

10 May 2024

Pre-quotation Disclosure

Sun Silver Limited (**Company**) makes the following disclosures in accordance with ASX's listing conditions. Capitalised terms not otherwise defined have the meaning given in the Company's replacement prospectus dated 17 April 2024 (**Prospectus**).

1. Completion of Offers and issuance of Securities

The Company is pleased to announce that the Public Offer raised the Maximum Subscription of \$13 million (before costs).

The Company confirms that it has closed the Offers under the Prospectus and completed the issue of:

- (a) 65,000,000 Shares under the Public Offer at an issue price of \$0.20 per Share; and
- (b) 3,500,000 Consideration Shares to the Vendor.

2. Completion of the Acquisition

The Company confirms the exercise of the Maverick Springs Option and completion of the Option Agreement between the Company and the Element Entities dated 28 August 2023 (as varied on 12 January 2024 and 5 March 2024), including the satisfaction of all Conditions Precedent (not waived) as set out in Section 8.1(b) of the Prospectus.

The Company issued 3,500,000 Shares and paid cash of CAD\$4,400,000 (less Option Fees already paid) to exercise the Maverick Springs Option.

3. Capital structure

On admission to the official list of ASX, the Company's capital structure will be as follows:

Securities	Number
Shares	124,975,000
Performance Rights	2,000,000



4. Restricted Securities

The following table provides the number of Securities subject to ASX restrictions and the restriction period applied to those Securities.

Restricted Securities	Number	Restriction period
Shares	44,221,000	24 months from the date that the Company's Shares are quoted on the official list.
Shares	6,825,000	13 December 2024, being 12 months from the date of issue.
Shares	750,000	2 April 2025, being 12 months from the date of issue.
Shares	3,500,000	6 May 2025, being 12 months from the date of issue.
Performance Rights	2,000,000	24 months from the date that the Company's Shares are quoted on the official list.

5. Confirmation of no impediments

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to it entering on to the Claims comprising the Maverick Springs Property and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of satisfying Listing Rule 1.3.2(b).

6. Waiver and confirmation

ASX has granted the Company a waiver from Listing Rule 1.1 condition 12 and provided a confirmation for the purpose of Listing Rule 6.1 on the terms and conditions set out in Annexure A.

7. S3 Consortium

A cash payment of \$37,500 and the issuance of 1,875,000 Shares has been made to S3 Consortium Pty Ltd (or its nominees) in accordance with the S3 Services Agreement summarised in Section 8.5 of the Prospectus.

By order of the Board

Gerard O'Donovan
Executive Director

Annexure A – Waiver and confirmation

ASX Limited ('ASX') has granted the Company a waiver from Listing Rule 1.1 condition 12 and provided confirmation for the purpose of Listing Rule 6.1, as set out in the decisions below.

Waiver Decision – Listing Rule 1.1 condition 12

1. Based solely on the information provided, ASX Limited ('ASX') grants Sun Silver Minerals Ltd (the 'Company') a waiver from Listing Rule 1.1 Condition 12 to permit the Company to have on issue 2,000,000 performance rights with a nil exercise price ('Performance Rights') on the condition that the full terms and conditions of the Performance Rights are clearly disclosed in the Company's initial public offering prospectus.
2. ASX has considered Listing Rule 1.1 condition 12 only and makes no statement as to the Company's compliance with other listing rules.

Confirmation Decision – Listing Rule 6.1

1. Based solely on the information provided, ASX Limited ('ASX') confirms that the terms of the 2,000,000 performance rights with a nil exercise price ('Performance Rights') proposed to be issued by Sun Silver Limited ('the Company') to Gerard O'Donovan are appropriate and equitable for the purposes of Listing Rule 6.1, subject to the following conditions:
 - 1.1 The prospectus issued in connection with the Company's IPO contains the following details in respect of the Performance Rights:
 - 1.1.1 the party or parties to whom the Performance Rights are to be issued and the number of Performance Rights to be issued to them or each of them;
 - 1.1.2 any relationship the recipient of the Performance Rights or an associate of the recipient has with the entity;
 - 1.1.3 given Mr O'Donovan is an executive director of the Company:
 - (a) a statement that the Performance Rights are being issued to remunerate or incentivise Mr O'Donovan;
 - (b) details of the role (if any) Mr O'Donovan will play in meeting the respective performance milestone;
 - (c) details of Mr O'Donovan's existing total remuneration package;
 - (d) if Mr O'Donovan or any of his associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities;
 - (e) an explanation why it is considered necessary or appropriate to further remunerate or incentivise Mr O'Donovan to achieve the applicable performance milestone; and
 - (f) details of how the Company determined the number of Performance Rights to be issued to Mr O'Donovan and why it considers that number to be appropriate and equitable;
 - 1.1.4 the number of ordinary shares that the Performance Rights will convert into if the applicable performance milestone is met and the impact that will have on the entity's capital structure;
 - 1.1.5 the full terms of the Performance Rights, including:
 - (a) the Performance Rights are not quoted;
 - (b) the Performance Rights are not transferrable;
 - (c) the Performance Rights do not confer any right to vote, except as otherwise required by law;

- (d) the Performance Rights do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
 - (e) the Performance Rights do not carry an entitlement to a dividend;
 - (f) the Performance Rights do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
 - (g) the Performance Rights do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company;
 - (h) each of the Performance Rights are converted into one fully paid ordinary share on achievement of the relevant milestone; and
 - (i) if the relevant class of Performance Rights is not converted into a share by the relevant expiry date then all the Performance Rights of that class lapse.
- 1.2 The Company makes an announcement immediately upon the satisfaction of the milestone, on the conversion of any of the Performance Rights and the expiry of any of the Performance Rights.
- 1.3 The terms and conditions of the Performance Rights, including without limitation the relevant milestone that has to be satisfied before each Performance Right converts into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.
- 1.4 Upon conversion of the Performance Rights into ordinary shares, the Company will apply to the ASX for quotation of the shares within the requisite time period.
- 1.5 The Company discloses the following in each annual report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:
 - 1.5.1 the number of Performance Rights on issue during the relevant period;
 - 1.5.2 a summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary shares into which they are convertible and the relevant milestones;
 - 1.5.3 whether any of the Performance Rights were converted or cancelled during that period; and
 - 1.5.4 whether the milestone was met during the period.
- 2. ASX has considered Listing Rule 6.1 only and makes no statement as to the Company's compliance with other listing rules.