

SUNSTONE
METALS

Annual General Meeting - 22 November 2017

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DISCLAIMER

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FORWARD-LOOKING STATEMENTS

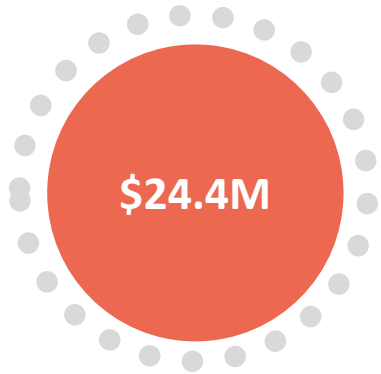
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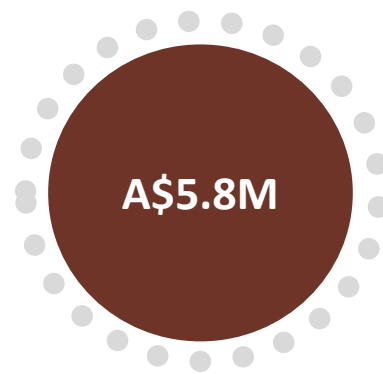
CORPORATE

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



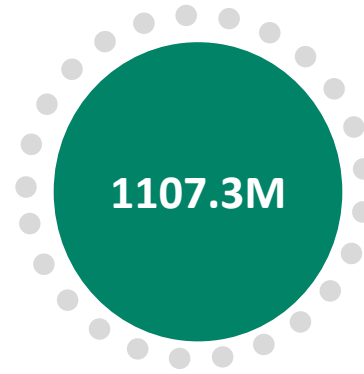
MARKET CAPITALISATION

Tightly held
At share price of A\$0.022 – 30 day
VWAP



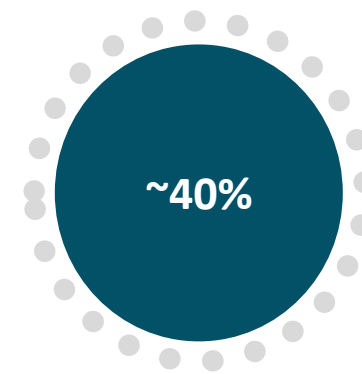
CASH

As at 21.11.17 - unaudited



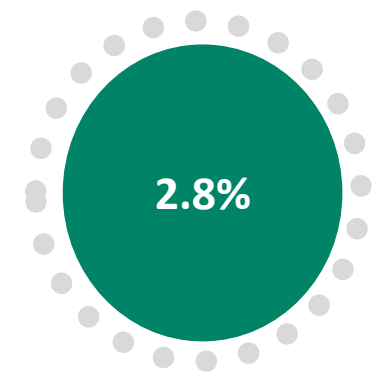
SHARES ON ISSUE

As at 21.11.17



TOP 10 SHAREHOLDERS

Hold almost half of all
shares on issue



BOARD & MANAGEMENT

Have participated in most
placements*

Substantial Shareholders

Darren Carter (UK)	8.2%*
Valbonne II	6.6%
Acorn Capital	5.1%
Marlei International	5.0%

* will increase after Jan 2018 EGM where
directors and D Carter are participating

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 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.



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. Lead the technical teams that discovered Tujuh Bukit and Cascabel porphyry copper-gold deposits

A NEW INVESTMENT OPPORTUNITY

Three projects | Copper and Gold | Discovery and Development



ECUADOR
**GOLD &
COPPER**

SWEDEN
COPPER

FINLAND
GOLD

**BRAMADEROS
PROJECT**

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

**VISCARIA
PROJECT**

PFS and permitting to develop underway; strong exploration upside

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

**SOUTHERN
FINLAND GOLD
PROJECT**

Multiple gold occurrences identified with limited previous exploration

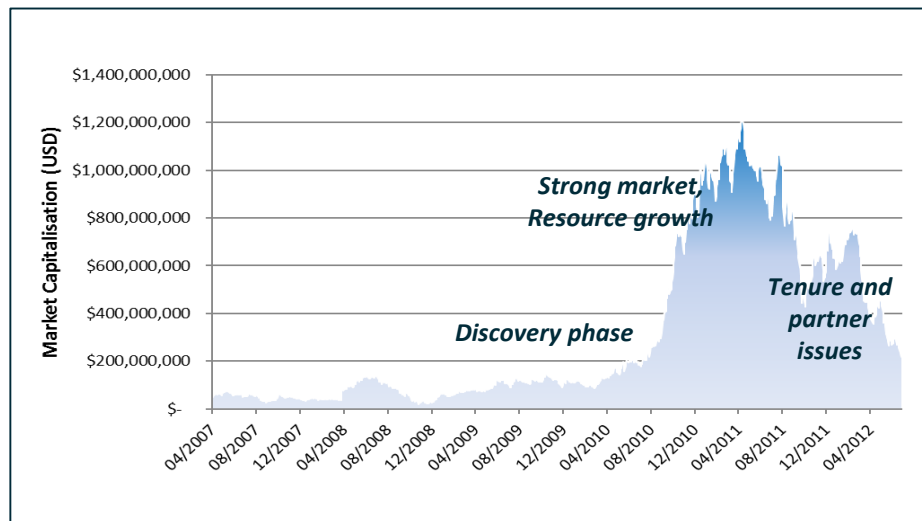
First drilling program delivered 23.5m at 3.3g/t gold

