

26 JUNE 2020

Update from Copperstone Resources (Sunstone: 25% stake)

Drilling at Viscaria hits 7.1m at 3.8% copper. Plus, exploration resumes at Bramaderos Project, Ecuador

Highlights of Viscaria Drilling by Copperstone (Sunstone holds ~25%)

- Multiple high-grade copper intersections reported from the D Zone orebody at the Viscaria Copper Project in northern Sweden:
 - 18.9m at 1.3% copper from 468.1m in VDD 212
 - 7.1m at 3.8% copper from 615.2m in VDD 213, including;
 - 0.6m at 20.1% copper from 617.6m in VDD 213
 - 9.3m at 1.0% copper from 689.5m in VDD 215
- The VDD 213, 214 and 215 intersections are outside of the area of the existing Mineral Resource estimate
- Copperstone has completed an 8,000m drilling program at Viscaria and is expecting to resume drilling in Q3 2020 to follow-up on these strong results at D Zone and to drill at the A Zone and B Zone orebodies as a component of the ongoing feasibility study

Company Highlights

- Sunstone holds ~25% of NASDAQ First North Stockholm-listed Copperstone Resources AB (NASDAQ: COPP B), with that interest valued at ~A\$16.8 m, with potential for further deferred consideration of ~A\$7.9m; Copperstone has a market capitalisation of ~A\$66.7m
- Sunstone has A\$3.7m cash on hand
- Exploration has resumed at the Bramaderos gold-copper project, with targets being refined
- Drilling expected to start at Bramaderos in September

Sunstone Metals (ASX: STM) is pleased to announce further outstanding drilling results from the Viscaria Copper Project in northern Sweden.

Viscaria is owned by NASDAQ Stockholm-listed Copperstone Resources AB, in which Sunstone has a ~25 per cent stake. Sunstone is actively involved in Copperstone through board representation and participation in the Copperstone Technical Committee. Copperstone has a market capitalisation of ~A\$66.7 million (at a share price of 0.676 SEK).

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Sunstone’s interest in Copperstone is currently valued at ~A\$16.8 million, compared to Sunstone’s market capitalisation at close on June 25, 2020 of A\$13.3million (at a share price of A\$0.006). Sunstone’s unaudited cash position at 25 June 2020 was A\$3.7 million.

Sunstone has further exposure to success at Viscaria, with Copperstone to make a Stage 2 payment to Sunstone of 20 MSEK (~A\$3.1 million) and issue Sunstone 46 million COPP B shares (valued at ~A\$4.8 million) upon issuance of an Environmental Permit for the development of Viscaria. We are encouraged that Copperstone has recently appointed a highly credentialed Head of Environment and Sustainability and is focussed on advancing the work program towards delivery of an Environmental Permit.

Eight diamond drill holes have now been completed on the Viscaria D Zone North shoot in the past eight months and the results to date strongly reinforce the interpreted geometry of thicker and higher-grade steep shoots extending to depth. It is expected that multiple shoots will be defined as drilling progresses.

Table 1: Assay results for drill holes VDD 212 to 215

Drill Hole	From (m)	To (m)	Interval (m)	Cu (%)
VDD 212	462.8	498.2	35.4	0.7
<i>including</i>	<i>468.1</i>	<i>487.0</i>	<i>18.9</i>	<i>1.3</i>
VDD 213	591.2	648.0	56.8	0.9
	602.0	605.0	3	1.6
	612.0	626.0	14.0	2.3
	615.2	622.3	7.1	3.8
<i>including</i>	<i>615.2</i>	<i>619.8</i>	<i>4.6</i>	<i>5.3</i>
<i>including</i>	<i>617.6</i>	<i>618.2</i>	<i>0.6</i>	<i>20.1</i>
VDD 214	751.4	756.0	4.6	1.4
VDD 215	660.9	709.0	48.1	0.5
<i>including</i>	<i>689.5</i>	<i>709.0</i>	<i>19.5</i>	<i>0.8</i>
<i>including</i>	<i>689.5</i>	<i>698.8</i>	<i>9.3</i>	<i>1.0</i>

The intervals presented are down hole widths, and true widths are expected to be approximately 60% of the downhole width.

