



SUNSTONE METALS

**NOOSA MINING
& EXPLORATION**
INVESTOR CONFERENCE
14-16 JULY 2021 | PEPPERS NOOSA RESORT

ASX
STM

July 2021

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FORWARD-LOOKING STATEMENTS

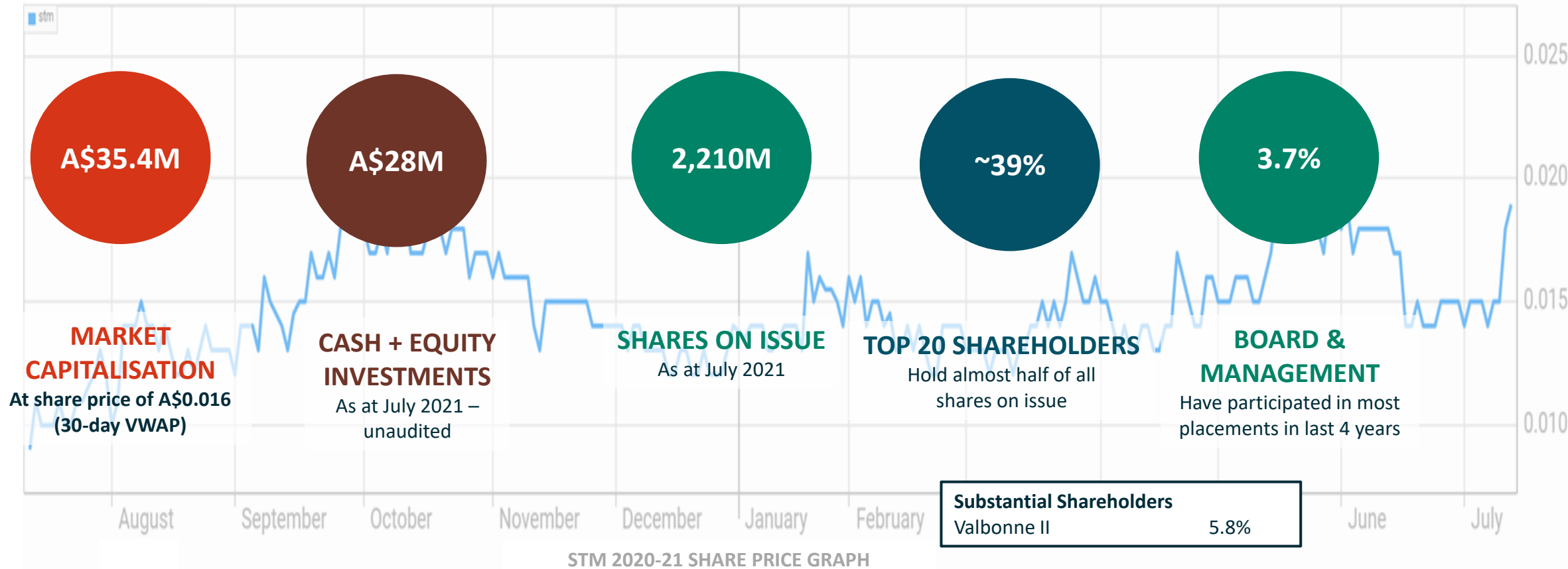
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Corporate

Listed on the Australian Stock Exchange **ASX:STM**



Investment Highlights

- **Sunstone is undervalued**
 - Market Capitalisation = ~A\$35.4 mill (@1.6cps; 30 day VWAP)
 - Equity Investments + Cash = ~A\$28 mill
 - Delivering Enterprise Value of Ecuador exploration projects = ~A\$7.4 mill – we would argue, this is grossly undervalued
- **Sunstone owns 87.5% of the Bramaderos Gold-Copper Project in southern Ecuador**
 - The Bramaderos Project has delivered ore grade intercepts of gold and copper in the Brama porphyry system. Phase 2 drilling in progress
 - There remains 5 additional highly ranked porphyry gold-copper systems – all of which are mineralised and only partially tested
 - And a belt of epithermal silver-gold opportunities
- **Sunstone is acquiring 100% of the El Palmar copper-gold porphyry project in northern Ecuador**
 - Through a Staged Acquisition Agreement based on cash payments linked to milestones
 - Sunstone is targeting the discovery of a giant copper-gold porphyry deposit
 - The project is located in northern Ecuador, in the same regional belt as the giant Cascabel copper-gold deposit, and Llurimagua copper deposit
 - 3 historical diamond drill holes intersected porphyry copper-gold mineralisation
 - A ground magnetic survey has been completed and 3-D modelling delivered a compelling porphyry style target
 - Soil sampling in progress and delivering positive results
 - Drilling to commence soon, final stages of setup

We are confident because ...

- Sunstone has a vision to build a gold-copper discovery business in Ecuador. Our strong funding position can help deliver the vision
- Discovery adds significant value – investment return proposition is very compelling. Some discoveries are delivered very quickly so investors need to be ‘positioned’ to have full exposure to discovery.
- At **Bramaderos**, we have commenced Phase 2 of the exploration process. We are confident about delivering a porphyry gold-copper discovery
- The **El Palmar** copper-gold porphyry project has compelling discovery potential. This is a good example of investors needing to be ‘positioned’. Phase 1 drilling (2,000m) could deliver significant change to the value of Sunstone
- **Ecuador is building a significant mining sector**
- The Sunstone team has a **track record of discovery and generating significant share price increase**

Ecuador

Building an exploration and mining sector

New Presidential Guillermo Lasso is pro-responsible mining. New Minister for Energy and Non-Renewable Resources – Juan Carlos Bermeo. Vice-Minister Mines, Xavier Vera, recently appointed

Ecuador is managing through the coronavirus pandemic

The mining and exploration industry is deemed to be an ‘essential industry’ during the pandemic and is encouraged to continue operating if it is safe to do so. Sunstone has strict Covid operating plans and has been active through the majority of the pandemic