Market capitalisation of just A\$24M offers huge leverage from a global portfolio with focus on copper and gold

VALUE GROWTH THROUGH DISCOVERY

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

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



Intrepid Mines
Tujuh Bukit -INDONESIA



SolGold Plc
Cascabel - ECUADOR

BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Matching the teams with the opportunity

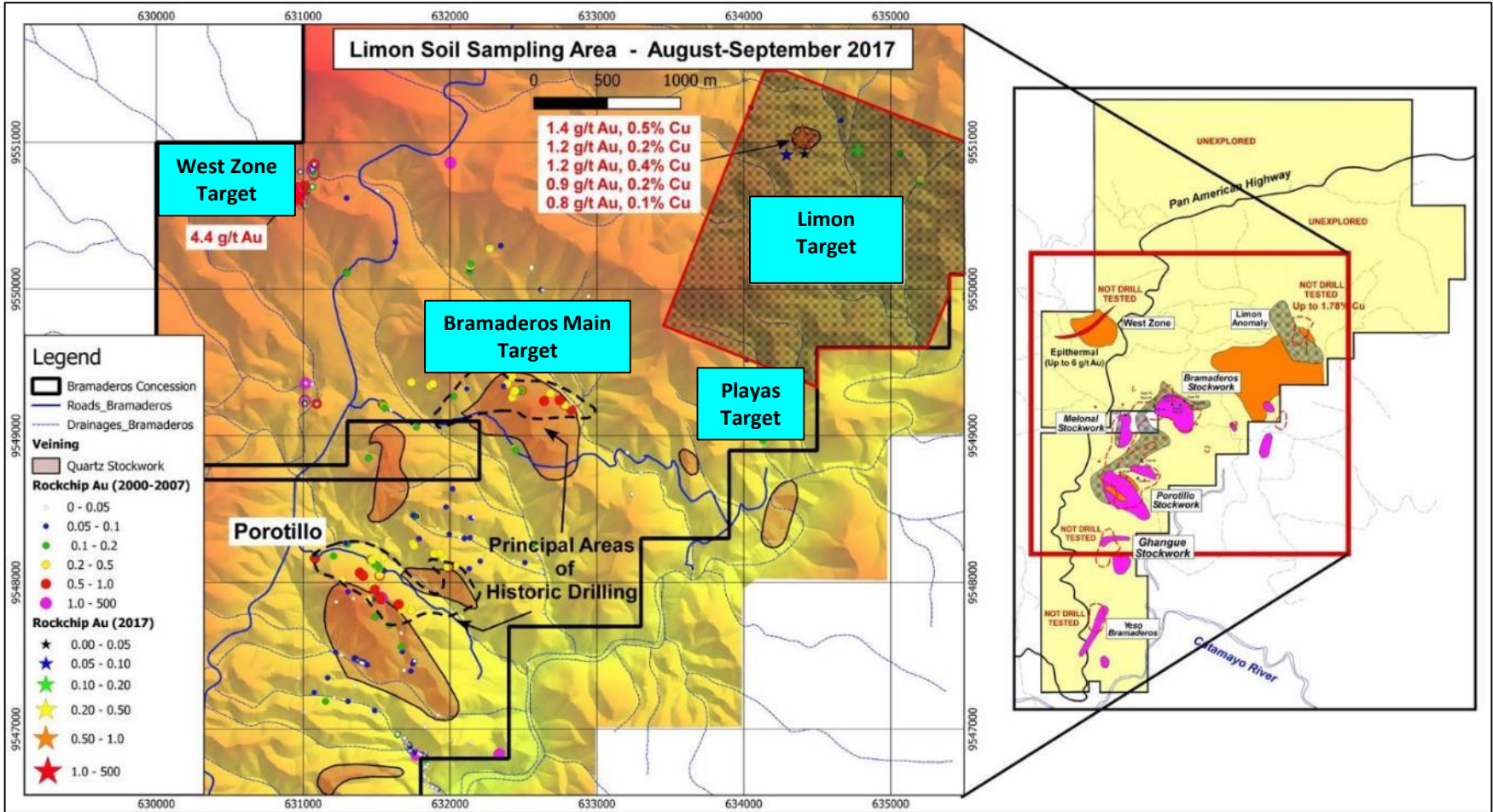
- Binding farm-in agreement with TSXV listed Cornerstone Capital Resources (TSXV:CGP) where Sunstone can earn up to 80%
See ASX announcement dated 10th April 2017
- The Sunstone team has previously partnered with Cornerstone, and the Bramaderos project presents an opportunity to **repeat discovery successes and deliver exceptional shareholder returns**
- The Cornerstone team is arguably the best operator in Ecuador and played a key role in the discovery of Cascabel. This is a long standing, valuable partnership, not 'just a JV'.
- Exploration being driven by the team behind the Cascabel (SolGold, Ecuador) and Tujuh Bukit (Intrepid, Indonesia) world class porphyry copper-gold discoveries
- Bramaderos contains fertile mineralised systems with strong potential to host a world-class discovery
- Historical results from the Bramaderos Main porphyry gold-copper prospect include wide intervals from diamond drilling such as 260m at 0.6g/t Au and 0.14% Cu, including 76m at 0.9g/t Au and 0.2% Cu
- Historical and recent trenching from the West Zone epithermal gold prospect have delivered strong results including 22m at 4.8g/t gold
- 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