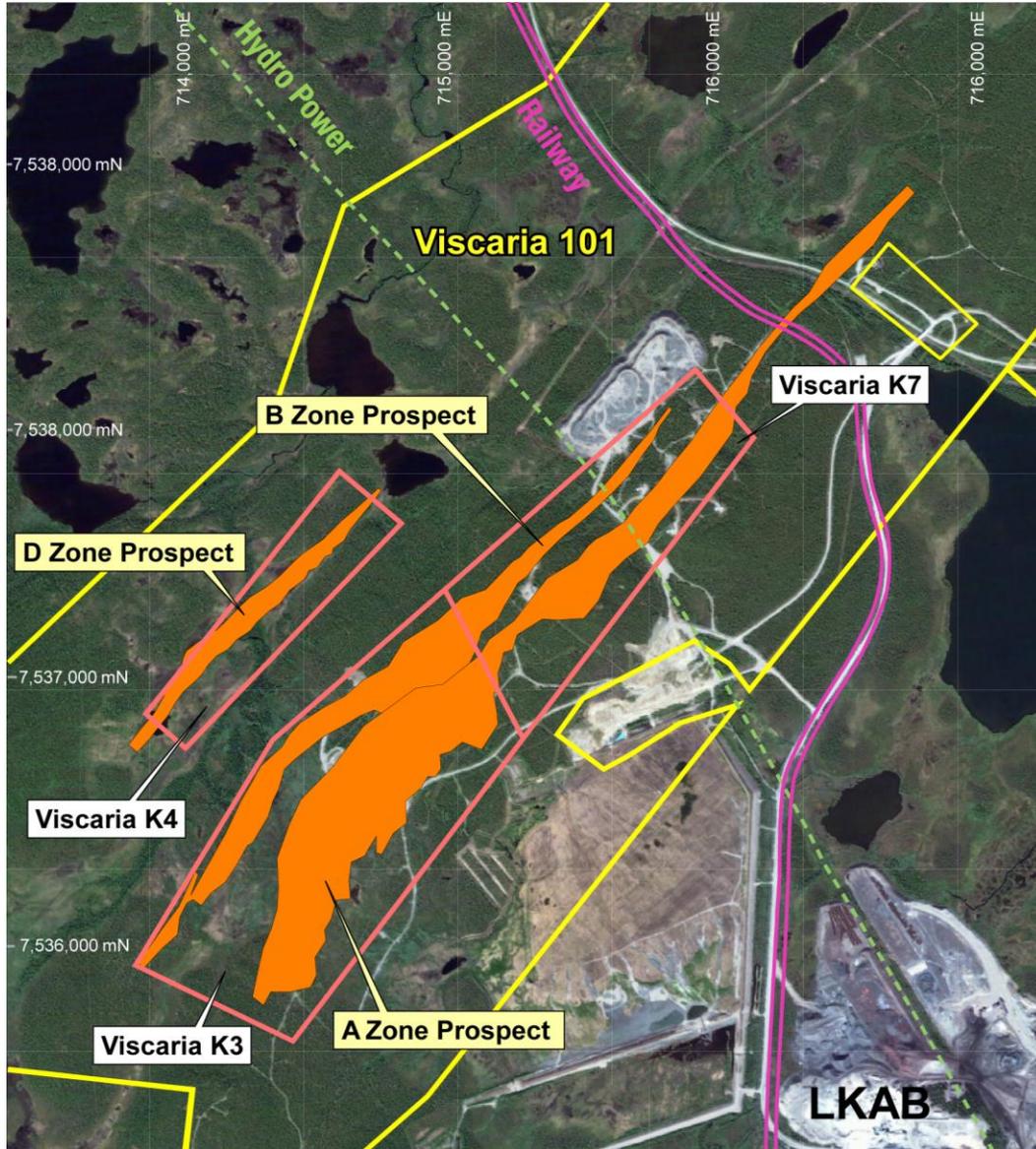
Copperstone has released a detailed announcement on these results and on future plans for further drilling. Please see <https://www.copperstone.se/press> or <http://www.nasdaqomxnordic.com/aktier/microsite?Instrument=SSE38904>

