SUNSTONE METALS

ASX ANNOUNCEMENT

29 OCTOBER 2019

Bramaderos Project Update

Drilling continues at the Limon and Bramaderos Main gold-copper porphyry prospects

Key Points

- **The Phase 2 drilling program is designed to follow-up the highly promising results achieved in Phase 1**
- **Drilling at Bramaderos Main is underway with BMDD004 drilling below BMDD001 to test a 500m vertical extent of porphyry gold-copper mineralisation**
- **Drilling at Limon is about to commence – drill hole LMDD005 is targeting a porphyry gold-copper system adjacent to, and beneath holes LMDD002 and LMDD004**
- **Drilling at West Zone just completed with 8 shallow holes. Results will be released once assays are received.**
- **"The results from Phase 1 support our view that Limon and Bramaderos Main are highly prospective for gold-copper porphyry-hosted mineralisation. These results have formed the basis of the targeting for the Phase 2 drilling program, which is designed to close on the higher-grade mineralisation." – *Sunstone MD Malcolm Norris***

Sunstone Metals Limited (ASX:STM) is pleased to announce that the Phase 2 drilling program at its Bramaderos Project in Ecuador is now underway, with the objective of following-up on the gold-copper porphyry potential highlighted in the Phase 1 results.

The Phase 1 drill program of 5,347m tested the three targets of Bramaderos Main, Limon and West Zone. The Phase 2 program comprises follow-up drilling at Limon and Bramaderos Main. West Zone follow-up is dependent on assay results due to be received over the next two months.

The Bramaderos Project comprises multiple gold-copper porphyry targets and an epithermal gold 'corridor' (Figures 1 & 2). All targets are expected to be systematically tested, with immediate focus being on Bramaderos Main and Limon.

Sunstone Managing Director Malcolm Norris said: "It is still early days at the Bramaderos Project. Our Phase 1 drilling delivered a gold-copper porphyry at Bramaderos Main that shows potential for significant scale with mineralisation extending from surface to at least 300m deep, and with a strike extent of at least 500m. Drilling now will focus on increasing the scale of this system.

"At Limon, we have intersected compelling 'near porphyry' alteration and mineralisation in a very large system, with evidence in one drill hole of a shallow 'high sulphidation' copper-gold system. Follow-up drilling is aimed at intersecting both the shallow copper-gold system and the deeper main porphyry gold-copper zone.

"At the West Zone epithermal gold prospect, we have completed eight shallow holes which intersected a variety of host rocks and several zones of alteration. We need to wait for assay results before we can comment on the significance of the West Zone drill program."

Receipt of assay results from drill holes at West Zone and Limon have not been delivered on schedule due to laboratory delays. These delays are being managed and incorporated into future planning.

Limon Prospect:
Drill hole LMDD005 is currently being collared to test a porphyry gold-copper target (Figures 3 and 4).

Importantly, the process for targeting hole LMDD005 has included further detailed review of all Limon datasets and has focussed on a 3-D review of new ground magnetics data in the context of geological constraints provided by drilling results. It is still early days at Limon, but we have established that we are within a large alteration envelope to a porphyry system.

LMDD005 will also test for extensions to the shallow high-sulphidation epithermal copper-gold system intersected in LMDD004 (13.3m at 0.43% copper and 0.11g/t gold, see ASX announcement dated 15th October 2019), and then drill to a final depth of ~1100m to test a magnetic anomaly approximately 800m below surface that is located adjacent to and below the intervals of most intense veining, alteration and gold-copper mineralisation intersected in holes LMDD002 (see ASX announcement dated 2nd July 2019) and LMDD004 (see ASX announcement dated 15th October 2019). LMDD002 intersected 14m at 0.2% copper, 0.1g/t gold, and 40.8ppm molybdenum at bottom of hole, with clear evidence of a porphyry gold-copper system.

In addition to LMDD005, two other drill holes have also been planned that will test targets that may be associated with outcropping gold-copper porphyry mineralisation defined in trench LM-01 which intersected 97.6m at 0.71g/t gold and 0.23% copper (ASX 29 May 2018).

The link between outcropping porphyry gold-copper mineralisation (trench LM-01), shallow high-sulphidation mineralisation at ~60m below surface in LMDD004, and deep porphyry mineralisation in LMDD002 at 600m below surface, is being pursued with this exploration program and the next 3 drill holes.

Bramaderos Main Prospect:
Final assays for hole BMDD002 at Bramaderos Main have been received and, as predicted, the bottom of hole has returned low grade gold results (Table 1 and Figure 7). The copper assays are consistent throughout the hole, but the gold grade is lower at depth. We interpret this to most likely represent multiple 'events' of mineralisation and the target zone now becomes the domain on the north-eastern side of the diorite host rock (see Figure 6).

This is mapped out well at surface from extensive trenching with three higher grade domains defined (see ASX announcement dated 26th August 2019, and Figure 5 below). A north-west extension of the longitudinal trench is currently being prepared and sampled which is expected to extend the domain of surface mineralisation.

BMDD004 is currently at ~70m downhole and has intersected mineralisation from 5m downhole comparable to that seen in the upper part of hole BMDD001 (see ASX announcement dated 18th July 2019). It is designed to test a 500m vertical section of the higher-grade domain (Figure 6) below hole BMDD001.

Additional holes to be drilled include at least two holes on sections to the NW of BMDD001 and 004 testing the higher-grade zones in trenches over a strike length of 400m, a shallow hole to twin and extend historical hole CURI-03, and two holes under the main topographic high of Bramaderos Hill which exhibits extensive epithermal style alteration.

Detailed ground magnetics have been collected over the Bramaderos Main and these will be processed over the next month to assist with further drill targeting.

