

22 OCTOBER 2024

Investor Presentation and webinar for the El Palmar Gold-Copper Project maiden Mineral Resource

Sunstone Metals Limited (ASX:STM) is pleased to advise that the maiden Mineral Resource and Exploration Target at its El Palmar Gold-Copper Project in northern Ecuador has been published today, Tuesday, 22 October 2024.

Sunstone Managing Director Patrick Duffy and Non-Executive Chairman Malcolm Norris will deliver the attached updated Corporate Presentation, including the El Palmar Mineral Resource and Exploration Target, at 11.30 am AEDT.

To view the webinar, register at **CLICK ON LINK**

For further information, please visit www.sunstonemetals.com.au

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FORWARD-LOOKING STATEMENTS

This Presentation includes certain statements that may be deemed "forward-looking statements". All statements in this Presentation, other than statements of historical facts, that address future activities and events or developments that Sunstone expects, are forward looking statements.

Although Sunstone believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions.

Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements.



A compelling major Gold & Copper opportunity

El Palmar

Scope for Tier-1 scale global opportunity

- Maiden MRE¹ of 1.2Moz AuEq²
- Maiden Exploration Target of 15M 45M oz's AuEq²
- Potential to start as a large open pit mine, sitting above and adjacent to other large porphyry systems

Bramaderos

Targeting 10+Moz Au-Cu-Ag camp

- Brama-Alba porphyry MRE of 2.7Moz AuEq²
- Strategy to develop higher-grade at-surface Limon mine, unlocking multi-decade gold-copper porphyry systems at Bramaderos
- Accelerating drilling at Limon plan to establish inaugural MRE in CY25

Well funded

Major catalysts to deliver re-rate

- Maiden El Palmar Mineral Resource Estimate & Exploration Target
- Ongoing exploration activities at Ecuador porphyry projects
- Advancing partnership opportunities at both El Palmar and Bramaderos



COLOMBIA **Verde Chico** El Palmar **ECUADOR** PERU Bramaderos Significant Deposit 100km

¹See ASX announcement 22 Oct 2024 ² See slides 20 - 22 for full JORC details

Strategy: grow Resources and pursue partnerships



El Palmar

Establish MRE, evaluate strategic options

- Maiden El Palmar MRE adding ounces to Sunstone's Resource base
- The Oct-24 Exploration Target¹ has demonstrated the potential at El Palmar to become a major global gold-copper mine
- Significant appeal with upside now clearly evident

Bramaderos

Brama-Alba Porphyry MRE 2.7Moz Au-eq²

- World class gold and copper porphyry opportunity
 - Porphyry Exploration Target of over 10Moz's Au-eq²
- Adjacent large Melonal Porphyry target permitted for drilling
- Establish maiden Limon MRE in 2025

Unlock value Pursue strategic partner(s)

- Advancing partnership opportunities
- Any future potential transactions would be designed to accelerate exploration and Resource growth to help unlock the full value of Sunstone's projects



¹See ASX announcement 22 Oct 2024

² See slides 20 - 22 for full JORC details

Board/Mgmt Team with exceptional track record

Patrick Duffy
Managing Director
& CEO (Apr-24)



Ex-Red 5, Glencore and Xstrata, Mr Duffy brings international leadership and capital markets experience with a successful mine development track record Malcolm Norris
Non-Executive
Chair (Sept-24)



Ex-WMC, Intrepid and SolGold, Mr Norris has been part of several major global porphyry discoveries and brings mineral exploration and management expertise

Neal O'Connor Non-Executive Director (Apr-24)



Former Xstrata Copper Chief Legal Counsel, Mr O'Connor has extensive experience developing South American mining operations and infrastructure Stephen Stroud
Non-Executive
Director



Mr Stroud is Director –
Corporate Finance at
Morgans and brings
extensive capital markets
knowledge and investor
relationships

Bruce Rohrlach
GM - Exploration



Ex-WMC, Intrepid and SolGold, Dr Rohrlach has been part of several major porphyry discoveries and oversees all exploration programs at Sunstone

Lucas Welsh
CFO & Company
Secretary (Jul-24)



Former CFO of St Barbara, Mr Welsh is a specialist resources financial executive with international mining, capital markets and governance expertise Ray Robinson
GM – Studies &
Tech Services



Ex-PanAust, Placer Dome and Intrepid, Mr Robinson has extensive mining studies and operations experience, and oversees all study programs at Sunstone Rodrigo Izurieta
Country Manager



