

SUNSTONE
METALS

DISCLAIMER

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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 INVESTMENT OPPORTUNITY

Three projects | Copper and Gold | Discovery and Development



ECUADOR
**GOLD &
COPPER**

SWEDEN
COPPER

FINLAND
**GOLD &
LITHIUM**

**BRAMADEROS
PROJECT**

**VISCARIA
PROJECT**

**SOUTHERN
FINLAND PROJECT**

**Delivers large
upside
opportunity**

**Protects downside
risk; provides
upside opportunity**

Bramaderos contains fertile mineralised porphyry and epithermal systems with strong potential to host a world-class discovery

Binding agreement with Copperstone Resources AB; values Viscaria at ~A\$45 mill

Leveraged to copper price – at US\$3/lb this is a very attractive project

Multiple gold occurrences identified with limited previous exploration

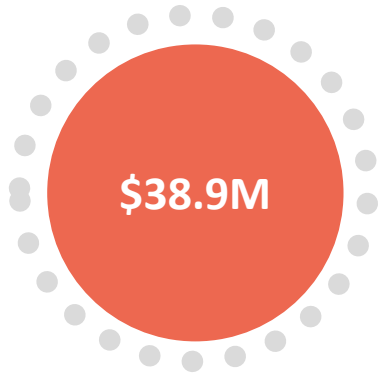
Drilled 23.5m at 3.3g/t gold

Lithium occurrence drilled

STM's low market capitalisation offers huge leverage from a global portfolio with focus on gold and copper

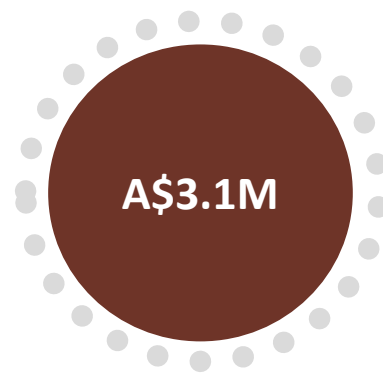
CORPORATE

Listed on the Australian Stock Exchange **ASX:STM**



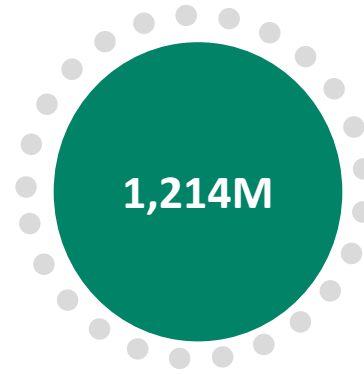
MARKET CAPITALISATION

Tightly held
At share price of A\$0.032 – 30 day
VWAP



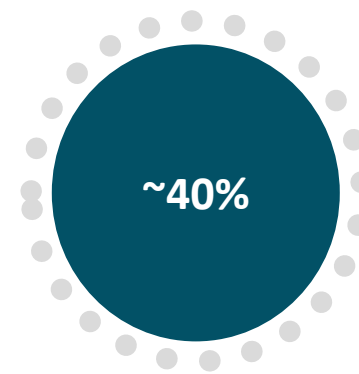
CASH

As at 23.11.18 - unaudited



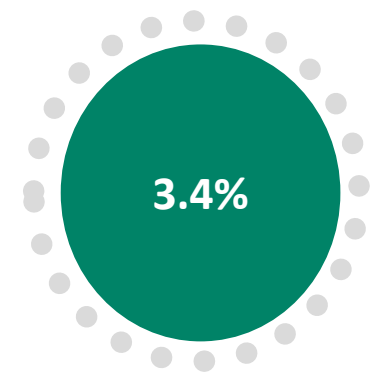
SHARES ON ISSUE

As at 23.11.18



TOP 10 SHAREHOLDERS

Hold almost half of all
shares on issue



BOARD & MANAGEMENT

Have participated in most
placements in last 4 years

Substantial Shareholders

Darren Carter (UK)	8.6%
Valbonne II	6.4%

MULTI DISCIPLINARY STRONG BOARD



GRAHAM ASCOUGH
CHAIRMAN

Resources executive. Broad global experience with large companies and building juniors. Previously with Falconbridge- Noranda.



MALCOLM NORRIS
CEO & MANAGING DIRECTOR

Mining Industry executive with a track record of discovery and growth. Previously with WMC Resources. Led team that discovered Tujuh Bukit porphyry Cu-Au in Indonesia with Intrepid Mines. Former CEO of SolGold and secured Cascabel Cu-Au project in Ecuador.



DON HYMA
NON-EXECUTIVE DIRECTOR

Mining industry executive with more than 25 years of progressive capital project experience in the resource sector in Canada, Chile, New Caledonia and Australia. His experience includes direct involvement in delivering numerous major projects, taking them from studies through to implementation, for several multi-national resource companies in the nickel, copper and iron ore industries.



STEPHEN STROUD
NON-EXECUTIVE DIRECTOR

Corporate finance executive with over 20 years experience across all aspects of corporate finance both as an advisor and client. He has advised boards and management teams across a broad range of transactions including public and private equity raisings, debt/hybrid debt, Initial Public Offerings, mergers & acquisitions, sell-downs and restructures both in Australia and overseas.

HIGHLY EXPERIENCED MANAGEMENT TEAM



MALCOLM NORRIS
CEO & MANAGING DIRECTOR

Geologist and Business Development. Track record of discovery and growth. Previously with WMC Resources. Led team that discovered Tujuh Bukit porphyry Cu-Au in Indonesia with Intrepid Mines. Former MD & CEO of SolGold and secured Cascabel Cu-Au project in Ecuador.



GAVIN LEICHT
CFO & COMPANY SECRETARY

Finance professional with significant experience in developing and financing copper and gold projects through to production including marketing of copper concentrates.



RAY ROBINSON
GENERAL MANAGER
STUDIES & TECHNICAL SERVICES

Mining engineer with over 20 years operational, studies and construction experience worldwide. Delivered PEA, PFS and DFS level studies from 0.5Mtpa underground epithermal gold developments, 10Mtpa gold oxide heap leach projects to 40Mtpa copper-gold concentrator plants.



DR. BRUCE ROHRLACH
GENERAL MANAGER GEOLOGY

Geologist who has played a key role in several significant discoveries and feasibility studies. Extensive international experience with both major and junior mining and exploration companies. Led the technical teams that discovered Tujuh Bukit and Cascabel porphyry copper-gold deposits.



DAMIEN MIZOW
EXPLORATION MANAGER

Geologist with 12 years experience across copper, gold and nickel in both exploration and mine environments. Managed the 2016 Viscaria drilling program delivering some of the best results in the history of the project.