	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)	Copper (%)
BMDD002	8.4	68.7	60.3	0.18	0.82	0.10
	68.7	**310.3**	**241.6**	**0.42**	**1.82**	**0.14**
incl.	**234.3**	**307.1**	**72.8**	**0.68**	**2.17**	**0.16**
incl.	250.0	305.8	55.8	0.74	2.24	0.15
incl.	266.0	284.1	18.1	1.04	2.91	0.19
incl.	291.6	297.7	6.1	0.81	1.43	0.14
and	320.5	328.8	8.3	0.34	1.29	0.07
and	463.55	684.6	221.05	0.16	1.18	0.13
Incl.	463.55	524.35	60.80	0.27	2.00	0.18

Table 1: Assay results from BMDD002

West Zone:
Drilling has just been completed and comprised 8 shallow diamond drill holes for 1200m. The West Zone target is an epithermal gold breccia system and the drilling program has been focussed on follow-up to high-grade trench sampling and to determine the geometry of the breccia systems which host the mineralisation at surface.

From drilling it is clear that the geometry of the breccia bodies is complex, and other epithermal style veins and zones of alteration have been defined.

A complete release of the West Zone drilling results will be prepared once all assay results have been received and a coherent geological and mineralisation model can be presented.

Drill Hole Number	Start date (dd/mm/year	Completion date (dd/mm/year)	Dip (degrees)	Azimuth (PSAD56 Grid) (degrees)	EOH (m)	Notes
LMDD001	13/04/2019	25/04/2019	-45	28	490.6	
LMDD002	1/05/2019	29/05/2019	-45	180	893.58	
LMDD003	8/08/2019	14/08/2019	-69	200.5	130.48	Abandoned, hole collapse
LMDD004	21/08/2019	8/10/2019	-68	205.5	1063.78	
LMDD005			-77	244		Set-up in progress, targeted 1100m
BMDD001	2/06/2019	20/06/2019	-45	238	669.49	
BMDD002	23/06/2019	24/07/2019	-55	228	834.84	
BMDD003	18/10/2019	21/10/2019	-80	238	55.25	Abandoned hole
BMDD004	23/10/2019		-80	238		In Progress. Estimated hole depth 500-600m
WZDD001	9/09/2019	12/09/2019	-60	236	114.23	
WZDD002	13/09/2019	15/09/2019	-45	130	105.51	
WZDD003	17/09/2019	22/09/2019	-45	170	220.83	
WZDD004	25/09/2019	28/09/2019	-45	66	123.21	
WZDD005	1/10/2109	3/10/2019	-45	173	111.39	
WZDD006	5/10/2019	9/10/2019	-60	168	183.85	
WZDD007	12/10/2019	16/10/2019	-50	25	209.06	
WZDD008	20/10/2019	23/10/2019	-45	75	140.81	
					5346.91	

Table 2: Drill hole details for the Bramaderos Project to date:

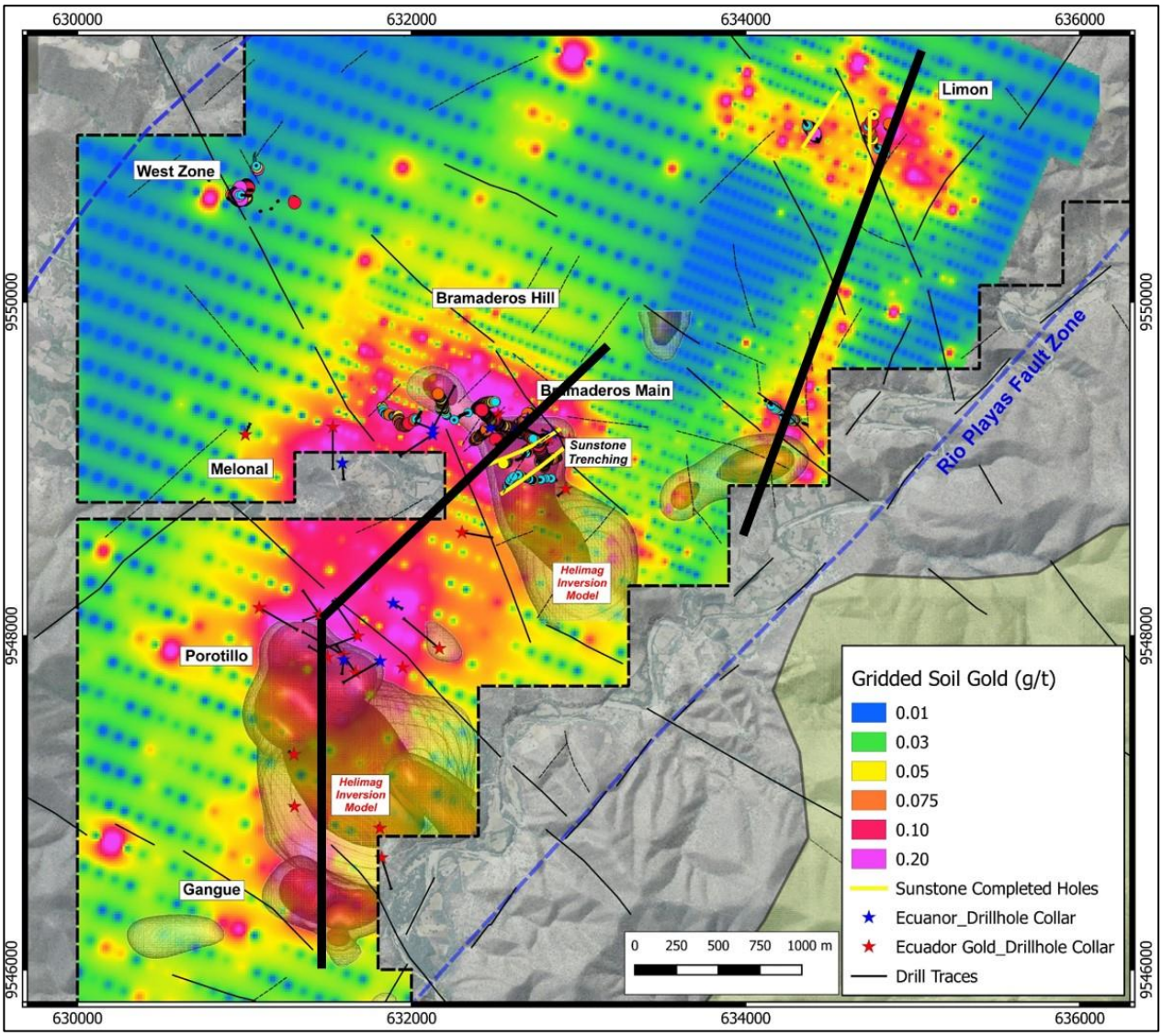

Figure 1: Location of schematic cross-section shown in Figure 2 (bold black lines) through porphyry systems at Bramaderos. Background image is gold in soil, and local 3-D modelling of magnetics data in the Gangue to Playas porphyry cluster.

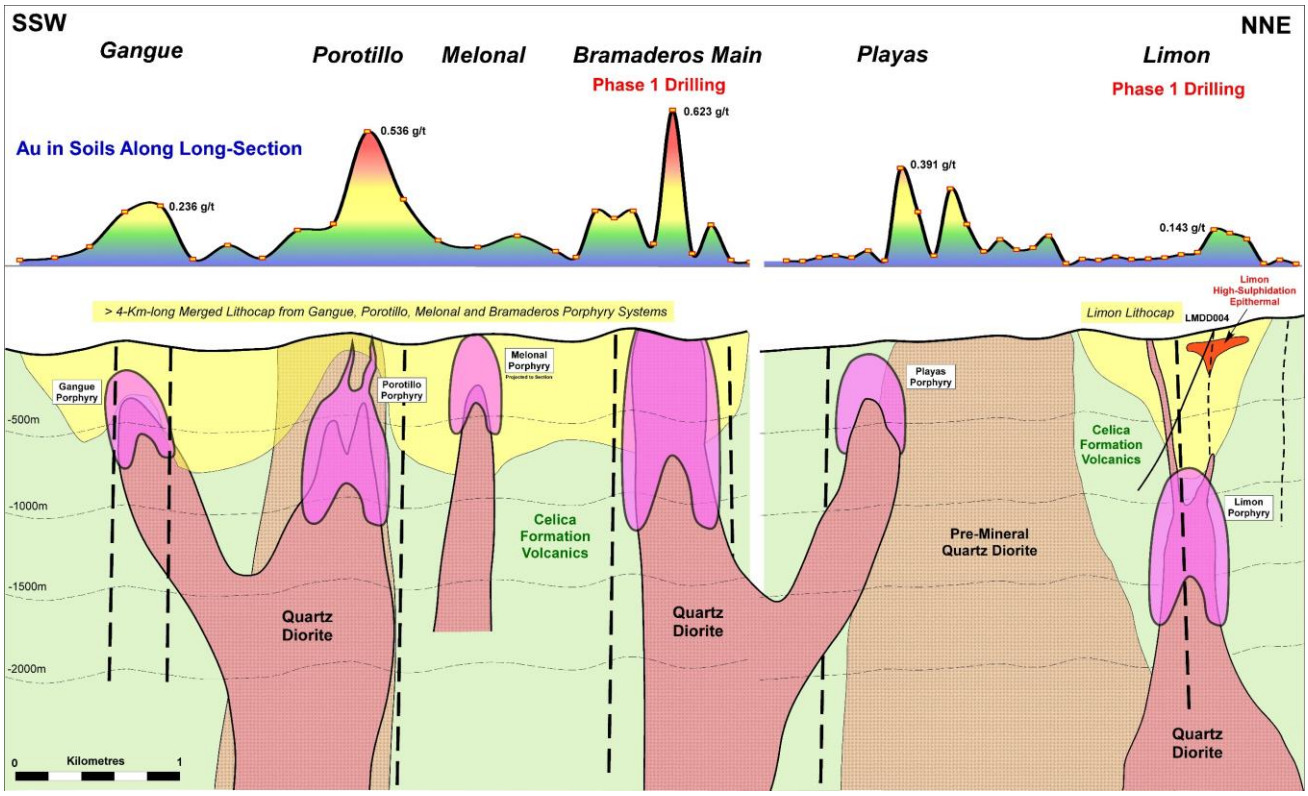

Figure 2: Schematic cross section across the Bramaderos concession showing relative positions of porphyry centres and context for Limon hole LMDD004. Note the Limon porphyry system does come to surface in the area of trench LM-01.