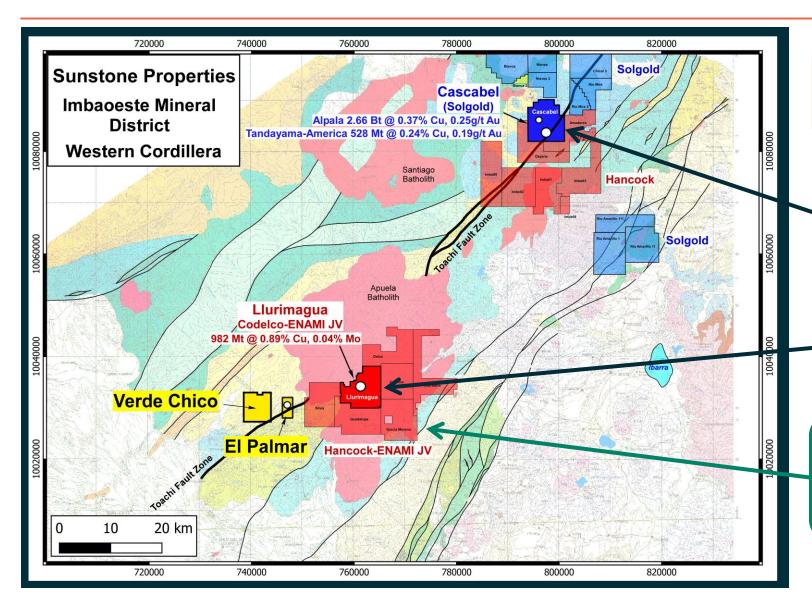
Based in Quito, Ecuador, and US-educated, Mr Izurieta is highly respected with deep relationships in the local mining industry and government

1.El Palmar & Verde Chico, northern Ecuador



1.El Palmar & Verde Chico, northern Ecuador





Highly prospective mineralised district related to the Toachi Fault Zone

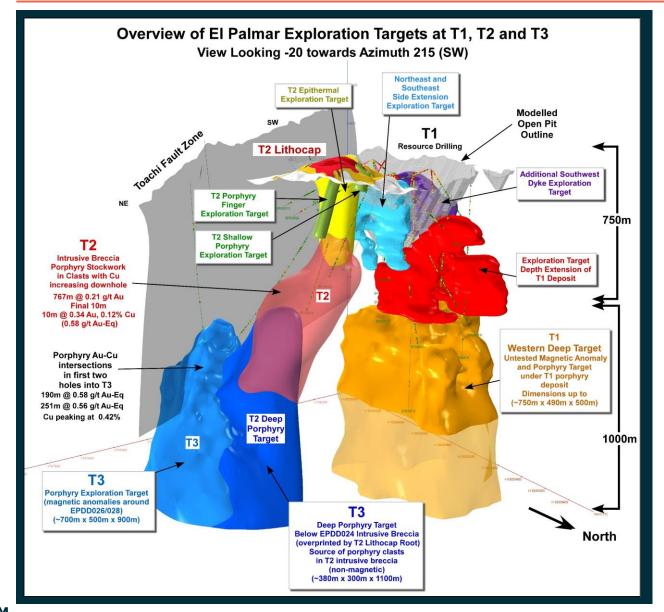
Tier 1 regional deposits

- 2.7Bt Alpala copper-gold porphyry deposit (0.53% CuEq) at Cascabel
- 0.53Bt Tandayama-America copper-gold porphyry deposit (0.36% CuEq) at Cascabel
- 1Bt Llurimagua copper-moly porphyry deposit (1.0% CuEq)

Hancock investing US\$120m to earn 49% into JV with state-owned ENAMI in northern Ecuador (adjacent to El Palmar)



1. El Palmar: clear potential to be a Tier 1 deposit



Maiden Mineral Resource estimate (MRE) of 1.2Moz AuEq¹ establishes a strong platform on which to build a world-scale resource inventory

- Pit-constrained MRE is based solely on the outcropping T1 gold-copper porphyry deposit
 - √ 64Mt at 0.60g/t AuEq for 1.2Moz AuEq¹
 - Cut-off grade of 0.4g/t AuEq
 - √ T1 is only one of several gold-copper porphyry deposits at El Palmar

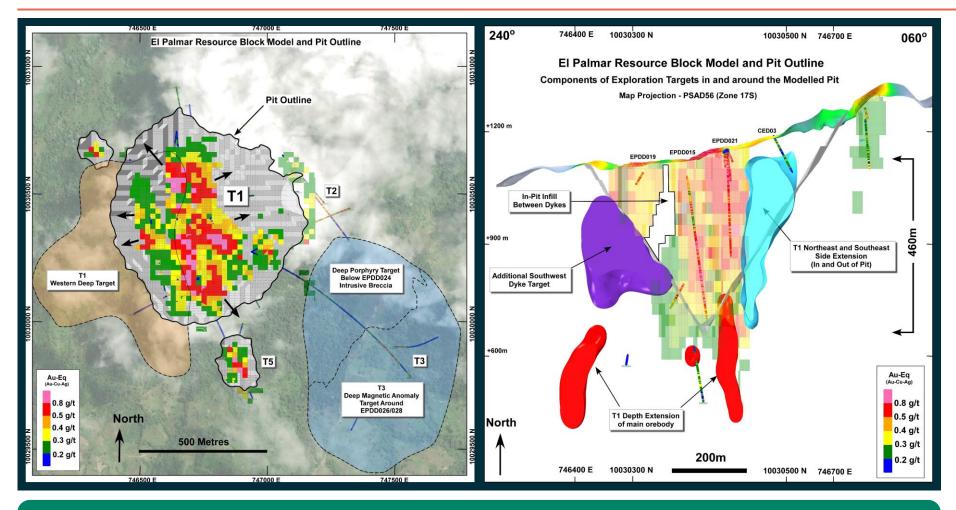
Gold and copper Exploration Target of 15M - 45Moz AuEq¹