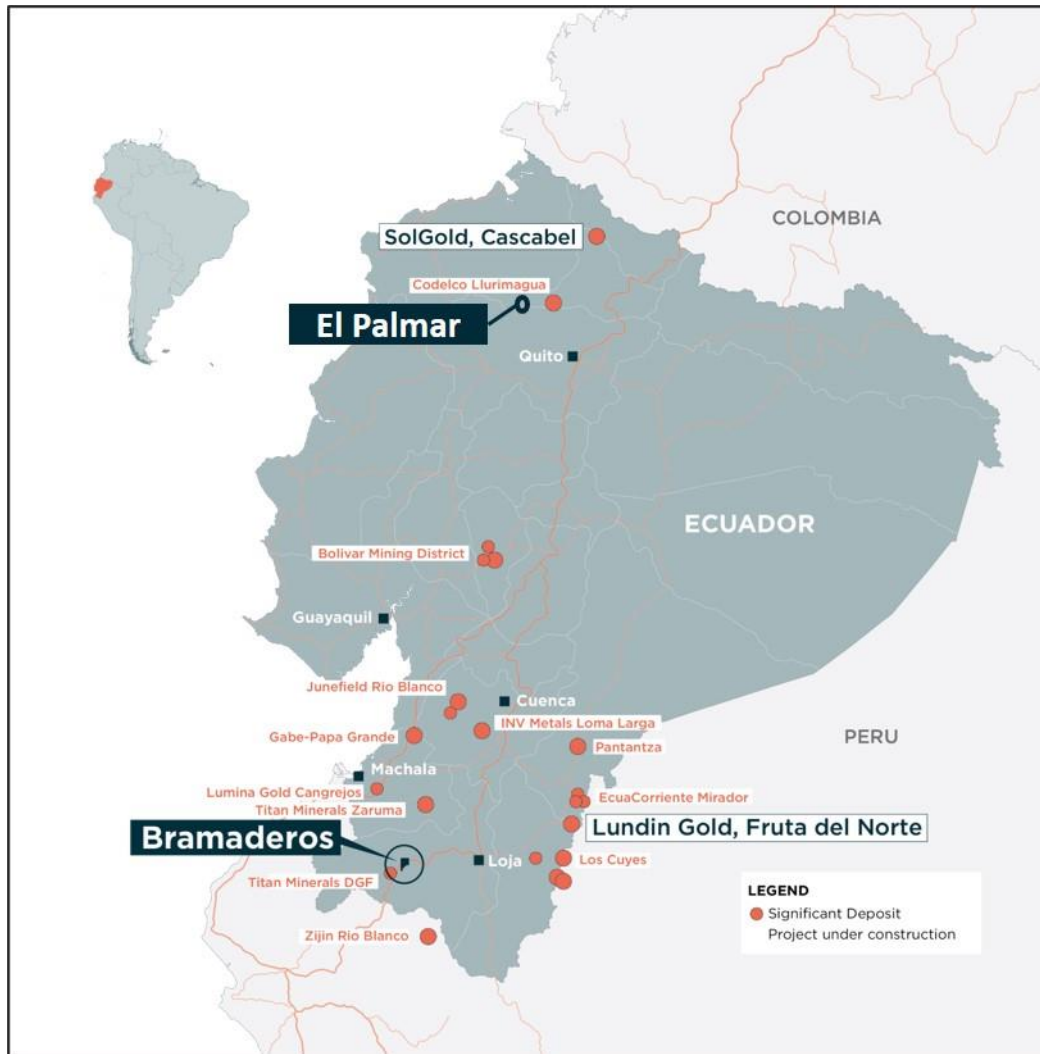
Ecuador is building a significant mining and exploration sector. Major resource companies have committed to Ecuador for the long term

Mining is now playing an important part in Ecuadorian economic growth; mineral resources now represent one of Ecuador’s top five exports; US\$810 million in exports generated by the mining sector in 2020; yoy to April 2021 (4 months) 127% higher at US\$421 million. Mining products 5.4% of total exports*, and fourth behind oil, bananas and shrimp. Mining exports growing. *(by comparison – 61% of exports in Peru are from the mining sector)

There will be several very significant gold and copper discoveries and developments in Ecuador over the next few years. Sunstone will be part of that industry growth

Ecuador

Exploration and development is active



Fruta del Norte

Lundin Gold (TSX:LUG)

High grade underground gold mine; Reserve of 20.8Mt at 8.1g/t gold + 11.8g/t silver; 5.4Moz gold In production; 2021 guidance 380,000 - 420,000 ounces gold; AISC US\$800/ounce; 10.4g/t head grade Ecuador's first modern underground gold mine

Mirador

Ecuacorriente

Open Pit producing and exporting concentrate; 62,000t copper and 34,000 ounces gold annual production 673Mt at 0.58% copper and 0.19g/t gold

Cascabel

SolGold 85%/ Cornerstone 15%

Alpala resource

2,663 Mt @ 0.37% copper and 0.25g/t gold in the Measured and Indicated categories, and 544 Mt @ 0.24% copper and 0.11g/t gold in the Inferred category.

Top of main orebody ~500m below surface

Cangrejos

Lumina Gold (TSX.V:LUM) 100%

568Mt at 0.55g/t gold and 0.11% copper in the Indicated category, and 476 Mt @ 0.41g/t gold and 0.08% copper in the Inferred category.

Llorimagua

Codelco/Enami (Ecuador) JV; 982Mt at 0.89% copper and 0.04% molybdenum (1.55Bt at 0.51% copper)

Warintza

Solaris (TSX.V:SLS); small initial resource, huge new drill intersections

Sunstone Metals

Community, Safety and Environment



Sunstone appreciates the strong community support it has at its projects

Sunstone has active environmental monitoring programs and is involved in various community programs at Bramaderos.