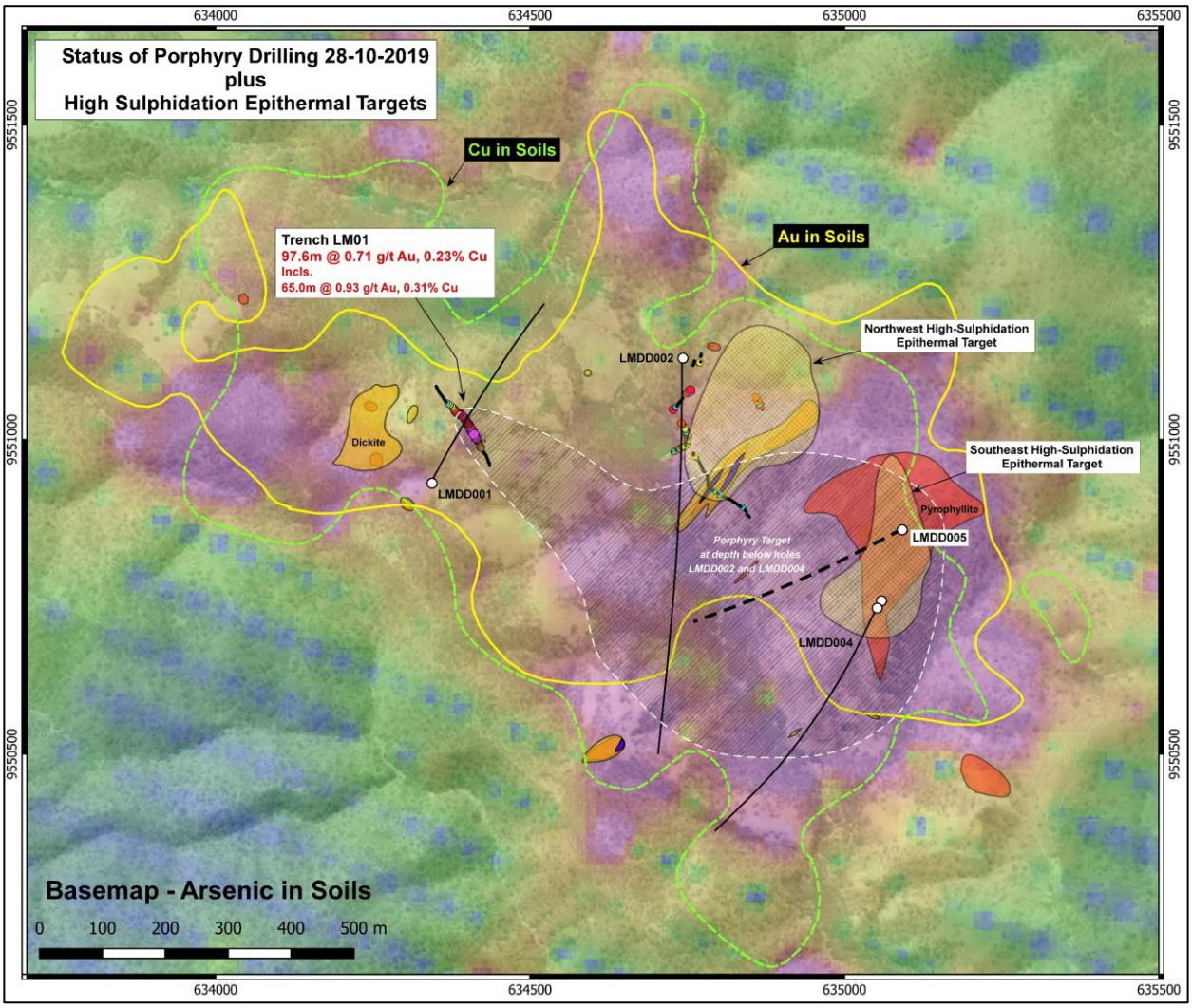

Figure 3: Limon Prospect showing drill status over compilation geology and surface geochemistry. Current diamond drill hole LMDD005 is shown as the black dashed line, and will test a target underneath hole LMDD002.

