

Sunstone 4.8Moz AuEq resource set for more growth with drilling to resume at Bramaderos

Drilling will target areas of known mineralisation to bring them into the resource;
Scoping study set for completion in June quarter

Bramaderos Gold and Copper Project, Southern Ecuador

- Highly successful quarter, with the Bramaderos Mineral Resource Estimate (MRE) increasing by 900,000oz AuEq¹ to 3.6Moz AuEq^{1,2}
- The MRE includes 600,000oz AuEq¹ in the Indicated category (a 200% increase on the previous 200,000 AuEq¹); This will support the scoping study underway on an open-pit mine development at Bramaderos
- The MRE is limited to the pit-constrained Brama-Alba-Melonal porphyry deposits, further demonstrating scope for substantial growth
- In addition to the MRE, Bramaderos's combined gold and copper Exploration Target has increased to 5M–13Moz AuEq¹ (345–549Mt at 0.45–0.73g/t AuEq¹), including the new Copete-Porotillo Exploration Target of between 135 - 180Mt at a grade between 0.4 - 0.6g/t AuEq¹ for 1.7Moz – 3.5Moz AuEq^{1,2}
- The potential quantity and grade of the Exploration Targets are conceptual in nature. There has been insufficient exploration to estimate a Resource for the reported exploration target area. It is uncertain if further exploration will result in the estimation of a Resource
- Drilling is set to commence in the March Quarter at Melonal, Copete and Porotillo

El Palmar Gold and Copper Project, Northern Ecuador

- Maiden Mineral Resource estimate (MRE) of 1.2Moz AuEq^{5,6} based solely on the outcropping T1 gold-copper porphyry target, which is one of several gold-copper porphyry deposits at El Palmar. T1 has the potential to be a large open pit opportunity before undertaking exploration and development of the deeper porphyry opportunities
- A high conviction Exploration Target of between 15M and 45Moz AuEq^{5,6} has been identified at El Palmar, consisting of 1.0Bt to 1.2Bt at a grade between 0.3g/t to 0.7g/t gold and 0.1% to 0.3% copper for contained metal of between 10Moz and 27Moz gold and 1.0 to 3.7Mt copper

Partnership discussions

- Discussions continue regarding potential corporate transactions as part of Sunstone's strategy to unlock the substantial value of its two world-class projects. The Company will provide further information when appropriate, in accordance with its continuous disclosure obligations
- Given the strong level of interest and increased corporate activity in Ecuador, Sunstone has appointed RBC Capital Markets as financial advisor to help assess the options and advance discussions

¹ The gold equivalent (AuEq) calculation formula for porphyry gold-copper-silver mineralisation at Bramaderos is $AuEq(g/t) = ((Au \text{ grade} \times Au \text{ price} \times Au \text{ recov} / 31.1035) + (Ag \text{ grade} \times Ag \text{ price} \times Ag \text{ recov} / 31.1035) + (Cu \text{ grade} \times Cu \text{ price} \times Cu \text{ recov} / 100)) / (Au \text{ price} \times Au \text{ recov} / 31.1035)$. The prices applied were US\$1,800/oz gold, US\$4.50/lb copper and US\$22/oz silver. Recoveries are estimated at 88% for gold, 85% for copper and 60% for silver based on metallurgical studies. In Sunstone's opinion, all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

² Refer to ASX announcement on 24 November 2025 "Bramaderos resource jumps 33% to 3.6Moz AuEq".

Corporate highlights

- Cash at December 2025 was \$7.8 million
- On 8 December 2025, the company raised \$8 million (before costs of \$480,000) via a share placement at 1.9 cents (\$0.019) per share
- \$0.5 million of options were exercised by shareholders during the quarter

These options were issued to subscribers in the September 2024 Placement and the October 2024 Share Purchase Plan. There remain 233 million in-the-money options outstanding, valued at \$1.9 million, still to be exercised.

For any shareholders who would like to enquire about the process to convert options to shares, please email info@sunstonemetals.com.au.

Partnership Discussions

Sunstone continues to advance partnership opportunities to unlock the value of its substantial gold and copper discoveries. This process has involved several parties accessing Sunstone's data room and undertaking site visits, with RBC Capital Markets now appointed to help assess the options and advance discussions.

As previously disclosed, discussions regarding a potential corporate transaction have continued. Draft transaction documents have been shared and key commercial terms are being negotiated, including in respect to material outstanding issues.

There is no certainty or assurance that the outstanding issues relating to this specific opportunity will be resolved, agreed or finalised, or that any other proposals will be received or, if received, will be acceptable, either in principle or otherwise, or will result in a binding transaction. The Company will provide further information when appropriate under its continuous disclosure obligations.

Exploration and Development Activities

1. Bramaderos Gold-Copper Project (Sunstone 87.5%)

The Bramaderos Project is ideally located immediately adjacent to the Pan-American Highway in southern Ecuador and within a reasonable distance of available grid power, supporting the economics of potential future development opportunities. The project has gentle topography with an average elevation of around 1,100m above sea level. It is also supported by nearby commercial airports and significant population centres such as the city of Loja, and has strong community support.

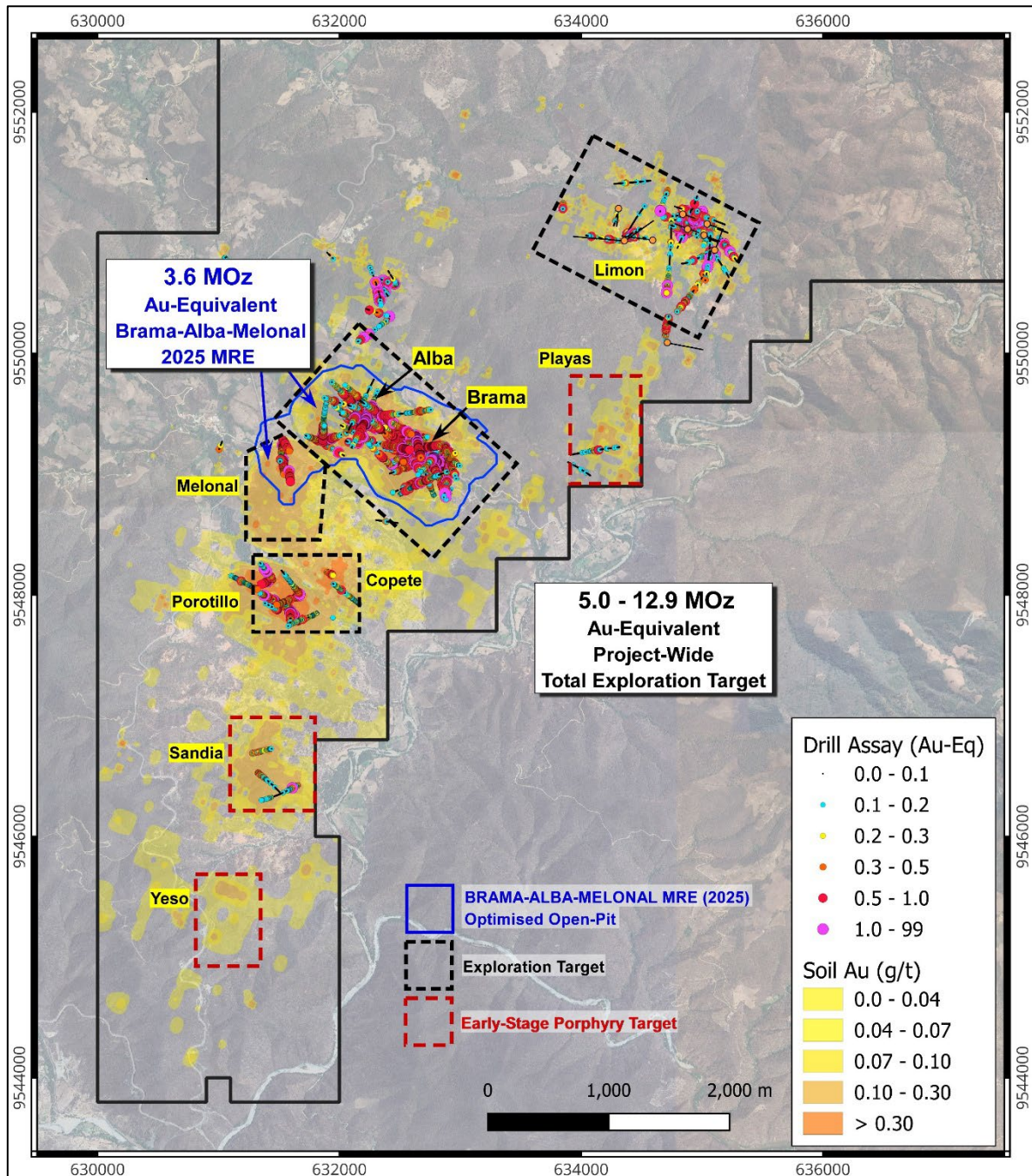


Figure 1: Overview of key prospects on the Bramaderos project, the Brama-Alba-Melonal resource area, and Exploration Target areas defined on the Bramaderos properties

