

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2022

Sunshine Gold Limited (ASX:SHN, “Sunshine Gold”, “the Company”) is pleased to present its Quarterly Activities Report for the period ended 31 March 2022.

HIGHLIGHTS

- Delivery of maiden JORC Resource at Triumph. The Resource totalled 1.8 million tonnes at 2.0 g/t Au for 118 koz of contained gold. The Resource was delivered within 16 months since first drilling commenced at a discovery cost of A\$20.83 /oz, plus acquisition cost of A\$3.39 /oz.
- All results from the 8,832m Resource definition RC drilling program at Triumph were returned. Results included:
 - 22SHRC018 **16m @ 8.44 g/t Au**, from 38m
Including **9m @ 13.06 g/t Au**, from 43m
And **9m @ 2.97 g/t Au**, from 0m
And **2m @ 10.82 g/t Au**, from 105m
 - 22SHRC029 **10m @ 4.54 g/t Au**, from 20m
 - 21SCRC004 **4m @ 11.71 g/t Au**, from 16m
 - 21BNRC017 **2m @ 16.28 g/t Au**, from 52m
 - 22NCRC022 **2m @ 16.18 g/t Au**, from 98m
 - 21NCRC013 **3m @ 10.41 g/t Au**, from 161m
- Assays were returned from SHN drill diamond hole (21TVDD001) and historic hole (DDH5) at Titov, Ravenswood West. The results identified a new zone of Cu-Au-Ag-Mo mineralisation at Titov South and confirmed strong mineralisation continuing at depth and along strike at Titov Main including:
 - 21TVDD001 **3m @ 1.69% Cu, 0.22 g/t Au, 17.28 g/t Ag, 0.01% Mo**, from 69m (Titov South)
 - 21TVDD001 **4m @ 0.36% Cu, 0.07 g/t Au, 4.31 g/t Ag, 0.02 % Mo**, from 89m (Titov South)
 - 21TVDD001 **5m @ 0.70% Cu, 0.03 g/t Au, 6.30 g/t Ag, 0.01% Mo**, from 134m (Titov South)
 - 21TVDD001 **2m @ 0.99% Cu, 0.08 g/t Au, 3.55 g/t Ag, 0.49% Mo**, from 149m (Titov South)
 - 21TVDD001 **76m @ 0.16% Cu, 0.07% Mo**, from 303m (Titov Main)
 - DDH5 **6m @ 0.67% Cu, 0.08 g/t Au, 2.80 g/t Ag, 0.18% Mo**, from 40m (Titov Main)
 - DDH5 **2m @ 1.52% Cu, 0.14 g/t Au, 6.30 g/t Ag, 1.12% Mo**, from 94m (Titov Main)
 - DDH5 **4m @ 1.55% Cu, 0.09 g/t Au, 8.28 g/t Ag, 0.18% Mo**, from 97m (Titov Main)
 - DDH5 **2m @ 0.83% Cu, 0.13 g/t Au, 3.70 g/t Ag, 0.37% Mo**, from 110m (Titov Main)
- Completion of an Induced Polarisation (IP) survey at Titov. The IP survey has identified a strengthening conductor on the eastern end of Titov Main and a strong conductor at Titov South. A zone of low resistivity is coincident with an outcropping Cu-Ag breccia at surface at Titov North.
- Award of two Collaborative Exploration Incentive (CEI) grants totalling \$126,194 from the Queensland Department of Resources to assist with critical metals projects at Ravenswood West. The grants will assist REE-Au soil sampling at Elphinstone Creek and with an IP-MT survey at Wilburs Hill – Smiths.
- Collection of 379 soil samples at Ellen Boss and a further 203 soil samples collected at Elphinstone Creek, Ravenswood West.
- Completion of first field mapping and sampling completed at Investigator Cu Project.

SAFETY AND PRODUCTIVITY

Field work and drilling has been divided between Ravenswood West, Triumph and Investigator for the March 2022 quarter. The quarter was safe and productive. Key performance indicators for the December 2021 quarter are shown below:

- A total of 4,526 m of RC drilling and 523m of diamond drilling was completed at Triumph;
- Operations were productive and safe with nil reportable incidents.

INITIAL RESOURCE - TRIUMPH GOLD PROJECT (100%)

The Resource comprises three zones totalling ~1.25 km of strike within the >5km long Southern Corridor, with >90% of the Resource ounces at <100m depth. Identified mineralisation spanning >3.75 km is not yet included in the Resource and presents an opportunity for growth in future drill programs.

The Resource is presently classified as Inferred as further metallurgical studies and diamond drill hole assays have not yet been returned. It is anticipated that upon receiving the assay and metallurgical results, a moderate proportion of the Inferred Resource will be reclassified to Indicated with little further work required. The Inferred to Indicated Resource update will be reported in December 2022.

Resources are reported at a 1.0 g/t Au lower cut-off grade which is deemed acceptable based on approximate industry costings associated with open pit mining.

Triumph Gold Project	Category	Tonnes	Grade	Contained Au
		,000 tonne	(g/t)	,000 ounces
Southern Corridor	Inferred	1,497	2.1	100
• Big Hans	Inferred	493	2.3	37
• New Constitution	Inferred	690	2.0	44
• Super Hans	Inferred	314	1.9	19
Northern Corridor	Inferred	311	1.8	18
Total	Inferred	1,808	2.0	118

Sunshine Gold views the initial Resource as an interim step and further Resource growth is targeted throughout 2022 with an updated Resource estimate expected in December 2022.

Given that the initial Resource comprises only 25% of the defined mineralised Southern Corridor, which is open along strike and at depth, the potential for Resource growth is significant. Sunshine Gold will continue to systematically assess targets generated from IP data, historic drilling, mapping, rock chip sampling and drilling.

SOUTHERN CORRIDOR GROWTH

Resources have now been delineated in three discrete positions within the Southern Corridor. Mineralisation is interpreted to continue through untested zones between the delineated Resource areas. The mineralised fracture network has been modelled using a combination of drill intercept data, surface and downhole geochemical data and historical electrical geophysical methods (IP and EM). The delineated fracture network extends for >5km of mineralised strike length, of which ~1.25km (25%) has been incorporated into the initial Resource. Follow up work will focus on extending the Southern Corridor from the Resource westward towards the margin of the Norton Tonalite.