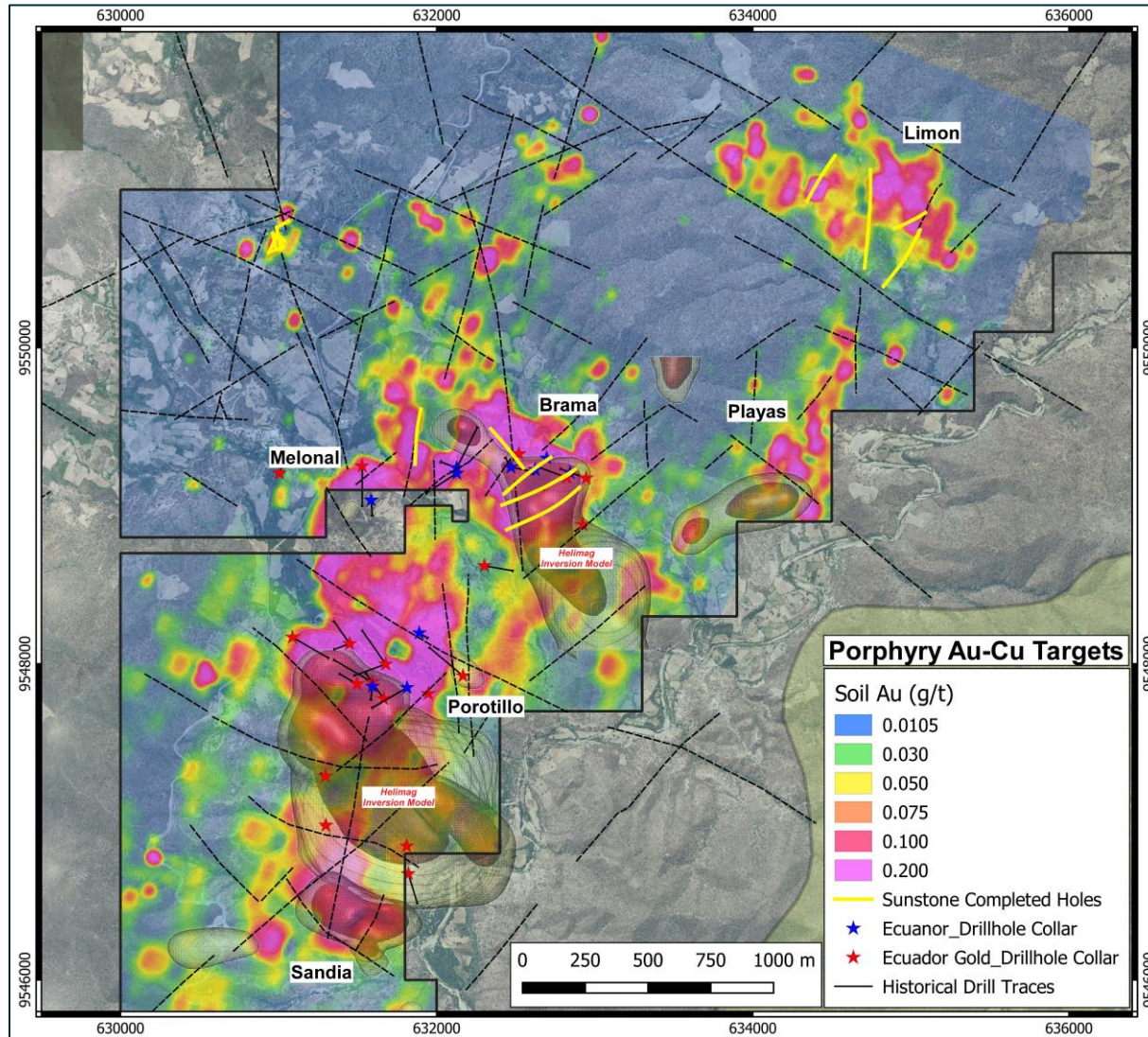
At Bramaderos and El Palmar we have been working with the local communities to assist where possible during the coronavirus pandemic

We have implemented a strict coronavirus operating plan to allow our exploration programs to continue across 2 projects while not compromising local health and safety



Bramaderos Project

Multiple Targets – Porphyry gold-copper and epithermal silver-gold



Multiple targets now being tested in Phase 2 of our exploration program

6 porphyry gold-copper systems have been identified and all are mineralized

Currently drilling the Brama target

Brama – existing drilling; ore grade intercepts

Limon – existing drilling; drilled outside edge of porphyry

Playas – no drilling

Melonal – very minor drilling found copper and gold

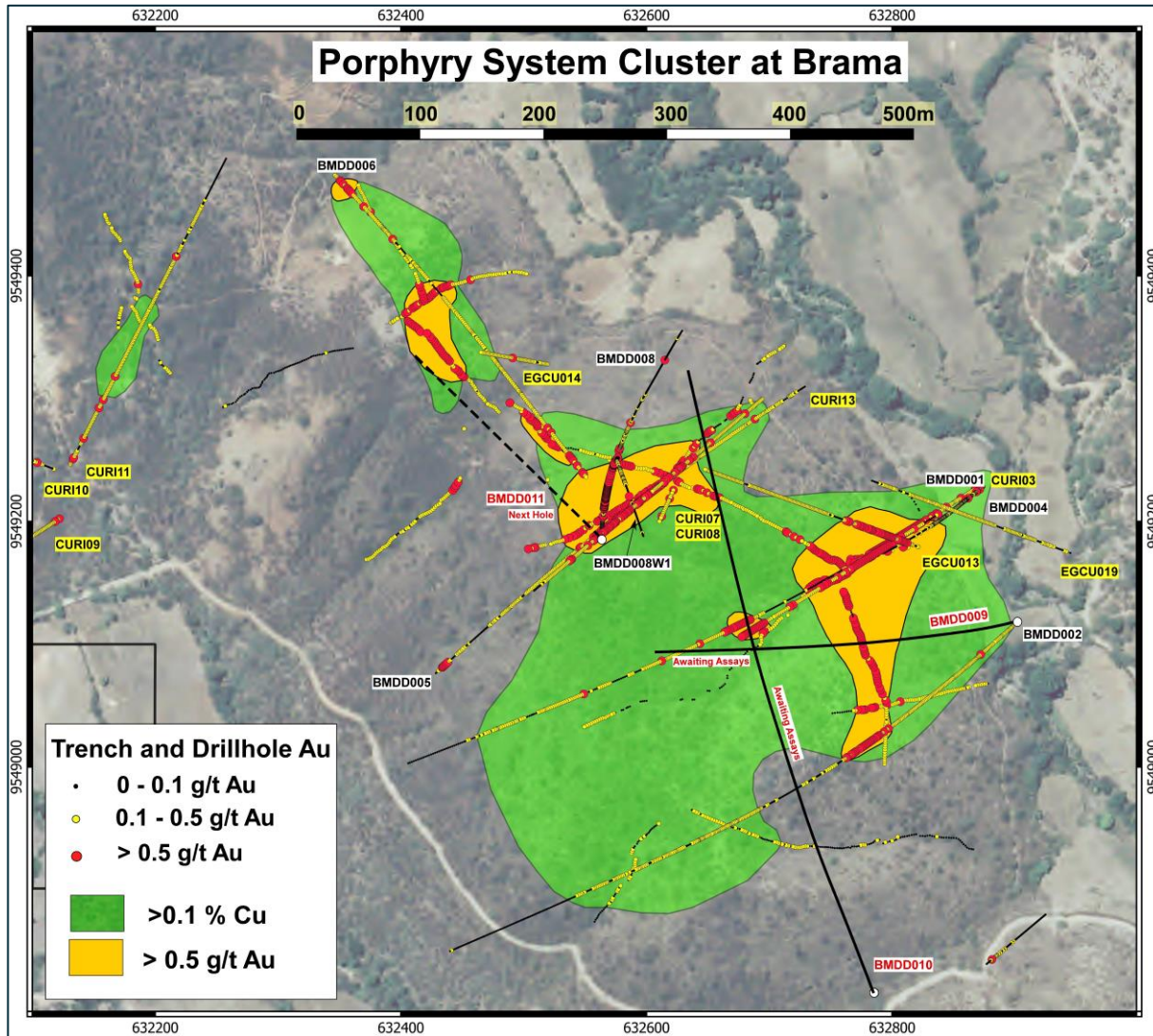
Porotillo – historical drilling, some good grades