Bramaderos November 2025 Mineral Resource estimate

The November 2025 Bramaderos MRE is 220 Mt at 0.5g/t AuEq¹ (0.33g/t gold, 0.10% copper, and 1.2g/t silver) for 3.6 Moz AuEq^{1,2}.

Deposit	Classification	Tonnes (Mt)	AuEq (g/t)	Grades			Contained Metal		
				Au (g/t)	Ag (g/t)	Cu %	AuEq (Koz)	Cu (Mlbs)	Cu (Kt)
Bramaderos	Indicated	40	0.56	0.38	1.26	0.10	600	90	40
Bramaderos	Inferred	190	0.49	0.32	1.14	0.10	2,900	410	190
Bramaderos	Total	220	0.50	0.33	1.16	0.10	3,600	490	220

The 33% increase (900koz's AuEq, including both Indicated and Inferred) in the Bramaderos Mineral Resource (December 2022 versus November 2025) is driven by:

1. The addition of Inferred material from drilling at Melonal (355koz's AuEq).
2. A greater contribution from Brama-Alba (533koz's AuEq). For Brama-Alba, the updated geological model incorporates new data from Brama-Alba proximal to Melonal, which accounted for the majority of the increase.
3. The impact from pricing assumptions was very minor (12koz's AuEq), with the gold price remaining at US\$1800/oz and copper increasing from US\$4.20 to US\$4.50/lb.

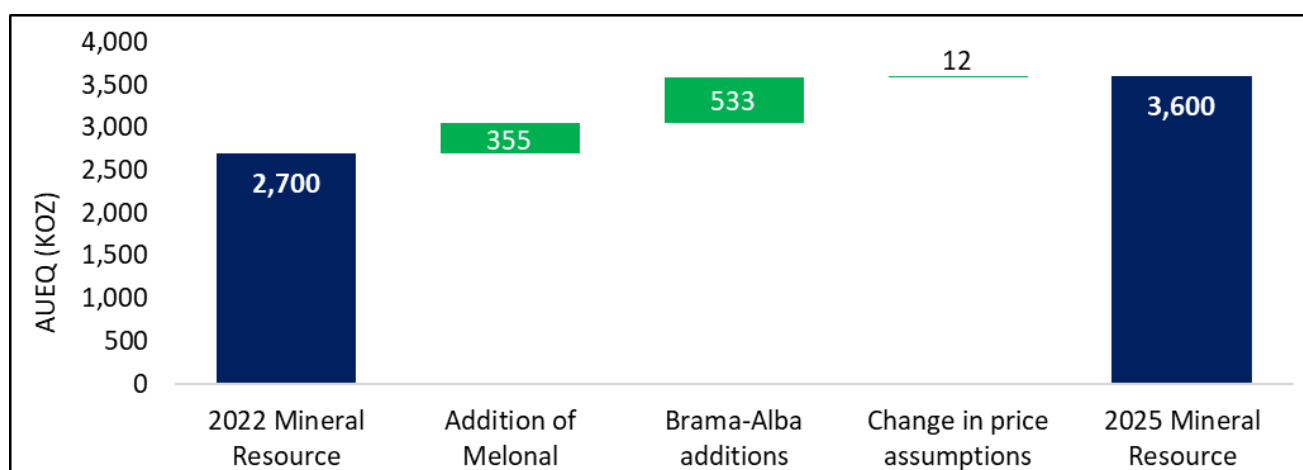


Figure 2: Comparison of 2022 to 2025 Bramaderos MRE.

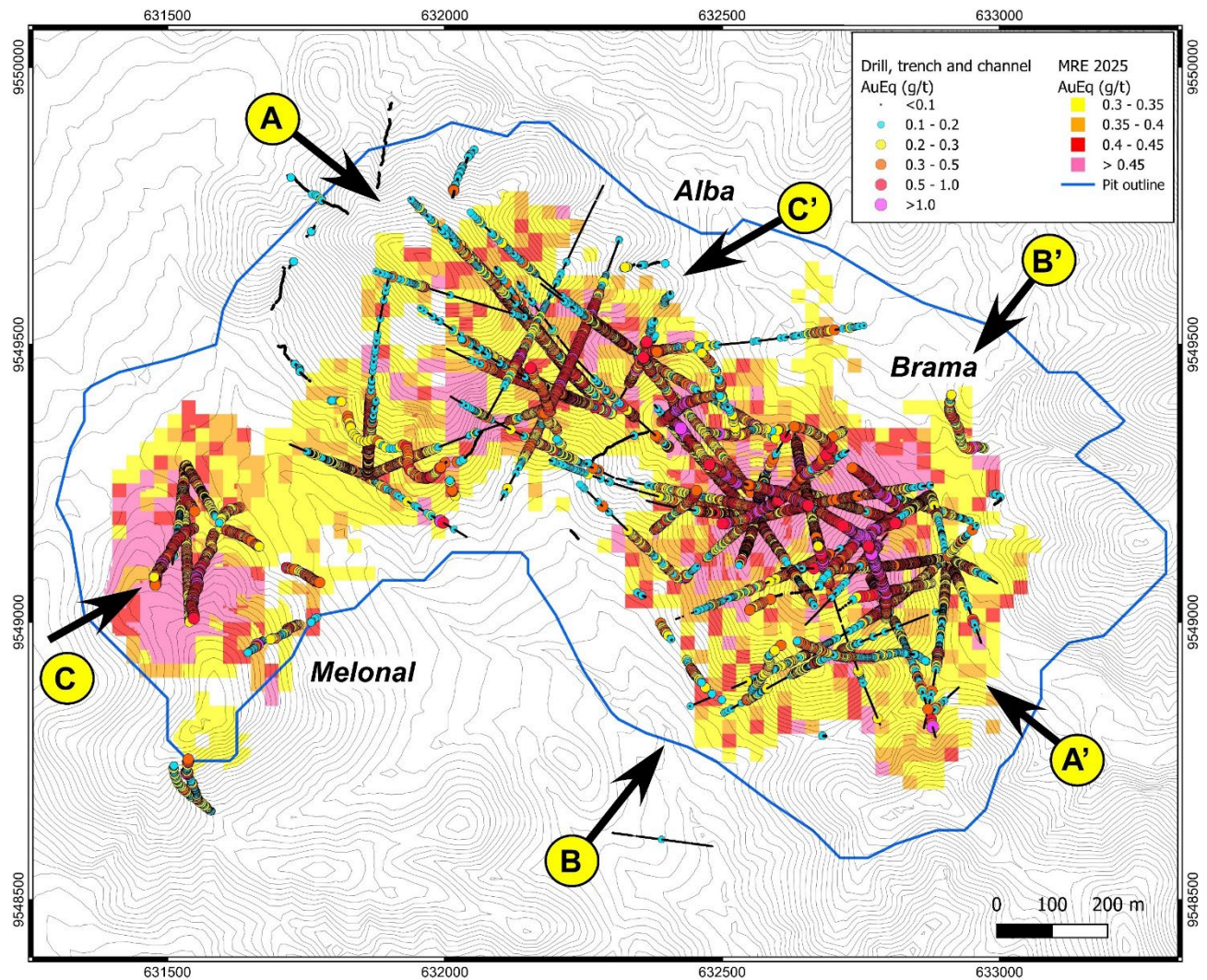


Figure 3: Plan view of Brama-Alba-Melonal and showing the updated optimised model open-pit outline (blue outline), the updated resource block model, and the location of a long-section (A-A') and two cross-sections (B-B' and C-C') as shown in the ASX announcement on 24 November 2025.