Rock chip sampling also highlights the contact of the Norton Tonalite and surrounding metasediments as containing anomalous gold. Further mapping will refine targets on the Norton Tonalite contact for future drill testing.

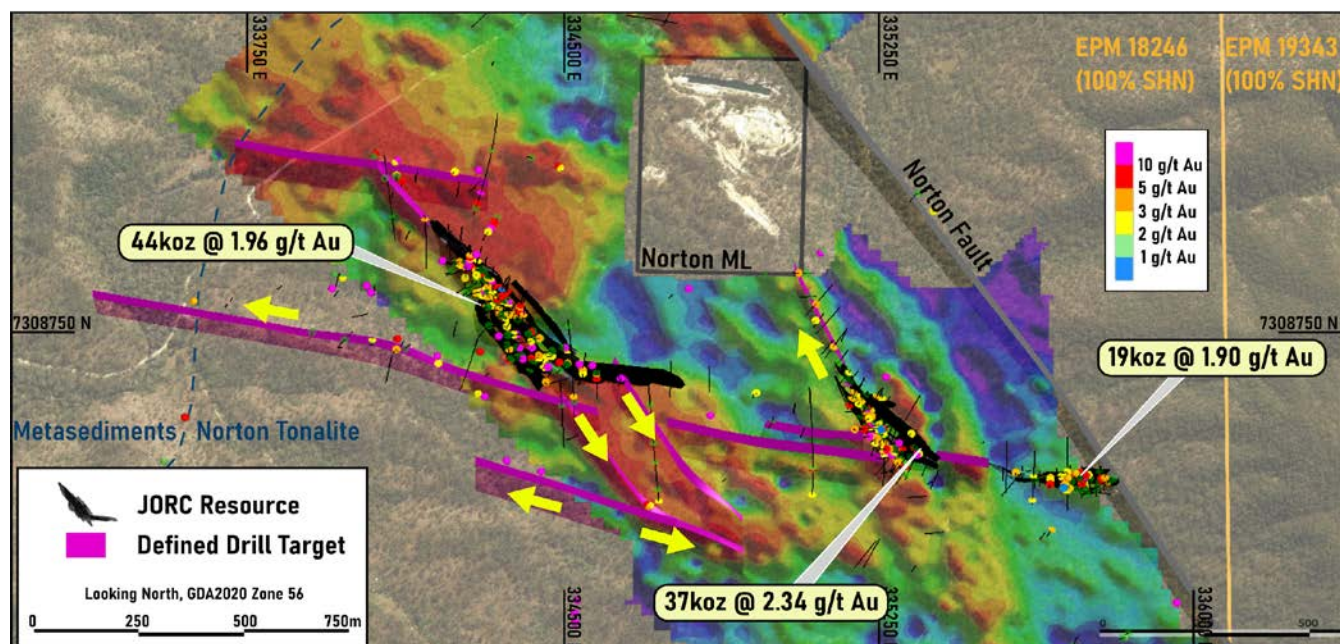


Figure 1. Current Resources (black) and projected mineralisation (pink) correlate well with elevated chargeability (2016 Gradient Array IP data). Yellow arrows highlight extensional areas to be drill tested in June 2022 campaign for Resource growth.

NORTHERN CORRIDOR GROWTH

A series of highly encouraging drill results coincide with historic workings in the Northern Corridor. Sunshine Gold will complete RC drilling with a view to adding new Resource in the vicinity of historic workings where previous drilling has intercepted 3m @ 24.96 g/t Au. These workings were some of the deepest and highest grade workings on the Norton Gold Field with 4,044 ounces of gold at a grade of ~3.5 ounces per tonne being produced between 1895 and 1908.

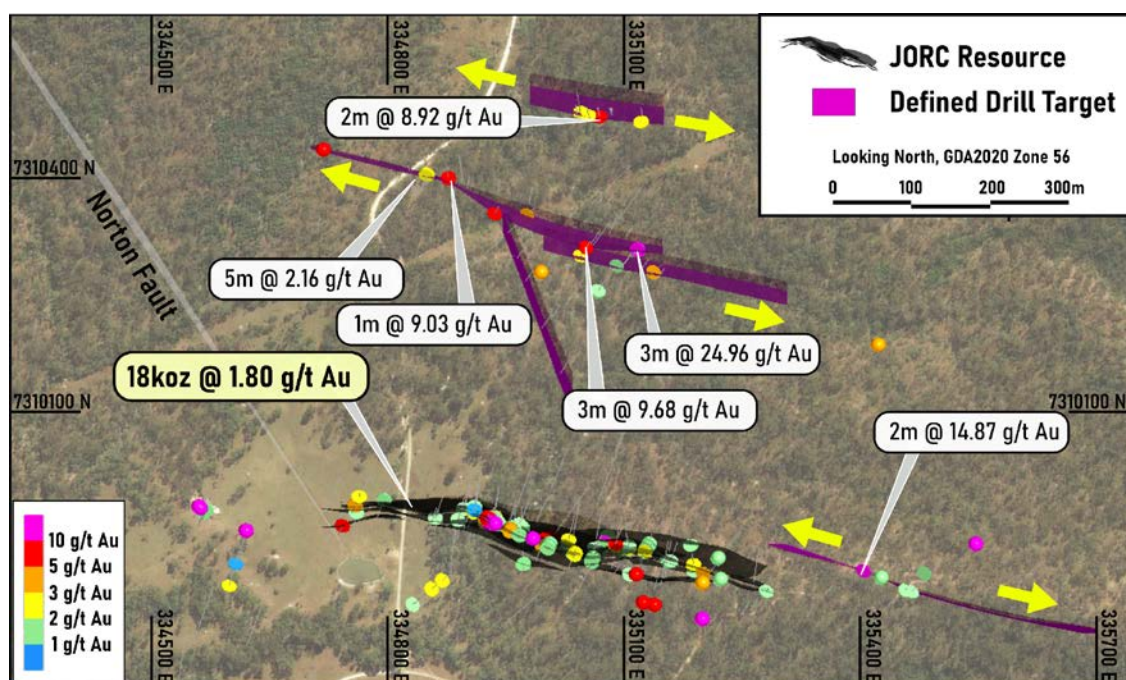


Figure 2. Current Resource (black) and projected mineralisation (pink). Yellow arrows highlight extensional areas to be drill tested in June 2022 campaign for Resource growth.