Geology and Targets

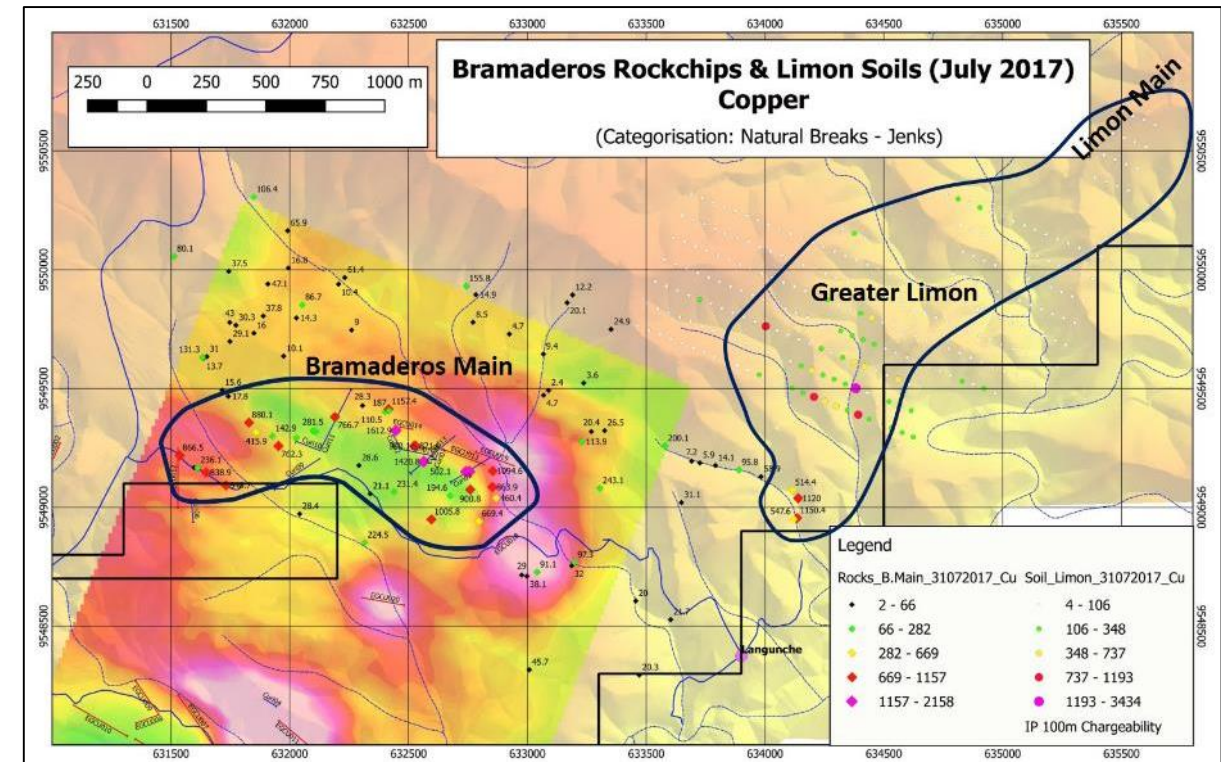
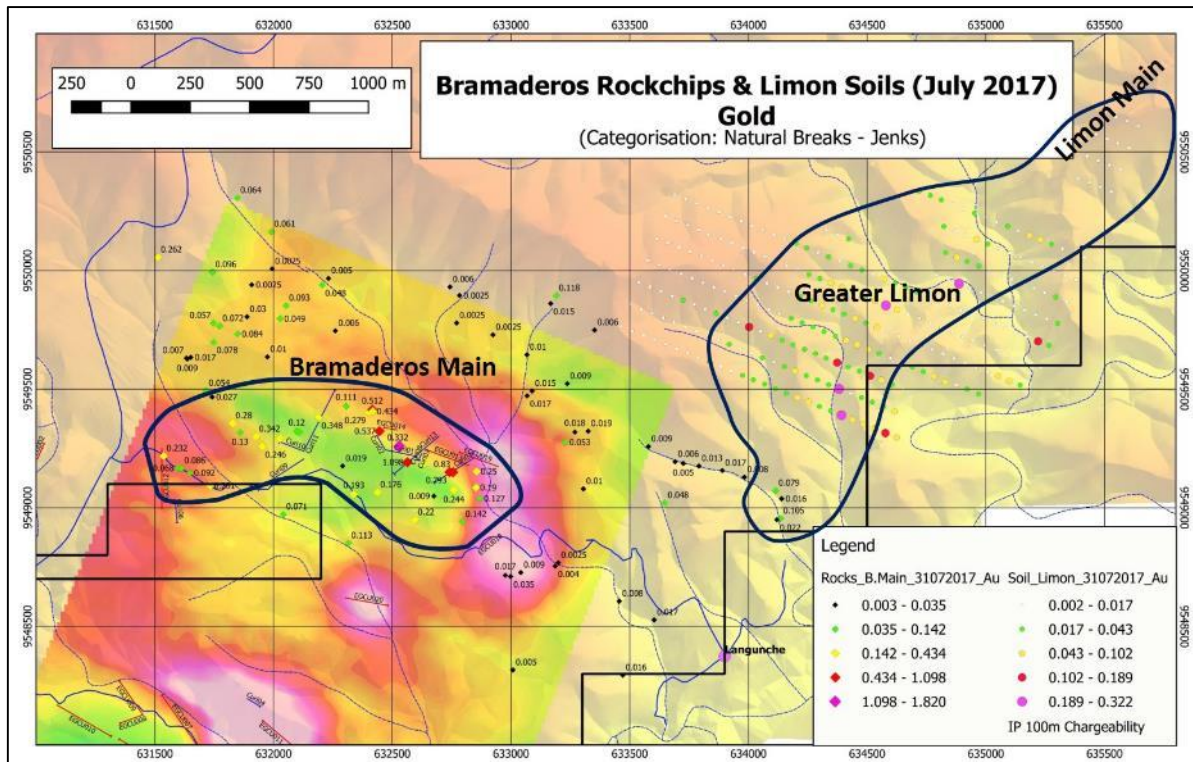
- FOUR strong targets identified so far (Bramaderos Main, Limon, Playas and West Zone).
- All will be drilled once permits received