In addition to the Bramaderos MRE, the Bramaderos Project has a porphyry Exploration Target of **between 315 - 505Mt at a grade between 0.41 and 0.69g/t AuEq^{1,2} for 4Moz – 11Moz AuEq^{1,2}**:

- Includes the new Copete-Porotillo Exploration Target (refer to Figure 4) of between 135 - 180Mt at a grade between 0.4 - 0.6g/t AuEq for 1.7Moz – 3.5Moz AuEq^{1,2}.
- Represents a large cluster of porphyry systems at Bramaderos across an area of 2km by 2km, all at surface and expected to be developed as a straightforward low-cost open-pit operation.
- The Exploration Target covers Brama-Alba (in addition to MRE), Melonal, Copete-Porotillo and the upper section of Limon porphyry. All systems are at surface.

Table 1: Summary of Exploration Targets at the Bramaderos Project (in addition to the November 2025 Brama-Alba MRE).

Exploration Target	Min Tonnage (MT)	Max Tonnage (MT)	Metal Content Min kAuEq ^{1,4} ounces	Metal Content Max kAuEq ^{1,4} ounces	Metal Content Min Moz AuEq ^{1,4}	Metal Content Max Moz AuEq ^{1,4}
New Copete-Porotillo (Po) ²	135	180	1,700	3,500	1.70	3.50
Updated Brama-Alba-Melonal-Limon (Po) ²	180	325	2,400	7,700	2.40	7.70
SUB-TOTAL PORPHYRY	315	505	4,100	11,200	4.10	11.20
Limon (Epithermal) ^{3,4}	30	44	900	1,700	0.90	1.70
BRAMADEROS PROJECT TOTAL	345	549	5,000	12,900	5.00	12.90

Exploration Target	Min Tonnage (MT)	Max Tonnage (MT)	Min Grade Au (g/t)	Min Grade Cu (%)	Min Grade Ag (g/t)	Min Grade AuEq (g/t) ^{1,4}
New Copete-Porotillo (Po)	135	180	0.25	0.10	-	0.40
Updated Brama-Alba-Melonal-Limon (Po)	180	325	0.26	0.10	-	0.41
SUB-TOTAL PORPHYRY	315	505	0.26	0.10	-	0.41
Limon (Epithermal)	30	44	0.80	-	12	0.90
BRAMADEROS PROJECT TOTAL	345	549	0.30	0.09	1.0	0.45

Exploration Target	Min Tonnage (MT)	Max Tonnage (MT)	Max Grade Au (g/t)	Max Grade Cu (%)	Max Grade Ag (g/t)	Max Grade AuEq (g/t) ^{1,4}
New Copete-Porotillo (Po)	135	180	0.40	0.12	-	0.60
Updated Brama-Alba-Melonal-Limon (Po)	180	325	0.54	0.12	-	0.74
SUB-TOTAL PORPHYRY	315	505	0.48	0.12	-	0.68
Limon (Epithermal)	30	44	1.10	-	15.8	1.20
BRAMADEROS PROJECT TOTAL	345	549	0.54	0.11	1.3	0.73

Notes:

- Figures may not sum due to rounding.
- Significant figures do not imply an added level of precision.

³ See ASX announcement 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. In Sunstone's opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

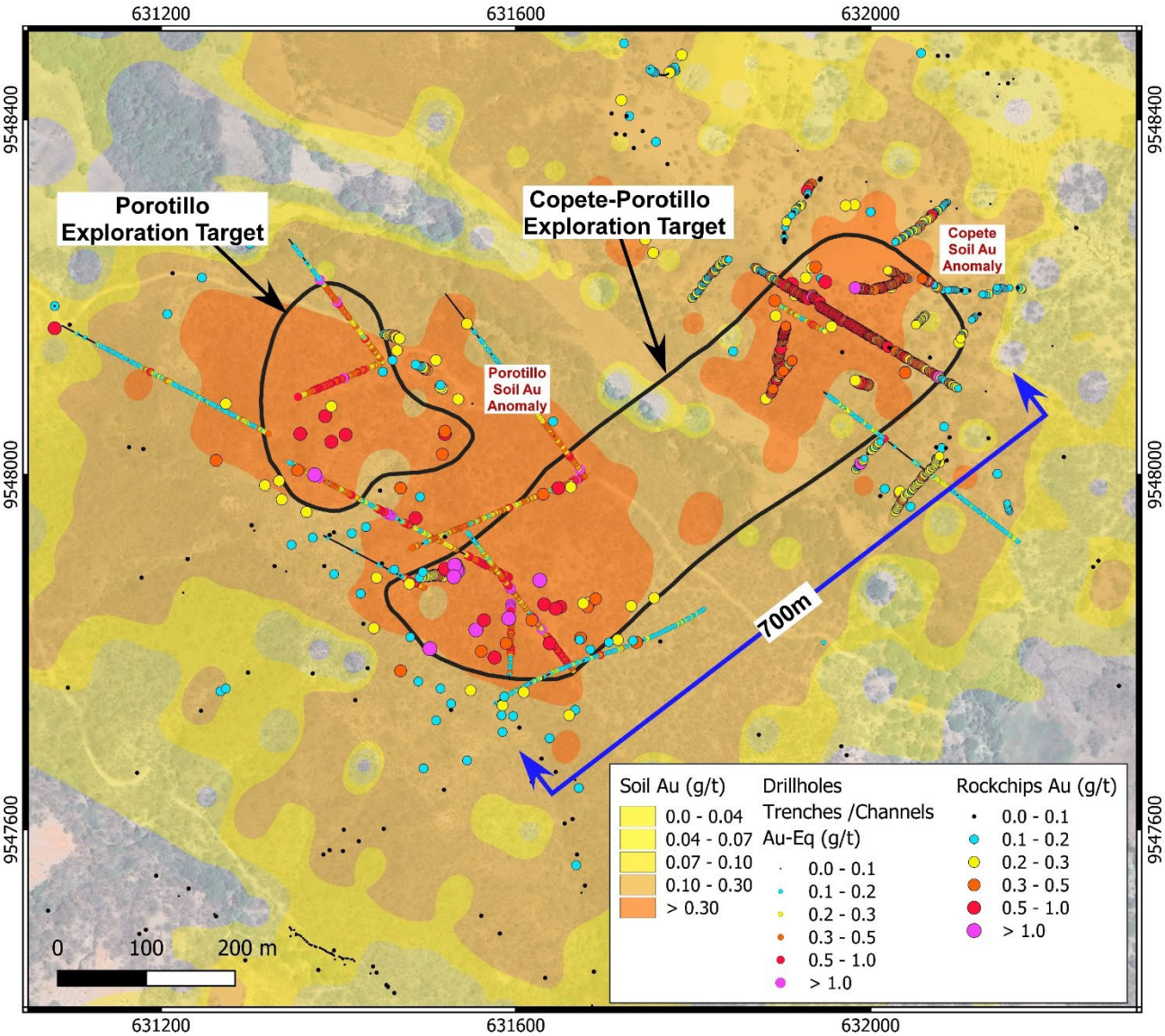


Figure 4: Plan view of the Copete and Porotillo porphyry exploration target footprints at surface.