TITOV DIAMOND DRILLING, RAVENSWOOD WEST (100%)

Sunshine Gold drilled 8 RC holes at Titov in September 2021. The RC holes intersected thick intervals of Cu and Mo mineralisation, often exceeding 100m in width. Following a detailed review of the drilling program, some broad metal zonation relationships were noted. They included;

- Elevated Mo in the western end of the Titov lode grading to moderate Mo grades in the east; and
- Elevated Cu grades and thickness in the eastern end of the tested Titov lode system.

In February 2022, the drill core from the 1969 diamond core drilling program at Titov was reviewed. Drill hole DDH5 is located ~85m northeast along strike from Sunshine Gold's easternmost RC drill holes 21TVRC007 & 21TVRC008. Hole DDH5 reported a historic intersection of 112m @ 0.35% Cu and 0.09% Mo, however no assays were taken for Ag and Au amongst others. Select intervals were assayed by Sunshine Gold which confirmed the Cu and Mo tenor, and notably returned elevated Au grades. Furthermore, the drill hole is believed to have intersected the eastern chargeability anomaly of the Titov Main area and confirms this anomaly as a significant drill target. DDH5 also contained higher grade mineralisation on the footwall and hangingwall contacts of the Titov Main mineralisation. The higher grade margins are consistent with observations in Sunshine Gold RC holes 21TVRC006, 21TVRC007 and 21TVRC008.

Sunshine Gold diamond core hole 21TVDD001 was collared 430m SSE of the outcropping mineralisation at Titov Main and was designed to assess:

- A down dip extension to the Titov Cu-Ag-Mo system;
- Determine vein orientations, confirm broad envelope orientation and refine the geological model;
- Assess metal zonation at depth, to assist future vectoring toward higher-grade mineralisation; and
- Determine the nature of an historic, deep Pole-Dipole IP chargeability anomaly.

21TVDD001 was completed in December 2021 down to 501.5m and successfully intercepted the Titov Main mineralisation at 303m, confirming the southerly dip of the zone. Furthermore, the hole identified additional Cu-bearing zones in the upper levels (Titov South) which contain elevated Mo, Ag and, notably, Au. Titov Main is now defined over 350m of strike, to depths of 350m and at an average true thickness of 65m.

The discovery of mineralisation at Titov South confirms the potential of the broader region to contain significant Cu-Au-Ag-Mo mineralisation that is obscured by shallow cover.

Hole ID	From	To	Width	Cu_ %	Mo_ %	Ag_ppm
21TVRC001	1	122	121	0.35%	0.11%	1.99
21TVRC002	0	91	91	0.25%	0.06%	1.37
21TVRC003	87	173	86	0.27%	0.02%	1.28
21TVRC004	26	92	66	0.38%	0.42%	2.22
including	70	76	6	0.42%	3.02%	3.94
21TVRC005	38	84	46	0.23%	0.08%	1.34
21TVRC005	166	187	21	0.31%	0.02%	1.50
21TVRC006	115	125	10	1.32%	0.02%	2.11
including	123	125	2	5.93%	0.13%	6.87
21TVRC007	0	158	158	0.37%	0.07%	2.25
including	38	56	18	0.50%	0.12%	2.89
and	128	145	17	0.65%	0.15%	4.00
21TVRC008	0	112	112	0.44%	0.08%	2.48
including	0	15	15	0.62%	0.02%	2.38
and	50	67	17	0.58%	0.21%	3.34
DDH5	0	112	112	* 0.35%	* 0.09%	* ?
including	40	46	6	0.67%	0.18%	2.80
And	94	96	2	1.52%	1.12%	6.30
And	97	101	4	1.55%	0.18%	8.28
And	110	112	2	0.83%	0.37%	3.70

Table 1. Results from Sunshine Gold RC drilling and resampling of historic diamond hole DDH5. Intervals in red are interpreted as a high-grade footwall to the broader mineralised envelope, intervals in green are interpreted as a high grade hanging wall to the broader mineralised envelope at Titov. Original sampling composite for DDH5 denoted with *.