Ecuador Update

Exploration has resumed at the **Bramaderos gold-copper project** in southern Ecuador, with targets being refined through desktop assessments of re-processed data, and through new exploration programs including trenching, detailed mapping and rock chip sampling, and detailed soil sampling. Drilling is expected to start at Bramaderos in September. Sunstone is in close contact with local stakeholders to manage the exploration program and manage the risks associated with the coronavirus pandemic. Some restrictions have been eased in Ecuador to support a re-opening of the economy.

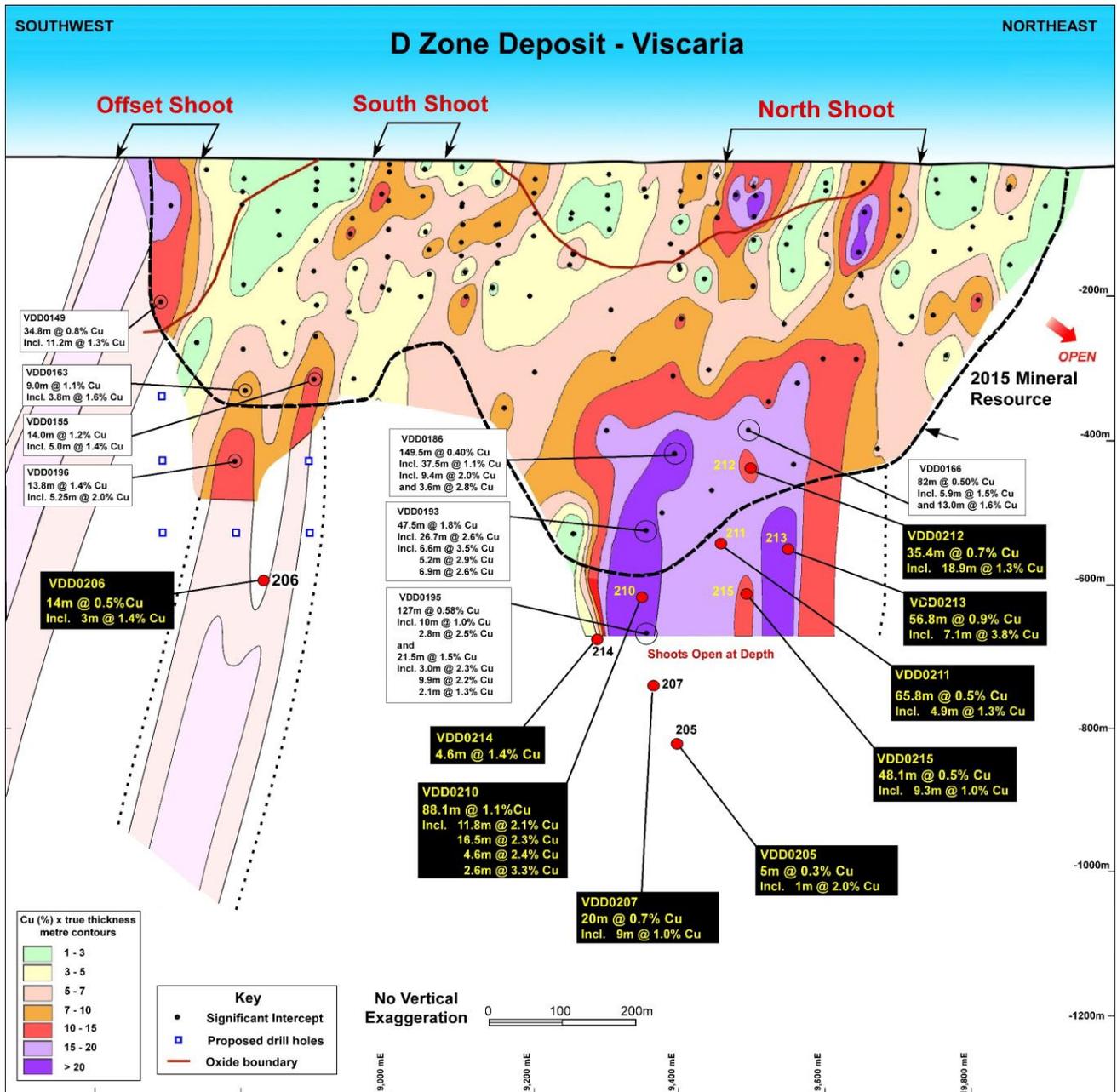
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Figure 1: Location of D Zone at the Viscaria Copper Project