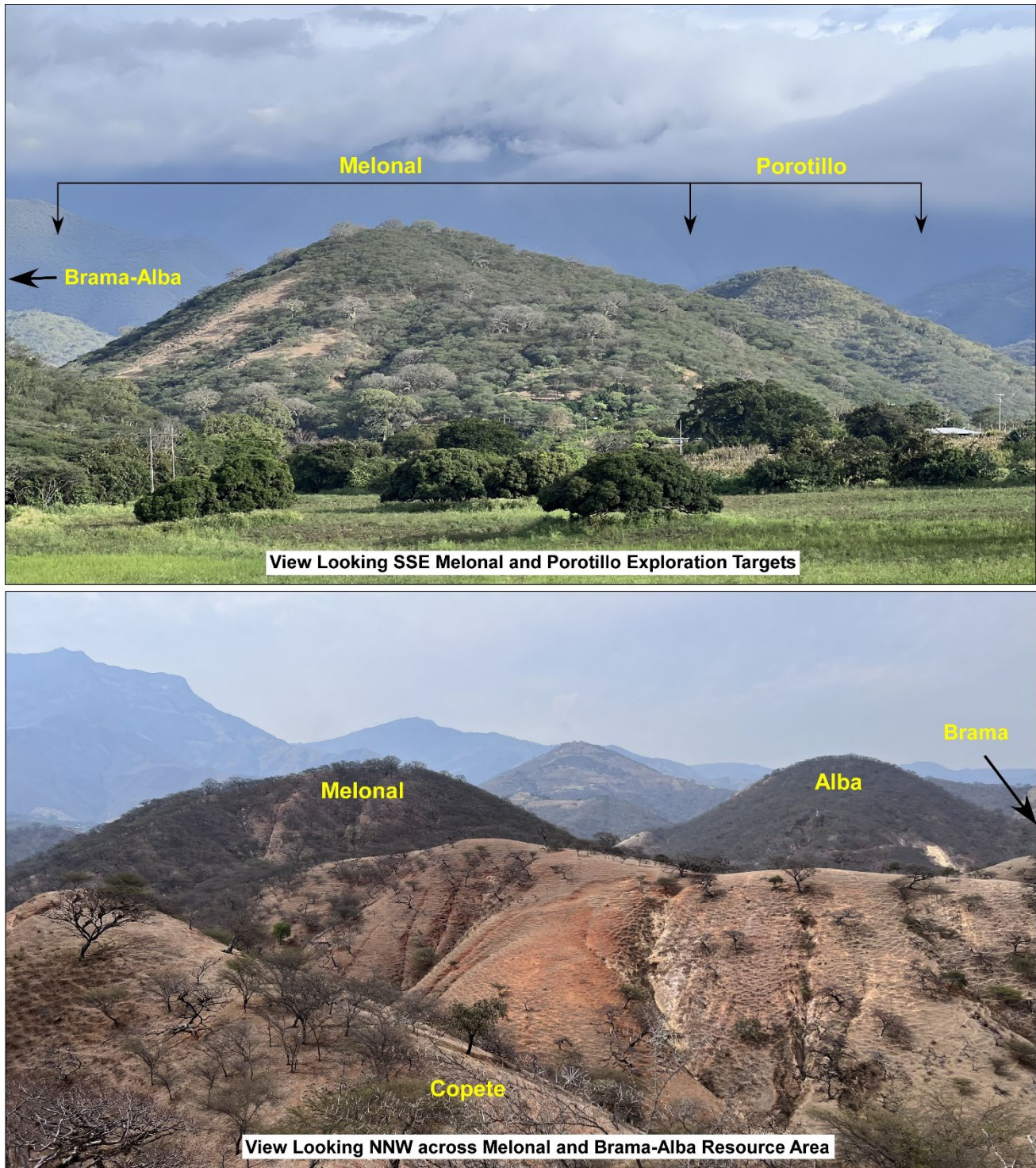


Figure 5: Views across the Porphyry Exploration Targets of Melonal and Porotillo (top), and across part of the resource area of Brama-Alba-Melonal as viewed from the northern end of the Copete-Porotillo Porphyry Exploration Target (bottom).

Limon gold-silver epithermal deposit

Located 2.7km northeast of the Brama-Alba-Melonal gold-copper porphyry deposits, the Limon gold-silver epithermal discovery moved from discovery to Exploration Target in less than ten months.

The Limon gold-silver epithermal has an **Exploration Target of between 0.9 and 1.7Moz AuEq within 30 to 44Mt at a grade between 0.9 and 1.2g/t AuEq^{3,4}**.

Importantly, the higher-grade Limon deposit allows for a scalable, lower capital cost operation to be first built, before developing the much larger porphyry opportunities at Bramaderos.

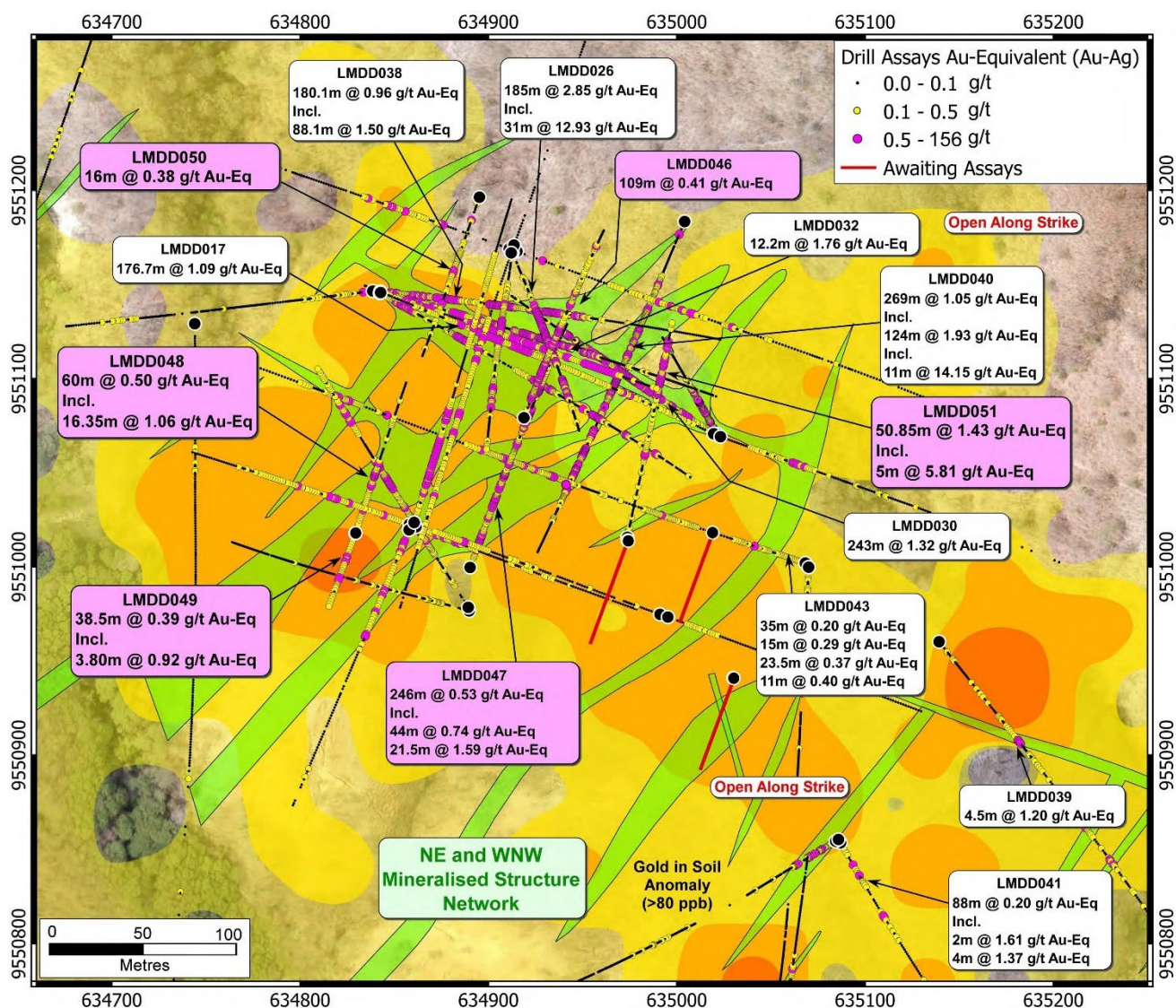


Figure 6: The Limon epithermal gold-silver system in plan view, showing multiple mineralised structures in green. High-grade domains are at intersections of NE and WNW trending structures. Recent intersections in holes LMDD048-051 extend mineralisation on the western and eastern sides of the Limon epithermal system. Several additional targets have been defined based on gold-in soil and zinc-in-soil anomalies, and structural interpretation.