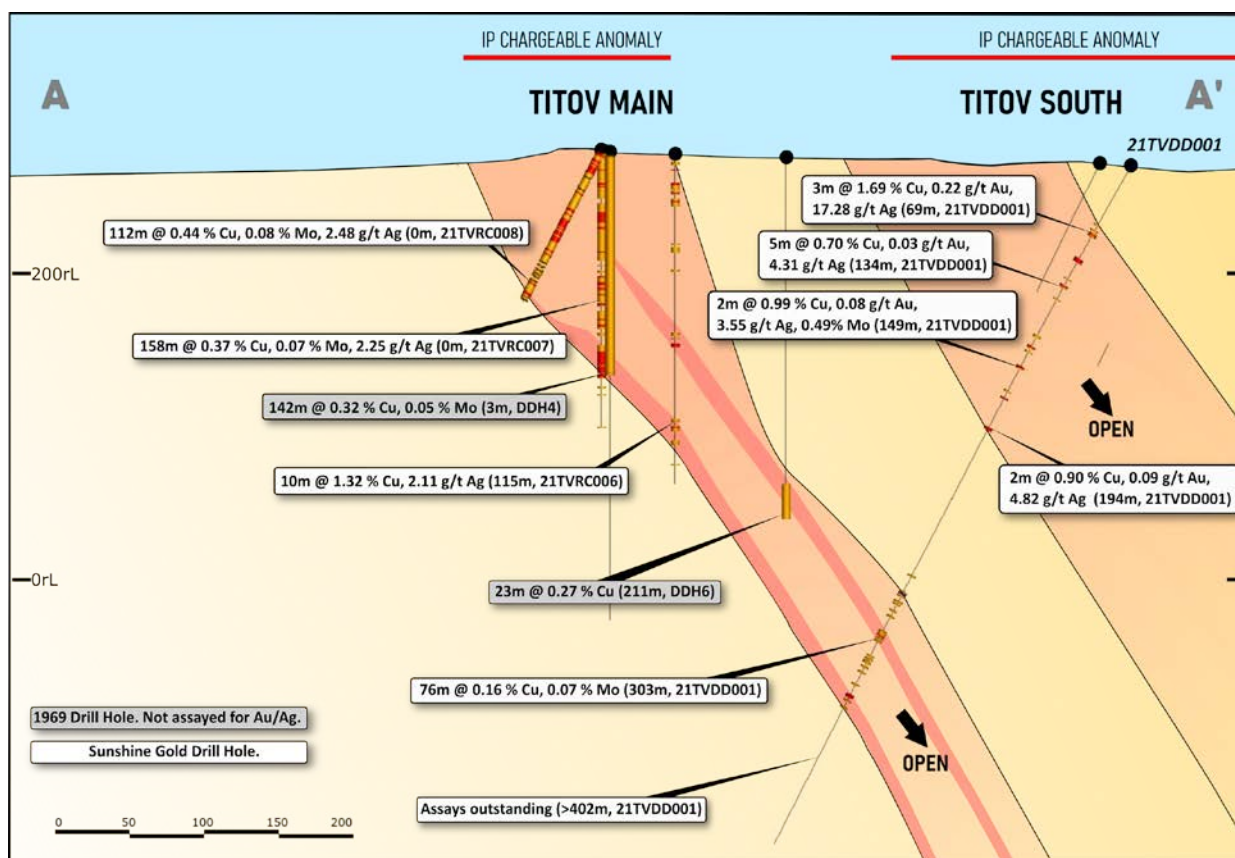


Figure 3. Cross section through Titov Main and Titov South showing the location of 21TVDD001.

Hole ID	From	To	Width	Cu %	Mo %	Ag g/t	Au g/t
21TVDD001	35	54	19	0.17	-	1.1	0.01
inc	51	52	1	0.67	-	4.1	0.05
21TVDD001	69	73	4	1.31	-	13.3	0.17
inc	69	72	3	1.69	-	17.3	0.22
21TVDD001	80	81	1	0.16	-	1.5	0.01
21TVDD001	84	85	1	0.21	-	1.4	0.03
21TVDD001	89	93	4	0.36	0.02	4.3	0.07
inc	89	90	1	0.89	0.06	9.5	0.21
21TVDD001	99	100	1	0.24	0.03	1.9	0.02
21TVDD001	111	112	1	0.14	-	4.5	0.01
21TVDD001	126	130	4	0.23	0.11	3.0	0.02
21TVDD001	134	139	5	0.70	0.01	6.3	0.03
inc	134	135	1	2.95	0.04	26.6	0.08
21TVDD001	149	151	2	0.99	0.49	3.6	0.08
inc	149	150	1	1.69	0.68	4.6	0.13
21TVDD001	167	168	1	0.30	-	1.4	0.02
21TVDD001	172	173	1	0.75	0.03	2.0	0.04
21TVDD001	192	197	5	0.43	0.01	2.4	0.04
inc	194	196	2	0.90	0.02	4.8	0.09
21TVDD001	236	237	1	0.13	-	0.5	0.02
21TVDD001	269	270	1	0.19	-	1.1	0.02
21TVDD001	288	289	1	0.19	-	0.8	0.02
21TVDD001	295	296	1	0.13	-	0.6	0.02
21TVDD001	303	379	76	0.16	0.07	0.7	0.01
inc.	303	334	31	0.14	0.09	0.6	0.01
and	338	379	41	0.18	0.05	0.9	0.01
inc	347	348	1	0.93	0.04	4.6	0.01
21TVDD001	383	384	1	0.22	-	0.9	0.01
21TVDD001	389	396	7	0.34	-	1.8	0.02
inc	391	393	2	0.72	-	4.4	0.03
21TVDD001	400	402.1	2.1	0.24	-	0.9	0.03

Table 2. Results from 21TVDD001. Assays below 402.1m pending – expected May 2022.

TITOV IP SURVEY, RAVENSWOOD WEST (100%)

An 800 x 950m Dipole-Dipole IP survey was conducted over the broader Titov area in February 2022. The survey was completed on 200m spaced, north-south oriented lines with 50m spacing between data points on section. The survey was designed to delineate undercover the eastern extension to the Titov Main system.

A positive result from an IP survey constitutes a coherent, high chargeability anomaly (typically indicative of disseminated sulphide mineralisation) or a low resistivity response (possibly semi to massive sulphides, clays/water in fault zones, graphite).

The survey delineated two strong chargeability anomalies and two strong, low resistivity anomalies:

1. Titov Main expresses as a low resistivity response in the west, coincident with strong quartz-sericite alteration and strong molybdenum mineralisation.
2. The eastern end of the Titov Main mineralisation is expressed as a strong chargeability response and is consistent with the increasing potassic alteration and strong copper, molybdenum and increasing gold mineralisation.
3. A second strong chargeability anomaly is located south of Titov Main, in the vicinity of the 21TVDD001 collar. This coincides with the zones of high-grade mineralisation observed in the first 200m of 21TVDD001. The anomaly appears to parallel the Titov Main mineralisation and extends for >700m of length.
4. A large IP resistivity low coincident with an east-west trending fault is seen in the north of the survey area. This anomaly is located immediately adjacent to an area identified as Titov North (ASX release 19 October 2021), a shallowly worked structure which reported rock chip samples up to 3.95% Cu, 0.16 g/t Au and 420 g/t Ag.