- 1.0Bt to 1.2Bt at a grade between 0.3g/t to 0.7g/t gold and 0.1% to 0.3% copper
- Contained metal of between 10Moz and 27Moz gold and 1.0Mt to 3.7Mt copper
- Estimated from <u>only three deposits</u>
 - ✓ immense potential to further grow El Palmar



¹ See slides 20 - 22 for full JORC details

1. El Palmar: Maiden MRE of 1.2Moz AuEq¹



Based on only 17,699 meters of drilling

Significant potential to expand the T1 MRE and pit shell:

- Areas within the pit shell still to be drilled
- Targets adjacent to and directly below the pit shell will expand the pit size over time
- Expectation of a very low mine stripping ratio

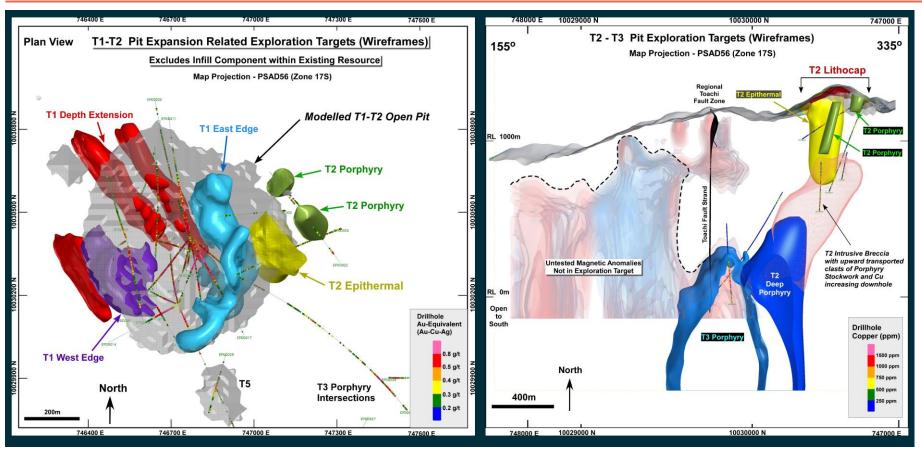
Future mining will benefit from significant copper and silver byproduct credits

T1 has the potential to be advanced as a large open pit opportunity before undertaking exploration and development of the deeper porphyry opportunities

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¹ See slides 20 - 22 for full JORC details

1. El Palmar: Exploration Target 15-45 Moz AuEq¹



Prepared in accordance with JORC code and is in addition to the maiden MRE of 1.2Moz AuEq¹

The areas of mineralisation captured in the Exploration Target are of high conviction, geologically robust domains consistent with high aspect ratio, clustered porphyry gold-copper deposits.

There is potential for the copper content to increase in areas interpreted to be central to the porphyry systems.

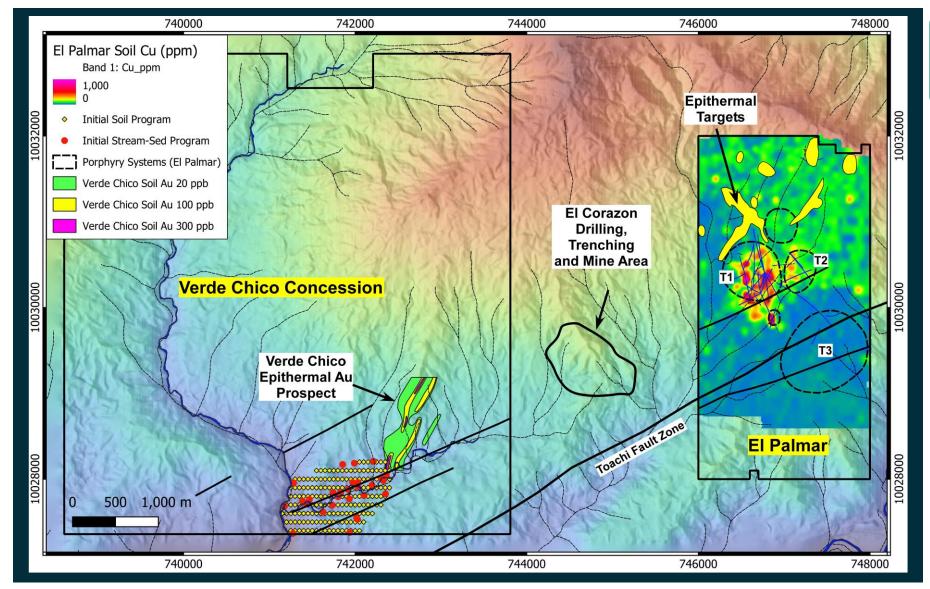
The Exploration Target has been estimated from only three deposits, meaning there is still immense potential to grow El Palmar, including the untested magnetic anomalies not in the Exploration Target (see Figure on right)

