

12 NOVEMBER 2024

Bramaderos Gold-Copper Project, Southern Ecuador

New gold-copper porphyry discovery points to more growth at Bramaderos

The Copete discovery takes the Bramaderos mineralised cluster to 2km x 1.8km, highlighting scope for large open pit operation

Key Points

- Trench sampling results from the new Copete gold-copper porphyry target at Bramaderos have confirmed significant surface porphyry gold-copper mineralisation:
 - 113m at 0.64g/t gold-equivalent² (0.51g/t gold, 0.07% copper, and 1.2g/t silver) in trench ML-01, within
 - 214.0m at 0.50g/t gold equivalent² (0.37g/t gold, 0.08% copper, and 1.1g/t silver)
- It is interpreted that copper is leached at surface and that higher grades of copper are expected in drilling
- The Copete discovery is next to the Brama-Alba Resource and the large Melonal target
- The Bramaderos cluster of gold-copper mineralised bodies at surface now covers 2km x 1.8km, highlighting the potential for a large open pit operation
- Bramaderos, along with the El Palmar project in northern Ecuador, is currently the subject of partnership discussions with third parties
- These discussions are aimed at accelerating exploration and Resource growth to help unlock the full value of the projects

Sunstone Metals Ltd (ASX: STM) is pleased to announce that it has discovered another significant gold-copper porphyry at its Bramaderos Project in southern Ecuador.

The Copete discovery is in addition to the previously released porphyry Exploration Target of 3.3 – 8.6Moz AuEq^{1,2} at Bramaderos and therefore presents significant scope for that Bramaderos Exploration Target to be increased. The potential tonnage, grade and quantity of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for the target area reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

The Copete discovery means Sunstone has now outlined a 1.8km-long cluster of porphyry gold-copper mineralised intrusions across the Melonal – Copete trend. This trend runs parallel to the Brama-Alba trend and is located only a few hundred meters to the south (see Figures 1 and 2).

The Copete target remains largely under-explored, with no drilling by Sunstone – but now with a coherent and wide mineralised trench intersection, a 3-D modelled magnetic anomaly plunging to the SE comparable to that

For personal use only

ASX ANNOUNCEMENT

seen at Brama and mapped stockwork veining interpreted to represent the upper levels of an intact porphyry system (see Figure 2).

It is interpreted that copper is leached at surface, and that higher grades of copper are expected in drilling. This is supported by individual 2m intervals returning up to 0.28% copper (ML-01c 31-33m grading 0.45g/t gold, 2.4g/t silver and 0.28% copper).

Sunstone Managing Director Patrick Duffy said, “The Copete porphyry is another exciting new discovery that adds to the large-scale potential at Bramaderos, and we don’t expect it to be the last.

“Copete is located next to the 2.7Moz AuEq² Brama-Alba Resource and the large Melonal exploration target, which further highlights the potential scale of the opportunity at Bramaderos.

“Taken together, it reinforces that Bramaderos is a world-class multi-decade mining opportunity and increases the Project’s value to third parties looking for hard-to-find gold and copper projects with genuine scale”.

