

6th August 2024

SILVER PASTE TECHNICAL ASSESSMENT UNDERWAY

Sun Silver appoints Wood to undertake a Silver Paste technology assessment in support of its strategy to develop a Silver Paste Production Facility in the US

Highlights:

- Wood appointed to execute a Silver Paste technical assessment in close collaboration with Sun Silver's in-house team.
- Technical assessment will support Sun Silver's USA Section 48C application for a USD\$60 million government credit to establish a Silver Paste Production Facility in the United States.
- Silver accounts for up to 23% of the material cost of a photovoltaic cell (solar panel) in the form of Silver Paste.
- USA targeting 30% solar energy country wide by 2030 – up from only 3% in 2022.
- In May 2024, the Biden Administration approved an increase in tariffs on Chinese solar imports from 25% to 50% to encourage further onshoring of manufacturing.
- Silver Paste Project studies will run in parallel to the development of the Company's globally significant Maverick Springs Silver-Gold Project in Nevada, which hosts a JORC 2012 Inferred Mineral Resource of 292Moz of contained silver equivalent (AgEq) metal grading 72.4g/t AgEq¹.

Sun Silver Limited (ASX Code: "SS1") ("**Sun Silver**" or "**the Company**") is pleased to announce that it has engaged Wood to execute a comprehensive Silver Paste technology assessment in support of its strategy to develop a Silver Paste Production Facility in the United States. The study will evaluate the technological characteristics for silver extraction, purification, and paste preparation, with a focus on identifying key stakeholders, processes, and equipment suppliers in the industry.

Sun Silver Executive Director, Gerard O'Donovan, said:

"We are excited to kick off this comprehensive technology assessment study in collaboration with Wood, a globally recognised lead in engineering and construction. This initiative marks a significant step in understanding and enhancing our technological capabilities in silver extraction and paste preparation. The outcomes from this study will be invaluable in guiding Sun Silver's strategic direction and ensuring we remain at the forefront of innovation in the silver industry."

¹ Refer to Company's Replacement Prospectus dated 17 April 2024



Wood's scope for the technical assessment includes a technological evaluation of silver paste processing to outline specifications, production processes, technology options, and identify key stakeholders and manufacturers in the current market. As part of the study, Wood will explore silver beneficiation, smelting, recovery, and silver slurry preparation technology to form an objective assessment and conclusions, with a specific focus on silver paste and associated technologies.

Sun Silver's Silver Paste technology assessment will encompass the following key areas:

Evaluation of specifications, production processes, and existing technologies, including:

- Specifications of feed material for silver paste.
- Block diagrams and process flowsheet designs.
- Process comparisons among different producers.
- Identification of key global manufacturers.
- Order of Magnitude (OoM) cost estimates for a Silver Paste Production Facility.
- Identification of key equipment suppliers.

Sun Silver's Section 48C Application to United States Department of Energy:

In June 2024, Sun Silver submitted a Section 48C application to the US Department of Energy for a USD\$60 million investment tax credit for expenditure towards establishing a proposed Silver Paste Production Facility in the USA. Wood's technology assessment is a key input to further define the technical specifications for this Silver Paste Production Facility.

About Wood

Wood is a global leader in project delivery, engineering, and technical services, providing efficient, integrated solutions across the asset life cycle in multiple sectors. Wood's cross-commodity mineral processing expertise adds substantial value at the front end of projects. With 36,000 professionals across 60 countries, Wood is one of the world's leading consulting and engineering companies. Wood aims to bring together the knowledge, expertise, and skills of their people from across the global network to deliver technically superior mineral processing facilities.

What is Silver Paste?

Silver paste, or conductive silver paste, is a conductive material containing silver particles that is used in the manufacturing of solar panels. It plays a crucial role in the construction of solar PV (photovoltaic) cells, which are the building blocks of solar panels.

The primary function of silver paste in solar panels is to create electrical connections between the solar cells. The choice of silver paste is due to its excellent electrical conductivity and stability under various environmental conditions.

The production of silver paste is primarily concentrated in a limited number of chemical companies that almost exclusively supply to China, which dominates more than 90% of global solar component manufacturing. This concentration raises concerns about the vulnerability of the supply chain to potential disruptions, emphasising the need for diversification and resilience in sourcing strategies for this critical component in solar panel manufacturing. Silver paste involves a relatively simple, low-cost process to manufacture (outlined below) and sells at a significant premium to spot price silver via industrial offtake agreements.

