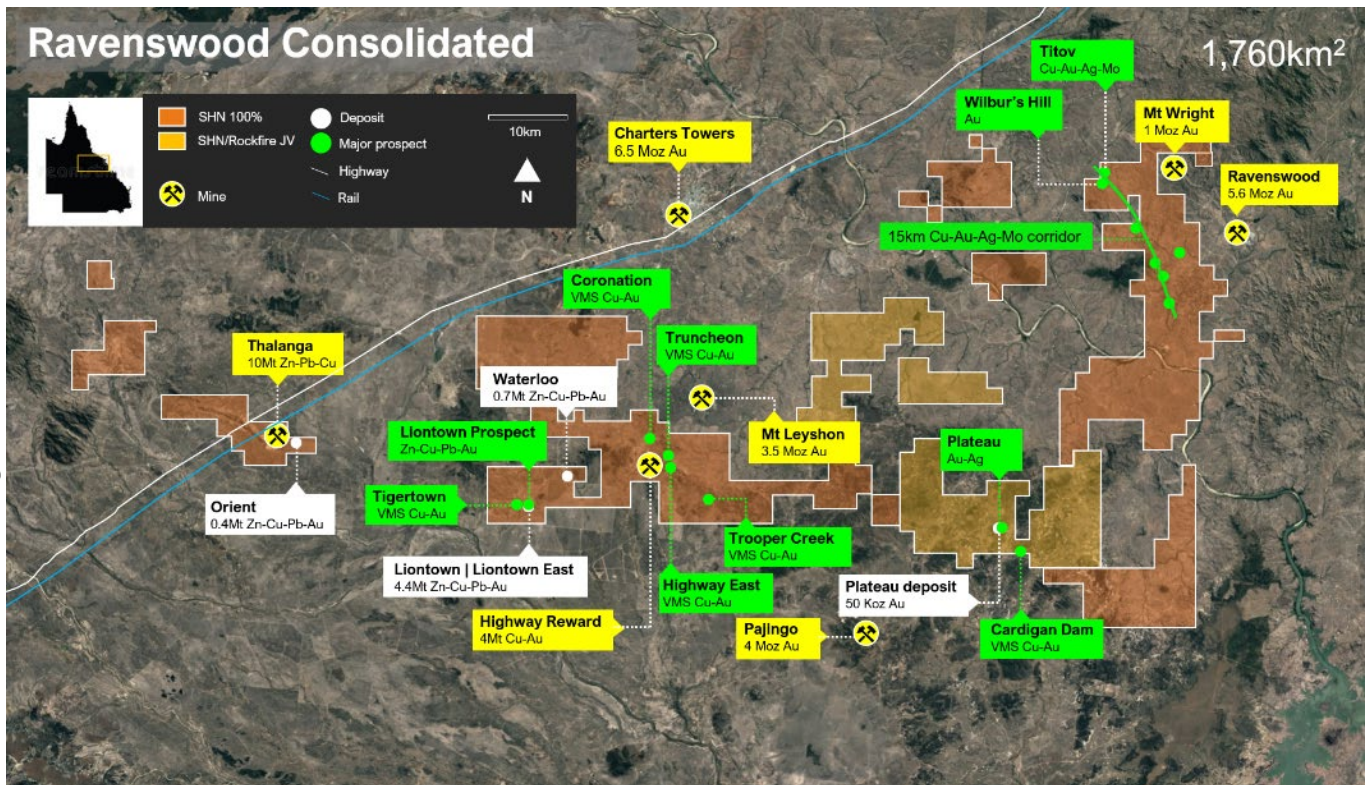


Figure 1. Ravenswood Consolidated showing Sunshine's tenements and large mines in the district.

Sampling and mapping identified that:

- high-grade mineralisation remains open over >3.5km of strike length;
- veins show continuity beneath shallow cover;
- several veins remain untested by drilling; and
- multiple, near-surface, high-grade veins are present within a 3.5km x 1km area at Double Event.

Historic drilling at Double Event is limited to shallow RC holes (53 holes, 2,502m, 47m avg. depth) testing only small portions of two individual quartz veins. Notwithstanding the limited historic drilling results include high-grade intervals:

- **2m @ 13.19g/t Au** from 24m (LTR08)
- **6m @ 5.4g/t Au** from 27m (BDE023)
- **2m @ 3.98g/t Au** from 39m (BDE007)
- **5m @ 3.88g/t Au** from 31m (LTR024)

Corporate

Triumph Divestment

On 27 August 2024, Sunshine announced a binding sale and purchase agreement with Dart Mining NL (ASX: DTM, "Dart"), to divest the Triumph Gold Project ("Triumph") for a total consideration of \$2 million, comprised of \$1 million in cash and \$1 million in Dart fully paid ordinary shares, subject to completion.