For personal use only

Bramaderos Project Southern Porphyry Cluster

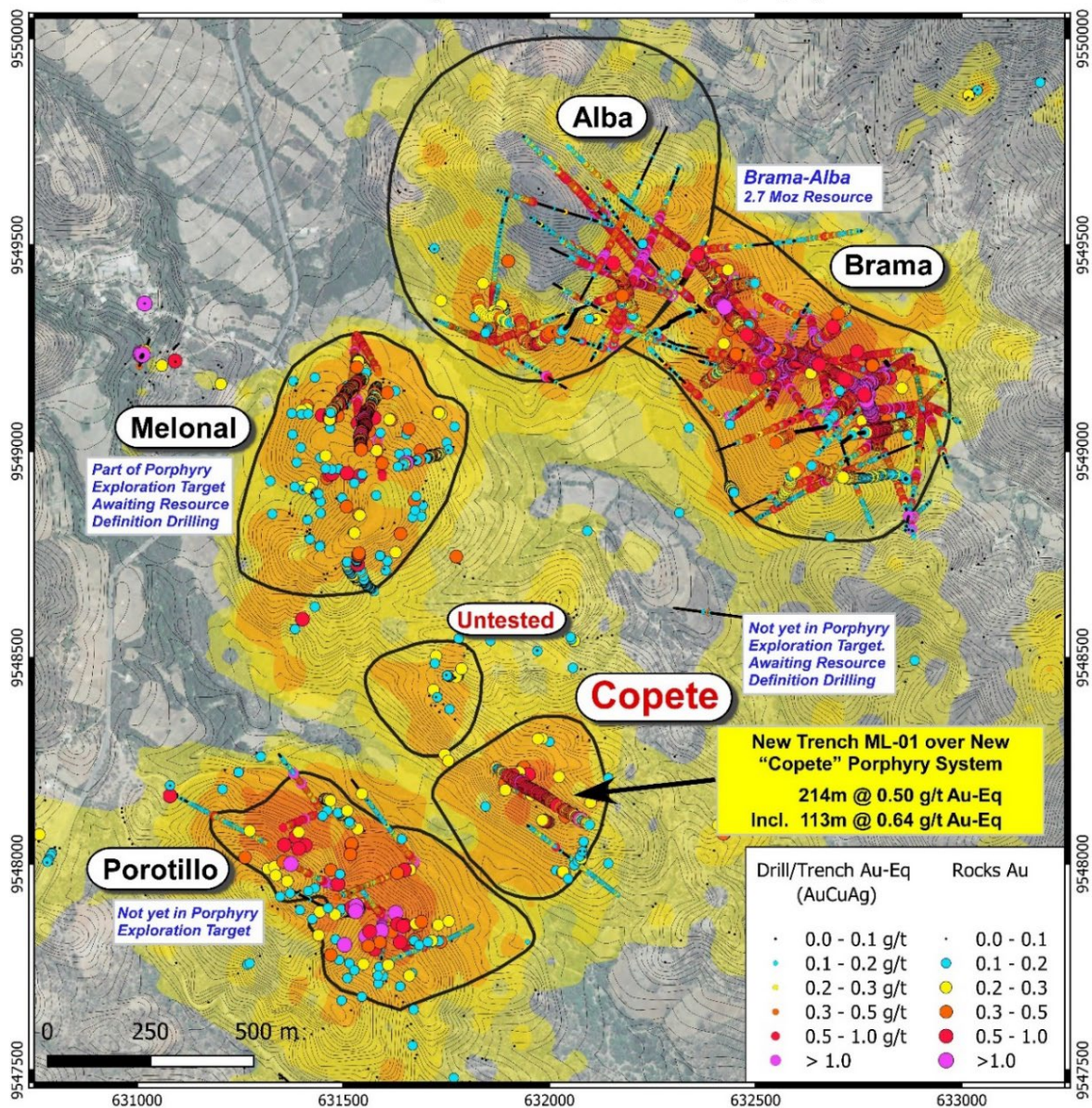


Figure 1: Plan map showing the distribution of porphyry gold-copper targets at Bramaderos.