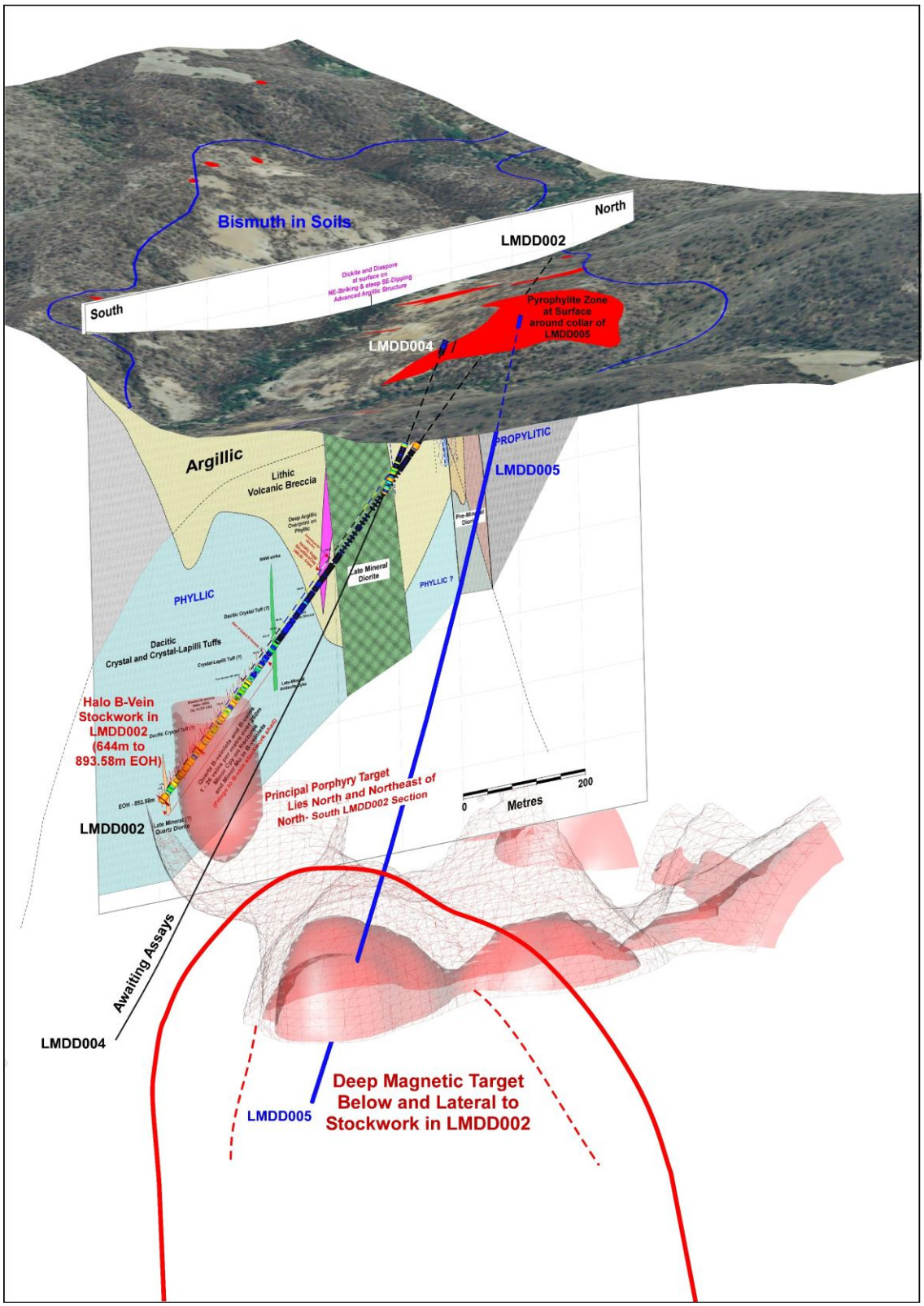

Figure 4: 3-D view of the target zone for Limon drill hole LMDD005. The target is based on interpretation of the magnetics data in the context of the geology and geochemistry from holes LMDD002 and 004. LMDD005 will also test the shallow 'high sulphidation' copper-gold mineralisation intersected in LMDD004.

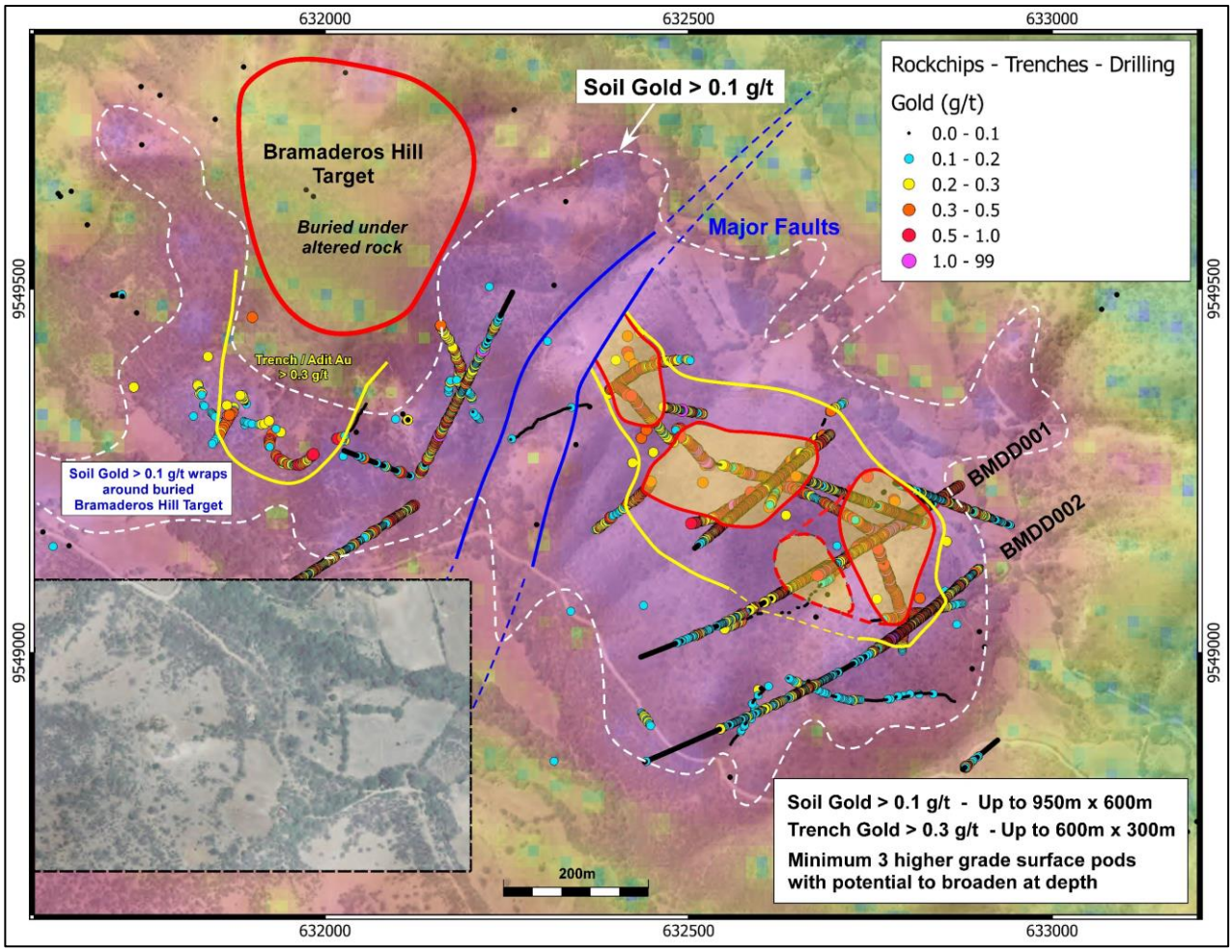

Figure 5: Plan view and drill status plan of Bramaderos Main target showing higher grade domains outlined in red and yellow. The Bramaderos Hill target is untested with historical exploration, and based on recent drilling results from Bramaderos Main and Limon, becomes a drill target in its own right for high sulphidation and porphyry mineralisation.