Sandia – no drilling

At least 2 known mineralised epithermal gold-silver systems (NE geological extension of Dynasty goldfield)

Brama Porphyry

Large gold-copper system at surface

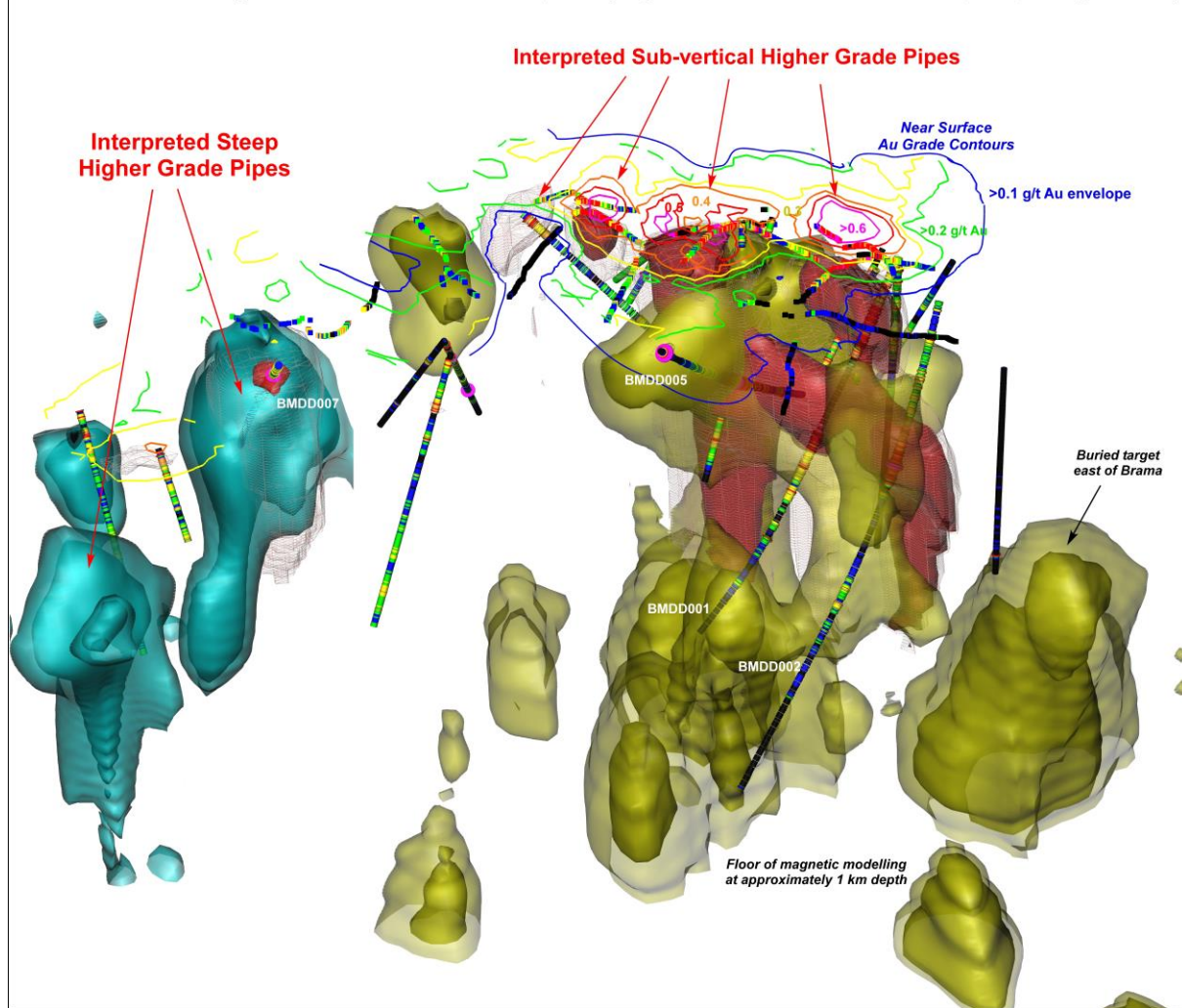


- 10 effective drill holes - all mineralized, some ore grade
- Longitudinal trench **BM14** – 615.14m at **0.52g/t Au** and **0.11% Cu**, includes
 - 122.6m at 0.55g/t gold, 0.17% copper, and
 - 97m at 0.61g/t gold, 0.16% copper, and
 - 179.7m at 0.6g/t gold, 0.09% copper
- And in the northwest section of trench **BM14**, in the vicinity of drill hole **BMDD011**, in progress, includes
 - 62.8m at 0.77g/t gold and 0.03% copper, and
 - 70.5m at 0.68g/t gold and 0.16% copper
- Cluster of higher-grade mineralised systems within large lower grade system

