

19 MAY 2020

Completion of Share Purchase Plan

Sunstone Metals Limited (ASX:STM) is pleased to confirm the completion of the Share Purchase Plan (SPP) as initially announced on 22 April 2020.

Eligible applications received under the SPP totalled \$2.4 million for 480.6 million shares (excluding ineligible applications to be refunded) at a price of 0.5 cents (\$0.005) per share. The board is very pleased with the response from existing shareholders, and the show of support for the company to continue to explore the Bramaderos gold-copper project.

The total applications did exceed the limit previously advised by the board of 430 million shares by approximately 11.8%. The board has determined to accept the oversubscription and there will not be any scale back in applications.

The New Shares will be issued on or around 21 May 2020.

Total combined proceeds raised from the Placement (see ASX announcement dated 28th April 2020) and SPP of \$4.1 million will be used primarily to fund exploration at the Bramaderos gold-copper project in southern Ecuador. This funding package will allow Sunstone to undertake a broad exploration program and to direct significant funds to a drilling program that will target at least three porphyry gold-copper targets, and one epithermal gold target.

Exploration activities have recommenced at Bramaderos under strict operating procedures to responsibly manage the risks associated with Covid-19. The initial phase is focussed on trenching at the Espiritu epithermal gold target and results from this work are expected in late June or early July. The Company will continue to responsibly phase in further exploration activities as COVID-19 restrictions are lifted over the coming months and expects that drilling will commence in September.

ASX ANNOUNCEMENT

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 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 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. **Sunstone has a significant equity** interest of ~27% in Stockholm listed Copperstone Resources (COPP-B.ST) following the recent sale of the Viscaria Copper project.
3. **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.
4. **The Scandinavian Lithium Project** includes the Kietyönmäki lithium prospect. Drilling by Sunstone has delivered 24.2m at 1.4% Li₂O in a spodumene-bearing pegmatite. Kietyönmäki is also part of the JV with Nortec Minerals.

Mr Malcolm Norris, 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 Malcolm Norris
Managing Director
Sunstone Metals Ltd
Tel: 07 3368 9888**

Email: mnorris@sunstonemetals.com.au