ASX ANNOUNCEMENT

For personal use only

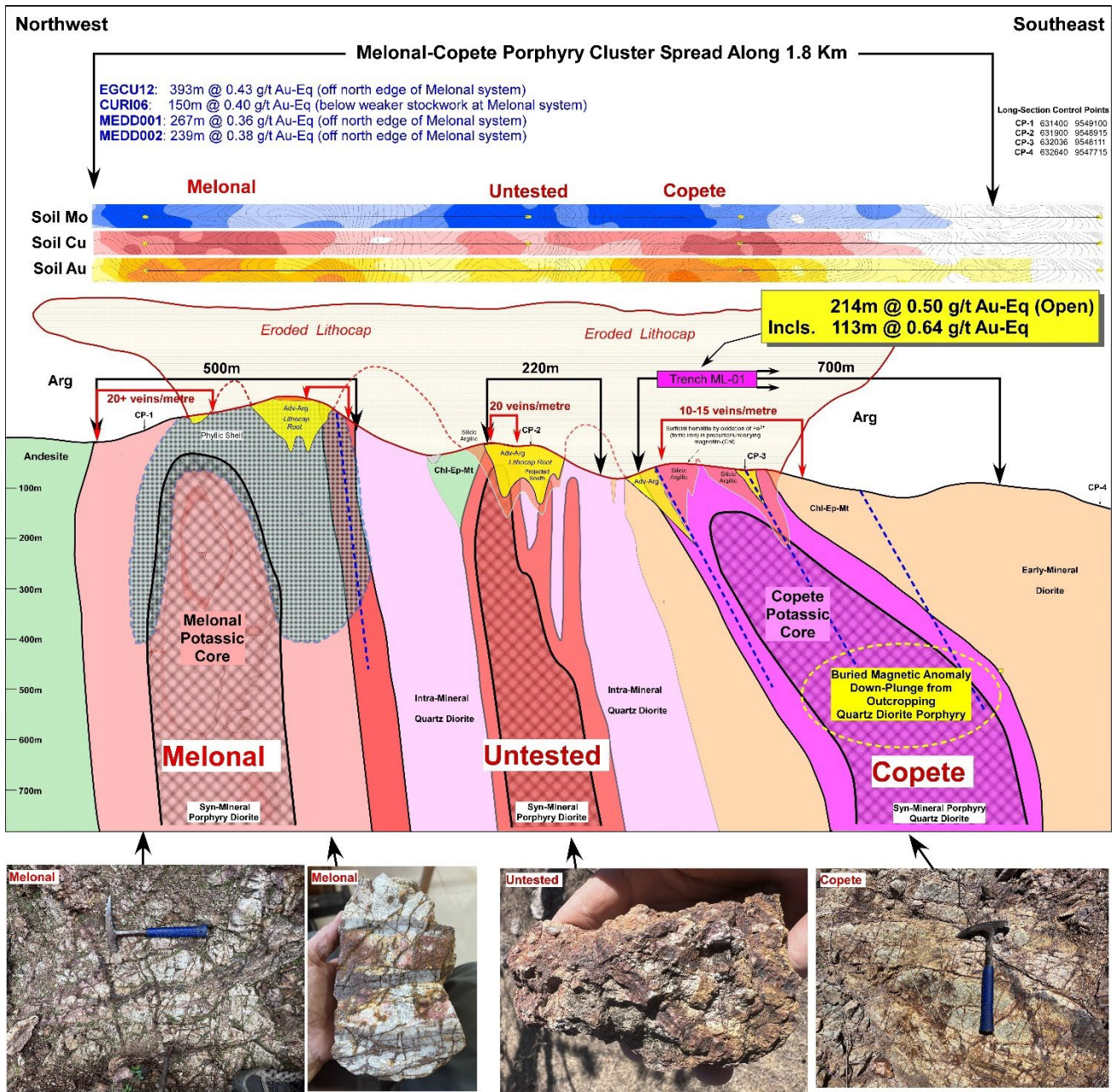


Figure 2: Cross section view along the Melonal-Copete trend.

| Trench | Length (m) | Au (g/t) | Cu (%) | Ag (g/t) | Au-Eq (Au-Ag-Cu) (g/t) | Comments |
|--------------|------------|----------|--------|----------|------------------------|--------------------------------------------------------|
| ML-01 | 214 | 0.37 | 0.08 | 1.1 | 0.50 | Local higher-grade copper; peak gold over 2m is 2.2g/t |
| includes | 113 | 0.51 | 0.07 | 1.2 | 0.64 | |

Table 1: Assay results from the recent trench sampling program at Copete.