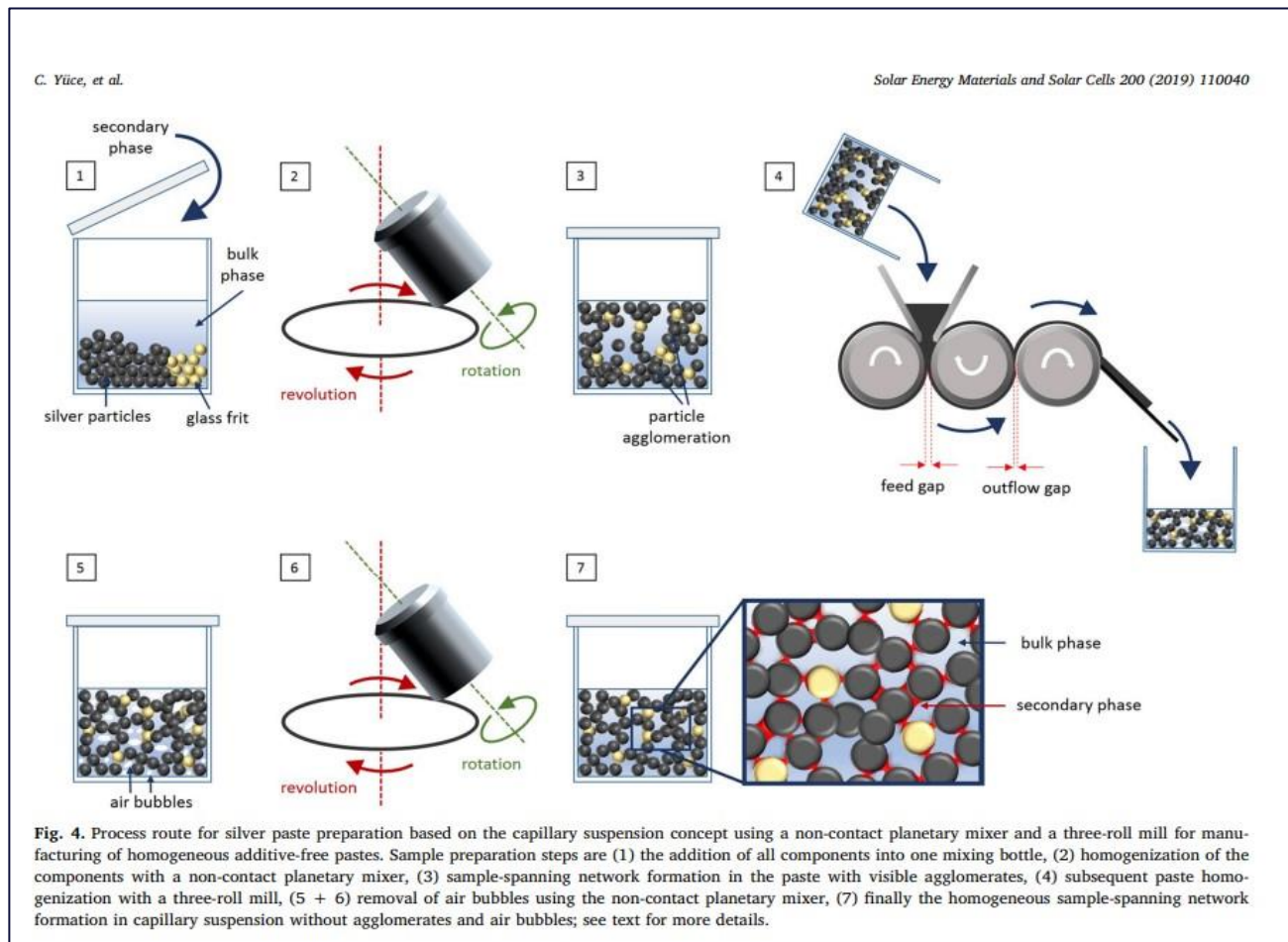


Figure 1 – Example process flow for silver paste preparation

Maverick Springs Project

Sun Silver's cornerstone asset, the Maverick Springs Silver-Gold Project, is located 85km from the fully serviced mining town of Elko in Nevada and is surrounded by several world-class gold and silver mining operations including Barrick's Carlin Mine.