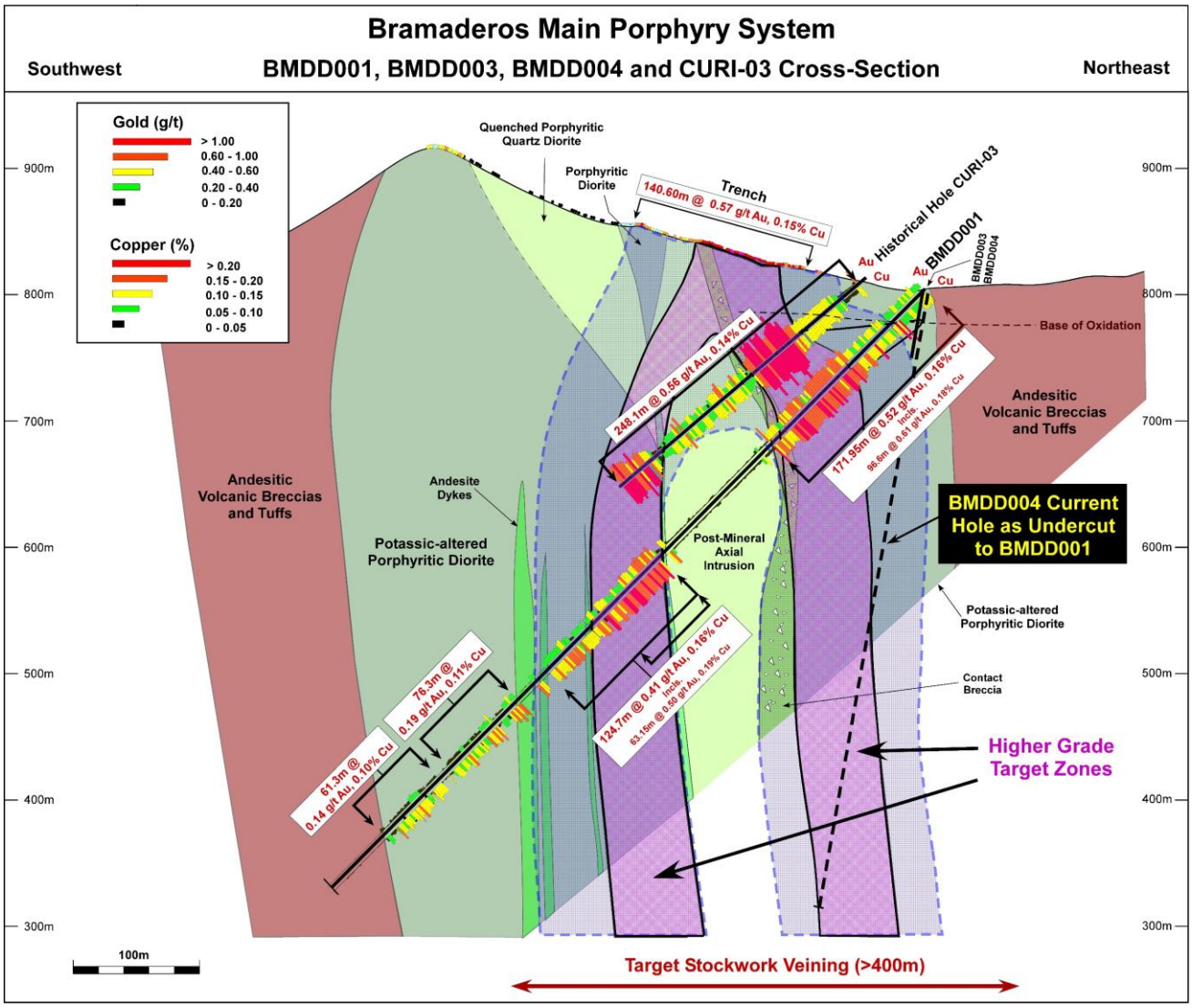

Figure 6: Cross section on BMDD001 showing current hole BMDD004 testing a 500m vertical extent of mineralisation.