VALUE GROWTH THROUGH DISCOVERY

Sunstone is the only ASX-listed junior providing direct junior company exposure to 'booming' Ecuador

- The Sunstone team have been involved in giant porphyry copper-gold discoveries with Intrepid Mines at Tujuh Bukit (Indonesia) and SolGold at Cascabel (Ecuador)
- We've learnt many lessons in that time - Shareholder value growth delivered through discovery, a supportive market, risk management; and value is sustained by delivering a clear pathway to potential development – secure title, a good operating regime, funding options, infrastructure

ECUADOR

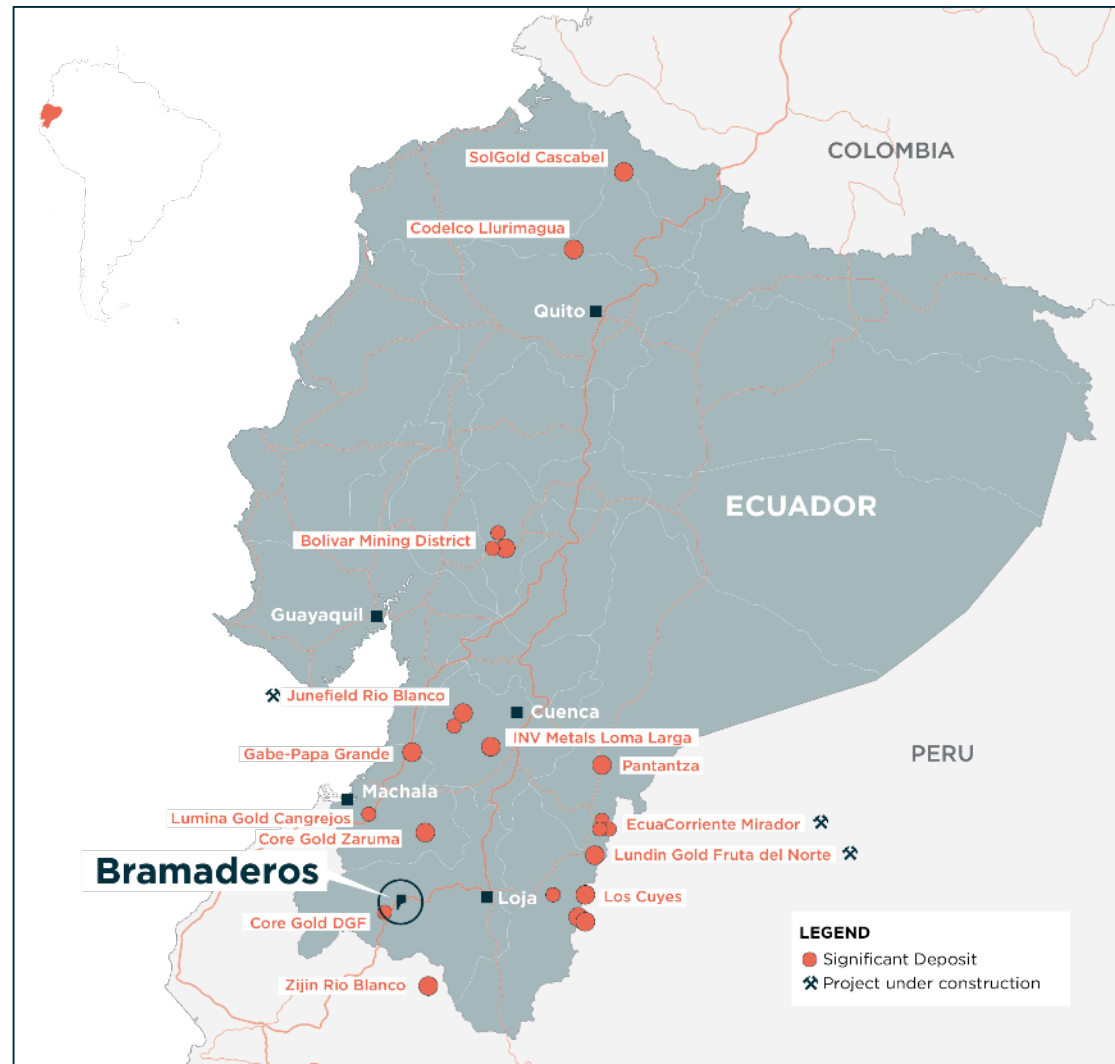
Strongly promoting exploration and mining but dealing with impediments at the same time

- Majors and juniors have committed to spend hundreds of millions of dollars on exploration
- Most are looking for world class gold and copper deposits – genuine large growth opportunities
- High level of pre-drilling activity
- Drilling activity is expected to increase significantly in 2019
- The Mines Ministry is strongly promoting the sector, wants a responsible mining industry, has enabled reductions in taxes, and has supported developments such as Fruta del Norte
- BUT ...
- **The most significant delay to increased expenditure on exploration and the delivery of discoveries is the lack of drill permitting through the Ministry of Mines and the Ministry of Environment**
- **At the Bramaderos Project this has caused delays of ~ 9-12 months**
- **The Bramaderos JV is proceeding with a dual track approach for drill permitting of full EIA review and/or implementation of scout drilling**



BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Matching the team with the opportunity



Ecuador is host to world-class copper-gold deposits, in one of the world's most highly prospective belts for porphyry and epithermal copper-gold deposits

Bramaderos is a JV; we have a binding farm-in agreement with TSXV listed **Cornerstone Capital Resources (TSXV:CGP)** where Sunstone can earn up to 80% (51% through spending US\$3.4 mill; 70% through funding feasibility study and payment of US\$1/gold equiv oz in M&I resource)

Bramaderos contains multiple targets of both porphyry gold-copper and epithermal gold mineralised systems with strong potential to host a world-class discovery

BRAMADEROS – A WORLD-CLASS OPPORTUNITY

A strong commitment to community and environment

- Regular local community meetings and information sessions on current and planned work programs
- Environmental and water studies completed as part of the comprehensive ESIA for the drill permit process.
- **Water Permit received**
- **EIA and Drill Permit process is progressing in parallel with potential opportunity for Scout Drilling**
- **Strong local community support for our planned drilling**