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Figure 2: Location of VDD 212, 213, 214, and 215 on schematic long section showing Cu grade (%) x interpreted true ore zone thickness contours for D Zone ironstone hosted copper mineralisation at the Viscaria Copper Project. Quoted intercepts are downhole intervals. Southwest plunging lenses of improving grade and thickness at depth are being defined as further drilling is undertaken. The 2015 Mineral Resource estimate includes data from holes up to VDD 194 only.



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Table 2: Drill hole details. Viscaria A, B, and D zone 2019-2020 drilling data.

HOLEID	PROSPECT	EASTING (RT90)	NORTHING (RT90)	RL (m)	DEPTH (m)	STARTDATE	ENDDATE
VDD0201	A zone	1680994	7536464	535	151.8	17/09/2019	20/09/2019
VDD0202	A zone	1680869	7536368	524	70	20/09/2019	21/09/2019
VDD0203	A zone	1680955	7536432	528	130.3	22/09/2019	01/10/2019
VDD0204	A zone	1680853	7536287	523	131.2	02/10/2019	04/10/2019
VDD0205	D zone	1681009	7536926	535	929.3	04/10/2019	31/10/2019
VDD0206	D zone	1680606	7536605	518	829.8	31/10/2019	09/11/2019
VDD0207	D zone	1680912	7536973	522	854.2	20/11/2019	09/12/2019
VDD0208	B zone	1680757	7536202	524.5	476.9	10/12/2019	16/12/2019
VDD0209	A zone	1680808	7536292	523	132	16/12/2019	19/12/2019
VDD0210	D zone	1680896	7537006	524	731.3	07/01/2020	23/01/2020
VDD0211	D zone	1681003	7537098	535	703.9	24/01/2020	09/02/2020
VDD0212	D zone	1681006	7537160	528	599	11/02/2020	25/02/2020
VDD0213	D zone	1681041	7537130	536	691.8	26/02/2020	11/03/2020
VDD0214	D zone	1680902	7536936	524	763.2	11/03/2020	31/03/2020
VDD0215	D zone	1681058	7537103	540	750.5	01/04/2020	18/04/2020
					Total	7945.2	

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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 ~25% in Stockholm listed Copperstone Resources (COPP-B.ST) following the sale of the Viscaria Copper project to Copperstone in 2019. Sunstone has further exposure to success at Viscaria, with Copperstone to make a Stage 2 payment to Sunstone of 20 MSEK (~A\$3.1 million) and issue Sunstone an additional 46 million COPP B shares (valued at ~A\$4.8 million) upon issuance of an Environmental Permit for the development of Viscaria.
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.

Competent Persons Statement

The information in this report that relates to exploration results is based upon information reviewed by Mr Malcolm Norris who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Norris 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". Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

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APPENDIX

TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The results announced here are from diamond drill core samples. The sampling was carried out using half core, generally at 1m intervals and where appropriate sampled to no less than 0.3m intervals.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> Core recovery was good, and core aligned prior to splitting.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Diamond drilling was used to obtain ~1m samples (see first point above) from which 3-5 kg was sent to the laboratory to be pulverised to produce a 250g sample. Then a 50g portion of this sample was then used for multi-element analysis using ALS ME-ICP81x.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> The diamond core was HQ (63.5mm) and NQ (47.6 mm) in size (diameter).
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<ul style="list-style-type: none"> 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.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> Core recovery was good, no extra measures were taken to maximise sample recovery.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No relationship between sample recovery and grade has been established.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill samples were logged for lithology, weathering, structure, mineralogy, mineralisation, colour, geotechnical attributes, and other features. Logging and sampling were carried out according to Copperstone's internal protocols and QAQC procedures which comply with industry standards.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. 	<ul style="list-style-type: none"> Drill samples are logged for lithology, weathering, structure, mineralogy, mineralisation, colour, geotechnical attributes and other features. Core is photographed both wet and dry.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All drill holes are logged in full, from start to finish of the hole.
Sub-sampling techniques and	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> 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.