The total consideration is:

- \$1 million cash payable to Sunshine, with \$50,000 deposit paid on sale and purchase agreement execution and \$950,000 payable on completion; and
- \$1 million in Dart fully paid ordinary shares to Sunshine. Shares are subject to voluntary escrow periods post completion of 3 months (25% of consideration shares), 6 months (25% of consideration shares) and 12 months (50% of consideration shares).

Upon completion, Dart will hold a 100% interest in the two Triumph tenements, EPM 18486 and EPM 19343. Completion is subject to:

- Dart shareholder approval for the issue of consideration shares.
- Regulatory approval for the transfer of EPM18486 and EPM19343.
- Third party consents to the transfer of associated agreements.

Completion is expected in mid November 2024.

Cash Position

Sunshine held cash reserves at the end of quarter of ~\$1.7M. Completion of the Triumph divestment in November 2024 will add \$1.0M cash and \$1.0M of Dart fully paid ordinary shares.

Shareholder Information

As at 30 September 2024, the Company had 1,908 shareholders and 1,587,644,808 ordinary fully paid shares on issue with the top 20 shareholders holding 44.67% of the total issued capital.

Payments to Related Parties

Pursuant to the requirements of Listing Rule 5.3.5, a description of and explanation for payments to related parties and their associates per Section 6.1 of the Appendix 5B following this Quarterly Activities Report is set out in the below table.

Director Remuneration	Current Quarter \$	Previous \$
Managing Director fees	83,625	67,155
Non-Executive Director fees	53,385	37,800
Company Secretarial fees	3,300	9,900
Total	140,310	114,855

Planned activities

The Company has a busy period ahead including the following key activities and milestones:

- November 2024: Metallurgical test work results for the Gap Zone
- November 2024: Remaining diamond drilling results for the Gap Zone
- November 2024: Completion of Triumph divestment
- November-December 2024: RC drilling results Highway East and Truncheon
- November 2024: Geophysical surveys commence
- 13-15 November 2024: Noosa Mining Conference
- 29 November 2024: Annual General Meeting
- December 2024: Liontown Resource Update

Tenement Interests

Project	Tenement	Status	Beneficial Interest
Hodgkinson	EPM 18171	Granted	100%
Hodgkinson	EPM 19809	Granted	100%
Hodgkinson	EPM 25139	Granted	100%
Hodgkinson	EPM 27539	Granted	100%
Hodgkinson	EPM 27574	Granted	100%
Hodgkinson	EPM 27575	Granted	100%
Investigator	EPM 27343	Granted	100%
Investigator	EPM 27344	Granted	100%
Investigator	EPM 28369	Application	100%
Triumph	EPM 18486	Granted	100%
Triumph	EPM 19343	Granted	100%
Ravenswood	EPM 26041	Granted	100%
Ravenswood	EPM 26152	Granted	100%
Ravenswood	EPM 26303	Granted	100%
Ravenswood	EPM 26304	Granted	100%
Ravenswood	EPM 27824	Granted	100%
Ravenswood	EPM 27825	Granted	100%
Ravenswood	EPM 28237	Granted	100%
Ravenswood	EPM 28240	Granted	100%
Ravenswood	EPM10582	Granted	100%
Ravenswood	EPM12766	Granted	100%
Ravenswood	EPM16929	Granted	100%
Ravenswood	EPM26718	Granted	100%
Ravenswood	EPM27357	Granted	100%
Ravenswood	EPM27520	Granted	100%
Ravenswood	EPM14161	Granted	100%

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Project	Tenement	Status	Beneficial Interest
Ravenswood	EPM25815	Granted	100%
Ravenswood	EPM18471	Granted	100%
Ravenswood	EPM18470	Granted	100%
Ravenswood	EPM18713	Granted	100%
Ravenswood	EPM25895	Granted	100%
Ravenswood	ML10277	Granted	100%
Ravenswood	ML100290	Approved	100%
Ravenswood	ML100302	Approved	100%
Ravenswood#	EPM25617	Granted	0%
Ravenswood#	EPM26705	Granted	0%

Farm-In tenements. SHN has the capacity to earn 75% beneficial interest over 3 years. Refer ASX: 20 January 2023.

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Mineral Resources and Ore Reserves

Sunshine Metals Resource inventory comprises the Greater Liontown VMS (Zn-Cu-Au-Pb-Ag), Triumph (Au) and Plateau (Au) Resources.

There were no Ore Reserves at 30 September 2024.