For personal use only

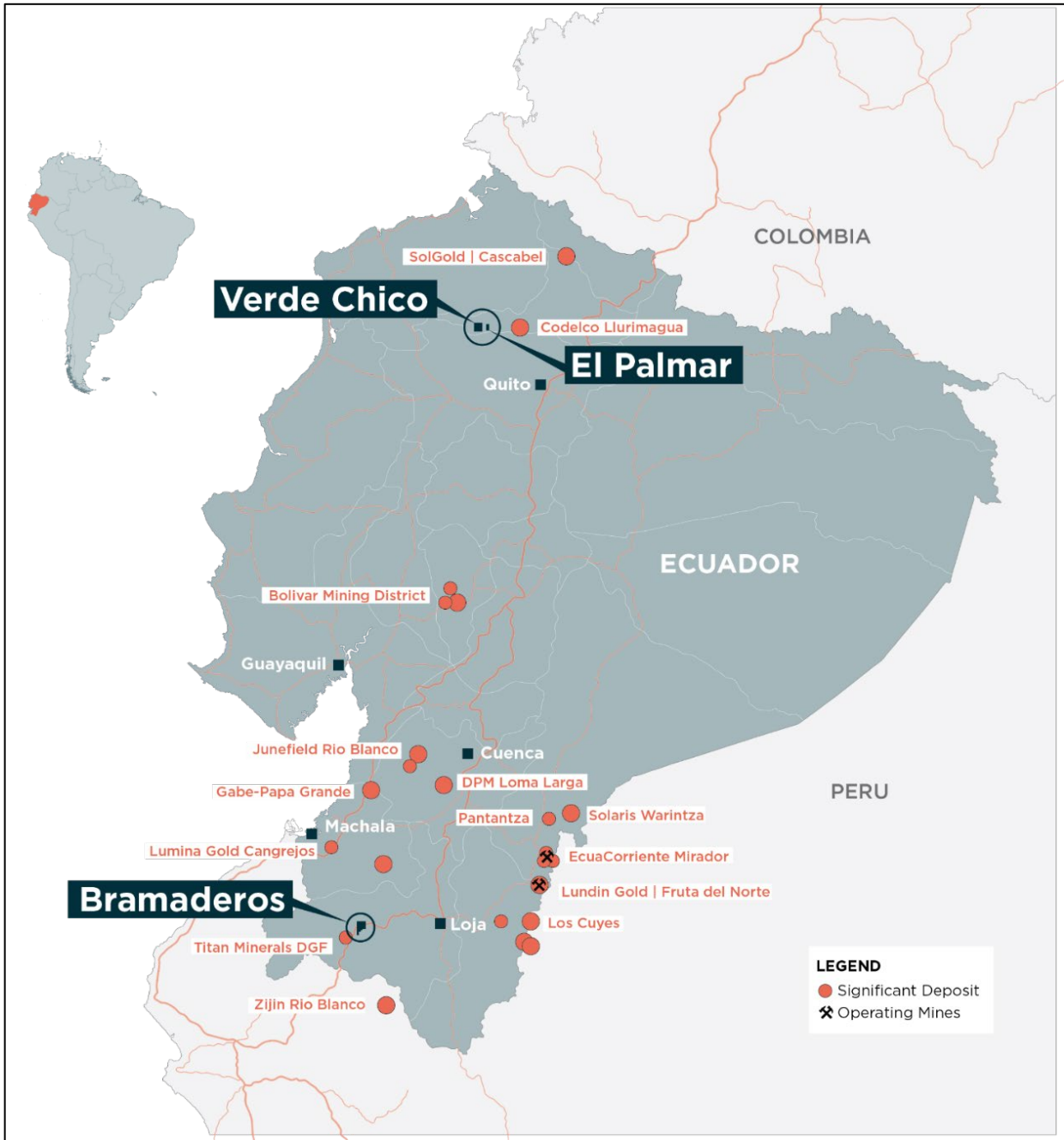


Figure 3: Location of Sunstone’s Bramaderos, El Palmar and Verde Chico projects, Ecuador.

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

For further information, please visit www.sunstonemetals.com.au

Mr Patrick Duffy
 Managing Director
 Sunstone Metals Ltd
 Tel: 07 3368 9888
 Email: info@sunstonemetals.com.au

Media:
 Paul Armstrong
 Read Corporate
 +61 8 9388 1474

ASX ANNOUNCEMENT

About Sunstone Metals

Sunstone Metals Limited (“Sunstone” or “Company”) is an ASX-listed mineral exploration company with two world-class gold and copper projects in Ecuador:

1. The **Bramaderos Project**, located in Southern Ecuador, has both at-surface and deeper porphyry gold-copper systems and contains an initial Mineral Resource estimate of 156Mt at 0.53g/t AuEq for 2.7Moz AuEq^{1,2}.

| JORC Classification | Tonnage (Mt) | Au (g/t) | Cu (%) | Ag (g/t) | AuEq ² (g/t) | AuEq ² (Mozs) |
|---------------------|--------------|-------------|-------------|------------|-------------------------|--------------------------|
| Indicated | 9 | 0.38 | 0.09 | 1.1 | 0.53 | 0.2 |
| Inferred | 147 | 0.35 | 0.11 | 1.3 | 0.53 | 2.5 |
| Total | 156 | 0.35 | 0.11 | 1.3 | 0.53 | 2.7 |

Additionally, the Bramaderos Project has a porphyry Exploration Target⁷ of between 3.3Moz and 8.6Moz AuEq within 255Mt to 360Mt at a grade between 0.40 and 0.74g/t AuEq^{1,2}, and the Limon epithermal gold-silver Exploration Target⁷ of 0.9 - 1.7Moz AuEq⁴ within 30Mt - 44Mt at a grade between 0.9 - 1.2g/t AuEq^{3,4}.