2. El Palmar Copper-Gold Project (Sunstone 74.5%, to acquire 100%)

El Palmar is located in northern Ecuador, 60km north-west of Ecuador's capital, Quito. Under a Staged Acquisition Agreement, Sunstone holds 74.5% and may move to 100% for a payment of US\$1.7M by 30 June 2026.

El Palmar is made up of five gold-copper porphyry targets, which sit on and around the Toachi fault zone, and also hosts the nearby 2.7Bt Cascabel deposit and the 1Bt Llurimagua deposit.

During the December 2024 Quarter, Sunstone announced the inaugural Mineral Resource estimate and initial Exploration Target at El Palmar.

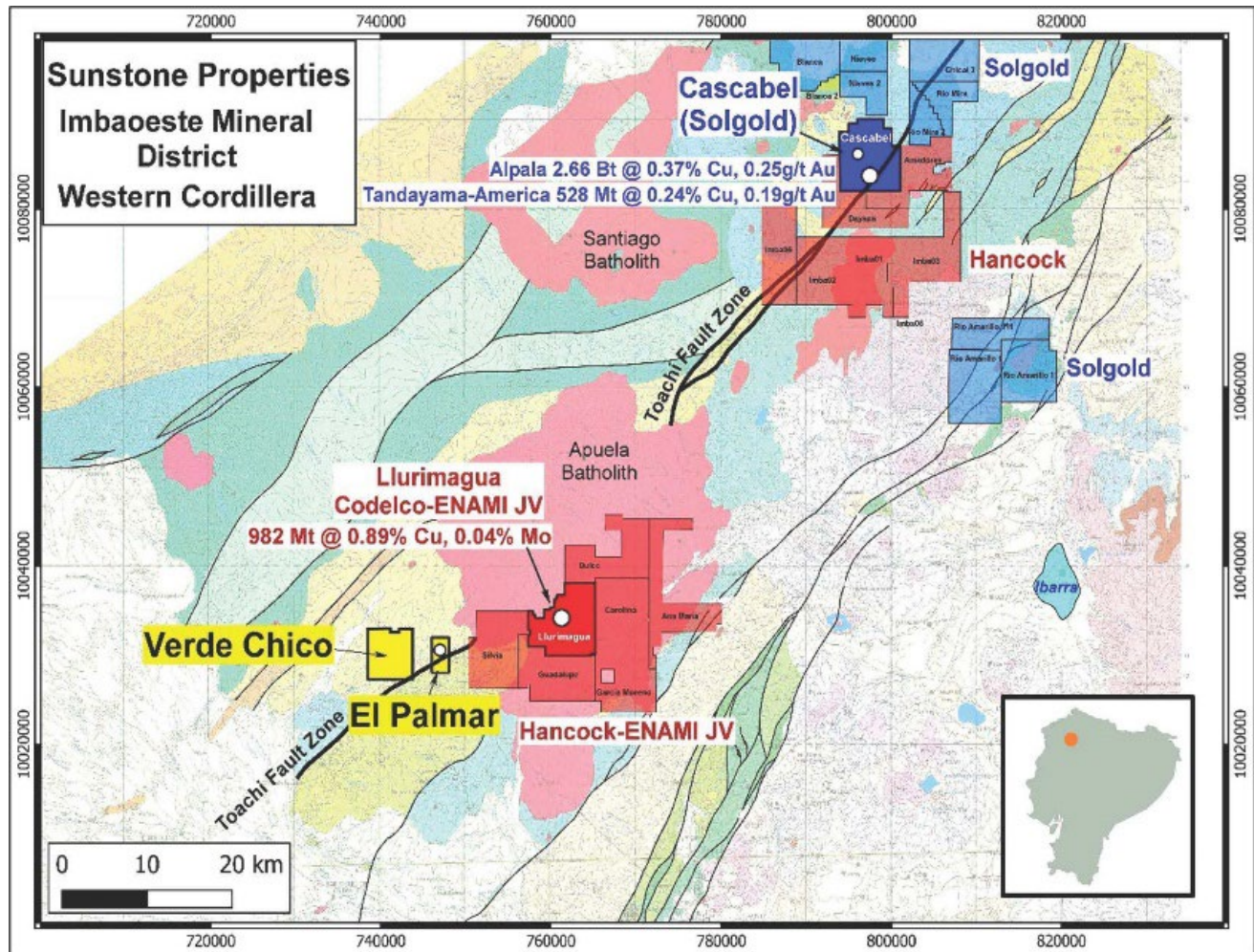


Figure 7: Location of the El Palmar and Verde Chico projects relative to the giant Llurimagua, Alpala and Tandayama- America (Cascabel project) porphyry deposits, and the Toachi fault system. Also shown are the concessions held by ENAMI that surround Llurimagua, and which Hanrine (a subsidiary of Hancock Prospecting) have committed to spend US\$120 million to earn 49%.

El Palmar Mineral Resource Estimate

Based on drilling to date at the T1 target at El Palmar, the Company released the inaugural Mineral Resource estimate (MRE) for the T1 target at El Palmar on 22 October 2024 of 64Mt at 0.60g/t AuEq^{5,6} (0.41g/t gold, 0.13% copper and 0.7g/t silver) for 1.2Mozs AuEq^{5,6}.

Category	Tonnage Mt	Average Grade					Material Content			
		AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (ppm)	Cu (%)	AuEq (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

The MRE is based on 21 drill holes for 17,699m of drilling (18 drilled by Sunstone in the period August 2021 to July 2022 and 3 drilled by Codelco in 2012) and 1,498 linear metres of trenching in 5 trenches.

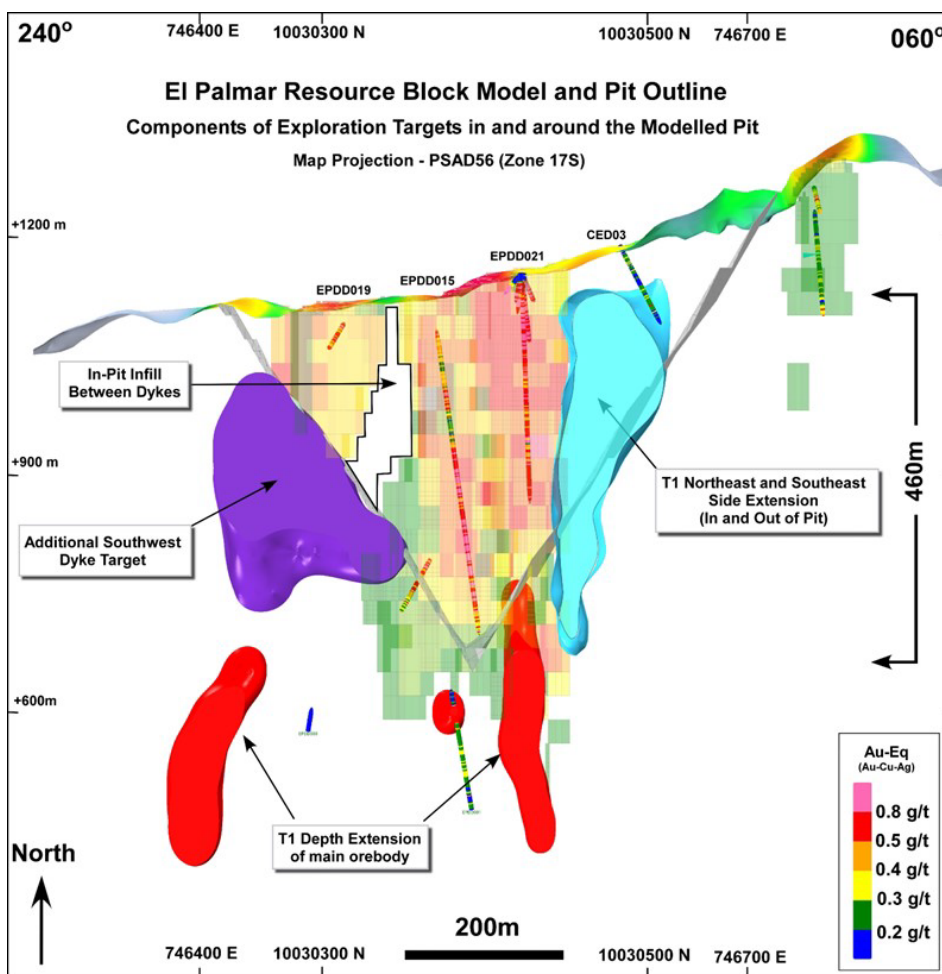


Figure 8: El Palmar T1 resource block model for grades >0.2 g/t Au-Eq and pit outline along a 240-060o cross-section and showing the exploration targets which are located within, on the sides, and immediately below the modelled T1 open pit.