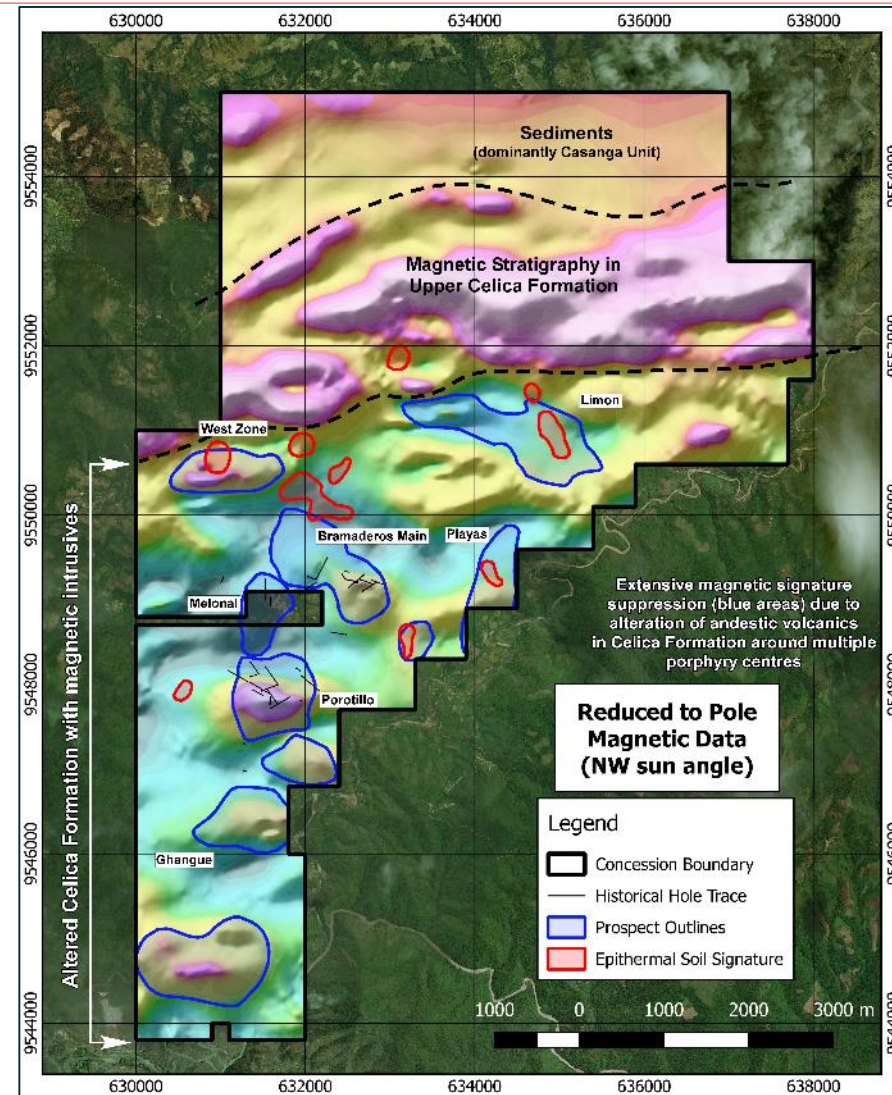
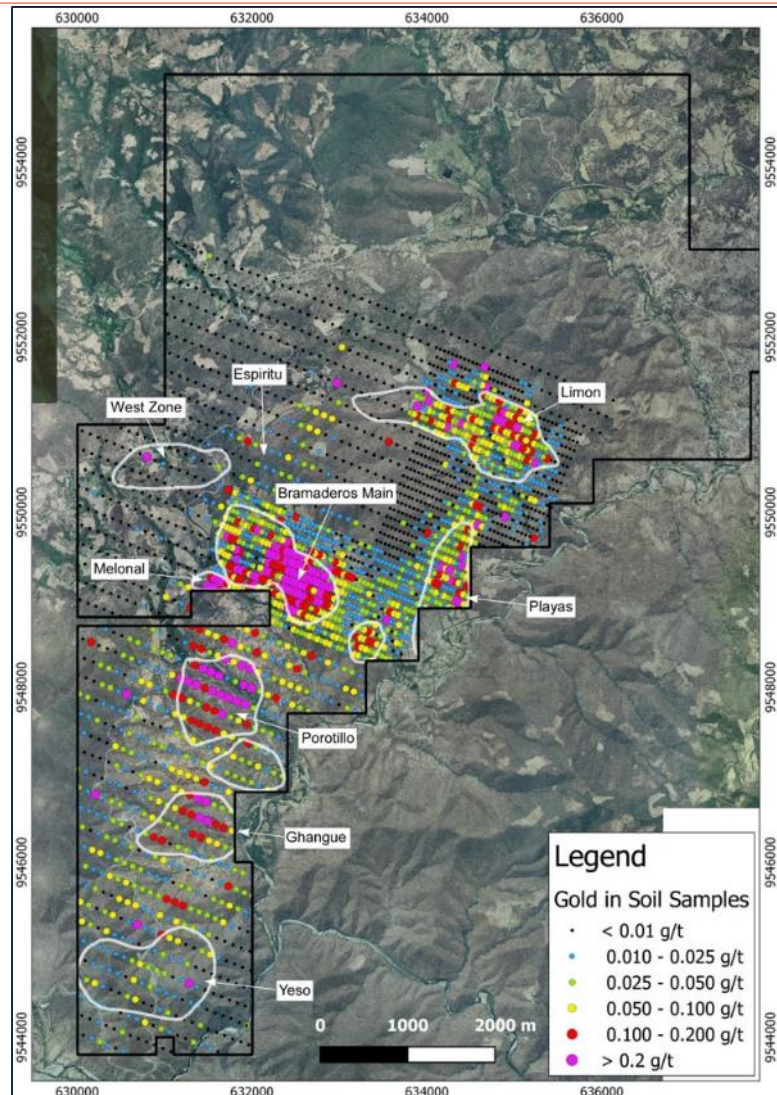
BRAMADEROS – A WORLD-CLASS OPPORTUNITY

A reminder of how good this opportunity is



BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Multiple porphyry gold-copper and epithermal gold-silver targets



Multiple targets developed from multiple datasets

At least 3 targets to be drill tested in Phase 1 drilling

1. Limon
2. Bramaderos Main
3. West Zone

BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Limon - absolutely outstanding initial trench results
97.6m at 0.71g/t gold and 0.23% copper at surface