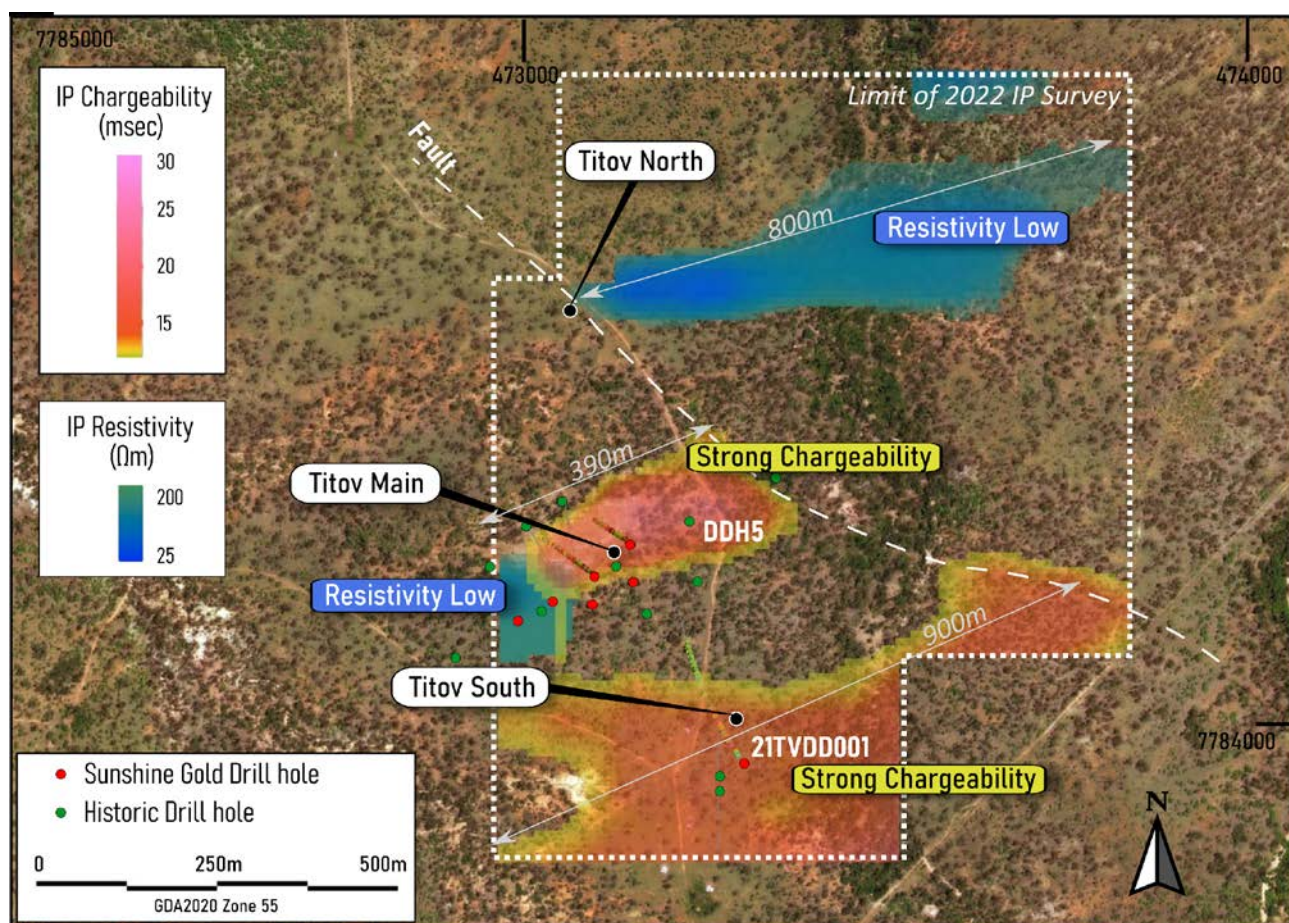


Figure 4. Titov IP chargeability and resistivity anomalies with interpreted fault.

ELPHINSTONE CREEK CEI GRANT, RAVENSWOOD WEST (100%)

The Elphinstone Creek and Bank Breccia targets are hosted in the Barrabab Adamellite, a quartz monzonite, comprising medium to coarse-grained plagioclase and alkali feldspar (~60%) with lesser quartz (~35%) and biotite (~5%). The Barrabab Adamellite is distinguishable as having broad, moderate magnetic response and a strong potassium radiometrics signature (Figure 3).

The prospective Barrabab Adamellite is large intrusion and occupies ~27km². To date soil sampling covers only 3.7km² (14%) of the area (Figure 3). The CEI grant awarded (up to \$34,050) will fund geochemical analytical costs for a further 780 samples. The further sampling will cover the remainder of the Barrabab Adamellite on a 200m x 200m grid. The core of the Barrabab Adamellite is expressed as a subtle magnetic anomaly and soil sample spacing will be tightened to a 100m x 100m grid. The information gathered will be important in determining zones of local enrichment in preparation for first pass drill testing in late 2022.

Sunshine Gold collected 309 soil samples across the northern margin of the Barrabab Adamellite (Figure 5). The sampling confirmed that the Barrabab Adamellite is enriched in REE, with all Barrabab Adamellite soil samples grading >400 ppm TREO. A coherent 800m long, ENE striking REE soil anomaly grading (>900 ppm TREO) is observed in the vicinity of the Bank Breccia. The anomaly is supported by elevated stream sediment samples grading up to 1.56% TREO. The anomaly is located immediately east of the historic Bank Breccia drilling.

Further REE soil anomalism occurs close to the adamellite margins on either side of Elphinstone Creek. A peak value of 1,091ppm TREO (Sample 256157) was recorded immediately east of Elphinstone Creek.