ASX:STM

SUNSTONE METALS

¹ See slides 20 - 22 for full JORC details

1. Verde Chico is complimentary to El Palmar



Potential to define both porphyry copper-gold and epithermal gold opportunities

Exploration at Verde Chico has commenced with initial follow-up to the known high-grade gold mineralisation

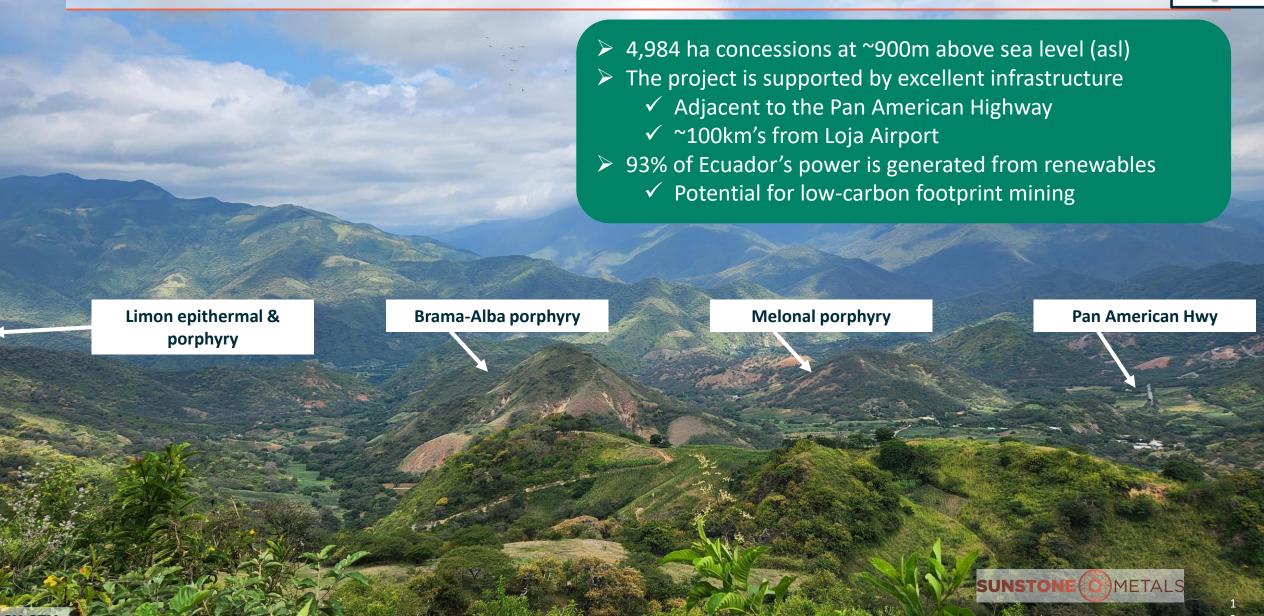
Historical exploration from the 1990's includes:

- Perdida vein 6.5m @ 25.11 g/t Au
- Peligrosa vein 24m @ 21.2 g/t Au, 19m @ 7.72 g/t Au, 25m @ 10.24 g/t Au
- Gato vein 39m @ 3.08 g/t Au
- Pavas vein 26.5 @ 2.28 g/t Au, 10m
 @ 11.72 g/t Au
- Oso Hormiguero vein 29m @ 8.26 g/t Au, 11m @ 9.08 g/t Au
- Falla vein 8m @ 7.28 g/t Au