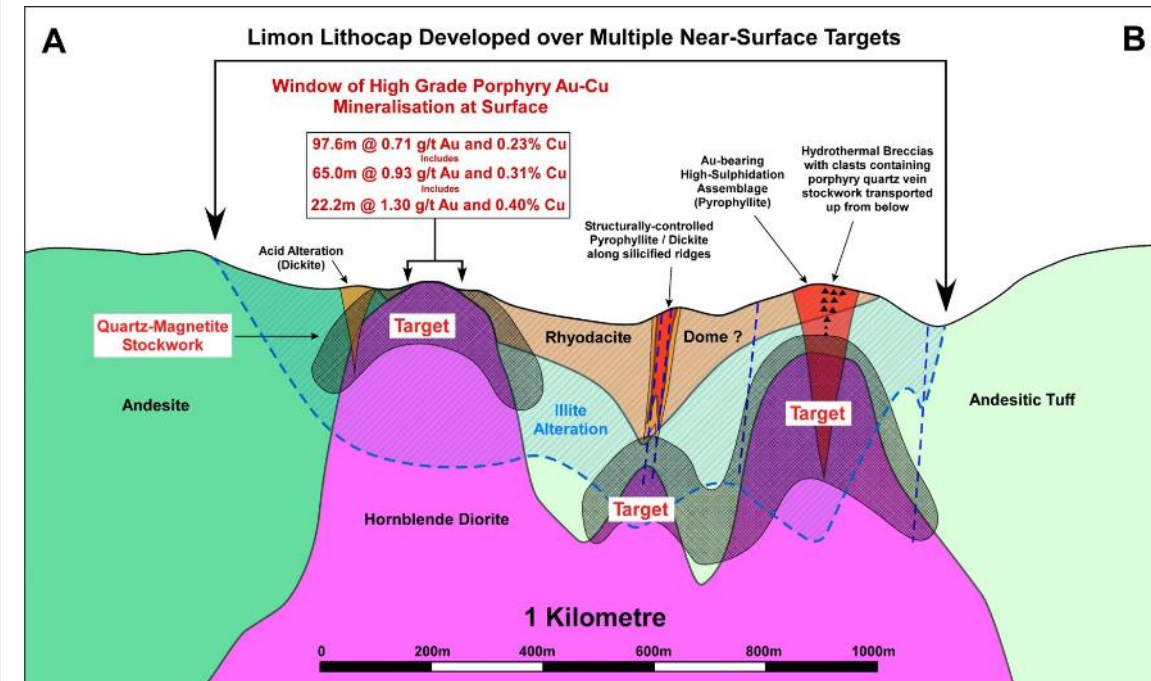
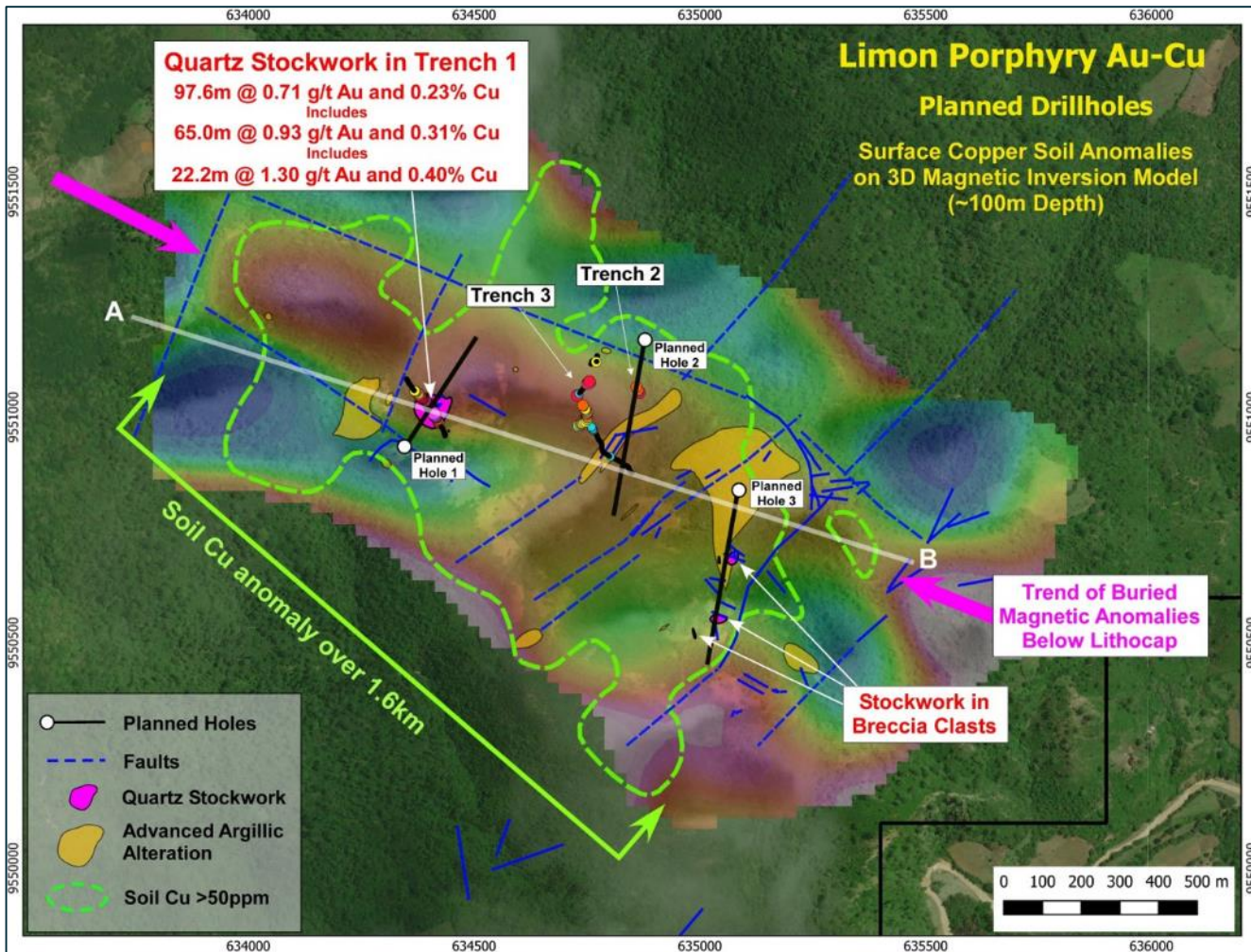


BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Limon - absolutely outstanding initial trench results

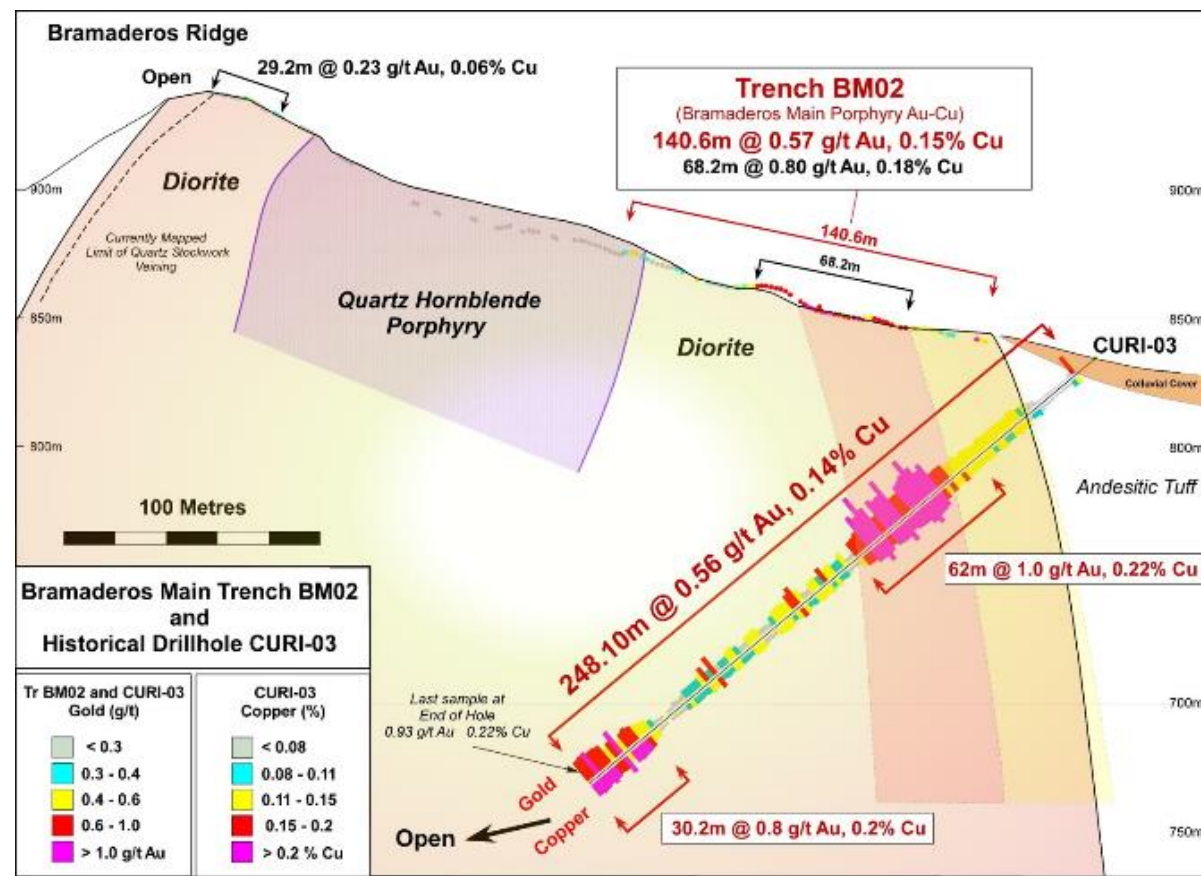
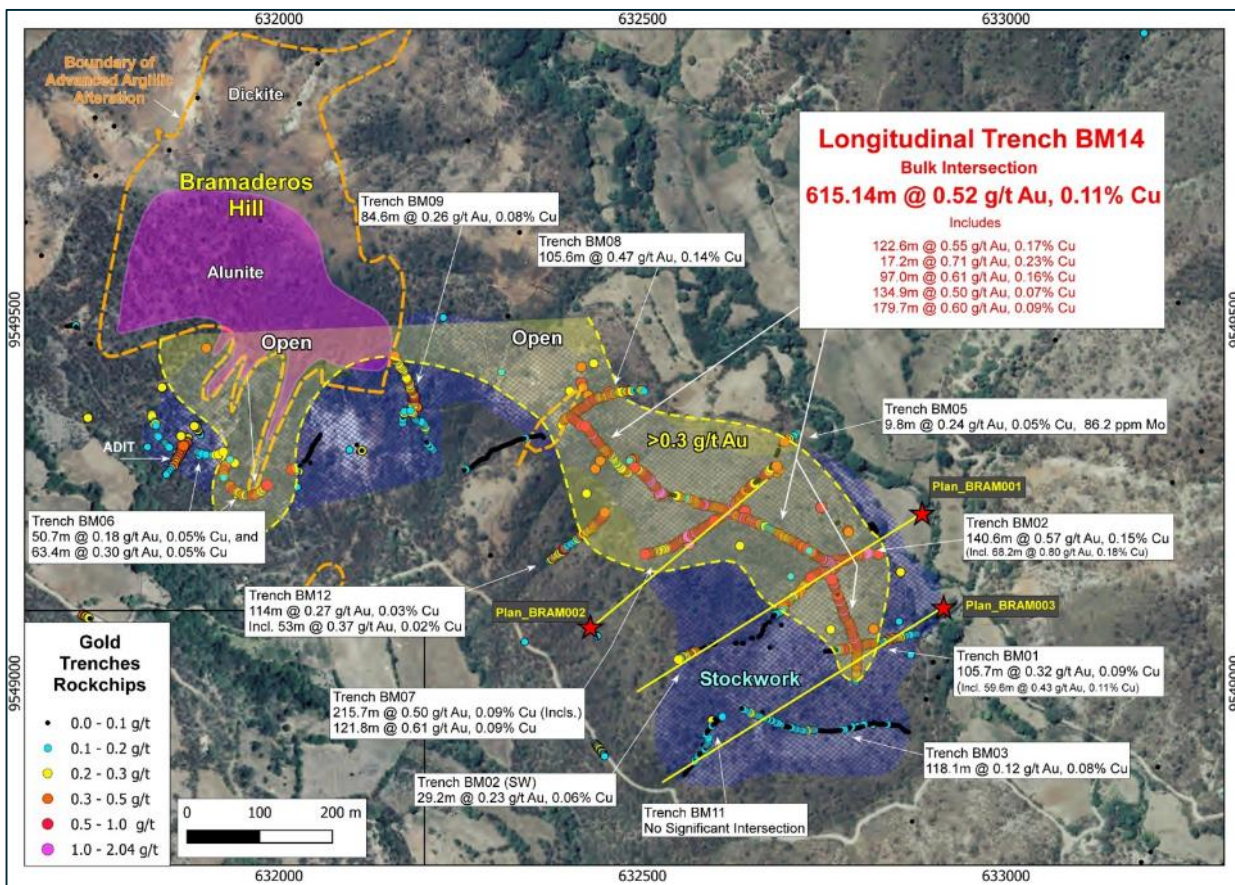
- Breakthrough, high grade results
- A 'window' into a significant porphyry system