Brama Porphyry

Building tonnes, and testing other targets

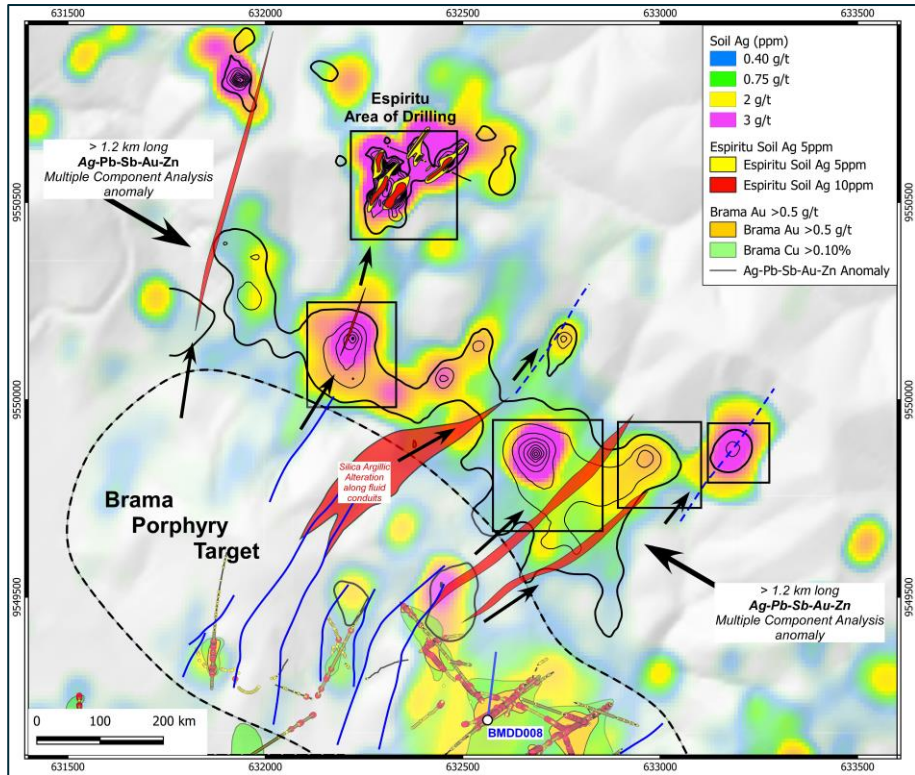
Inclined View Looking NNE Across the Brama Prospect - (Magnetic Iso-surfaces and Au 0.35, 0.40, 0.50 g/t shells)



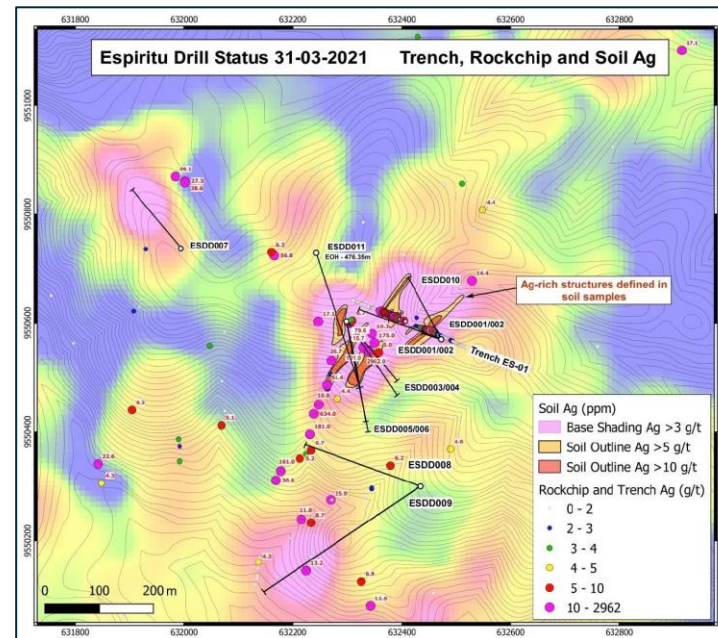
- In BMDD001
 - ✓ 172m at 0.52g/t gold and 0.16% copper downhole, *including*
 - ✓ **96.6m at 0.61g/t gold and 0.18% copper**, and
- Trench above CURI-03 returned
 - ✓ 140.6m at 0.57g/t gold and 0.15% copper, *including*
 - ✓ **68.2m at 0.8g/t gold and 0.18% copper**
- BMDD008 drilled a mineralised intrusive breccia intersecting
 - ✓ 450m at 0.47g/t gold and 0.1% copper
 - ✓ **including 84.3m at 0.8g/t gold and 0.11% copper**
- Build tonnes at Brama target, focus on higher grade domains
- Then, step out to build tonnes at other nearby targets within the Bramaderos concession - Limon, Melonal, Playas, Porotillo
- Limon
 - ✓ trench **97.6m at 0.71g/t gold and 0.23% copper**,
 - ✓ Drill holes LMDD002 and LMDD004 drilled into peripheral halo style gold-copper-molybdenum mineralisation, no follow-up yet
- Porotillo
 - ✓ Curi-03; 26m at 1.1g/t gold and 0.2% copper

Espiritu Epithermal Discovery

High grade narrow gold-silver-lead-zinc epithermal



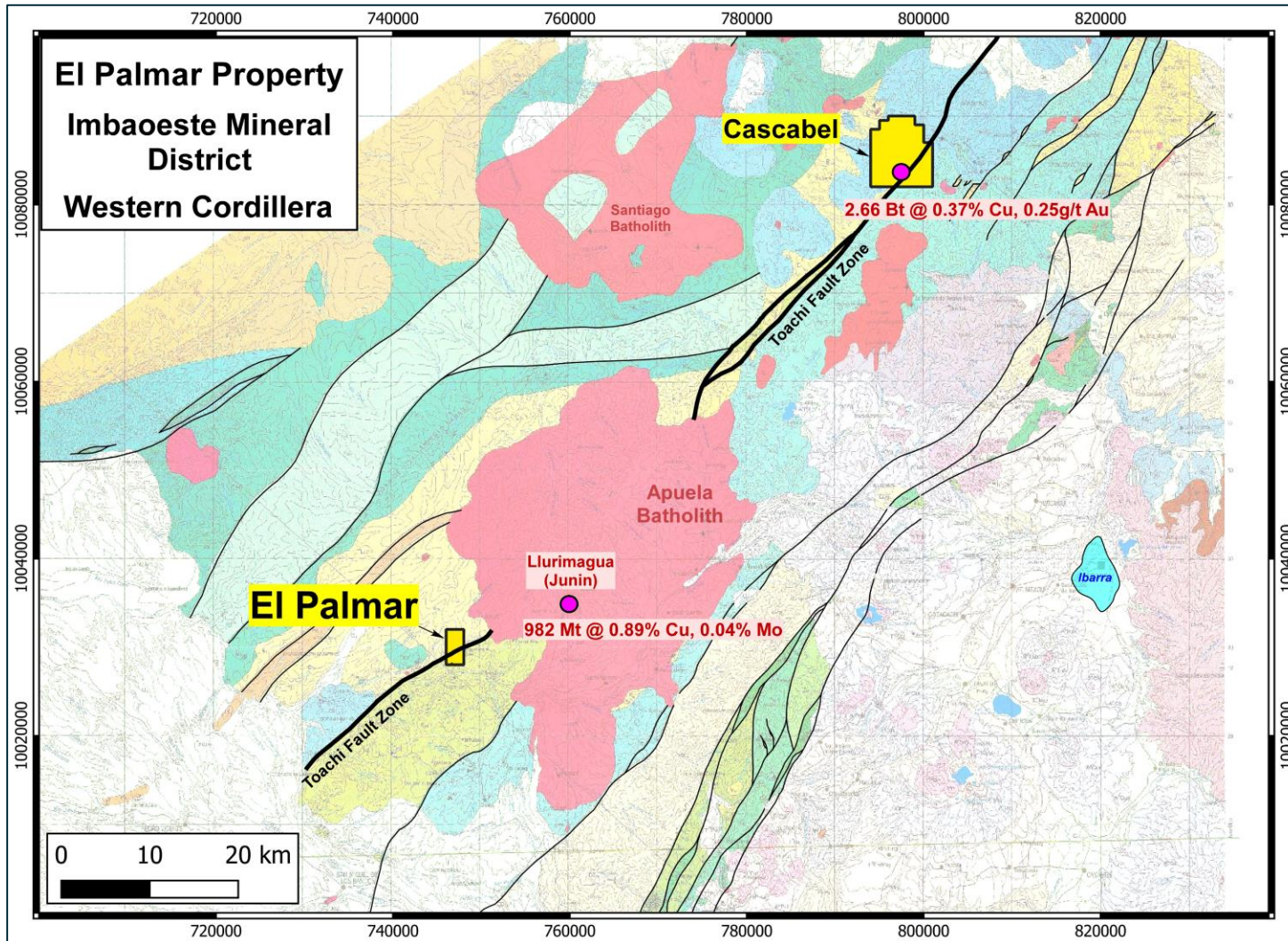
- Drilling has delivered up to;
 - 2.4m at 104g/t silver, 0.7g/t gold, 3.4% zinc, 1.6% lead** from 145.8m
 - 1.1m at 1069g/t silver, 0.2g/t gold, 5.5% zinc, 1.3% lead** from 225.5m
 - 11.6m at 167g/t silver, 0.2g/t gold, 2.1% zinc, 0.8% lead** from 259.1m
 - 0.6m at 154g/t silver, 6.46g/t gold** from 371.4m (140m below surface)
- Trenching has returned 4m at 415 g/t silver, 0.9g/t gold, 12.9% zinc+lead, within a broader zone of 21m at 82g/t silver, 0.3g/t gold and 2.5% zinc+lead