T1, which is at surface, is one of five target gold-copper porphyry deposits at El Palmar, and has the potential to be advanced as a large open pit opportunity before undertaking exploration and development of the deeper

⁵ Refer ASX Announcement on 22 October 2024.

⁶ The gold equivalent calculation formula for the El Palmar gold-copper porphyry is $AuEq (g/t) = ((Au \text{ grade} \times Au \text{ price} \times Au \text{ recov} / 31.1035) + (Ag \text{ grade} \times Ag \text{ price} \times Ag \text{ recov} / 31.1035) + (Cu \text{ grade} \times Cu \text{ price} \times Cu \text{ recov} / 100)) / (Au \text{ price} \times Au \text{ recov} / 31.1035)$. 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. In Sunstone's opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

porphyry opportunities. This MRE establishes a strong platform on which to build a world-scale gold and copper resource inventory at El Palmar.

El Palmar Exploration Target

In addition to the inaugural MRE, the Company announced an initial Exploration Target for El Palmar of between 15M and 45Moz AuEq^{5,6}, consisting of 1.0Bt and 1.2Bt at a grade between approximately 0.3g/t to 0.7g/t gold and approximately 0.1% to 0.3% copper for contained metal of between 10Mozs to 27Mozs gold and 1.0Mt to 3.7Mt copper.

The potential quantity and grade 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 Exploration Target comprises material from the T1, T2 and T3 targets and extends across an area of 1.6km x 1.1km. It includes near-surface mineralisation and deeper mineralisation to depths of 1,500m below surface. The areas of mineralisation captured in the Exploration Target are of high conviction, geologically robust domains consistent with high aspect ratio, clustered porphyry gold-copper deposits. There is potential for the copper content to increase in areas interpreted to be central to the porphyry systems.

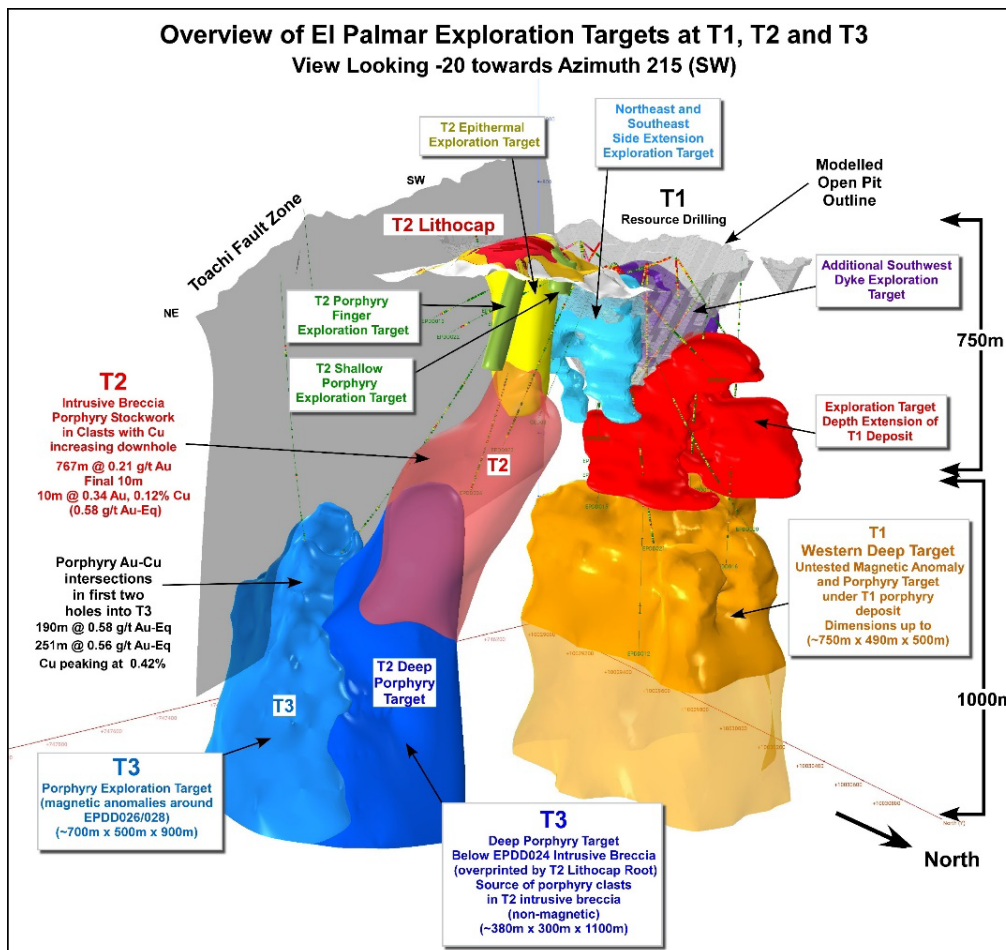


Figure 9: Overview of 9 of the 10 exploration targets defined on the El Palmar concession. View is looking at -20 degrees towards azimuth 215°.

As the Exploration Target has been estimated from only three of the five target deposits, there is still immense potential to grow at El Palmar, including in the larger untested magnetic anomalies as highlighted in Figure 10.