2. The **El Palmar Project** is located in northern Ecuador, 60km north-west of Ecuador’s capital Quito. The property sits on the regionally significant Toachi Fault Zone that hosts a number of world-class copper porphyry systems. The Project has both at-surface and deeper porphyry gold-copper systems and an initial Mineral Resource estimate of 64Mt at 0.60g/t AuEq^{5,6} for 1.2Moz AuEq⁶.

| JORC Classification | Tonnage Mt | Average Grade | | | | | Material Content | | | |
|---------------------|------------|-------------------------|-------------|-------------|--------------|-------------|-------------------------|------------|--------------|-----------|
| | | AuEq ⁶ (g/t) | Au (g/t) | Ag (g/t) | Cu (ppm) | Cu (%) | AuEq ⁶ (Koz) | Au (Koz) | Ag (Koz) | Cu (Kt) |
| Indicated | 5 | 0.63 | 0.42 | 0.81 | 1,456 | 0.15 | 100 | 100 | 100 | 7 |
| Inferred | 59 | 0.59 | 0.40 | 0.65 | 1,290 | 0.13 | 1,100 | 700 | 1,200 | 70 |
| TOTAL | 64 | 0.60 | 0.41 | 0.66 | 1,301 | 0.13 | 1,200 | 800 | 1,300 | 80 |

Additionally, the El Palmar Project has a porphyry Exploration Target⁷ of between 15Moz and 45Moz AuEq within 1.0 to 1.2Bt at a grade between 0.3 - 0.7g/t gold and 0.1 – 0.3% copper⁵.

For personal use only

¹ Refer ASX Announcement on 13 December 2022.

² The gold equivalent calculation formula for porphyry gold-copper-silver mineralisation at Bramaderos is $AuEq(g/t) = (Au\ grade \times Au\ price \times Au\ recov / 31.1035) + (Ag\ grade \times Ag\ price \times Ag\ recov / 31.1035) + (Cu\ grade \times Cu\ price \times Cu\ recov / 100) / (Au\ price \times Au\ recov / 31.1035)$. The prices used were US\$1,800/oz gold and US\$9,500/t copper and US\$22/oz silver. Recoveries are estimated at 89% for gold, 85% for copper, and 60% for silver based on metallurgical studies.

³ Refer ASX Announcement on 5 February 2024.

⁴ The gold equivalent calculation formula for the Limon epithermal gold-silver mineralisation is $AuEq(g/t) = Au(ppm) + (Ag(ppm)/82)$. The prices used were US\$1,800/oz gold and US\$22/oz silver. Recoveries are estimated at over 90% for gold and 90% for silver from metallurgical studies.

⁵ Refer ASX Announcement on 22 October 2024.

⁶ The gold equivalent calculation formula for porphyry gold-copper-silver mineralisation at El Palmar is $AuEq(g/t) = ((Au\ grade \times Au\ price \times Au\ recov / 31.1035) + (Ag\ grade \times Ag\ price \times Ag\ recov / 31.1035) + (Cu\ grade \times Cu\ price \times Cu\ recov / 100)) / (Au\ price \times Au\ recov / 31.1035)$. The prices applied were US\$1,800/oz gold, US\$4.50/lb copper and US\$22/oz silver. Recoveries are estimated at 90% for gold, 78% for copper (excluded for oxide material), and 60% for silver based on metallurgical studies.

⁷ The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Resource for the exploration target area reported. It is uncertain if further exploration will result in the estimation of a Resource.

ASX ANNOUNCEMENT

Strategy

The porphyry projects at Bramaderos and El Palmar have the potential to evolve into multi-decade gold-copper mining centres. At Bramaderos, the Limon epithermal deposit has been prioritised as a potential near-surface high-grade gold-silver development opportunity. This strategy allows for a scalable operation to be established first before developing the much larger porphyry gold-copper-silver opportunities at Bramaderos.

The Company continues to evaluate potential new opportunities to continue to grow our business in Ecuador, where clear shareholder value can be demonstrated. It is also evaluating potential partnerships for its projects where this may maximise the value of the portfolio.