97.6m at 0.71g/t gold and 0.23% copper at surface, including 65.0m at 0.93g/t gold and 0.31% copper



BRAMADEROS – A WORLD-CLASS OPPORTUNITY

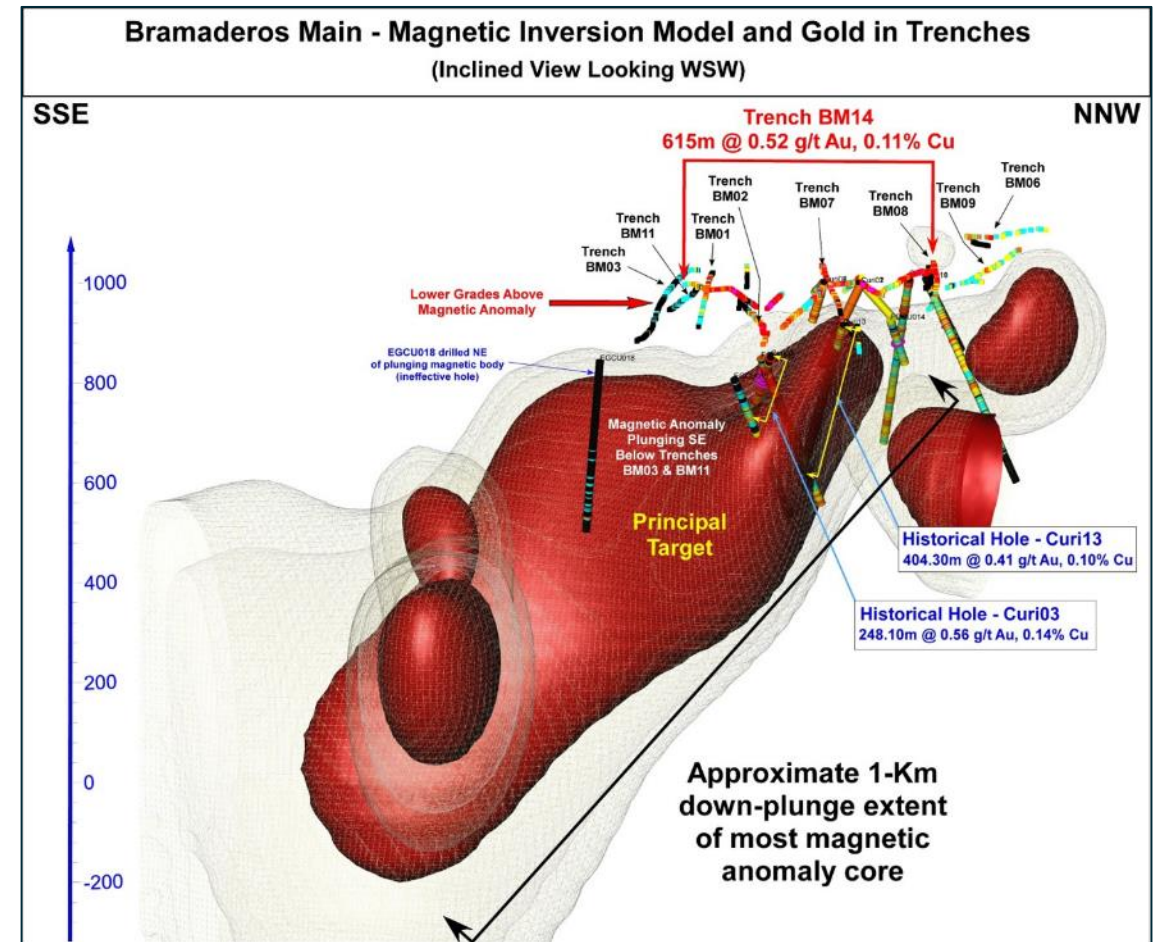
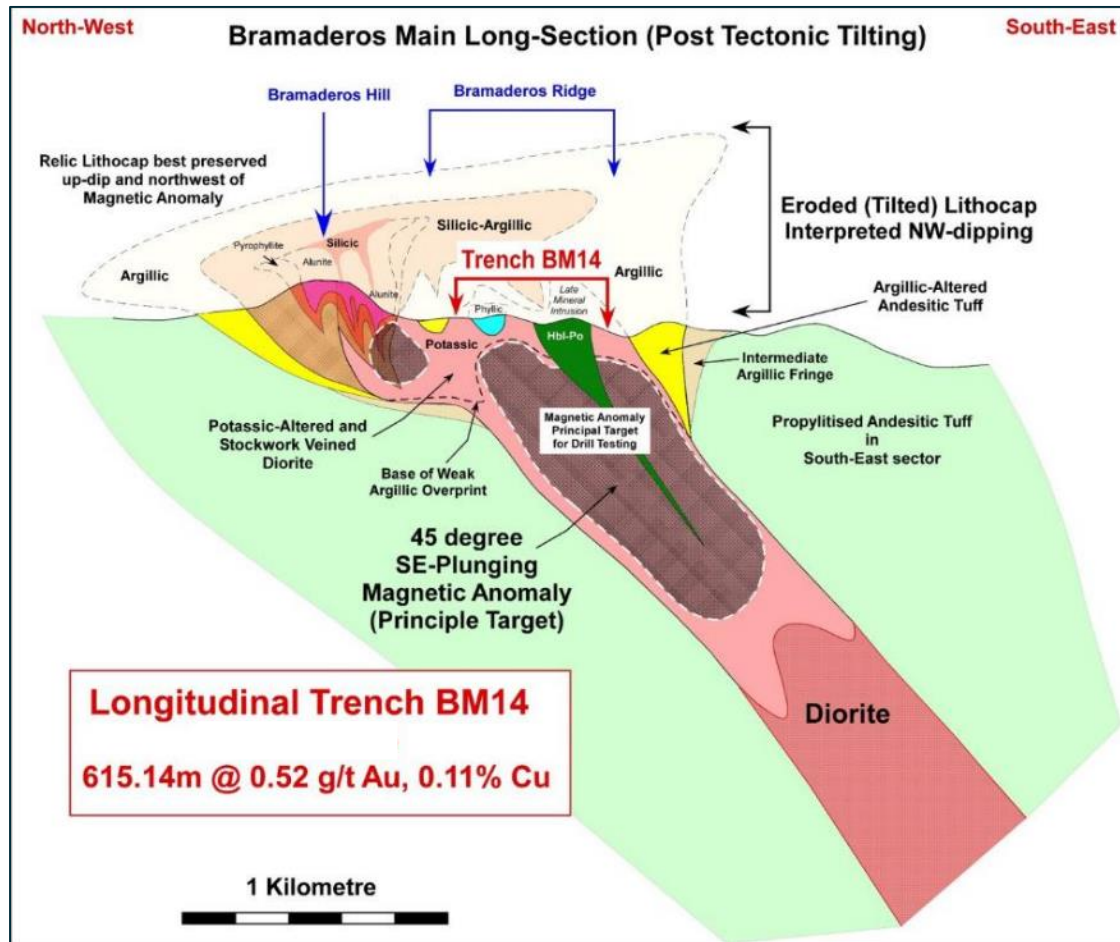
Bramaderos Main delivering strong trench results