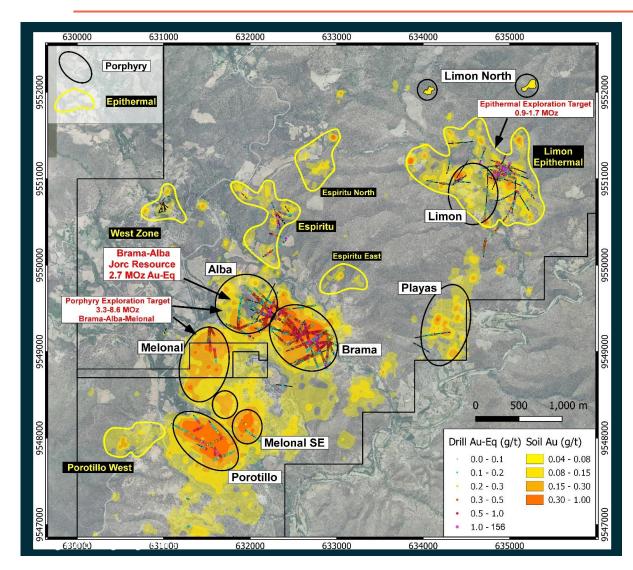
2.Bramaderos, Southern Ecuador

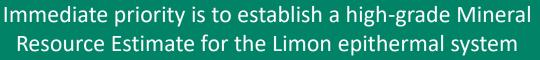


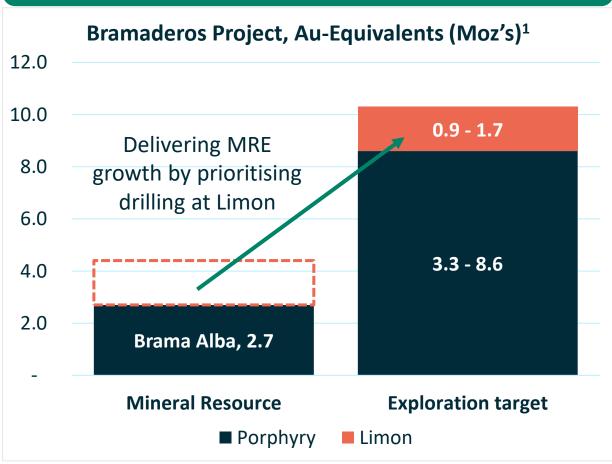


2.Bramaderos – targeting 10M+oz AuEq





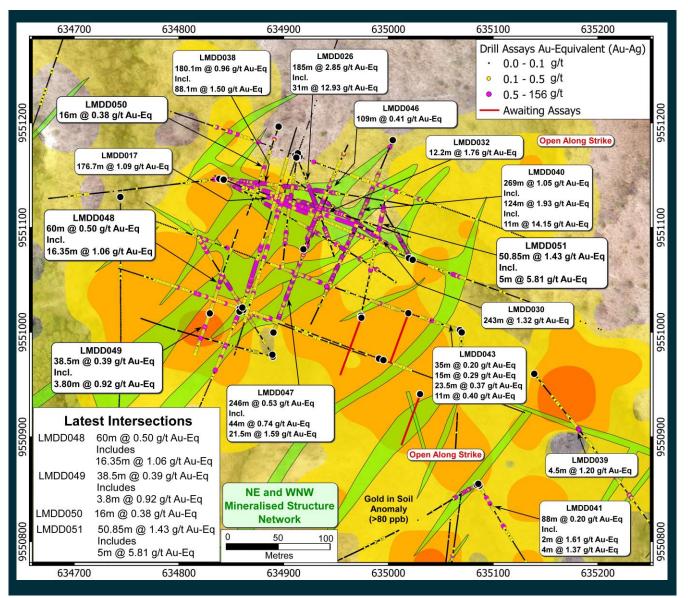


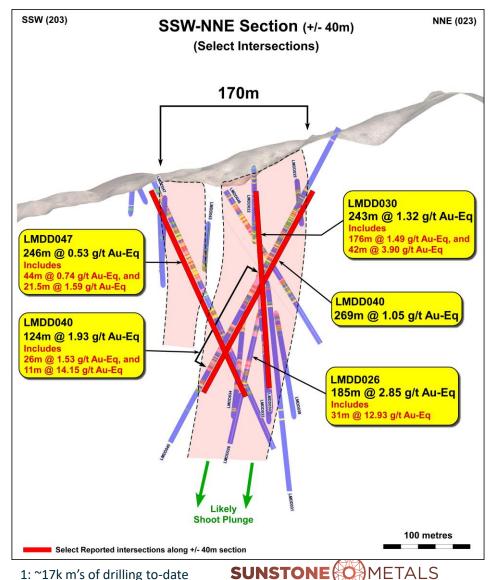


¹ see slides 23,24 for full details



2. Limon drilling to establish maiden Resource¹





Ecuador – rapidly emerging mining jurisdiction...



Pro-responsible mining government

- President actively encouraging responsible mining
- Single national mining department

Forms part of the worlds most endowed copper gold belt

- 2 world-class operating mines Fruta del Norte, Mirador
- All majors present (BHP, Anglo, Barrick, Codelco)

Significant corporate activity

- Investment agreements signed for the most advanced projects including
 - SolGold Cascabel Copper/Gold Project
 - Adventus El Domo Curipamba Copper/Gold Project
 - Dundee Loma Larga Gold Project
- FY24 transaction highlights include:
 - ✓ Solgold US\$750m financing for Cascabel Project
 - ✓ Hancock US\$120m 49% JV earn-in with ENAMI
 - ✓ Silvercorp US\$200m merger with Adventus