Track Record

The team at Sunstone has been involved in significant discoveries of porphyry and epithermal copper-gold mineralisation at Tujuh Bukit in Indonesia and Cascabel in Ecuador, and the successful development of the King of the Hills Gold Mine in Western Australia and Koniambo Nickel Mine and Smelter in New Caledonia. The Company continues to attract specialist resources executives and is well-placed to repeat that success at Bramaderos and El Palmar.

Excellent infrastructure

All projects are supported by established infrastructure close to power, road and rail infrastructure and ports.

Community support

The Board and Management Team take their responsibilities to the host communities seriously and have endeavoured to implement the highest ESG standards throughout our business. Sunstone released its inaugural Sustainability Report in 2023, which details the level of support and engagement with local communities and project stakeholders.

Competent Persons Statement

The information in this report that relates to exploration results is based upon information reviewed by Dr Bruce Rohrlach who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Rohrlach is a full-time employee of Sunstone Metals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Rohrlach 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 Exploration Targets is based upon information reviewed by Mr Malcolm Norris who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of Sunstone Metals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Norris 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 relating to the Bramaderos Mineral Resource is extracted from the ASX announcement on 13 December 2022. The information relating to the El Palmar Mineral Resource is extracted from the ASX announcement on 22 October 2024. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented for their respective Mineral Resource estimates have not been materially modified from the original market announcements.

For personal use only

ASX ANNOUNCEMENT
TABLE 1 – Section 1: Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. | <ul style="list-style-type: none"> The new results announced here are from trench samples. The trench sampling was carried out along ~1-2m intervals from the base of an excavated trench. |
| | <ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | <ul style="list-style-type: none"> Sample recovery was good. |
| | <ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Trench, rock chip and channel sampling points have been guided by geological mapping. The trench samples from Copete were dried, crushed to 70% passing 2mm, Split 1000g and pulverised to 85% passing 75microns. A 20g portion of this sample was used for multi-element analysis (IMS-230) and a 30g sample for Fire Assay Au (FAS-111). |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <ul style="list-style-type: none"> Previous drilling by Sunstone at the Bramaderos project comprises diamond core drilling and has drilled to various depths up to 1200m. The diamond core was drilled delivering either HTW (70.9mm) or NTW (56mm) core. Drill core is oriented using a Reflex ACT II tool for bottom of hole. |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. | <ul style="list-style-type: none"> Diamond core recovery data for the Bramaderos drilling was measured for each drill run and captured in a digital logging software package. The data has been reviewed and core recovery was approximately 100% throughout. |
| | <ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. | <ul style="list-style-type: none"> Core recovery at Bramaderos was good, no extra measures were taken to maximise sample recovery. |
| | <ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | <ul style="list-style-type: none"> No relationship between sample recovery and grade has been established. |
| Logging | <ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. | <ul style="list-style-type: none"> Trench, channel and rock chip samples were logged for lithology, weathering, structure, mineralogy, mineralisation, colour, and other features. Logging and sampling were carried out according to Sunstone's internal protocols and QAQC procedures which comply with industry standards. |
| | <ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. | <ul style="list-style-type: none"> Trench, channel and rock chip samples are logged for lithology, weathering, structure, mineralogy, mineralisation, colour, and other features. |
| | <ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. | <ul style="list-style-type: none"> Trenches are logged in full, from start to finish of the excavation. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. | <ul style="list-style-type: none"> New trench sampling only reported in this announcement. |
| | <ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. | <ul style="list-style-type: none"> N/A. |
| | <ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. | <ul style="list-style-type: none"> Surface samples from Copete were sent to the LAC y Asociados Cia. Ltda. Sample Preparation Facility in Cuenca, Ecuador for sample preparation. The standard sample preparation for trench samples (Code PRP-910) is: Drying the sample, crushing to size fraction 70% <2mm and splitting the sample to a 250g portion by riffle or Boyd rotary splitter. The 250g sample is then pulverised to >85% passing 75 microns and then split into two 50g pulp samples. Then one of the pulp samples was sent to the MS Analytical Laboratory in |