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Criteria	JORC Code explanation	Commentary
sample preparation	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. 	<ul style="list-style-type: none"> Core samples collected.
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> Samples were sent to the ALS Sample Preparation Facility in Pitea, Sweden for sample preparation. The standard ALS sample preparation for drilling samples is: drying the sample, crushing to size fraction 75% >2mm and split the sample to 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 Dublin ALS laboratory for base metal analysis. The sample preparation is carried out according to industry standard practices using highly appropriate sample preparation techniques.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> Copperstone 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 20 samples. Field duplicates were also taken at a rate of approximately 1 in 20 samples. The check or duplicate assay results are reported along with the sample assay values in the final analysis report.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.
<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<ul style="list-style-type: none"> Copperstone used assay method ME-ICP81, which involves sample decomposition by sodium peroxide fusion. They are then analysed by ICP-AES. The lower detection limit for copper using ME-ICP81 is 0.005% and the upper detection limit is 50% This analysis technique is considered suitable for this style of mineralisation.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Data from other measurement tools/instruments are not reported here.
	<ul style="list-style-type: none"> Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Standards, blanks and duplicates are inserted ~1/20 samples. The values of the standards range from low to high grade and are considered appropriate to 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.
	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<ul style="list-style-type: none"> Procedure checks have been completed by the Competent Person for exploration results for this announcement.

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Criteria	JORC Code explanation	Commentary																				
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The use of twinned holes.</i> 	<ul style="list-style-type: none"> Twin holes have not been drilled in this area. 																				
	<ul style="list-style-type: none"> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> Copperstone sampling data were imported and validated using Excel. 																				
	<ul style="list-style-type: none"> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Assay data were not adjusted. Core loss intervals are assigned assay values of zero where present. 																				
Location of data points	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Sample co-ordinates are located by GPS and measured along the length of the trench. 																				
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> RT90 Map projection parameters: <table border="1" data-bbox="917 696 1348 1279"> <thead> <tr> <th>Parameter</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Reference Ellipsoid</td> <td>Bessel 1841</td> </tr> <tr> <td>Semi Major Axis</td> <td>6377397.155 m</td> </tr> <tr> <td>Inverse Flattening (1/f)</td> <td>299.1528128</td> </tr> <tr> <td>Type of Projection</td> <td>Gauss-Krüger (Transverse Mercator)</td> </tr> <tr> <td>Central Meridian:</td> <td>E15°48'29.8" (2.5 gon West of the Stockholm Observatory)</td> </tr> <tr> <td>Latitude of Origin</td> <td>0°</td> </tr> <tr> <td>Scale on Central Meridian</td> <td>1</td> </tr> <tr> <td>False Northing</td> <td>0 m</td> </tr> <tr> <td>False Easting</td> <td>1500000 m</td> </tr> </tbody> </table> RT90 gon vast (west) 2.5 grid north is situated 4.01° to the east of True North 	Parameter	Value	Reference Ellipsoid	Bessel 1841	Semi Major Axis	6377397.155 m	Inverse Flattening (1/f)	299.1528128	Type of Projection	Gauss-Krüger (Transverse Mercator)	Central Meridian:	E15°48'29.8" (2.5 gon West of the Stockholm Observatory)	Latitude of Origin	0°	Scale on Central Meridian	1	False Northing	0 m	False Easting	1500000 m
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<ul style="list-style-type: none"> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> The topographic surface was taken from LIDAR data (airborne laser scanning) that was purchased from Lantmäteriet (the Swedish mapping, cadastral and land registration authority). Data point resolution is 0.5 per metre square and is specified as accurate to 20cm in elevation on distinct surfaces and 60cm in planimetry. The level of accuracy of the LIDAR topographic surface was considered adequate for the purposes of resource estimation. The LIDAR topographic surface has also been verified by the many Differential GPS collar survey co-ordinates. 																					
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> The samples were collected from two diamond drill holes from the Viscaria project, with sampling interval approximately 1m. 																				
	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Sufficient continuity in both geology and mineralisation has been established to support the classification of the Company's existing Mineral Resources under JORC Code 2012. 																				
	<ul style="list-style-type: none"> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> No sample compositing was done. 																				
Orientation of data in relation	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> 	<ul style="list-style-type: none"> Drilling orientations were appropriate for the interpreted geology providing representative samples. 																				