- ✓ Need to test other anomalies to the southeast
- ✓ But.... lower priority than porphyry drilling

El Palmar

Northern Ecuador



Staged Acquisition Agreement to secure 100% of the El Palmar property

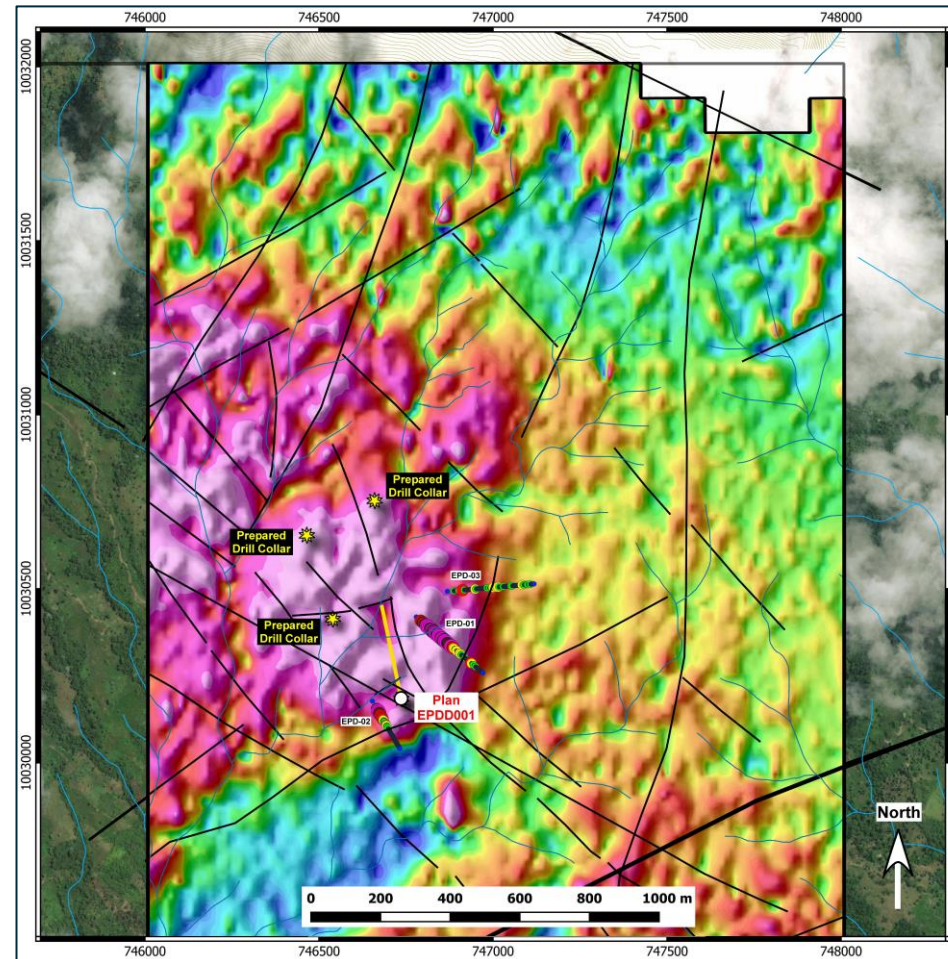
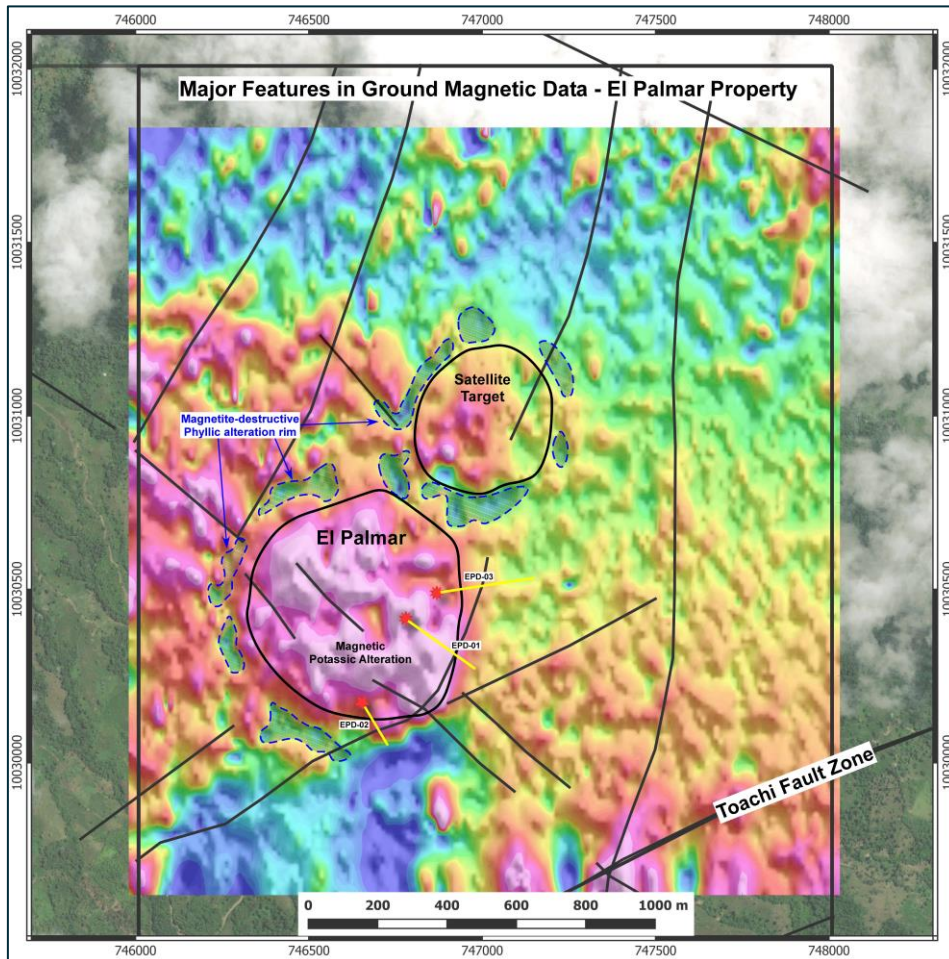
Prospective for porphyry copper-gold similar to the 2.7Bt Alpala deposit at Cascabel and the 1Bt Llurimagua deposit