ASX ANNOUNCEMENT

| Criteria | JORC Code explanation | Commentary |
|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | Vancouver (Unit 1, 20120 102nd Avenue, Langley, BC V1M 4B4, Canada) for gold and base metal analysis. <ul style="list-style-type: none"> The sample preparation is carried out according to industry standard practices using highly appropriate sample preparation techniques. |
| | <ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | <ul style="list-style-type: none"> Sunstone used an industry standard QAQC programme involving Certified Reference Materials “standards” and blank samples, which were introduced in the assay batches. Standards (Certified Reference Materials) or analytical blanks were submitted at a rate of 1 in 28 samples. Field duplicates were also taken at a rate of approximately 1 in 28 samples. The check or duplicate assay results are reported along with the sample assay values in the final analysis report. |
| | <ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. | <ul style="list-style-type: none"> For diamond core, the routine sample procedure is to always take the half/quarter core to the right of the orientation line (looking down hole) or the cut line (in cases where the orientation line was not reliable). Once assay results are received the results from duplicate samples are compared with the corresponding routine sample to ascertain whether the sampling is representative. |
| | <ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. | <ul style="list-style-type: none"> Sample sizes are considered to be appropriate for the style of sampling undertaken and the grain size of the material, and correctly represent the style and type of mineralisation at the exploration stage. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | <ul style="list-style-type: none"> Sunstone uses a fire assay gold technique for Au assays (FAS-111) and a four acid multi element technique (IMS-230) for a suite of 48 elements. FAS-111 involves Au by Fire Assay on a 30-gram aliquot, fusion and atomic absorption spectroscopy (AAS) at trace levels. IMS-20 is considered a near total 4 acid technique using a 20g aliquot followed by multi-element analysis by ICP-AES/MS at ultra-trace levels. This analysis technique is considered suitable for this style of mineralisation. |
| | <ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | <ul style="list-style-type: none"> Handheld XRF data, together with detailed geological logging, are used as a guide to areas of potential mineralisation and samples from these areas are sent for laboratory analysis as described above. |
| | <ul style="list-style-type: none"> Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | <ul style="list-style-type: none"> Standards, blanks and duplicates are inserted ~1/28 samples. The values of the standards range from low to high grade and are considered appropriate to monitor performance of values near cut-off and near the mean grade of the deposit. The check sampling results are monitored, and performance issues are communicated to the laboratory if necessary. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. | <ul style="list-style-type: none"> Procedure checks have been completed by the Competent Person for exploration results for this announcement. |
| | <ul style="list-style-type: none"> The use of twinned holes. | <ul style="list-style-type: none"> Twin holes have not been drilled in these areas. |
| | <ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | <ul style="list-style-type: none"> Sunstone sampling data were imported and validated using Excel. |
| | <ul style="list-style-type: none"> Discuss any adjustment to assay data. | <ul style="list-style-type: none"> Assay data were not adjusted. |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. | <ul style="list-style-type: none"> Sample co-ordinates are located by GPS and for trench samples measured along the length of the trench. |
| | <ul style="list-style-type: none"> Specification of the grid system used. | <ul style="list-style-type: none"> Ecuador projection parameters: |

For personal use only

ASX ANNOUNCEMENT

| Criteria | JORC Code explanation | Commentary | |
|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| | | Parameter | Value |
| | | Reference Ellipsoid | International 1924 |
| | | Semi Major Axis | |
| | | Inverse Flattening (1/f) | |
| | | Type of Projection | UTM Zone -17S (Datum PSAD56) |
| | | Central Meridian: | -81.0000 |
| | | Latitude of Origin | 0.0000 |
| | | Scale on Central Meridian | 0.9996 |
| | | False Northing | 10000000 |
| | | False Easting | 500000 |
| | <ul style="list-style-type: none"> Quality and adequacy of topographic control. | <ul style="list-style-type: none"> The topographic control was compared against published maps and satellite imagery and found to be good quality. | |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. | <ul style="list-style-type: none"> The trench samples were collected from the base of a hand-excavated trench from the Bramaderos Copete target, and with sample length generally around 2.0m. | |
| | <ul style="list-style-type: none"> Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. | <ul style="list-style-type: none"> The data from these samples does not contribute to any resource estimate nor implies any grade continuity. | |
| | <ul style="list-style-type: none"> Whether sample compositing has been applied. | <ul style="list-style-type: none"> No sample compositing was done. | |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. | <ul style="list-style-type: none"> Trench, channel orientations and rock chip locations were appropriate for the interpreted geology providing representative samples. | |
| | <ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <ul style="list-style-type: none"> No sampling bias is expected at this stage. | |
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | <ul style="list-style-type: none"> Sunstone sampling procedures indicate individual samples were given due attention. Sample security was managed through sealed individual samples and sealed bags of multiple samples for secure delivery to the laboratory by permanent staff of the joint venture. MS Analytical is an internationally accredited laboratory that has all its internal procedures heavily scrutinised in order to maintain their accreditation. MS Analytical is accredited to ISO/IEC 17025 2005 Accredited Methods. | |
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> Sunstone's sampling techniques and data have been audited multiple times by independent mining consultants during various project assessments. These audits have concluded that the sampling techniques and data management are to industry standards. All historical data has been validated to the best degree possible and migrated into a database. | |

