

25<sup>th</sup> June 2024

## USD\$60m Silver Paste Funding Application Submitted to the United States Department of Energy

**Section 48C Application submitted for government credit to support the establishment of a Silver Paste Production Facility in the USA**

### Highlights:

- Section 48C application submitted for a USD\$60 million government credit to support the establishment of a Silver Paste Production Facility within the United States.
- The proposed facility would enable Sun Silver to supply silver paste to solar photovoltaic (PV) cell manufacturers in the USA, aligning with efforts by the US to reduce its dependence on China for silver paste supply and bolster domestic supply chains.
- The Section 48C Program offers a 30% investment tax credit to projects that support advanced energy manufacturing and enhance U.S. competitiveness in clean energy.
- The Silver Paste Project aims to produce local high-quality silver paste, which is critical for improving the efficiency and sustainability of solar PV cells.
- The project supports the growing demand for renewable energy in the USA, contributing to job creation and economic growth in the sector, while bolstering national security interest.
- The 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 AgEq.

Sun Silver Limited (ASX Code: "SS1") ("**Sun Silver**" or "the **Company**") is pleased to advise that it has submitted a Section 48C application to the U.S. Department of Energy for a USD\$60 million investment tax credit for expenditure towards establishing a proposed Silver Paste Production Facility in the USA.

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

*"We are excited to pursue this Section 48C application with the US Department of Energy to support the development of a proposed Silver Paste Production Facility in the USA. Locally produced silver paste is crucial for supporting America's ambitious solar energy targets. This initiative aligns with Sun Silver's commitment to advancing sustainable energy solutions, running in parallel to the development of our globally significant Maverick Springs silver asset."*



Sun Silver Limited

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In parallel with developing the Maverick Springs Silver Project, the Company is investigating the viability of establishing a Silver Paste Production Facility in Elko County (**Silver Paste Project**). The Silver Paste Project aims to produce silver paste to supply solar photovoltaic (PV) cell manufacturers in the USA.

Preliminary investigations are focused on establishing a Silver Paste Production Facility in Census Tract 9502, Elko County, near the Maverick Springs silver deposit (85km south of Elko, Nevada). This location was chosen to minimise transport costs and facilitate the sharing of resources, materials and equipment between the mine, processing infrastructure and silver paste facility. Elko County's well-developed infrastructure, supported by a population of over 20,000, ensures year-round access to a local skilled workforce.

The Section 48C Program, administered by the Department of Energy, supports innovative energy projects that contribute to reducing greenhouse gas emissions. This federal incentive program provides a 30% investment tax credit (ITC) for qualified expenditures on advanced energy manufacturing facilities.<sup>1</sup> It aims to strengthen domestic supply chains, enhance U.S. competitiveness in the global clean energy economy, and foster job growth in related industries.

The Company's Silver Paste Project aligns with this objective, with the potential to enhance the efficiency and sustainability of solar PV cells through the production of high-quality silver paste. Silver paste accounts for up to 23% of the material cost of a photovoltaic cell (solar panel), crucial for creating electrical contacts essential in converting sunlight into electricity.

As the demand for renewable energy continues to grow – particularly in the US, where solar commitments are targeted to reach 30% of the country's energy requirements by 2030 (up from 3% in 2022) – ensuring a stable and efficient supply of silver paste becomes increasingly crucial.

In early May 2024, US President Joe Biden approved an increase in tariffs on Chinese solar imports from 25% to 50% to encourage further onshoring of manufacturing<sup>2</sup>. This policy underscores the strategic importance of domestic production, supporting initiatives like Sun Silver's Silver Paste Project.

Section 48C is just one of several funding and grant avenues available from the Department of Energy. Sun Silver, in collaboration with expert partner Holland & Knight, continues to actively explore additional grant opportunities available within the Department as the Company advances the Maverick Springs Project and Silver Paste Project Facility. Sun Silver is dedicated to pursuing these avenues to ensure its projects align with Government targets, initiatives and mandates.