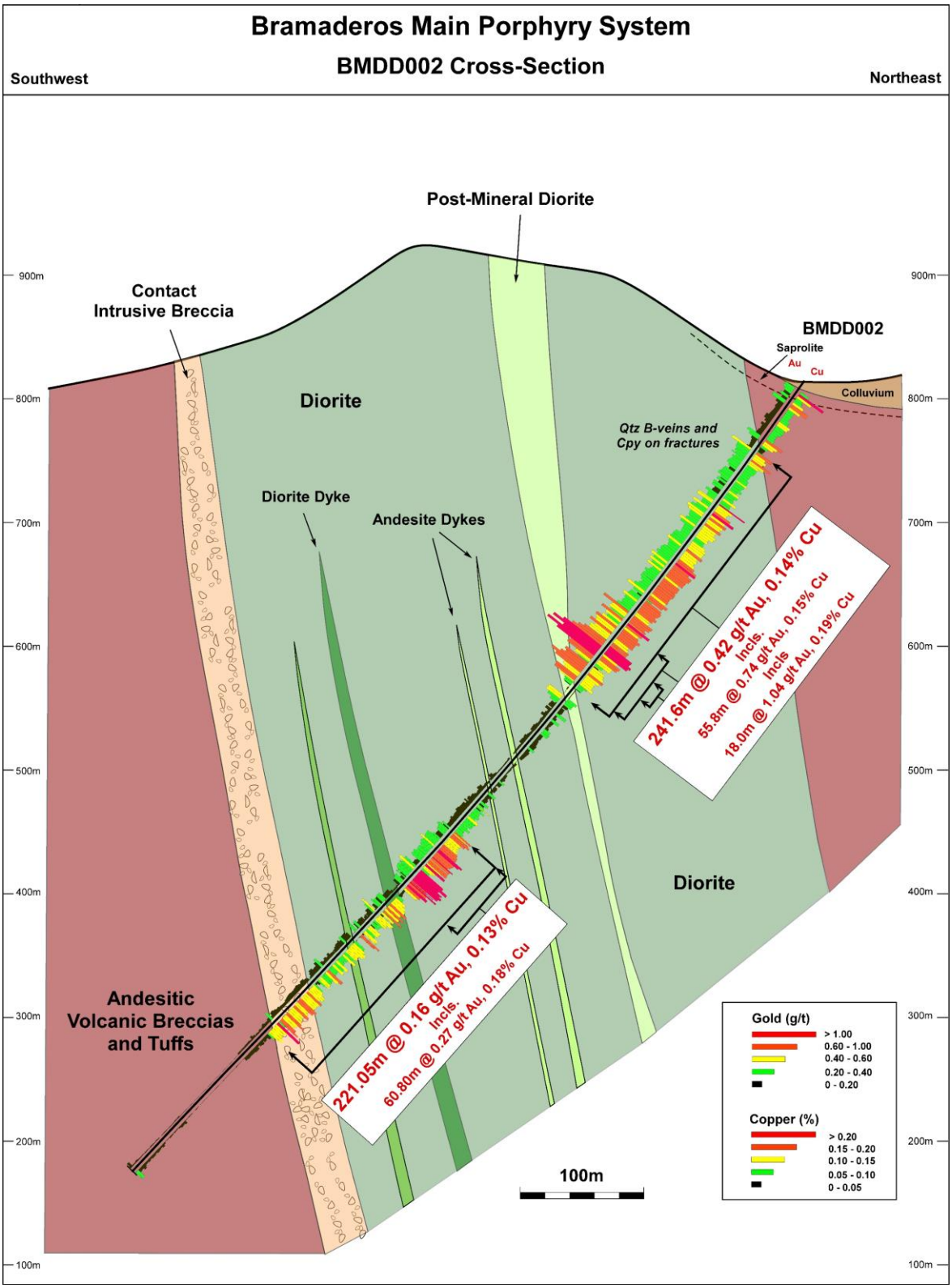

Figure 7: Cross section on BMDD002 showing complete assay results with the lower interval delivering consistent copper mineralisation, but lower grade gold.

About Sunstone Metals

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

1. **The Bramaderos Gold-Copper Project** where Sunstone has signed an earn-in agreement with TSXV listed Cornerstone Capital Resources (see ASX announcement dated 10th April 2017). The Bramaderos gold-copper project is located in Loja province, southern Ecuador, and is considered to be 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 Southern Finland Gold Project** includes the Satulinmäki gold prospect. Shallow diamond drilling was completed by the Geological Survey of Finland (GTK) during the period 2000-2005 and this was followed by a 7-hole diamond drilling program by Sunstone Metals in 2016. Intersections from GTK include 18m @ 4.1g/t Au from 50m downhole, including 3m @ 9.3g/t Au, and 4m @ 10.3g/t Au in drill hole R391. Intersections by Sunstone include 23.5m at 3.3g/t in SMDD007 and 2m at 10.5g/t in SMDD005. The Satulinmäki gold prospect is part of an earn-in JV with Canadian company Nortec Minerals, where Sunstone holds an ~82% interest, is funding on-going work, and has also acquired a significant land position, in its own right, in the district.
3. **The Scandinavian Lithium Project** includes the Kietyönmäki lithium prospect. Drilling by Sunstone has delivered 24.2m at 1.4% Li_2O in a spodumene-bearing pegmatite. Kietyönmäki is also part of the JV with Nortec Minerals.
4. **Sunstone has a significant equity** interest of ~37.6% in Stockholm listed Copperstone Resources (COPP-B.ST) following the recent sale of the Viscaria Copper project.

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.

For further information, please visit www.sunstonemetals.com.au
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APPENDIX 1
The following Table and Sections are provided to ensure compliance with the JORC Code (2012 Edition)

TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• The results announced here are from diamond drill core samples. The sampling was carried out using half core, generally at 2m intervals and where appropriate sampled to 1m intervals.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Core recovery was good, and core aligned prior to splitting.
	• *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.*	• Diamond drilling was used to obtain samples (see first point above) from which the samples 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	• *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).*	• 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	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Diamond core recovery data for this 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.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Core recovery was good, no extra measures were taken to maximise sample recovery.
	• *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.*	• No relationship between sample recovery and grade has been established.
Logging	• *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.*	• Drill samples were logged for lithology, weathering, structure, mineralogy, mineralisation, colour, geotechnical attributes, and other features. Logging and sampling were carried out according to Sunstone's internal protocols and QAQC procedures which comply with industry standards.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*	• Drill samples are logged for lithology, weathering, structure, mineralogy, mineralisation, colour, geotechnical attributes and other features. Core is photographed both wet and dry.
	• *The total length and percentage of the relevant intersections logged.*	• All drill holes are logged in full, from start to finish of the hole.
Sub-sampling techniques and	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Half core was used to provide the samples that were assayed and reported here. Quarter core samples were taken ~1 in every 28 samples for duplicate sampling. The remaining core is left in the core trays.