- 397m at 0.69g/t Au and 0.14% Cu cumulative interval; for all intervals >0.3g/t and >10m length
- Importantly, the trenching is also delivering greatly improved interpretation of the geometry of the mineralisation, in advance of drilling

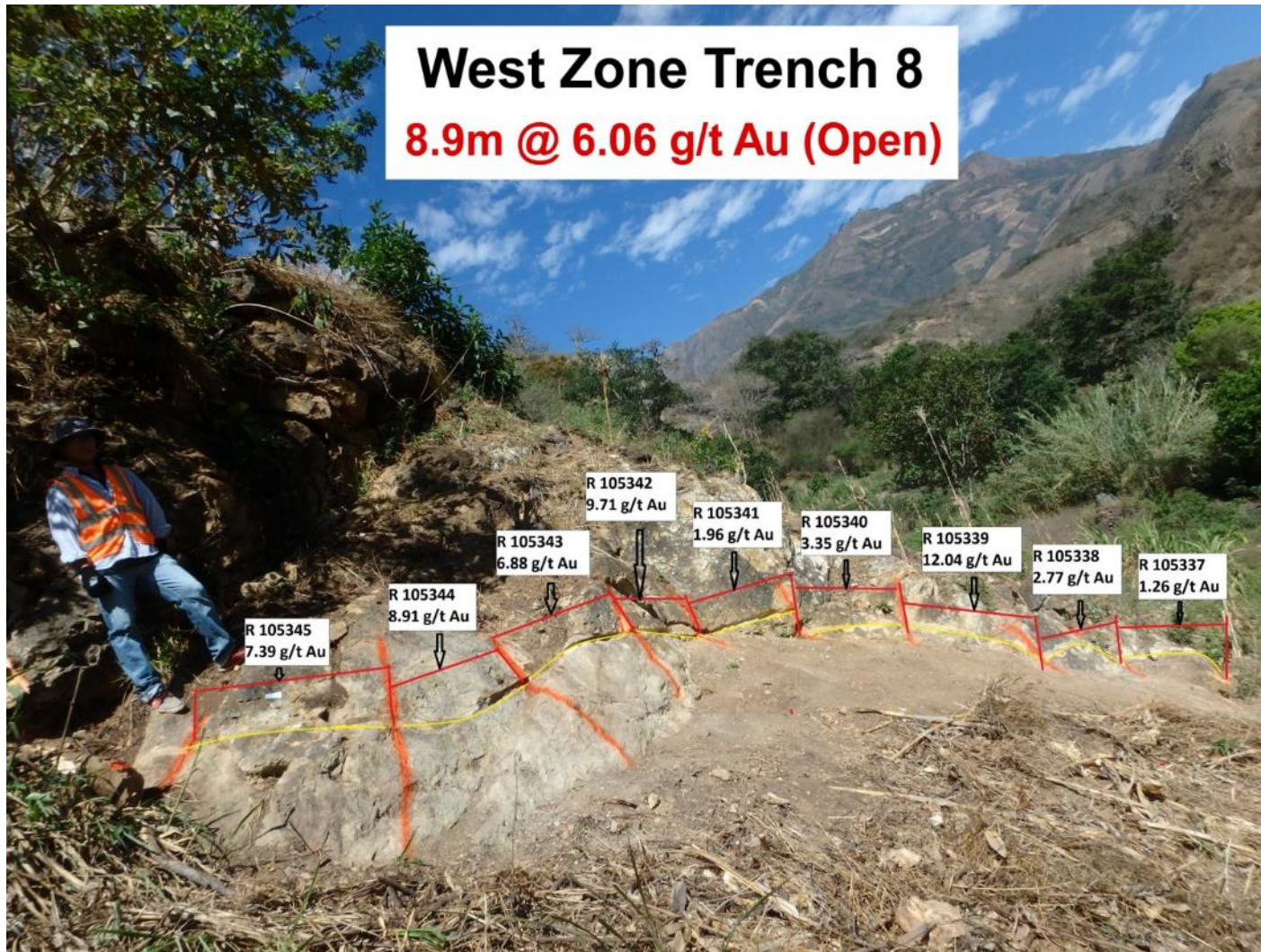
BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Bramaderos Main – surface mineralisation and 3-D geophysics