For personal use only

ASX ANNOUNCEMENT

TABLE 1 – Section 2: Exploration Results

| Criteria | JORC Code explanation | Commentary |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. | <ul style="list-style-type: none"> The Bramaderos Exploration Concession is located in the Loja Province of southern Ecuador. The concession was granted to La Plata Minerales S.A. (“PLAMIN”) in January 2017. PLAMIN is a subsidiary of Sunstone Metals Ltd. The concession is subject to a Joint Venture between SolGold Canada Inc. (12.5%) and Sunstone Metals Ltd. (87.5%). There are no declared wilderness areas or national parks within or adjoining the concession area. There are no established native title interests. |
| | <ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | <ul style="list-style-type: none"> The Bramaderos Exploration Concession was granted to La Plata Minerales S.A. (“PLAMIN”) in January 2017. PLAMIN is now a subsidiary of Sunstone Metals Ltd. The Bramaderos Concession is subject to a Joint Venture between Sunstone Metals and SolGold. Sunstone has an 87.5% interest in the JV. SolGold’s 12.5% interest is loan carried. |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> The historic exploration at Bramaderos was completed by various groups over the period 1970-1984, 2001-2002 and 2004-2007. Most of the readily available historic data has been acquired and compiled into databases and a GIS project. Exploration by other parties has included stream sediment surveys, geological mapping, rock chip sampling (888 samples) and grid-based soil sampling (1324 samples), trenching and channel sampling (17 trenches), ground magnetic surveys (31 line kilometres), electrical IP surveys and diamond drilling (10426m). |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> The deposit style being explored for includes intrusion-related and stockwork hosted porphyry gold-copper systems plus epithermal gold-silver-polymetallic veins. The setting at the Bramaderos project is a volcanic arc setting of Cretaceous age intrusions. |
| Drill hole Information | <ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ol style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. | <ul style="list-style-type: none"> Details of the samples discussed in this announcement are in the body of the text. See Figures 1-2 for the location of trench, channel and rockchip sampling, and soil survey coverage at Copete and nearby areas. |
| | <ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | <ul style="list-style-type: none"> Information included in the announcement. |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. | <ul style="list-style-type: none"> Weighted averages were calculated over reported intervals according to sample length. No grade cut-offs were applied. |
| | <ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. | <ul style="list-style-type: none"> No aggregating of intervals undertaken at this stage. |
| | <ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. | <ul style="list-style-type: none"> Preliminary metallurgical studies are indicating a standard grind with a flotation circuit. Stage one will recover copper and the majority of gold as a saleable concentrate. Stage two is a finer grind with a cyanide leach for gold on site. Current, overall estimated recoveries for the combined process are 86% for copper and 89% for gold. |

For personal use only

ASX ANNOUNCEMENT

| Criteria | JORC Code explanation | Commentary |
|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported. | <ul style="list-style-type: none"> Figures 1-2 show the interpreted strike orientation of the mineralised lodes based on mapping and interpretation of detailed magnetic data. |
| | <ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). | <ul style="list-style-type: none"> True widths of mineralised lodes are not known at this stage. |
| Diagrams | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | <ul style="list-style-type: none"> See Figures 1-2 for maps showing the distribution of samples. |
| Balanced reporting | <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | <ul style="list-style-type: none"> Figures 1-2 show the current interpretations of geology. |
| Other substantive exploration data | <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported) including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> Figures 1-2 above show various datasets that are being used to identify target areas and to guide current and future drilling. |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). | <ul style="list-style-type: none"> The planned exploration program is outlined in the announcement. |
| | <ul style="list-style-type: none"> Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | <ul style="list-style-type: none"> See Figures 1-2 which show areas for further exploration. |

For personal use only