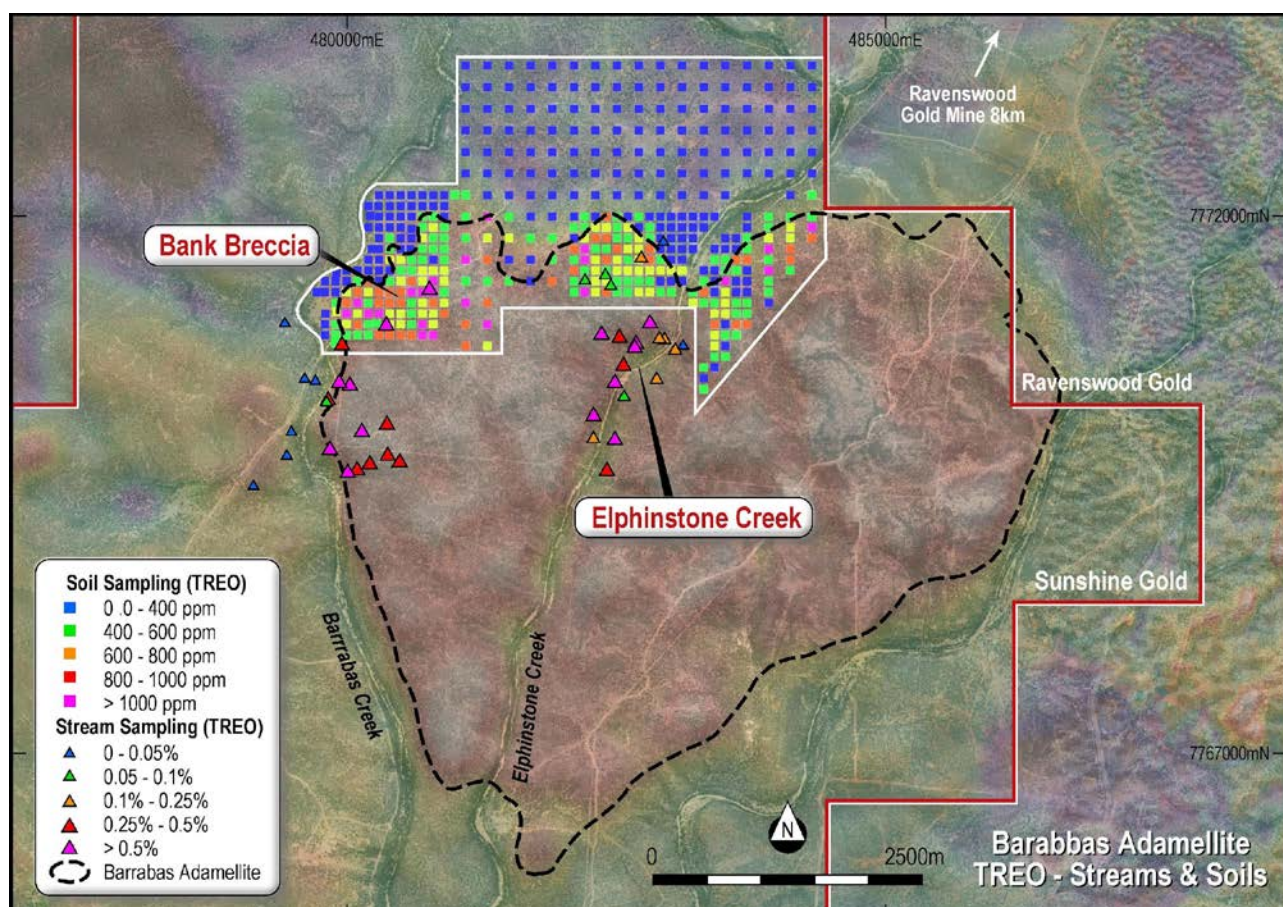


Figure 5. TREO distribution in soils. Only 14% of the Barrabab Adamellite has been sampled to date with the remaining 86% to be sampled in 2022.

Elevated REE and Au in stream sediment samples were collected from tributaries to Elphinstone Creek (Figure 6) where exploration in 2018 returned significant stream sediment assay results including:

- **6.28 g/t Au & 0.83% TREO including 0.12% Nd₂O₃, 0.05 % Pr₆O₁₁** (SRS13012)
- **1.11 g/t Au & 0.29% TREO including 0.04% Nd₂O₃, 0.01 % Pr₆O₁₁** (SRS10165)
- **2.28% TREO including 0.37% Nd₂O₃, 0.11 % Pr₆O₁₁** (SRS10163)
- **1.12% TREO including 0.19 % Nd₂O₃, 0.05 % Pr₆O₁₁** (SRS10164)
- **0.94% TREO including 0.15 % Nd₂O₃, 0.05 % Pr₆O₁₁** (SRS13008)

Stream sampling was also conducted from tributaries to the Barrabas Creek, which runs along the western margin of the Barrabas Adamellite (Figure 6). The stream sediments from the western margin of the Barrabas Adamellite contained results including:

- **1.63% TREO including 0.26 % Nd₂O₃, 0.08 % Pr₆O₁₁** (SRS10149)
- **1.56% TREO including 0.25 % Nd₂O₃, 0.08 % Pr₆O₁₁** (SRS10160)
- **0.83% TREO including 0.12 % Nd₂O₃, 0.05 % Pr₆O₁₁** (SRS10158)
- **0.81% TREO including 0.13 % Nd₂O₃, 0.04 % Pr₆O₁₁** (SRS10150)