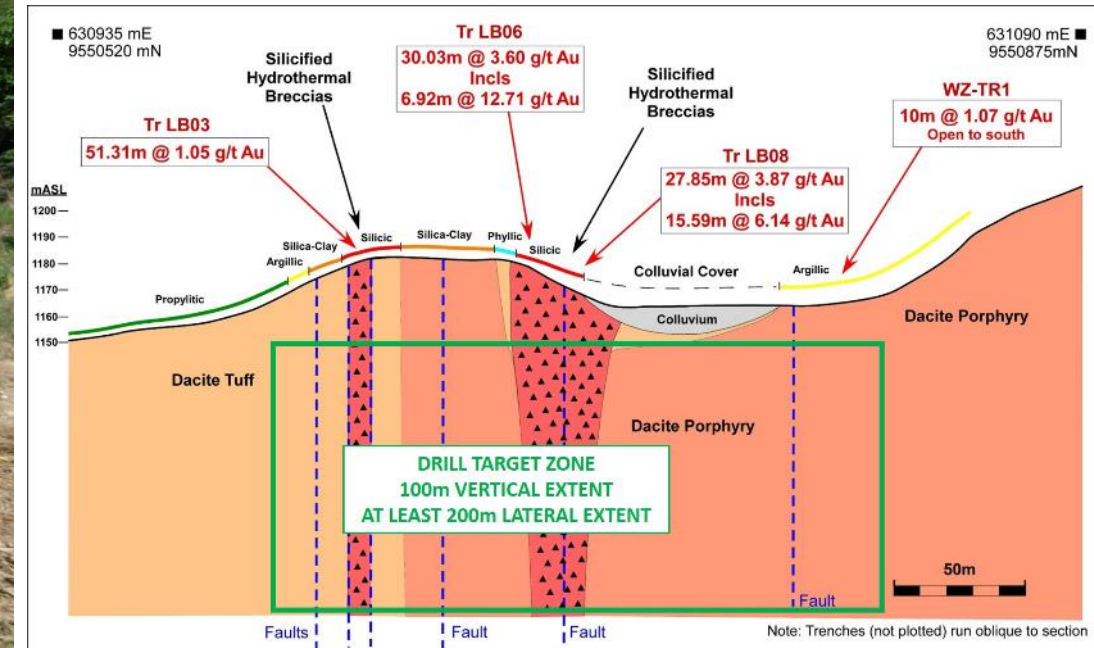


BRAMADEROS – A WORLD-CLASS OPPORTUNITY

West Zone delivering strong trench results



- West Zone trenches delivering higher grade epithermal style results
- Recent geophysical results, complemented by alteration mapping, suggest there may also be a porphyry target at depth
- **15.6m at 6.14 g/t Au and 6.92m at 12.71 g/t Au**



VISCARIA COPPER PROJECT

Advanced copper project in northern Sweden

- High quality copper project
- Agreement to sell asset to Copperstone Resources AB; cash + shares, value ~A\$45 million, closing Dec 2018
- Over 600kt copper resource with upside
- PFS stage copper development opportunity in a mining district
- Development permitting in progress
- Region is home to Europe's largest open pit copper mine (Aitik) and the worlds largest underground magnetite mine (LKAB)



PROJECT SITE



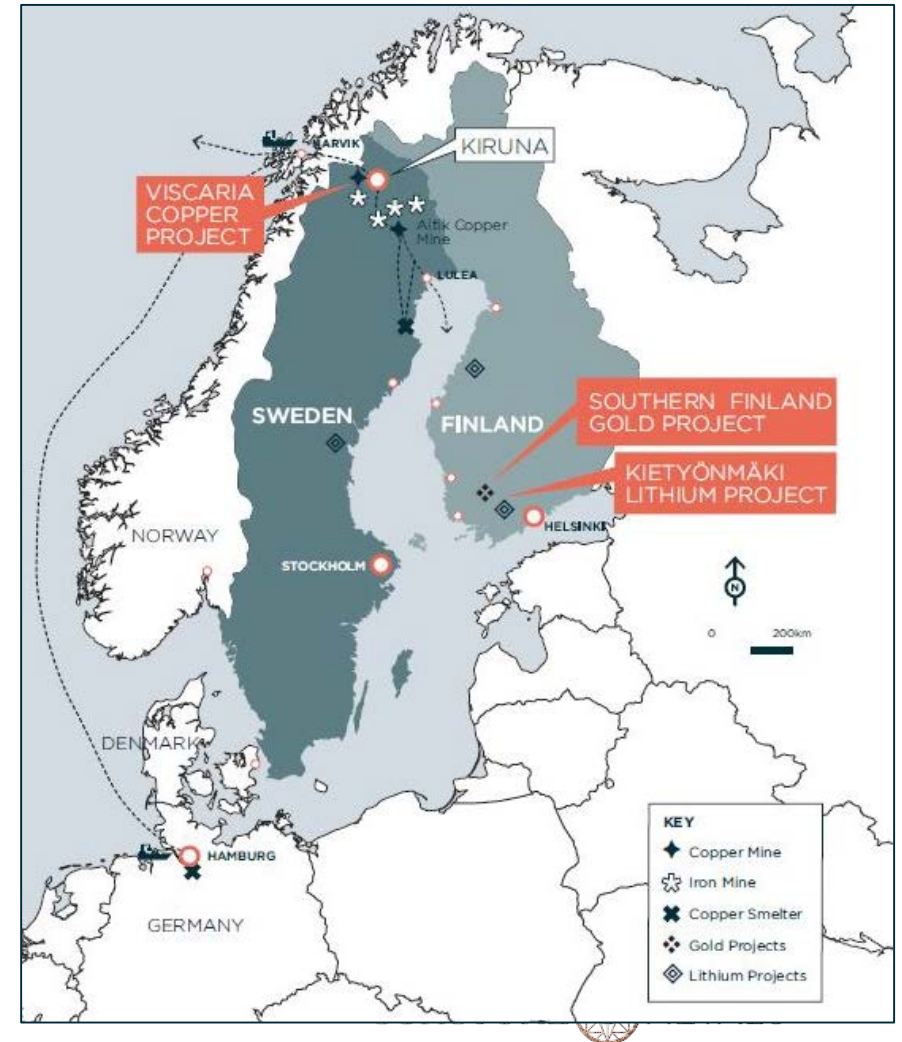
KIRUNA TOWN



PUBLIC ACCESS ELECTRICAL RAIL



LOW COST HYDRO POWER



VISCARIA COPPER PROJECT

Transaction with Copperstone Resources AB

- Sunstone has agreed to sell its 100% owned subsidiary 'Avalon Minerals Viscaria AB' which owns 100% of the Viscaria Copper project
- Binding Share Sale and Purchase Agreement signed
- Closure expected in early December 2018, and is subject to STM and COPP shareholder approval and completion of a capital raising by Copperstone
- Total value ~A\$45 mill

- 2 tranche process
 - On closing (December 2018):
 - Sunstone to receive SEK40 mill (~A\$6.1 mill) + 160 mill Copperstone shares (valued at ~A\$28 mill, STM will become Copperstone's largest shareholder at ~30%, escrowed 18 months)

 - Upon receipt of an Environmental Permit for the Viscaria development:
 - Sunstone to receive SEK20 mill (~A\$3 mill) + 46 mill Copperstone shares (~A\$8 mill*)

* At current COPP B share price and current SEK:A\$ exchange rate

SOUTHERN FINLAND PROJECT

Highly prospective gold exploration opportunity

- Over 700km² held as 100% Exploration Reservations and Permits, and a JV with Nortec Minerals where STM holds ~82%
- Area supported by infrastructure and can operate all year round
- Operating gold mine at Jokisivu – ASX listed Dragon Mining (ASX:DRA); Sunstone holds ground surrounding this mine
- Historical exploration by the Finnish Geological Survey in the belt has identified multiple gold occurrences; but there has only been very minor exploration