Trench No.	Interval (m)	Gold (g/t)	Copper (%)
1	174	0.41	0.11
including	42	0.72	0.05
2	126	0.39	0.05
including	57	0.61	0.13

Drill Hole No.	From (m)	To (m)	Interval (m)	Gold (g/t)	Copper (%)
EPD-01	33.0	500.2	467.2	0.18	0.10
including	33.0	219.0	186.0	0.33	0.16
EPD-02	51.0	124.4	73.5	0.22	0.12
including	51.0	85.5	34.5	0.31	0.16
EPD-03	400.5	500.2	99.7	0.09	0.05

El Palmar

Porphyry cluster; magnetics define new drill targets



This is new data. Previous exploration was undertaken with no geophysical data.

The first ground magnetic survey by Sunstone has delivered a compelling drill target

El Palmar

Drilling about to start



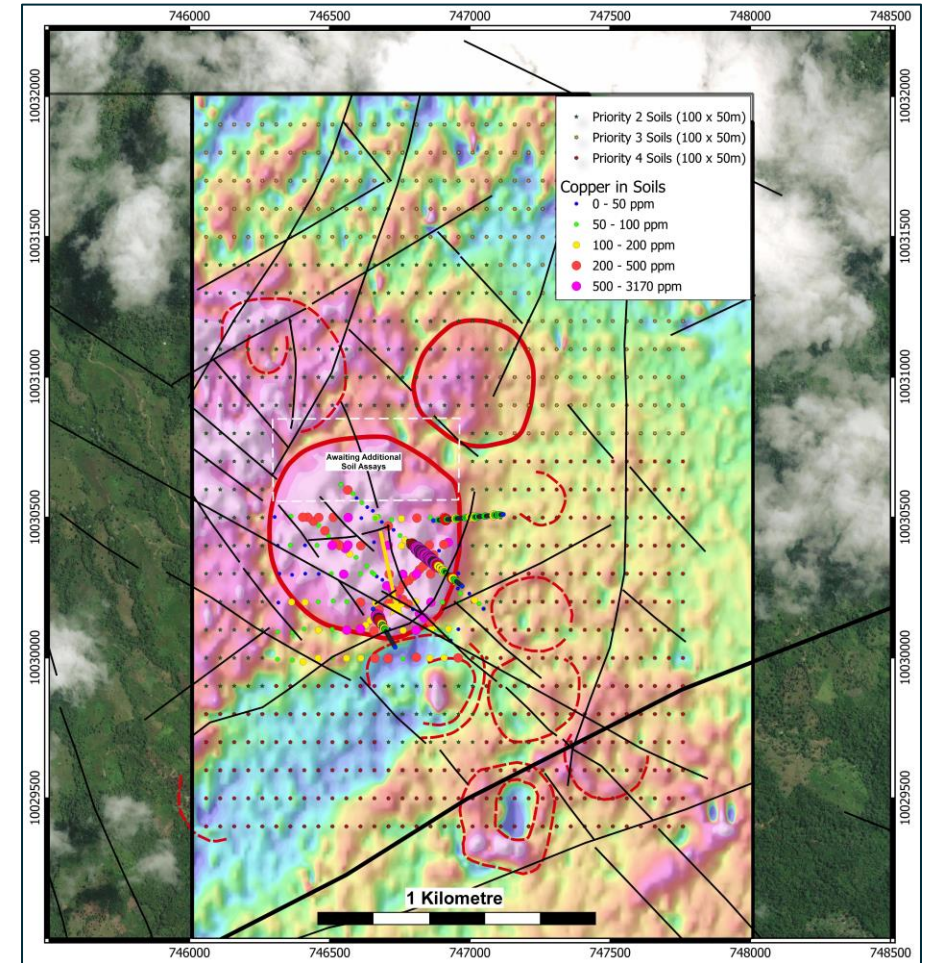
Drilling will commence soon
Finalising logistical support issues