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Criteria	JORC Code explanation	Commentary
to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No sampling bias is expected at this stage. Drilling is at an early stage and there has been no historical drilling on this target.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Copperstone sampling procedures indicate individual samples were given due attention. 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. ALS is an internationally accredited laboratory that has all its internal procedures heavily scrutinised in order to maintain their accreditation.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Copperstone's sampling techniques and data have been audited multiple times by independent mining consultants during the process of reporting a JORC Compliant Mineral Resource on the various mineral deposits that make up the Viscaria Copper Project (A Zone, B Zone, and D Zone). These audits have always resulted in the conclusion that Copperstone's sampling techniques and data are industry standard and suitable for the purposes of reporting a JORC Compliant Mineral Resource. 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The D Zone Prospect is covered by Exploration Permit Viscaria nr 101. The D Zone Mineral Resource is also covered by Exploitation Concession Viscaria K nr 4.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Exploration Permit Viscaria nr 101 remains valid while Viscaria K nr 7 is under review prior to approval. Exploitation Concession Viscaria K nr 4 is valid until the 16/01/2037.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The historic drilling at the D Zone Prospect was completed by Viscaria AB (owned by Outokumpu OY) during the period 1985 to 1997.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The D Zone deposit is interpreted to be either a volcanic hosted massive sulphide-type (VHMS) ore system or an iron oxide copper gold-type (IOCG) ore system. This deposit has subsequently been strongly attenuated by shearing associated with a lower amphibolite facies metamorphic event. Subsequent to the lower amphibolite facies metamorphism and associated deformation, these rocks have been overprinted by locally constrained shear zones displaying retrograde, greenschist metamorphic mineralogy (chlorite, epidote, actinolite, and talc).

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Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> 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: <ol style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 	<ul style="list-style-type: none"> Details of the samples discussed in this announcement are in the body of the text. See Table 2 and Figures 1 and 2 for the location of drill holes.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Information included in announcement.
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Weighted averages were calculated over reported intervals according to sample length. No grade cut-offs were applied.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The results in the announcement show both aggregated intercepts and specific higher-grade intercepts within the broader interval. The aggregated intervals are identified on the basis of the presence of chalcopyrite within altered rock and delivering an aggregated assay of greater than or equal to 0.5% Cu. The specific higher-grade intervals are identified based on continuity of mineralisation.
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Metal equivalents are not presented.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported. 	<ul style="list-style-type: none"> The orientations of VDD 212 – 215 are at a moderate and acceptable angle to the mineralization at the D Zone Prospect. The mineralised interval, from other nearby drilling, is sub-vertical indicating that the estimated true width of the mineralized intersection is approximately 60% of the down hole thickness of the mineralization.
	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> The intervals quoted for all drill holes are down hole lengths.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See Figures 1 and 2 for maps showing distribution of samples.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Figures 1 and 2 above show the current interpretations of geology and the location of drill holes.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Figure 2 above shows the geological interpretation on long section of drill holes VDD 212 - 215 relative to surrounding drill holes.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- 	<ul style="list-style-type: none"> Exploration for further extensions of the D Zone Mineral Resource is currently in progress.

ASX ANNOUNCEMENT

Criteria	JORC Code explanation	Commentary
	<p><i>scale step-out drilling).</i></p> <ul style="list-style-type: none"> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> See Figures 1 and 2 which show areas for further exploration.