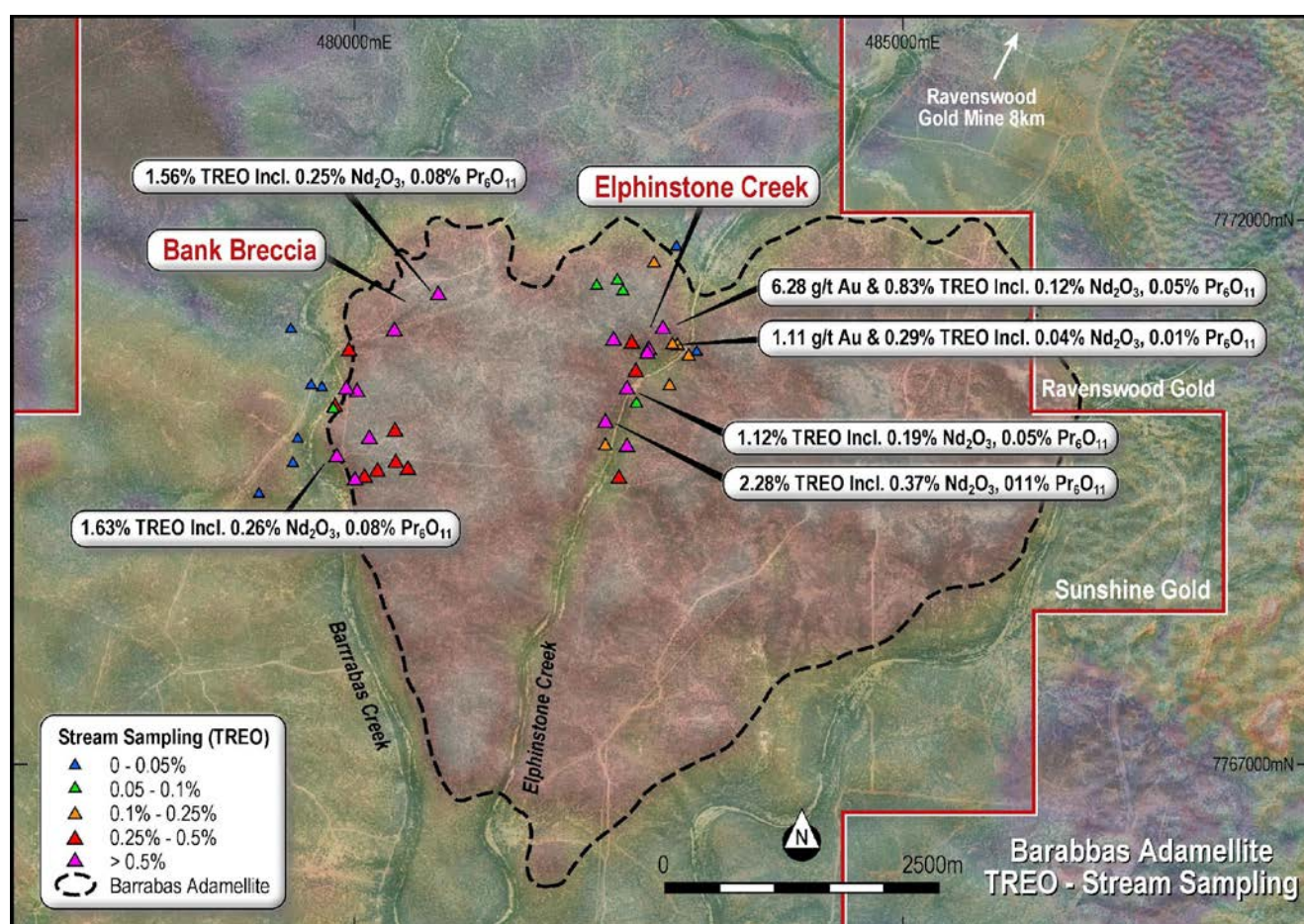


Figure 6. Stream sediment sampling locations at the Barrabas Adamellite over potassium radiometrics and airphoto.

WILBURS HILL CEI GRANT, RAVENSWOOD WEST (100%)

Wilburs Hill is located 1.8km south of the Titov Cu-Ag-Mo on the northeast corner of the Boori Igneous Complex, a late Carboniferous to Early Permian suite of intrusives and volcanics (Figure 7). Wilburs Hill forms a topographic high and is comprised of rhyolitic volcanics which exhibit flow-banding, local brecciation and limonitic fracture fill.

The target is analogous to the nearby 1Moz Au Mt Wright Mine (9km east of Wilburs Hill) and the 3.5Moz Au Mt Leyshon Mine (Table 1). Both Mt Wright and Mt Leyshon are hosted in late Carboniferous to Early Permian volcanic breccia pipes. Geophysical studies (1997-1999) at the Mt Wright deposit have shown the effectiveness of IP and Magnetotellurics (MT) for distinguishing mineralisation at depth. Notably, areas of coincident IP and MT anomalism which were drill tested, intersected sulphide in almost all circumstances (*Webb and James, 2001*).

A CEI grant for \$92,144, was awarded for a combined IP and MT geophysical survey over the Wilburs Hill – Smiths area. The grant amount covers the 38% of the total survey, processing and interpretation cost. The survey is proposed to cover an area of 1.5km x 1.6km with Wilburs Hill at the core of the grid. The survey proposes to use Quantec's TITAN DCIP & MT array-based system which has a maximum capable depth capacity of 750m.

The first targeted exploration at Wilburs Hill was in 1985 with rock chips taken assayed up to 0.56 g/t Au, 3.21% Pb, and 0.28% Zn (*CR 15685*). The area was flagged as prospective for gold, silver, lead and molybdenum. Regional sampling taken by Ravenswood Resources in the streams around Wilburs Hill and Smith's reported assays up to 0.45 g/t Au (*CR 20872*). Soil sampling completed in 2008 and 2017 defined a coincident gold, silver, tellurium, bismuth, copper, lead and zinc soil geochemical anomaly extending from Wilburs Hill to Smiths. The anomalous element assemblage is similar to that observed over Mt Wright and Mt Leyshon (Morrison and Beams, 2016).