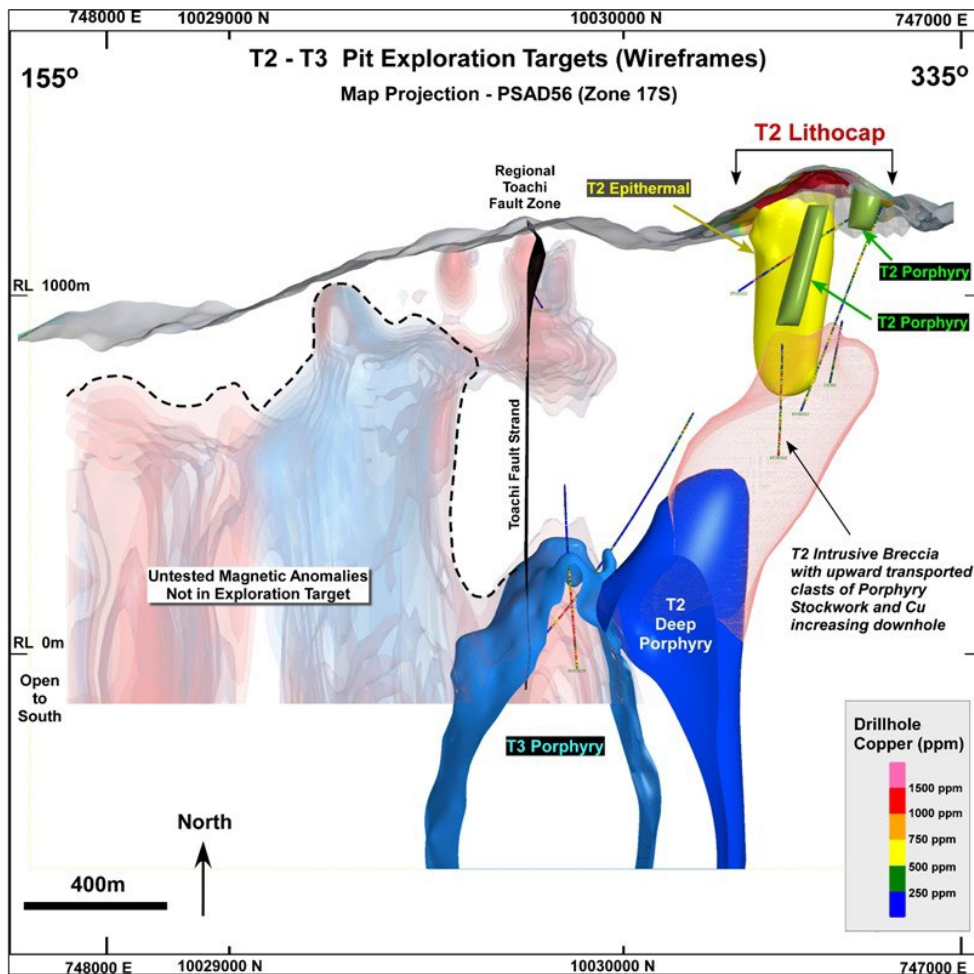


Figure 10: Cross section showing the T2-related Exploration Targets from surface extending to depth to the large T3 target. Note that the MRE and pit are located 'behind' this image to the west (refer to Figures 8 & 9).

Verde Chico Project

Sunstone is acquiring the Verde Chico Project through a Staged Acquisition Agreement (signed on 23 September 2022). Verde Chico is located to the west of Sunstone's El Palmar gold-copper porphyry discovery and quadruples Sunstone's land position to 3,672ha in this prospective belt in northern Ecuador, adjacent to the Toachi Fault.

The initial exploration activities at Verde Chico have included rock chip sampling and stream sediment sampling programs, along with formal community agreements and environmental baseline surveys.

Corporate

The Company's unaudited cash position for 31 December 2025 was approximately A\$7.8 million, and the value of tradeable equity investments was approximately A\$0.1 million. The Quarterly Cashflow Report (Appendix 5B) for the period ending 31 December 2025 provides an overview of the Company's financial activities.

Exploration expenditure for the reporting period was A\$1.6 million (September 2025 quarter A\$1.6 million), with activities in the current quarter focused on surface soil sampling and mapping activities at Bramaderos and preparation of the November 2025 Bramaderos Mineral Resource estimate.

Corporate and other expenditure (including property, plant, and equipment) amounted to A\$0.6 million (September 2025 quarter A\$0.5 million). The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was A\$0.2 million and includes salary, superannuation and directors' fees.

As the Company is an exploration entity, no sales revenue has yet been generated from product sales. Sunstone has primarily funded its activities through the issuance of equity securities. It is expected that the Company will be able to fund its future activities through further issuances of equity securities and consideration of corporate and project-level strategic partnerships.

Shareholder Information

On 8 December 2025, the Company announced a raise of A\$8,000,000 (before costs) through the issue of 421,052,632 shares via a Placement. 416,842,106 shares were issued on 16 December 2025, with the remaining 4,210,526 shares to be issued to directors following shareholder approval.

Issued Shares	ASX: STM
Opening balance 30 September 2025	6,308,114,676
Options exercised	65,520,516
Shares issued via December 2025 Placement on 16 December 2025	416,842,106
Closing balance at 31 December 2025	6,790,477,298

Options exercised relate to options issued to subscribers in the September 2024 Placement and October 2024 Share Purchase Plan, with an expiry date of October 2026.

There remain 259 million in-the-money options, valued at \$1.7 million, still to be exercised. For any shareholders who would like to enquire about the process to convert options to shares, please email info@sunstonemetals.com.au.

Notes Specific – December 2025 Quarter ASX Announcements

The following announcements, which relate to information in this Quarterly Report, were lodged with the ASX. Further details (including JORC 2012 Code Reporting Tables, where applicable) for the results summarised above can be found in the announcements:

S708A(5) Cleansing Notice	16 December 2025
Application for quotation of securities	16 December 2025
Application for quotation of securities	12 December 2025
Proposed issue of securities - STM	8 December 2025
Sunstone raises \$8m in share placement	8 December 2025
Presentation Resources Rising Stars Conference	6 December 2025
Trading halt	4 December 2025
Bramaderos resource jumps 33% to 3.6Moz AuEq	24 November 2025
Application for quotation of securities	21 November 2025
Application for quotation of securities	12 November 2025
Change of Director's Interest Notice x4	3 November 2025
Notification regarding unquoted securities	3 November 2025
Quarterly Activities/Appendix 5B Cash Flow Report	31 October 2025
Ceasing to be a substantial holder	24 October 2025
Application for quotation of securities	24 October 2025
Results of AGM Meeting, Chair's address	24 October 2025
Presentation IMARC Conference	21 October 2025
Application for quotation of securities	17 October 2025
Sunstone targeting an updated Mineral Resource	14 October 2025

Tenement Schedule

At the end of the quarter, the Company holds the following tenements:

Gold-copper tenements - Ecuador

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Bramaderos S.A.	Bramaderos ^A	Loja, Ecuador	Granted	87.5%
Bramaderos S.A.	Bramaderos 02	Loja, Ecuador	Granted	87.5%
Bramaderos S.A.	Cueva de Leon	Loja, Ecuador	Granted	87.5%
Golden Exploration Ecuador S.A.	Los Mandariyacus (El Palmar) ^B	Imbabura, Ecuador	Granted	74.5% ^B
Compania Minera Verde Chico CIA Ltda	Verde Chico ^C	Imbabura, Ecuador	Granted	0%

Notes

A: Sunstone announced on 7 January 2020 that the terms of the Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (subsequently merged with SolGold PLC) had been amended to provide Sunstone with an immediate 87.5% interest and SolGold with a loan carried 12.5% interest in Bramaderos S.A. (formerly named La Plata Minerales S.A.), the holder of the Bramaderos concession.

B: Sunstone announcement 12 August 2020 regarding a Staged Acquisition Agreement for 100% of the El Palmar project. Sunstone currently holds 74.5% and can acquire the remaining 25.5% by 30 June 2026.

C: Sunstone announcement 21 June 2022 regarding a Letter of Intent to acquire 100% of the Verde Chico Project, located to the west of Sunstone's El Palmar gold-copper porphyry discovery in northern Ecuador, through a Staged Acquisition Agreement, signed 23 September 2022, from the Verde Chico Group.

Competent Persons Statement

The information relating to the Bramaderos Mineral Resource is extracted from the ASX announcement on 24 November 2025. 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.

The information in this report that relates to exploration results and Exploration Targets 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.

Information on Exploration Targets

Bramaderos

The Bramaderos porphyry Exploration Target within the Bramaderos concession is estimated from four areas: the extensions to the Brama-Alba system that are not captured in the Mineral Resource estimate (MRE), the majority of the Melonal system that is not captured in the Mineral Resource estimate (MRE), and mineralisation drilled at the targets of Limon and Copete-Porotillo porphyry mineralisation.

The Exploration Target does not include known porphyry mineralisation at Sandia, Playas or Yeso. It was decided to not include these areas because Sunstone has not yet completed any or sufficient drilling in these areas. Further work in these areas will be undertaken and they are expected to contribute to an expanded Exploration Target in future.

Several areas of mineralisation have been identified outside of the area of the MRE. The MRE captured material that was drilled to sufficient density an economically modelled pit. Inadequate drilling exists in some areas both within and outside the modelled pit to show mineralisation continuity. Furthermore, the effect of the reasonable prospects of eventual economic extraction was to exclude 31% of material. This material has been captured in the Exploration Target.

Six domains were identified as having clear potential for additional mineralisation and these were reviewed either on a depth slice basis, or a block basis. Volumes were calculated and grade was assigned based on nearby data and on comparison with the overall Brama-Alba grade. This exploration target was reduced by the amount of material within it that was converted to resource by the latest MRE update.