SATULINMÄKI + RIUKKA

Drilling by GTK and Sunstone

includes 23.5m at 3.3g/t from 143m, in SMDD007 including 9.0m at 7.3 g/t from 147m
Within 147m at 0.8 g/t gold from 73m

KIVENKORVA

3 shallow holes

up to 16.6g/t gold in surface sampling

AROLANMÄKI

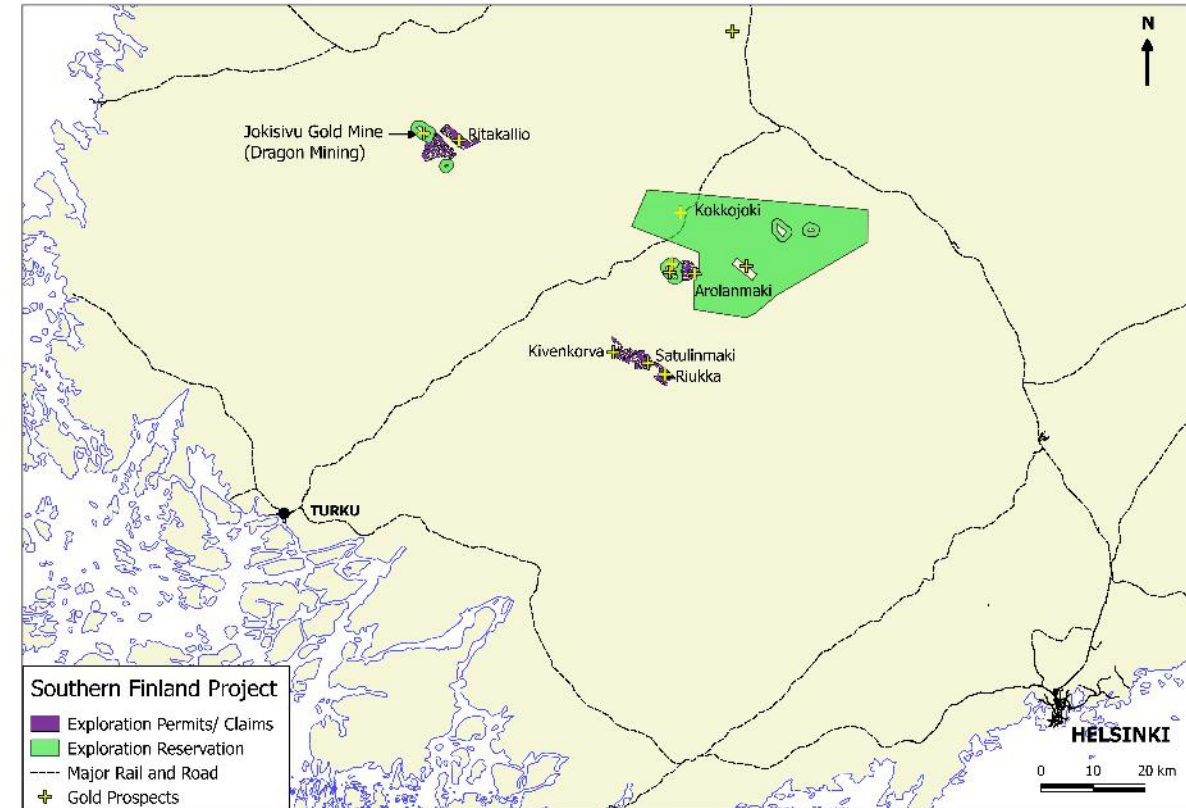
No Drilling

Up to 77g/t gold in boulders

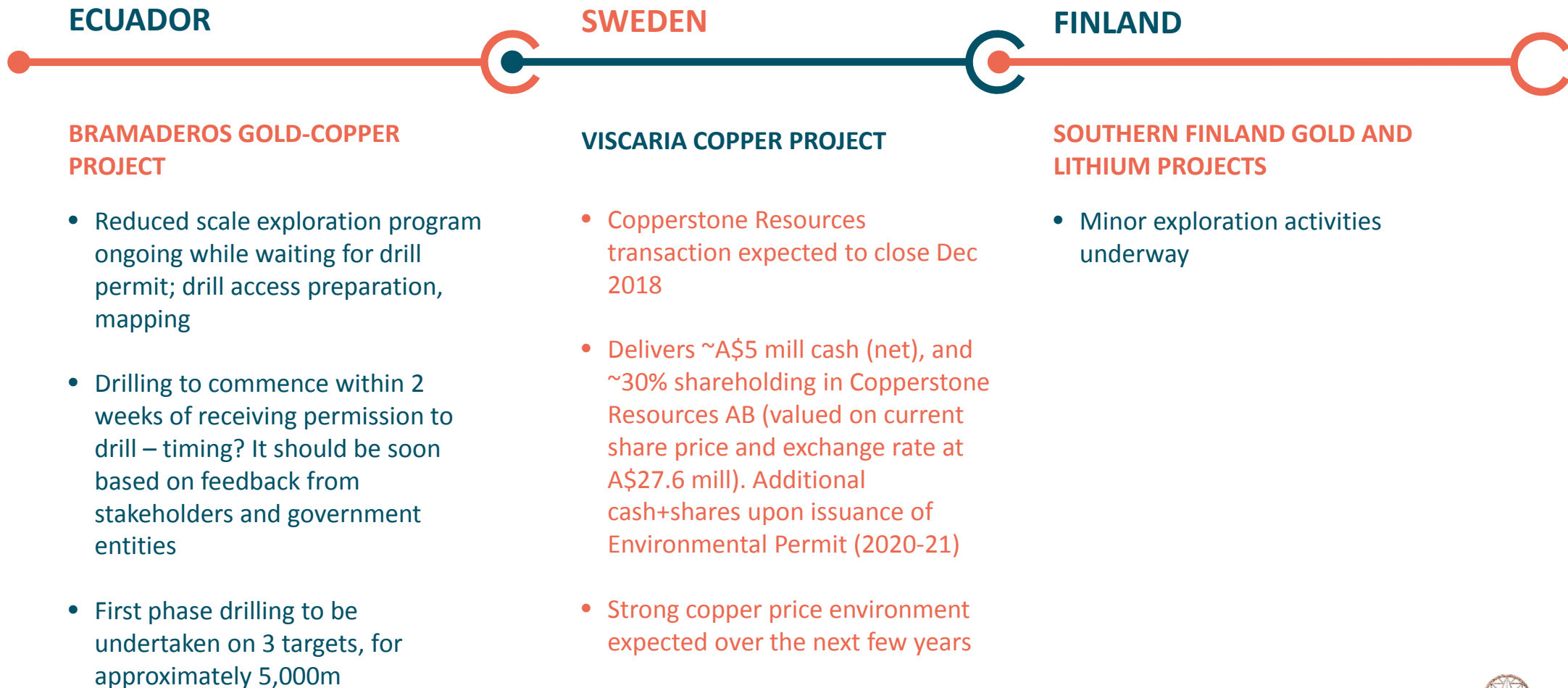
RITAKALLIO

15 shallow holes

4.7m at 1.7g/t gold



PLANNED WORK AND NEWS FLOW



COMPETENT PERSONS STATEMENT

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.

Refer to Annual Report released 7 September 2017 for the Competent Persons Statement in relation to the estimates of mineral resources. The Company confirms that it is not aware of any new information or data that materially affects the information and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.