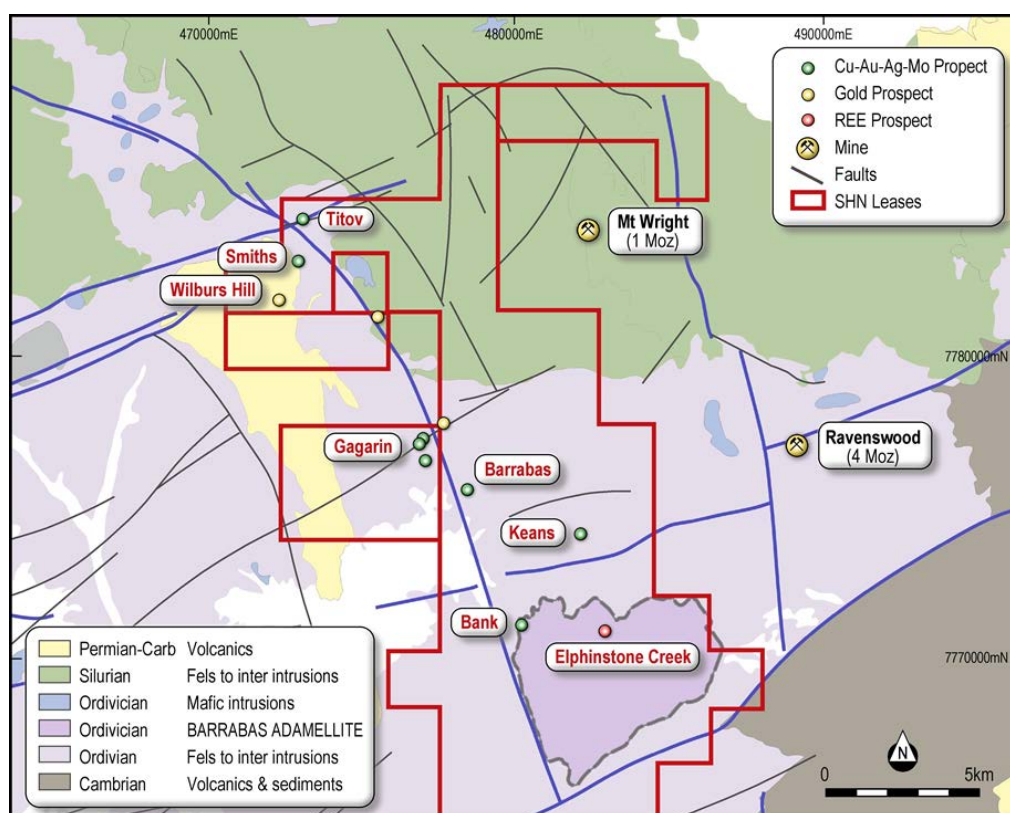


Figure 7. Geology of the 15km prospective Cu-Au-Ag-Mo corridor showing the Wilburs Hill and Elphinstone Creek targets.

Webb, D. & James, B., 2001, *The Application of Electrical Geophysics to Gold Exploration at Mt Wright, North Queensland*, ASEG Extended Abstracts, 2001:1, 1-4



Figure 8. Wilburs Hill target, Ravenswood West.

PLANNED ACTIVITIES

- April 2022: Metallurgical test work results Titov, Ravenswood West.
- 3-5 May 2022: RIU Resources Round-up, Sydney.
- May 2022: Shallow RC drilling, Titov East, Ravenswood West.
- May 2022: Metallurgical test work and diamond drill results, Triumph.
- May 2022: Mapping report, Investigator.
- May 2022: Soil sampling results Ellen Boss, Ravenswood West.
- May 2022: IP/MT Survey Wilburs Hill – Smiths, Ravenswood West.
- May 2022: Gagarin IP results, Ravenswood West.
- June 2022: Soil sampling results Elphinstone Creek, Ravenswood West.
- June 2022: RC drilling Triumph Southern Corridor.
- 14-15 June 2022: Australian Gold Conference, Sydney.
- 23-24 June 2022: RIU Investment Showcase, Gold Coast.

TENEMENT INFORMATION

Project	Tenement	Status	Beneficial Interest
TRIUMPH	EPM 18486	GRANTED	100%
TRIUMPH	EPM 19343	GRANTED	100%
HODGKINSON	EPM 18171	GRANTED	100%
HODGKINSON	EPM 19809	GRANTED	100%
HODGKINSON	EPM 25139	GRANTED	100%
HODGKINSON	EPM 27539	GRANTED	100%
HODGKINSON	EPM 27574	GRANTED	100%
HODGKINSON	EPM 27575	GRANTED	100%
INVESTIGATOR	EPM 27343	GRANTED	100%
INVESTIGATOR	EPM 27344	GRANTED	100%
INVESTIGATOR	EPM 28369	APPLICATION	100%
RAVENSWOOD WEST	EPM 26041	GRANTED	100%
RAVENSWOOD WEST	EPM 26152	GRANTED	100%
RAVENSWOOD WEST	EPM 26303	GRANTED	100%
RAVENSWOOD WEST	EPM 26304	GRANTED	100%
RAVENSWOOD WEST	EPM 27824	GRANTED	100%
RAVENSWOOD WEST	EPM 27825	GRANTED	100%
RAVENSWOOD WEST	EPM 28237	APPLICATION	100%
RAVENSWOOD WEST	EPM 28240	APPLICATION	100%

WESTERN AUSTRALIA

COCKATOO IRON NL

Sunshine Gold holds 5,000,000 fully paid ordinary shares in Cockatoo Iron NL as a consequence of the sale of its interests in the Cockatoo Island Project. Cockatoo Iron NL is an unlisted company and also Pearl Gull Iron Limited's (ASX: PLG) largest shareholder, holding 43,250,001 fully paid ordinary shares, representing 43.24% of the total issued capital.

CORPORATE

SHAREHOLDER INFORMATION

As at 31 March 2022 the Company had 1,102 shareholders and 619,722,730 ordinary fully paid shares on issue with the top 20 shareholders holding 56.51% of the total issued capital.

CONVERSION OF SECURITIES

Under the terms of the first tranche of the Deferred Shares and Performance Rights, vesting was subject to the Company announcing to the ASX within 3 years of completion of the acquisition of all of the issued capital of XXXX Gold Pty Ltd that it had JORC 2012 Resources of 100,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on tenements owned or being acquired or applied for by XXXX Gold Pty Ltd at Completion.

On 31 March 2022 the Company announced a maiden JORC Resource at Triumph totalled 1.8 million tonnes at 2.0 g/t for 118 koz of contained gold. Due to achievement of the first tranche vesting condition, the Company completed the conversion of 50 million Deferred Shares and 8.5 million Performance Rights into ordinary fully paid shares on 1 April 2022.

FINANCE AND USE OF FUNDS

Pursuant to the requirements of Listing Rule 5.3.4, the Company advises the proposed use of funds in section 1.6 of the Company's Prospectus in comparison to the actual use of funds is as follows:

Allocation of Funds	Prospectus	Current Quarter	Actual to Date
Exploration and evaluation (2years)	\$3,330,000	\$1,519,929	\$4,722,309
Working capital (2 years)	\$1,506,000	\$305,201	\$1,264,943
Expenses of Offer and XXXX Gold Acquisition	\$484,842	-	\$500,845

Pursuant to the requirements of Listing Rule 5.3.5, a description of and explanation for payments to related parties and their associates per Section 6.1 of the Appendix 5B following this Quarterly Activities Report is set out in the below table.

Director Remuneration	Current Quarter	Previous Quarter
Managing Director fees	\$60,500	\$60,500
Executive Director fees	-	-
Non-Executive Director fees	\$37,800	\$37,800
Company Secretarial fees	\$9,900	\$9,900
Total payments to related parties of the entity and their associates	\$108,200	\$108,200

ENDS

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This ASX announcement is authorised for market release by the Board of Sunshine Gold Limited.