The Melonal target is a continuation of the Brama-Alba system. It is geologically grouped with Brama-Alba. Recent drilling by Sunstone, and historical drilling from 2007, has confirmed that the Melonal target is mineralised, and that mineralisation is hosted in rocks the same as those drilled at the nearby Brama-Alba deposit. The mineralised rocks are coincident with a discrete sub-vertical magnetic anomaly measuring up to 400m in diameter, and with a vertical extent of over 1,000m. The Exploration Target for Melonal was considered to a depth of 500m. The Melonal target straddles the approved Bramaderos-01 and Bramaderos-02 concessions. This exploration target was reduced by the amount of material within it that was converted to resource by the latest MRE update.

Sunstone has drilled 8 effective diamond holes at the Limon porphyry target. Mineralisation has been intersected in a number of holes. A trench (LM_TR_01) was completed at Limon prior to drilling in an area of outcropping stockwork veining and minor secondary copper mineralisation. It returned 97m at 0.73g/t gold and 0.23% copper. A recent hole drilled under the trench has intersected similar stockwork veined intrusive and contains chalcopyrite.

This area around Trench TR_LM_01 has been included in the porphyry Exploration Target where more drilling is required to allow inclusion in a Mineral Resource estimate. This target area will be further explored with drilling programs to be executed over the next two years, subject to the Company's funding ability.

Copete and Porotillo

The Copete and Porotillo exploration targets are areas of outcropping porphyry stockwork veining that occur within an extensive gold and copper soil geochemical anomaly. These areas have seen substantial historical drilling (13 drill holes) with extensive mineralised intersections, plus widespread rockchip sampling of surface mineralisation, channel sampling in ravines and an extensive mineralised trench ML-01 at Copete that assayed 214m @ 0.50 g/t AuEq (ASX announcement 12 November 2024).

At Porotillo, within the main body of the gold-in-soil geochemical anomaly, an extensive early-mineral quartz diorite intrusion hosts overprinting porphyry-related, disseminated and vein stockwork mineralisation over an area spanning up to approximately 530m by 310m. Very substantial historic drill intersections were

encountered at Porotillo and included EGPU003 (74m @ 0.73 g/t AuEq), EGPU005 (390m @ 0.40 g/t AuEq, and CURI05 (157.04m @ 0.54 g/t AuEq which included 23.9m @ 1.47 g/t AuEq (1.21 g/t Au, 0.17% Cu)).

Two domains were modelled to generate the Copete-Porotillo exploration target to depths of 200m and 400m below surface.

This target area will be further explored with drilling programs to be executed over the next two years, subject to the Company's funding ability.

Limon epithermal

The Limon epithermal Exploration Target was estimated on target prospects where there was a combination of diamond drilling (by Sunstone), geological mapping, trenching, geochemistry (soils) and to a lesser extent geophysical data (magnetics) which could support the geological and mineralisation concept model.

The Limon alteration area has been covered with soil sampling on a 50m x 50m grid. This survey is an important exploration method which identified several gold-in soil anomalies that are primary targets for drilling. The soil geochemical data is further interpreted using related element associations typical of epithermal systems, such as areas of somewhat coincident gold, silver, zinc, lead, copper, tellurium and arsenic. Target areas have also been strengthened using alteration mineralogy from a hand-held Terraspec instrument. These data assist in mapping the alteration zones most likely to be associated with epithermal mineralisation.

Drilling at Limon has also intersected an intermediate sulphidation epithermal system in numerous drill holes including LMDD017, 26, 30, 32, 38, 40, 43 and 46-51. Drill intersections include 185m @ 2.85 g/t AuEq (include 31m @ 12.93 g/t AuEq) in LMDD026, and 269m @ 1.05 g/t AuEq (include 11m @ 14.15 g/t Au) in LMDD040..

Standard geological mapping and rock chip sampling has also been undertaken across the Limon target area.

The volume ranges for the initial Exploration Target in the Central Shoot were estimated using cross sections and 3-D modelling in Leapfrog software, based on drilling, mineralised rock types, grade distribution, potential for extrapolating mineralisation continuity, and interpreted geological risk.

The volume ranges for the other components were estimated from geological interpretation and guided by the extent of surface geochemical anomalism, supplemented by preliminary drilling. A conservative approach was taken to the potential distribution of gold and silver-bearing veins.

This target area will be further explored with drilling programs to be executed over the next year, subject to the Company's funding ability.

El Palmar

The Exploration Target within the El Palmar concession is estimated from within the T1, T2 and T3 areas.

The Exploration Target does not include interpreted or known porphyry mineralisation at the T4 and T5 target areas. It was decided not to include these areas because Sunstone has not yet completed any drilling at T4 and has conducted only minor drilling at T5. Further work in these areas will be undertaken and they are expected to contribute to an expanded Exploration Target in future.

The components of the exploration target are based on a combination of diamond drilling conducted by Codelco (during 2012) and by Sunstone (during 2022 and 2023), ground magnetics, multi-element soil sampling, multi-element rock chip and channel sampling, multi-element trench sampling and deep magnetic inversion anomalies modelled from ground magnetic data.

Wireframes of domains within the Exploration Target areas were created in Leapfrog software using data interpreted from the Mineral Resource block model, iso-surface contours of modelled magnetic intensities, and grade ranges in available diamond drill holes. The volumes were multiplied by a specific gravity of 2.72g/cc (the average density of the T1 resource) to determine the tonnage range of the target. Grade ranges were determined with reference to drill intersections and surface rock chip assays.

The next step in testing these targets is primarily diamond drill testing. The targets have been adequately defined, but drill programs still require further detailed planning regarding the number of drill holes, their azimuths, dips, and final depths. Drilling of these targets will be undertaken over the next two years, subject to the company's funding availability.

Directory

Sunstone Metals Limited
ABN 68 123 184 412

Website www.sunstonemetals.com.au
Email info@sunstonemetals.com.au

Stock exchange listing
Australian Stock Exchange ASX Code: STM

Investor Information Contacts
Lucas Welsh – Company Secretary
Sunstone Metals Limited
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Shareholder Enquiries
Share registry matters should be directed to:
Computershare Investor Services
Phone: 1300 850 505
Website: www.computershare.com.au

Registered office
Level 31, 120 Collins St
Melbourne Victoria 3000
Phone: 03 7044 2627

Issued capital
At 31 December 2025:
Ordinary shares: 6,790,477,298 (STM)
Unlisted Performance Rights: 264,360,544 (STMAS)
Unlisted Options: 271,768,443 (STMAL)

Directors (as at 31 December 2025)
Malcolm Norris – Non-Executive Chairman
Patrick Duffy – CEO & Managing Director
Neal O'Connor – Non-Executive Director
Stephen Stroud – Non-Executive Director

Company Secretary
Lucas Welsh

For further information, please visit www.sunstonemetals.com.au or contact:

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

SUNSTONE METALS LIMITED

ABN

68 123 184 412

Quarter ended ("current quarter")

31 DECEMBER 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation			
(b) development			
(c) production			
(d) staff costs		(269)	(443)
(e) administration and corporate costs		(337)	(711)
1.3 Dividends received (see note 3)			
1.4 Interest received		19	30
1.5 Interest and other costs of finance paid			
1.6 Income taxes paid			
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)		-	9
1.9 Net cash from / (used in) operating activities		(587)	(1,115)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements			
(c) property, plant and equipment		(28)	(30)
(d) exploration & evaluation		(1,648)	(3,220)
(e) investments			
(f) other non-current assets			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(1,676)	(3,250)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,920	7,920
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	491	2,170
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(539)	(570)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	7,872	9,520

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,219	2,675
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(587)	(1,115)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,676)	(3,250)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,872	9,520

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(5)	(7)
4.6	Cash and cash equivalents at end of period	7,823	7,823

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,823	2,219
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,823	2,219

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	151
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(587)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,676)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,263)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,823
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	7,823
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 20 January 2026

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Authorised by: Lucas Welsh – Company Secretary

.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.