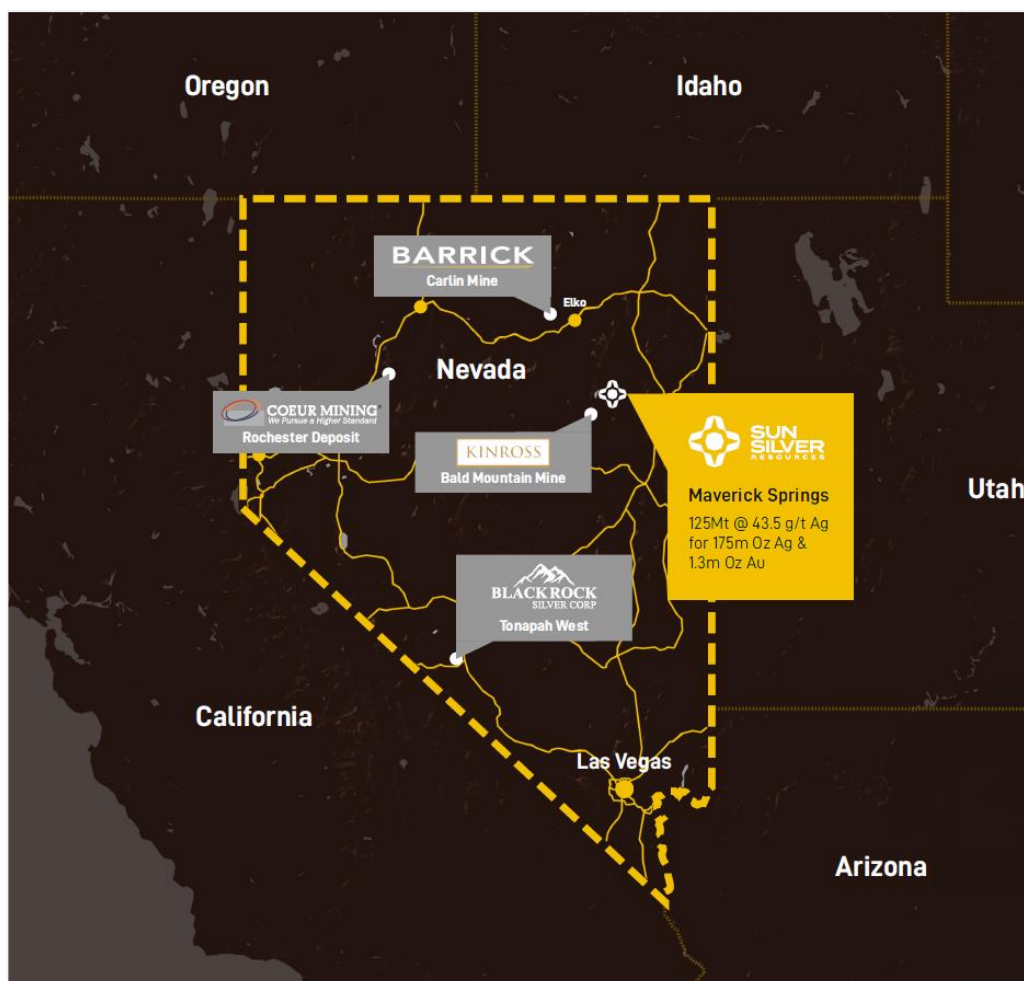


Figure 2 – Sun Silver's Maverick Springs asset location and surrounding operators.

Nevada is a globally recognised mining jurisdiction which was rated as the Number 1 mining jurisdiction in the world by the Fraser Institute in 2022.

The Project, which is located proximal to the prolific Carlin Trend, hosts a JORC Inferred Mineral Resource of 125.4Mt grading 43.5g/t Ag and 0.34g/t Au for 175.7Moz of contained silver and 1.37Moz of contained gold (292Moz of contained silver equivalent).

A total of ~200 holes for ~60,000 metres of drilling has been completed at the Project to date, covering an area representing only ~20% of the property.

The deposit itself remains open along strike and at depth, with multiple mineralised intercepts located outside of the current resource constrained model.²

² Refer to the Company's Replacement Prospectus dated 17 April 2024.

This announcement is authorised for release by the Board of Sun Silver Limited.

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Forward-looking statements

*This announcement may contain certain forward-looking statements, guidance, forecasts, estimates or projections in relation to future matters (**Forward Statements**) that involve risks and uncertainties, and which are provided as a general guide only. Forward Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimate", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Company. The Company can give no assurance that these expectations will prove to be correct. You are cautioned not to place undue reliance on any forward-looking statements. None of the Company, its directors, employees, agents or advisers represent or warrant that such Forward Statements will be achieved or prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement. Actual results may differ materially from those anticipated in these forward-looking statements due to many important factors, risks and uncertainties. The Company does not undertake any obligation to release publicly any revisions to any "forward- looking statement" to reflect events or circumstances after the date of this announcement, except as may be required under applicable laws.*

Competent Person Statement

*The information in this announcement that relates to exploration results or estimates of mineral resources at the Maverick Springs Project is extracted from the Company's Replacement Prospectus dated 17 April 2024 (**Prospectus**). The Company confirms that it is not aware of any new information or data that materially affects the information contained in the Prospectus and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the Prospectus continue to apply and have not materially changed.*