Ecuador – ...with a low-cost strategic advantage

Ecuador has two world-class, lowest cost-quartile operating mines

- Fruta del Norte Gold Mine (Lundin Gold)
- Mirador Copper Mine (Chinese-owned)

Low mining input costs are a competitive advantage

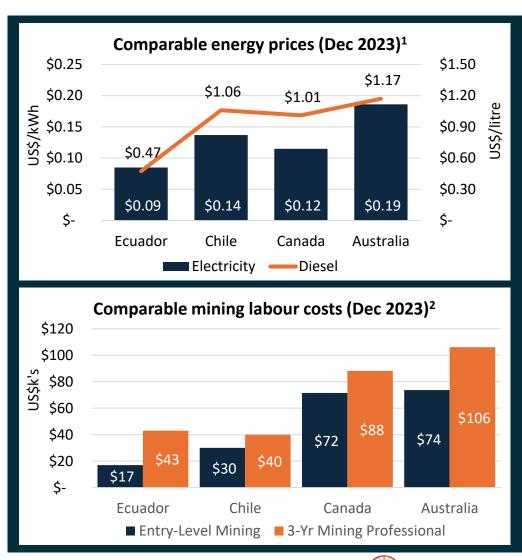
- Energy and Labour both significantly lower than Australia and Canada
- Potential for Sunstone's projects to be in the lowest cost quartile
 - Complimented by very low stripping ratios

Hydro provides base energy load for the country (>90%)

- Potential for low-cost, low-carbon emission mining
 Ecuador's currency is USD
- Provides protection against inflation

Source:

- 1. https://www.globalpetrolprices.com/
- https://www.erieri.com/salary/job/mining-engineer, https://ca.talent.com/salary?job=Mining





Momentum in Gold and Copper markets

Geopolitical and macroeconomic factors will continue to drive up the price of gold

- ✓ Regional conflicts, trade restrictions, shift from USD
- ✓ Inflation subsiding, USD rate cuts are imminent

5-year USD Gold Price

2,800

2,400

2,000

1,600

N

1,200

800

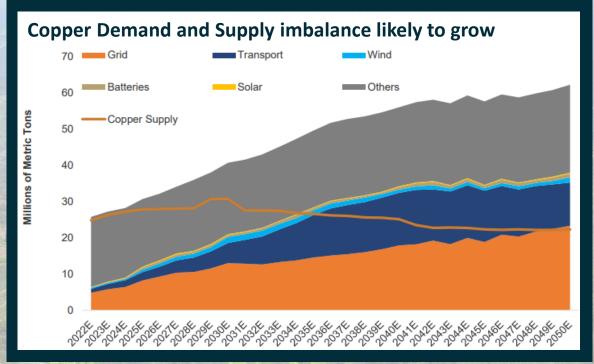
400

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Source: Bloomberg

World is faced with enormous challenge to satisfy future global copper demand has been decades in the making

- ✓ New copper supply coming from difficult jurisdictions
- ✓ Net Zero Transition requires huge increase in copper

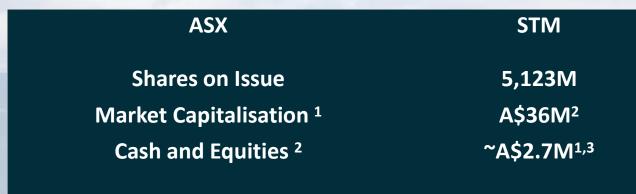


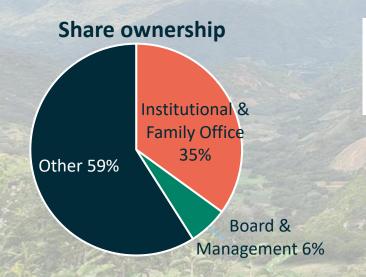
Source: Sprott Webcast, March 23



Well funded and poised for re-rate

Sunstone is a gold and copper company in the world-class Ecuador Andean Copper Belt



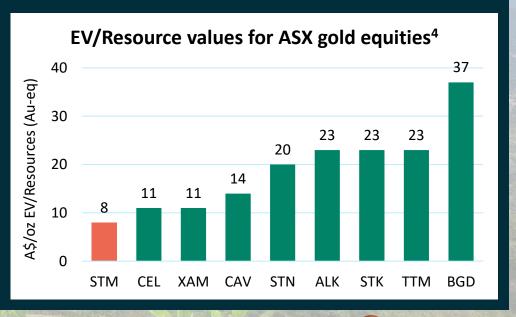


¹ STM raised \$6.5m via Placement and SPP in Sept / October 2024

- ² based on share price of A\$0.007
- ³ At 30 June 2024
- ⁴ Source: Gold Nerds, GBA capital

Three clear catalysts to drive share price:

- Maiden El Palmar MRE and Exploration Target
- Advance discussions with strategic partners for assets
- 3. Maiden MRE in 2025 at Limon



Exemplary reputation, strong community support

















Sunstone appreciates the strong community support that it has at its projects and takes its **environmental**, **social and governance** issues very seriously.