Criteria	JORC Code explanation	Commentary
sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	• Core samples collected.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• Samples were sent to the LAC y Asociados Cia. Ltda. Sample Preparation Facility in Cuenca, Ecuador for sample preparation. The standard sample preparation for drill core 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 Vancouver (Unit 1, 20120 102nd Avenue, Langley, BC V1M 4B4, Canada) for gold and base metal analysis. • The sample preparation is carried out according to industry standard practices using highly appropriate sample preparation techniques.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• 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.
	• *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.*	• 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.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample sizes are considered to be appropriate for the style of sampling undertaken and the grainsize of the material, and correctly represent the style and type of mineralisation at the exploration stage.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• 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.
	• *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.*	• Data from other measurement tools/instruments are not reported here.
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e.*	• 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

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>lack of bias) and precision have been established.</td><td>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.</td></tr>
<tr><td rowspan="4">Verification of sampling and assaying</td><td>• The verification of significant intersections by either independent or alternative company personnel.</td><td>• Procedure checks have been completed by the Competent Person for exploration results for this announcement.</td></tr>
<tr><td>• The use of twinned holes.</td><td>• Twin holes have not been drilled in this area.</td></tr>
<tr><td>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</td><td>• Sunstone sampling data were imported and validated using Excel.</td></tr>
<tr><td>• Discuss any adjustment to assay data.</td><td>• Assay data were not adjusted. Core loss intervals are assigned assay values of zero where present.</td></tr>
<tr><td rowspan="3">Location of data points</td><td>• 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.</td><td>• Sample co-ordinates are located by GPS and measured along the length of the trench.</td></tr>
<tr><td>• Specification of the grid system used.</td><td>• Southern Ecuador projection parameters:
<table>
<tr><th>Parameter</th><th>Value</th></tr>
<tr><td>Reference Ellipsoid</td><td>International 1924</td></tr>
<tr><td>Semi Major Axis</td><td></td></tr>
<tr><td>Inverse Flattening (1/f)</td><td></td></tr>
<tr><td>Type of Projection</td><td>UTM Zone -17S (Datum PSAD56)</td></tr>
<tr><td>Central Meridian:</td><td>-81.0000</td></tr>
<tr><td>Latitude of Origin</td><td>0.0000</td></tr>
<tr><td>Scale on Central Meridian</td><td>0.9996</td></tr>
<tr><td>False Northing</td><td>10000000</td></tr>
<tr><td>False Easting</td><td>500000</td></tr>
</table></td></tr>
<tr><td>• Quality and adequacy of topographic control.</td><td>• The topographic control was compared against published maps and satellite imagery and found to be good quality.</td></tr>
<tr><td rowspan="3">Data spacing and distribution</td><td>• Data spacing for reporting of Exploration Results.</td><td>• The samples were collected from multiple holes, over three prospects, Limon (LMDD prefix), Bramaderos Main (BMDD prefix), and West Zone (WZDD prefix) with sample length generally ranging between 1-2m.</td></tr>
<tr><td>• 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.</td><td>• The data from these samples does not contribute to any resource estimate nor implies any grade continuity.</td></tr>
<tr><td>• Whether sample compositing has been applied.</td><td>• No sample compositing was done.</td></tr>
<tr><td rowspan="2">Orientation of data in relation to geological structure</td><td>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</td><td>• Drilling orientations were appropriate for the interpreted geology providing representative samples.</td></tr>
<tr><td>• 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.</td><td>• No sampling bias is expected at this stage. Drilling is at an early stage and there has been no historical drilling on this target.</td></tr>
<tr><td>Sample security</td><td>• The measures taken to ensure sample security.</td><td>• Sunstone sampling procedures indicate individual samples were given due attention.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		• 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	• *The results of any audits or reviews of sampling techniques and data.*	• Sunstone's and Cornerstone'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.

TABLE 1 – Section 2: Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• 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 Cornerstone Capital Resources Inc ("Cornerstone"). The concession is subject to a Joint Venture between Cornerstone Capital Resources Inc. and Sunstone Metals Ltd. There are no wilderness areas or national parks or areas of environmental significance within or adjoining the concession area. There are no native title interests.
	• *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.*	• The Bramaderos Exploration Concession was granted to La Plata Minerales S.A. ("PLAMIN") in January 2017. PLAMIN is a subsidiary of Cornerstone Capital Resources Inc ("Cornerstone"). The Bramaderos Concession is subject to a Joint Venture between Sunstone Metals and Cornerstone.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The historic exploration 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	• *Deposit type, geological setting and style of mineralisation.*	• The deposit style being explored for includes intrusion-related and stockwork hosted porphyry Au-Cu systems plus low sulphidation epithermal veins and bulk-tonnage breccia-hosted epithermal gold mineralisation. The setting is a volcanic arc setting of Cretaceous age intrusions.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *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:* *a. easting and northing of the drill hole collar* *b. elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *c. dip and azimuth of the hole* *d. down hole length and interception depth* *e. hole length.*	• Details of the samples discussed in this announcement are in the body of the text. • Details of historical drill holes are included here and are taken from publicly available NI 43-101 technical reports. • See Table 1 and Figures 3, 5 and 8 for the location of drill holes.
	• *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.*	• Information included in announcement.
Data aggregation methods	• *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.*	• Weighted averages were calculated over reported intervals according to sample length. • No grade cut-offs were applied.
	• *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.*	• Intervals were calculated based on interval length multiplied by the metal grade, and then composited over appropriate intervals and averaged over the length.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Metal equivalents are not presented.
Relationship between mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.*	• This is the first phase of drilling at this target and the geometry of mineralisation is poorly understood at this stage.
	• *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').*	• The intervals quoted for all drill holes are down hole lengths.
Diagrams	• *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.*	• See Figures for maps showing distribution of samples.
Balanced reporting	• *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.*	• Figures 1-8 above show the current interpretations of geology and the location of drill holes.
Other substantive exploration data	• *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.*	• Figures 1-8 above show various datasets that are being used to identify target areas and to guide current and future drilling.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• The planned exploration program is outlined in the announcement.

Criteria	JORC Code explanation	Commentary
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• See Figures 1-8 which show areas for further exploration.