



Announcement Summary

Entity name

SUNSTONE METALS LTD

Announcement Type

New announcement

Date of this announcement

Tuesday April 28, 2020

The Proposed issue is:

An offer of securities under a securities purchase plan

Total number of +securities proposed to be issued for an offer of securities under a securities purchase plan

| ASX +Security Code | +Security Description | Maximum Number of +securities to be issued |
|--------------------|-----------------------|--|
| STM | ORDINARY FULLY PAID | 430,000,000 |

+Record date

Tuesday April 21, 2020

Offer closing date

Thursday May 14, 2020

+Issue date

Thursday May 21, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

SUNSTONE METALS LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

68123184412

1.3 ASX issuer code

STM

1.4 The announcement is

New announcement

1.5 Date of this announcement

Tuesday April 28, 2020

1.6 The Proposed issue is:

An offer of +securities under a +securities purchase plan



Part 4 - Details of proposed offer under securities purchase plan

Part 4A - Conditions

4A.1 - Are any of the following approvals required for the offer of +securities under the +securities purchase plan issue to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

No

Part 4B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

STM : ORDINARY FULLY PAID

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +Security Code and Description

STM : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

430,000,000

Minimum Number of +securities proposed to be offered to each individual +security holder

500,000

Maximum Number of +securities proposed to be offered to each individual +security holder

6,000,000



| | |
|---|---|
| Minimum subscription \$ amount proposed to be offered to each individual security holder | Maximum subscription \$ amount proposed to be offered to each individual security holder |
| AUD 2,500 | AUD 30,000 |

Purpose of the issue

Funds to be used primarily to fund exploration at the Bramaderos gold-copper project in southern Ecuador, and for working capital

Offer price details for retail security holders

| | | |
|-------------------------|----------------------------------|--|
| Issue Currency | Offer Price per +security | Estimated or Actual? |
| AUD - Australian Dollar | AUD 0.00500 | <input checked="" type="checkbox"/> Actual |

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

Yes

Provide the scale back details

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.

Part 4C - Timetable

4C.1 Date of announcement of +security purchase plan

Wednesday April 22, 2020

4C.2 +Record date

Tuesday April 21, 2020

4C.3 Date on which offer documents will be made available to investors

Thursday April 30, 2020

4C.4 Offer open date

Thursday April 30, 2020

4C.5 Offer closing date

Thursday May 14, 2020

4C.6 Announcement of results

Monday May 18, 2020



4C.7 +Issue date

Thursday May 21, 2020

Part 4D - Listing Rule requirements

4D.1 Does the offer under the +securities purchase plan meet the requirements of listing rule 7.2 exception 5 that:

- **the number of +securities to be issued is not greater than 30% of the number of fully paid +ordinary securities already on issue; and**
- **the issue price of the +securities is at least 80% of the +volume weighted average market price for +securities in that +class, calculated over the last 5 days on which sales in the +securities were recorded, either before the day on which the issue was announced or before the day on which the issue was made?**

Yes

Part 4E - Fees and expenses

4E.1 Will there be a lead manager or broker to the proposed offer?

Yes

4E.1a Who is the lead manager/broker?

Morgans Corporate Limited

4E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

5% on funds raised through broker nominated clients (2.5% management and 2.5% selling fee)

4E.2 Is the proposed offer to be underwritten?

No

4E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

Yes

4E.3a Will the handling fee or commission be Dollar based or Percentage based?

Percentage based (%)

4E.3b Amount of any handling fee or commission payable to brokers who lodge acceptances on behalf of investors

2.000000 %

4E.3c Please provide any other relevant information about the handling fee or commission method

Fee to brokers to be paid out of fee paid to Lead Manager

4E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer



Part 4F - Further Information

4F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

No

4F.2 Countries in which the entity has security holders who will not be eligible to accept the proposed offer

Canada, Switzerland, Ecuador, United Kingdom, Hong Kong, Liechtenstein, Malaysia, Philippines, Singapore, Sweden and Thailand

4F.3 URL on the entity's website where investors can download information about the proposed offer

<https://www.sunstonemetals.com.au/asx-announcements>

4F.4 Any other information the entity wishes to provide about the proposed offer