Good access
Ground magnetics completed
Soil sampling in progress



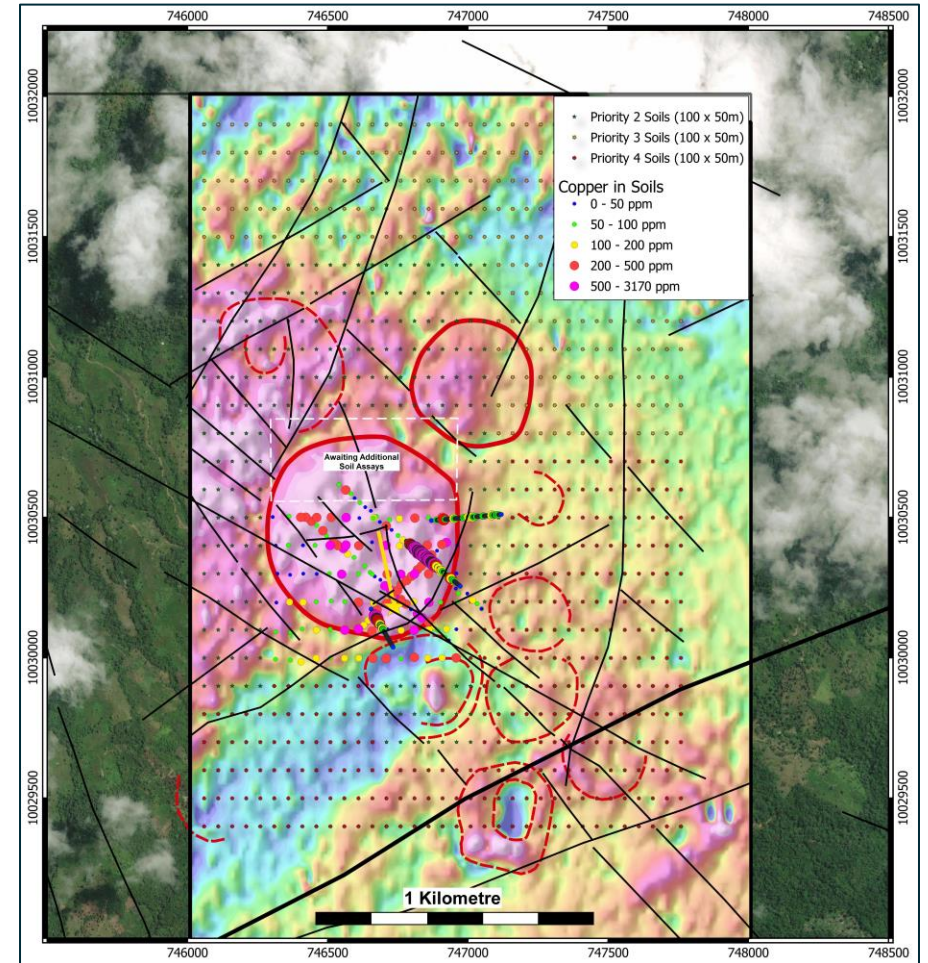
El Palmar

Locally outcropping Porphyry but with cover; Auger soil sampling effective



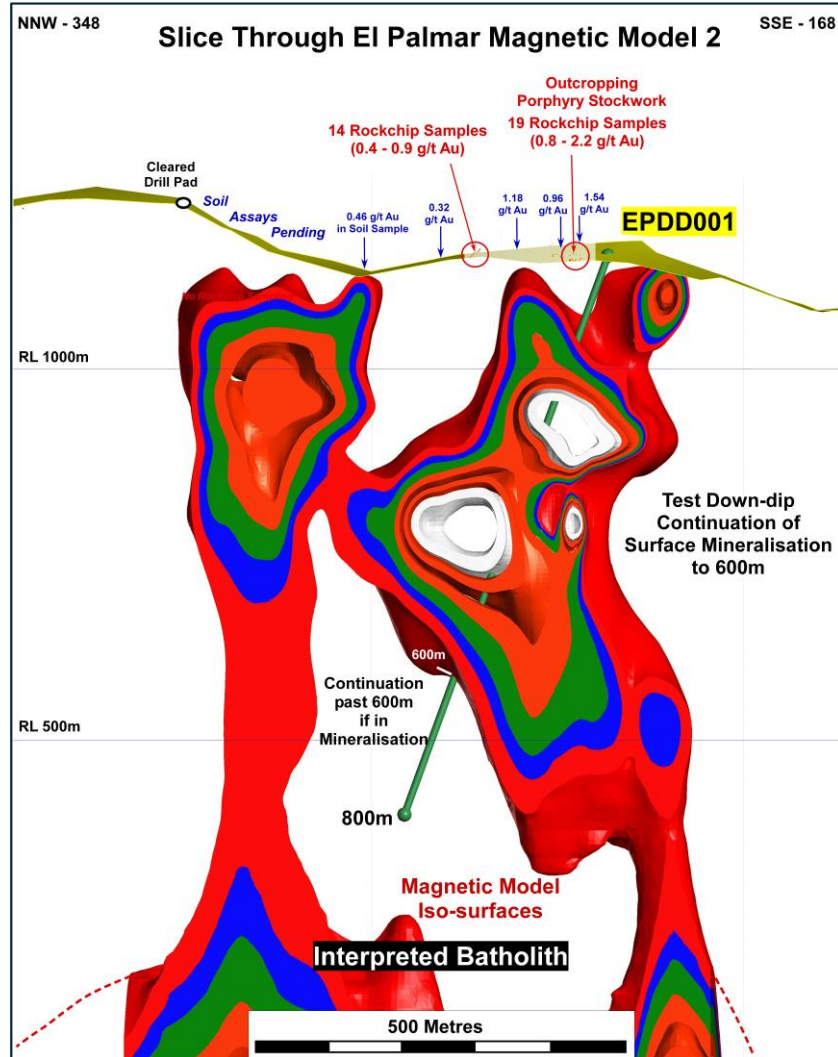
El Palmar

Locally outcropping Porphyry but with cover; Auger soil sampling effective



El Palmar

Drill target definition



Integrated magnetics, 3-D modelling, reconnaissance geological observations, and soil sampling results are guiding drill targeting

Compelling targets defined; magnetics signature similar to some of the great porphyry deposits

2,000m drill program about to start

Next 3 months will tell us if we have a significant discovery

Preparations in place for an expanded drilling program if justified

What's Ahead

- ✓ **2021 - Discovery focused, multiple drill targets, strong funding position, increased marketing**
- ✓ **Bramaderos**
 - July-August – Brama drilling, chasing higher-grade, defining geometries
 - Q4 – develop deposit geometry model, refine drill targets at Limon and Melonal, to help build tonnes
 - Q4 – deep penetrating electrical geophysics
- ✓ **El Palmar**
 - July-August – drilling, first assays, additional soil sampling assays, additional targets defined
 - Q4 – subject to results – increased drilling activity
- ✓ **Marketing**
 - RRS and Mines and Money; mid-October

Competent Persons Statement

The information in this report that relates to exploration results and exploration targets and 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