

28<sup>th</sup> May 2024

## US GRANT FUNDING REVIEW COMMENCED FOR SILVER PASTE

**Sun Silver partners with Holland & Knight to target government grants and alternate funding solutions for silver paste development opportunities in the USA.**

### Highlights:

- Industry leader Holland & Knight appointed to lead Sun Silver's US grant and alternative government funding review and application process.
- Holland & Knight is responsible for approximately 40% of all successful 2023 IRA renewable energy grant applications, including over US\$400M in grant funding secured by various ASX-listed companies.
- USA is targeting 30% solar energy as part of its national energy mix by 2030. To put this in context, in 2022 solar energy only accounted for 3% of the USA's energy grid.
- Silver accounts for up to 23% of the material cost of a photovoltaic cell (solar panel) in the form of silver paste.
- 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.

Sun Silver Limited (ASX Code: "SS1") ("**Sun Silver**" or "**the Company**") is pleased to advise that it has commenced investigations into grant and alternative funding sources available through various United States of America (USA) Government Departments, including the Department of Energy (DOE), under the Inflation Reduction Act (IRA).

According to research by Goldman Sachs<sup>1</sup>, the IRA's impact could encourage US\$11 trillion of total infrastructure investments by 2050 toward the renewable energy transition, this includes, over US\$500 million in grant funding received by ASX-listed companies Piedmont (ASX: PLL), Novonix (ASX: NVX) & Syrah Resources (ASX: SYR) from the DOE.

Separate to the grant and alternate funding solutions currently available through the agencies identified above, the White House recently increased tariffs on Chinese solar imports into the US from 25% to 50%, to further encourage the onshoring of solar manufacturing.

<sup>1</sup> Refer to <https://www.goldmansachs.com/intelligence/pages/the-us-is-poised-for-an-energy-revolution.html>.



Silver accounts for up to 23% of the material cost of a photovoltaic cell (PV Cell or solar panel) in the form of silver paste. A local solution to provide silver paste within the USA to US PV Cell manufacturers will enable the USA to further decrease its reliance on China for PV Cell components and materials.

Sun Silver has engaged Holland & Knight to lead a two-stage process aimed at securing funding for potential silver paste development and solar opportunities in the USA, aligning with their ambitious solar energy targets:

**Stage 1** – Detailed mapping of all funding avenues available throughout the various Government Departments.

**Stage 2** – Completion of any future applications and lobbying of Government Departments in support of Sun Silver's silver paste proposition.

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

*"Today marks a pivotal moment for the Company as we embark on a crucial partnership with Holland & Knight. The USA is currently in the midst of a perfect storm when it comes to solar energy, due to key government initiatives and policy shifts. Firstly, there is a notable government commitment to solar energy, underscored by ambitious targets. Secondly, there is a heightened focus on reducing dependence on imported Chinese solar components and materials, evidenced by increased tariffs.*

*Sun Silver recognises a significant opportunity to contribute to the advancement of solar energy in the USA by offering a local solution for silver paste. This initiative will further diminish reliance on Chinese imports, which aligns with government goals."*

