

22 APRIL 2022

Successful completion of Placement to fund drilling at Sunstone's two gold-copper discoveries in Ecuador

Sunstone Metals Limited (ASX:STM) is pleased to confirm the completion of its \$20 million capital raising via a heavily over-subscribed share placement of 298,507,463 shares at a price of 6.7 cents (\$0.067) per share (Placement), as announced on 13 April 2022.

The Placement saw several new institutional investors join the Sunstone share register. Morgans Corporate Limited and Taylor Collison Limited acted as Joint Lead Manager to the Placement. Approximately 60% of the shares issued under the Placement were to new institutional investors with the remainder issued to existing sophisticated shareholders who collectively held approximately 20% of the shares on issue of Sunstone prior to the Placement.

Sunstone confirms that as far as the company is aware no securities were issued to any person referred to in ASX Listing Rule 10.11.

As advised in the announcement of April 13th, Sunstone is also undertaking a Share Purchase Plan (SPP) to allow 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 was sent to eligible shareholders on 21 April 2022 and the SPP offer is now open. Under the offer each eligible shareholder may apply for up to \$30,000 worth of new shares before the Closing Date of the SPP at 5.00pm (Brisbane time) 6 May 2022. A limit of 60 million shares is being put on the SPP.

If applications for New Shares under the SPP Offer exceed 60 million New Shares, Sunstone may, in its absolute discretion, close the offer early and/or allocate less than the number of New Shares applied for (Scale Back) and determine to apply the Scale Back on a pro-rata basis based on the size of the participating eligible shareholders' existing holdings or the number of securities the participating eligible shareholders have applied for.

ASX ANNOUNCEMENT

For further information, please visit 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 10th April 2017, 28th 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.