Sun Silver is dedicated to advancing sustainable energy solutions and looks forward to updating shareholders on further developments regarding the Section 48C application and the Silver Paste Project.

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<sup>1</sup> <https://www.energy.gov/infrastructure/qualifying-advanced-energy-project-credit-48c-program>

<sup>2</sup> <https://www.whitehouse.gov/briefing-room/statements-releases/2024/05/16/fact-sheet-biden-harris-administration-takes-action-to-strengthen-american-solar-manufacturing-and-protect-manufacturers-and-workers-from-chinas-unfair-trade-practices/>

## Maverick Springs Project

Sun Silver's cornerstone asset, the Maverick Springs 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.

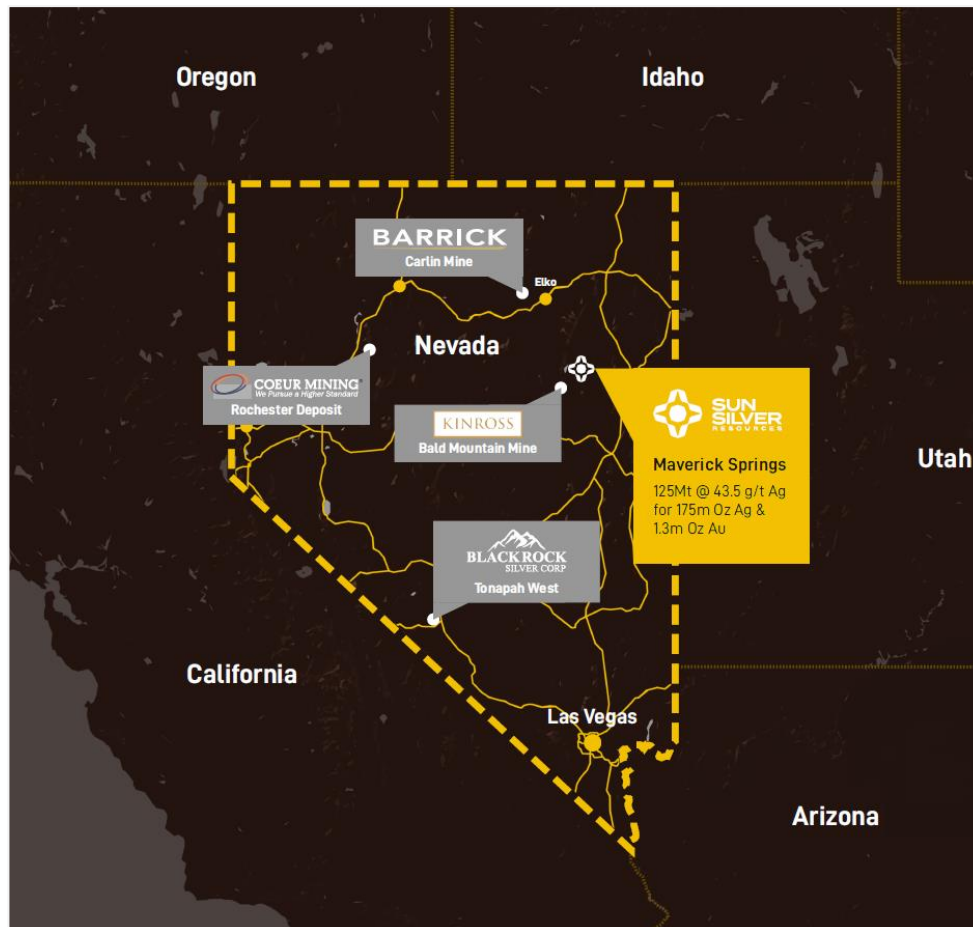


Figure 1 – Sun Silver's Maverick Springs asset location and surrounding operators.

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 in 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)<sup>3</sup>.

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<sup>3</sup>.

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

<sup>3</sup> Refer to the Company's Replacement Prospectus dated 17 April 2024.

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## ENDS

### For more information:

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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.*