## **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 the spot price silver via industrial off-take agreements.

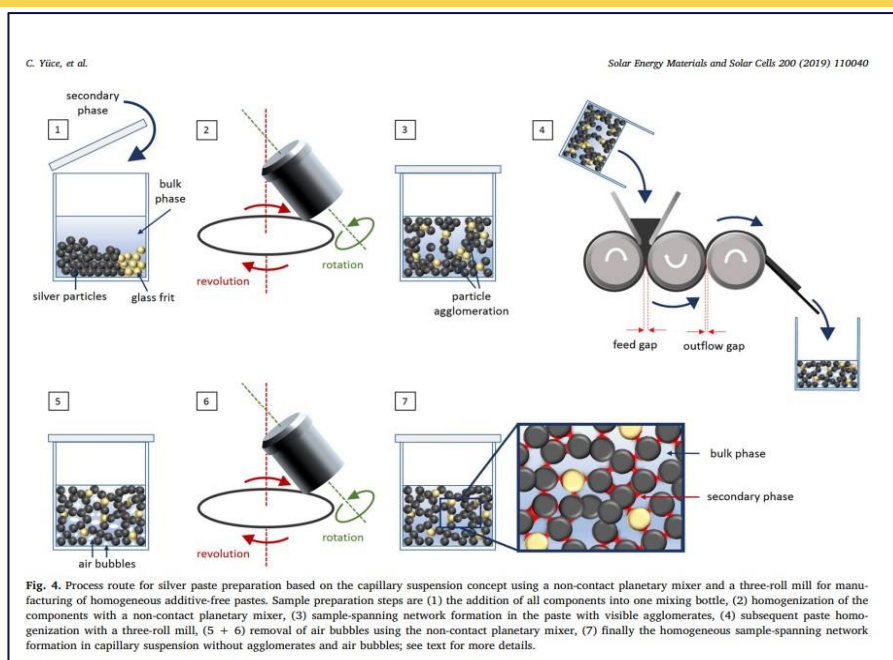


Figure 1 – Example process flow for silver paste preparation

## About Holland & Knight

The Holland & Knight Energy and Natural Resources team is multi-disciplinary, working across the energy spectrum to provide end-to-end services including regulatory and legislative representation. They differentiate themselves from others with the fact their distinguished team members include Members of Congress who served on the House Energy and Commerce Committee; a former Senior Advisor to the White House and U.S Environmental Protection Agency; and a former Chief-of-Staff for a Senator.

These key team members, along with the rest of Holland & Knight team, have exceptional ties to key federal decision makers in Congress and the Administration. The team's strong ties span across all top officials in the White House as well as President Biden's executive branch appointees and nominees. These top officials cover all the various departments including White House staff, DOE, Department of Treasury and congress.

## 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.

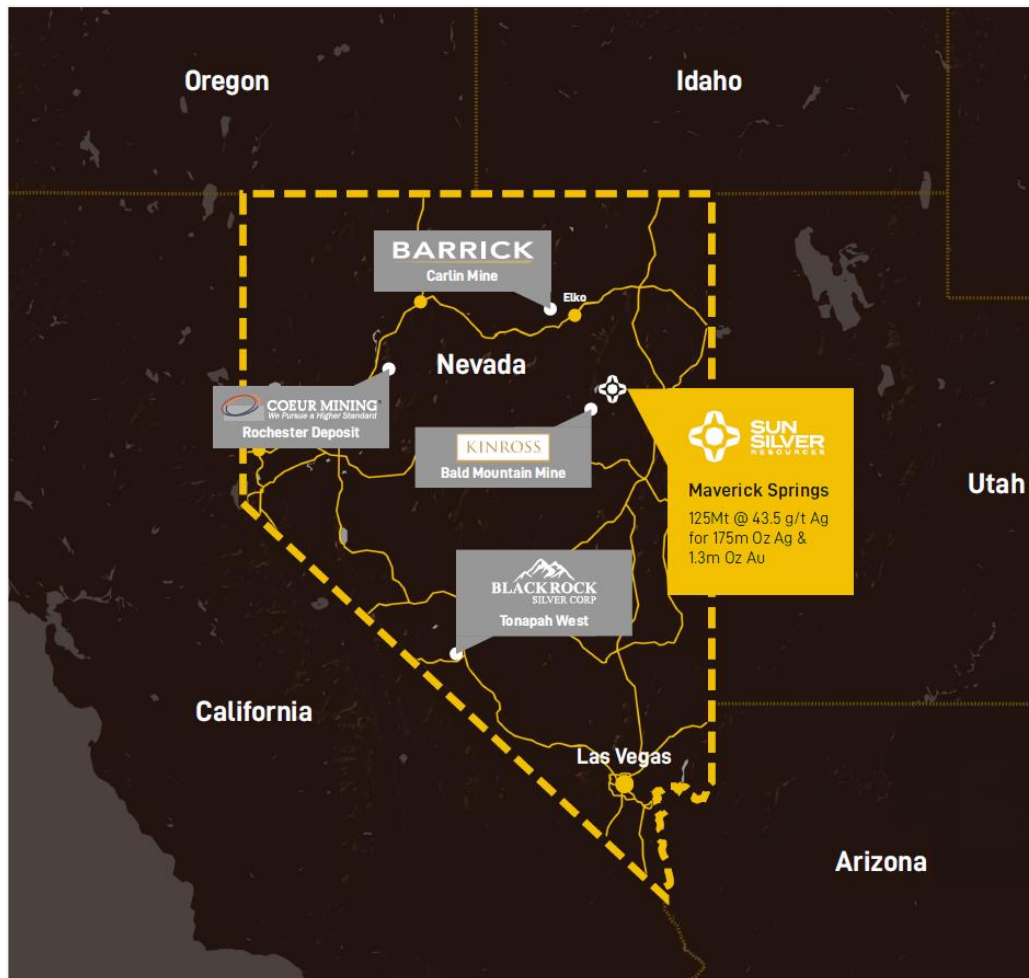


Figure 2 – Sun Silver's Maverick Springs asset location and surrounding operators.

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 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>2</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>2</sup> Refer to the Company's Replacement Prospectus dated 17 April 2024.

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

**ENDS**

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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.*