Prospect	Lease Status	Resource Class	Tonnage (kt)	Gold (g/t)	Copper (%)	Zinc (%)	Silver (g/t)	Lead (%)	Zinc Eq. (%) *		Contained Gold (Koz)	Contained Copper (kt)	Contained Zinc (t)	Contained Silver (Koz)	Contained Lead (t)
Liontown Oxide	ML/MLA	Inferred	142	2.0	0.3	0.6	18	2.9	9.51		9,176	454	895	84,414	4,146
	ML/MLA	Total	142	2.0	0.3	0.6	18	2.9	9.51		9,176	454	895	84,414	4,146
Liontown	ML/MLA	Indicated	1,853	1.5	0.6	5.5	46	2.2	10.94		86,384	11,674	102,656	2,725,572	40,951
	ML/MLA	Inferred	948	1.2	1.8	3.3	20	0.9	10.63		36,879	17,159	31,568	610,188	8,342
		Total	2,801	1.4	1.0	4.8	37	1.8	10.84		123,264	28,833	134,225	3,335,759	49,294
Liontown East	ML/MLA	Inferred	1,470	0.7	0.5	7.5	29	2.5	10.96		34,226	7,190	109,862	1,378,395	37,133
		Total	1,470	0.7	0.5	7.5	29	2.5	10.96		34,226	7,190	109,862	1,378,395	37,133
Waterloo	ML/MLA	Indicated	402	1.4	2.6	13.3	68	2.1	23.40		17,778	10,595	53,596	874,195	8,491
	ML/MLA	Inferred	271	0.4	0.8	6.8	24	0.8	9.26		3,574	2,093	18,498	206,504	2,082
		Total	673	1.0	1.9	10.7	50	1.6	17.71		21,352	12,687	72,094	1,080,699	10,573
Orient	EPM	Indicated	329	0.2	1.1	10.9	55	2.5	15.20		2,137	3,517	35,772	581,002	8,212
	EPM	Inferred	32	0.2	0.9	14.5	51	2.2	17.74		237	273	4,640	52,470	704
		Total	361	0.2	1.0	11.2	55	2.5	15.43		2,373	3,790	40,412	633,472	8,916
Total VMS Resource			5,447	1.1	1.0	6.6	37	2.0	11.99		190,391	52,954	357,487	6,512,740	110,062
Plateau*	EPM	Inferred	961	1.7	-	-	10.7	-	-		49,960	-	-	329,435	-
Triumph	EPM	Inferred	1,808	2.0	-	-	-	-	-		117,897	-	-	-	-
Global Resource											358,248	52,954	357,487	6,842,175	110,062

Notes on Resource:

- The preceding statement of Resources conforms to the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition'.
- All tonnages are reported as dry metric tonnes.
- Discrepancies in totals may occur due to rounding.
- Triumph Resources have been reported with varying cut-offs based on several factors discussed in the corresponding Table 1 which can be found with the original ASX announcement, 31st March 2022 "Robust Maiden Resource at Triumph Gold Project".
- Greater Liontown Resource parameters and corresponding Table 1 are discussed in ASX announcement, 8 May 2023 "Fully Funded Acquisition of Greater Liontown".
- Greater Liontown Resource ZnEq% calculation based on met testwork recoveries of: Copper 80%, Lead 70%, Zinc 88%, Gold 65%, Silver 65% and price assumptions: Copper US\$3.80 / lb, Lead US\$0.90 / lb, Zinc US\$1.10 / lb, Gold \$1800 / oz, Silver \$20 / oz.
- Plateau Resource parameters and corresponding Table 1 are discussed in ASX announcement SHN, 20 January 2023 "Consolidation of High Grade Advanced Au Prospects RW".
- SHN earning 75% equity in Plateau (ASX: SHN, 20th January 2023 & 22nd March 2023).

Quality Control

Sunshine Metals ensures that the Resource estimate quoted is subject to internal controls activated at a site and corporate level. All aspects of the Resource process follow a high level of industry standard practices. Contract RC and diamond drilling was overseen by experienced Sunshine Metals employees, with completed holes subject to downhole gyroscopic survey and collar coordinates surveyed with RTK GPS. Geological logging and sampling were completed by Sunshine Metals geologists. Sunshine Metals employs field quality control (QC) procedures, including addition of standards, blanks and duplicates ahead of assaying which was undertaken using industry standard fire assay at Intertek and ALS laboratories in Townsville. All drilling information is continually validated and managed by

a database consultant. Geological models and wireframes were built using careful geological documentation and interpretations, all of which were validated by peer review. Resource estimation (Triumph) was undertaken by consultant Measured Group. Estimation techniques are industry standard and include block modelling using Ordinary Kriging. Resource estimation (Greater Liontown) was undertaken by consultant Mining One and by Red River Resources. Estimation techniques are industry standard and include block modelling using Ordinary Kriging and ID2. Resource estimation (Plateau) was undertaken by Sunshine Metals using industry standard estimation techniques and include block modelling using ID2.