Inaugural Sunstone Sustainability Report released 27 November 2023

- Significant environmental monitoring programs across all projects
- Involved in various high-impact community programs at Bramaderos and El Palmar
- Undertakes considerable training programs across a large range of skills for workers and the communities in which we operate
- Sunstone works with the local communities to assist where possible, for example, during the pandemic
- Employment and skills development for local communities

Drilling is fully permitted and environmentally compliant at Bramaderos and El Palmar



About Sunstone Metals

Sunstone has an advanced portfolio of exploration projects in Ecuador. The portfolio comprises:

1. The Bramaderos Gold-Copper Project

Sunstone owns an 87.5% interest, and SolGold Canada, Inc. (formerly Cornerstone Capital Resources) a subsidiary of SolGold, holding 12.5% (loan carried through to start of commercial production). The Bramaderos gold-copper project is located in Loja province, southern Ecuador, and is highly prospective for the discovery of large porphyry gold-copper systems, and high-grade epithermal gold systems. The Bramaderos concession is host to multiple fertile mineralised systems with significant discovery potential.

The Brama-Alba porphyry gold-copper-silver deposit, within the Bramaderos concession contains an initial Mineral Resource estimate of 156Mt at 0.53g/t AuEq for 2.7Moz gold-equivalent*. In addition to this is the Bramaderos project porphyry gold-copper-silver Exploration Target of between 3.3Moz and 8.6Moz AuEq* within 255 to 360Mt at a grade between 0.40 and 0.74g/t AuEq* (see ASX release dated 13 December 2022).

An Exploration Target for the Limon epithermal gold-silver deposit was released on 9 November 2023 (also refer to ASX release dated 5 February 2024) consisting of between approximately 30 and 44 million tonnes at a grade of between 0.9 and 1.2g/t AuEq*, for between 0.9 and 1.7mill oz AuEq*. The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for the target area reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement for the Mineral Resource estimate and Exploration Target referred to above and, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

* The gold equivalent calculation formula for porphyry gold-copper-silver mineralisation is AuEq(g/t) = (Au grade x Au price x Au recov / 31.1035) + (Ag grade x Ag price x Ag recov / 31.1035) + (Cu grade x Cu price x Cu recov / 100)) / (Au price x Au recov / 31.1035). The prices used were US\$1,800/oz gold and US\$9,500/t copper and US\$22/oz silver. Recoveries are estimated at 89% for gold, 85% for copper, and 60% for silver based on metallurgical studies (see ASX release dated 13 December 2022)

* The gold equivalent calculation formula for epithermal gold-silver mineralisation is AuEq(g/t) = Au(ppm) + (Ag (ppm)/82). The prices used were US\$1,800/oz gold and US\$22/oz silver. Recoveries are estimated at over 90% for gold and 90% for silver from metallurgical studies (see ASX release dated 9 November 2022).

In Sunstone's opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

| JORC Classification | Tonnage (Mt) | Au (g/t) | Cu (%) | Ag (g/t) | AuEq (g/t) | AuEq* (Mozs) |
|---------------------|--------------|----------|--------|----------|------------|--------------|
| Indicated | 9 | 0.38 | 0.09 | 1.1 | 0.53 | 0.2 |
| Inferred | 147 | 0.35 | 0.11 | 1.3 | 0.53 | 2.5 |
| Total | 156 | 0.35 | 0.11 | 1.3 | 0.53 | 2.7 |



About Sunstone Metals

Sunstone has an advanced portfolio of exploration projects in Ecuador. The portfolio comprises:

2. The El Palmar Gold-Copper Project

Sunstone holds 74.5% of the highly prospective 800ha El Palmar gold-copper porphyry project in Ecuador. Sunstone can acquire 100% through a Staged Acquisition Agreement. A Staged Acquisition Agreement to acquire the nearby Verde Chico Project has also been signed. The El Palmar and Verde Chico gold-copper projects are located in Imbabura province, northern Ecuador, within the same geological belt that includes the giant Alpala, Tandayama-America and Llurimagua porphyry copper-gold and copper-molybdenum deposits.

The El Palmar porphyry gold-copper-silver deposit within the El Palmar concession contains an initial Mineral Resource estimate of 64Mt at 0.60g/t AuEq for 1.2Moz AuEq*. In addition to this is the El Palmar Exploration Target of between 15Moz and 45Moz AuEq* within 1.0Bt to 1.2Bt at a grade between 0.3g/t to 0.7g/t gold and 0.1% to 0.3% copper for contained metal of between 10Moz and 27Moz gold and 1.0 to 3.7Mt copper (see ASX release dated 22 October 2024). The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for the target area reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

* The gold equivalent calculation formula is AuEq (g/t) = ((Au grade x Au price x Au recov / 31.1035) + (Ag grade x Ag price x Ag recov / 31.1035) + (Cu grade x Cu price x Cu recov / 100)) / (Au price x Au recov / 31.1035). The prices applied were US\$1,800/oz gold, US\$4.50/lb copper and US\$22/oz silver. Recoveries are estimated at 90% for gold, 78% for copper (excluded for oxide material), and 60% for silver based on metallurgical studies. In Sunstone's opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

| IOPC | Tannaga | Average Grade | | | | Material Content | | | | |
|-----------------------------------|---------------|---------------|-------------|-------------|-----------|------------------|-------------|-------------|------------|----|
| JORC Tonnage Classification Mt | AuEq (g/t) | Au (g/t) | Ag (g/t) | Cu (ppm) | Cu (%) | AuEq (Koz) | Au (Koz) | Ag (Koz) | Cu (Kt) | |
| Indicated | 5 | 0.63 | 0.42 | 0.81 | 1,456 | 0.15 | 100 | 100 | 100 | 7 |
| Inferred | 59 | 0.59 | 0.40 | 0.65 | 1,290 | 0.13 | 1,100 | 700 | 1,200 | 70 |
| TOTAL | 64 | 0.60 | 0.41 | 0.66 | 1,301 | 0.13 | 1,200 | 800 | 1,300 | 80 |



Competent Persons Statement

Competent Persons Statement - Bramaderos

The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Meakin. Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Aaron Meakin has sufficient experience 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Aaron Meakin consents to the disclosure of the information in this report in the form and context in which it appears.

Competent Persons Statement – El Palmar

The information in this report that relates to Mineral Resources is based on information compiled by Mr Rob Spiers. Mr Rob Spiers is a full-time employee of Spiers Geological Consultants (SGC) and is a Member of the Australasian Institute of Geoscientists (AIG). Mr Rob Spiers has sufficient experience 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Rob Spiers consents to the disclosure of the information in this report in the form and context in which it appears.

Exploration Target Competent Person – Bramaderos and El Palmar

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.

See ASX announcements

- 22 October 2024 El Palmar MRE and Exploration Target
- 21 August 2024 More Limon high grade gold and silver in drilling
- 6 August 2024 High-grade results expand size of Limon
- 17 July 2024 El Palmar trenching enhances significant Resource potential
- 6 June 2024 Limon drilling to start in known high-grade areas Limon
- 22 May 2024 Visible gold in trenches
- 15 May 2024 El Palmar significant gold-copper mineralisation at surface
- 18 April 2024 Limon large mineralised system, multiple high-grade clusters
- 5 February 2024 Limon Exploration Target Additional JORC Information
- 31 January 2024 Limon gold-silver discovery grows
- 19 December 2023 Limon gold-silver discovery grows significantly
- 27 November 2023 Sustainability Report released
- 23 November 2023 El Palmar gold target, Verde Chico work commencing

ASX announcements (continued)

- 9 November 2023 Large Limon Exploration Target
- 18 October 2023 Limon Bumper results, greatly expands scale
- 12 October 2023 Limon drilling growing scale
- 18 September 2023 High grade, near surface gold at Limon
- 11 September 2023 El Palmar 2nd hole confirms T3 strongly mineralised porphyry
- 15 August 2023 Limon gold discovery continues to grow
- 3 July 2023 High grade gold and silver at Limon, Bramaderos
- 20 June 2023 El Palmar T3 gold-copper porphyry discovery
- 28 April 2023 El Palmar drilling intersects porphyry copper system
- 14 April 2023 Limon emerging as major discovery with visible gold in hole
- 29 March 2023 Limon epithermal drilling results
- 18 January 2023 Limon delivers porphyry discovery
- 13 December 2022 Bramaderos MRE and Exploration Target



Ecuador



| Capital | Quito | | | |
|---|---|--|--|--|
| Population | 18,320,382 (2024) | | | |
| Form Of Government | Multiparty republic with one legislative house (National Assembly) | | | |
| Official Language | Spanish | | | |
| Total Area (Sq Km) | 256,700 | | | |
| Length | 650km (~Sydney to Cobar, or ~Perth to Kalgoorlie) | | | |
| Monetary Unit | US dollars | | | |
| Density: Persons Per Sq Km | 71.4 | | | |
| Urban-Rural Population | Urban: 63% • Rural: 37% | | | |
| Literacy Rate | Male: (2016) 95.4% • Female: (2016) 93.3% | | | |
| Gross National Income Per Capita (US\$) | \$6,391 | | | |
| Mining Exports (US\$) | \$3.32 billion in 2023; \$2.78 billion (+25% on 2021, 2021 figure was +541% vs 2019) (by comparison 2022 mining exports from Peru \$37.7 billion) | | | |
| Exports Top 4 in order | Oil, Prawns, Bananas, Metals | | | |