Application of other parameters including cut off grades, top cuts and classification are all dependent on the style and nature of mineralisation being assessed. All Resources are reported under JORC 2012. No Ore Reserve estimation has been completed or announced to date at Triumph.

Material Changes

Nil

Competent Person Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Matt Price, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG) and the Australian Institute of Mining and Metallurgy (AusIMM). Mr Price has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Price consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Liontown and Triumph is based on information compiled and reviewed by Mr Andrew Dawes who is a Member of the Australian Institute of Geoscientists (AIG) and the Australian Institute of Mining and Metallurgy (AusIMM). Mr Dawes has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources'. Mr Dawes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Waterloo and Orient is based on information compiled and reviewed by Mr Stuart Hutchin, who is a Member of the Australian Institute of Geoscientists (AIG) and is a Principal Geologist employed by Mining One Pty Ltd. Mr Stuart Hutchin has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources'. Mr Stuart Hutchin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Liontown East is based on information compiled and reviewed by Mr Peter Carolan, who is a Member of the Australasian Institute of Mining and Metallurgy and was a Principal Geologist employed by Red River Resources Ltd. Mr Peter Carolan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources'. Mr Peter Carolan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Plateau is based on information compiled and reviewed by Dr Damien Keys, who is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists (AIG). Dr Keys has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources'. Dr Keys consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Company Profile

Big System Potential.

Ravenswood Consolidated Project (Zn-Cu-Pb-Au-Ag-Mo): Located in the Charters Towers-Ravenswood district which has produced over 20Moz Au and 14mt of VMS Zn-Cu-Pb-Au ore. The project comprises:

- a Zn-Cu-Pb-Au VMS Resource of 5.45mt @ 12.0% ZnEq (47% Indicated, 53% Inferred²);
- 26 drill ready VMS Zn-Cu-Pb-Au IP geophysical targets where testing of a similar target has already led to the Liontown East discovery (1.47mt @ 11.0% ZnEq, 100% Inferred);
- the under-drilled Liontown Au-rich footwall with significant intersections including:
 - **5.0m @ 27.9g/t Au, 1.7% Cu** (20m, LRC018)
 - **2.0m @ 68.6g/t Au** (24m, LRC0043)
 - **20.0m @ 18.2g/t Au** (109m, 24LTRC005)
 - **17.0m @ 22.1g/t Au** (67m, 23LTRC002)
 - **8.0m @ 11.7g/t Au & 0.9% Cu** (115m, LLRC184)
 - **8.1m @ 10.7g/t Au** (154m, LTDD22055)
 - **16.2m @ 4.54g/t Au, 1.11% Cu** (from 319m, 24LTDD024)
- advanced Au-Cu VMS targets at Coronation and Highway East, analogous to the nearby Highway-Reward Mine (4mt @ 6.2% Cu & 1.0g/t Au mined);
- overlooked orogenic, epithermal and intrusion related Au potential with numerous historic gold workings and drill ready targets; and
- a Mo-Cu Exploration Target at Titov of 5-8mt @ 0.07-0.12% Mo & 0.28-0.44% Cu³.

***Investigator Project (Cu):** Located 100km north of the Mt Isa, home to rich copper-lead-zinc mines that have been worked for almost a century. Investigator is hosted in the same stratigraphy and similar fault architecture as the Capricorn Copper Mine, located 12km north.

***Hodgkinson Project (Au-W):** Located between the Palmer River alluvial gold field (1.35 Moz Au) and the historic Hodgkinson gold field (0.3 Moz Au) and incorporates the Elephant Creek Gold, Peninsula Gold-Copper and Campbell Creek Gold prospects.

**A number of parties have expressed interest in our other quality projects (Investigator Cu and Hodgkinson Au-W). These projects will be divested in an orderly manner in due course.*

² SHN ASX Release, 7 February 2024, "Significant Increase in Liontown Resource".

³ Cautionary statement: The Exploration Target has been prepared and reported in accordance with the 2012 edition of the JORC Code. The potential quantity and grade of the Exploration target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource. Exploration Target for Titov based on several factors discussed in the corresponding Table 1 which can be found with the original ASX release 21 March 2023 "Shallow High Grade Titov Cu-Mo Exploration Target".