BRAMADEROS

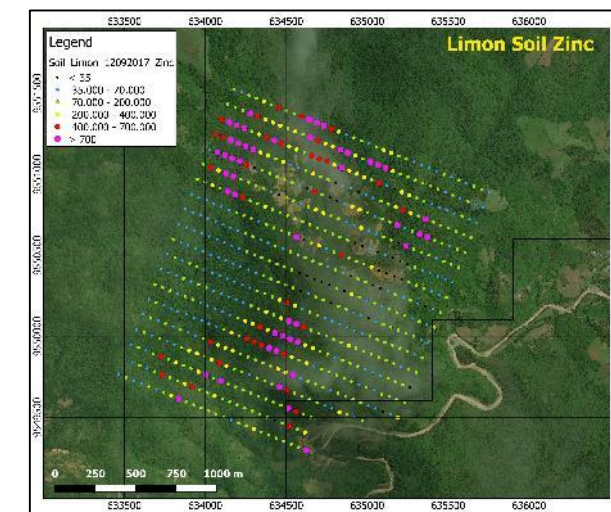
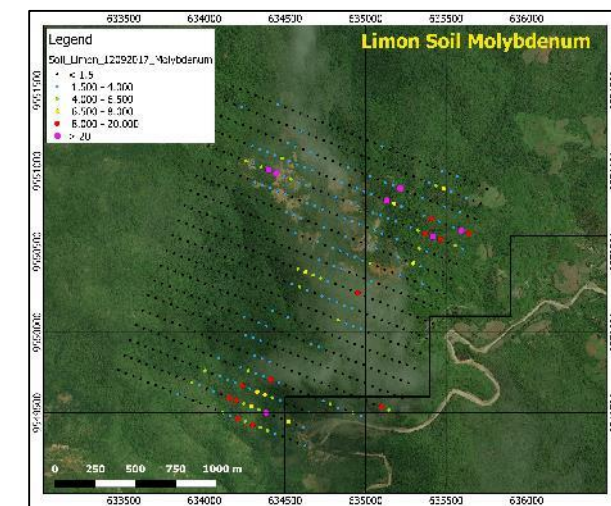
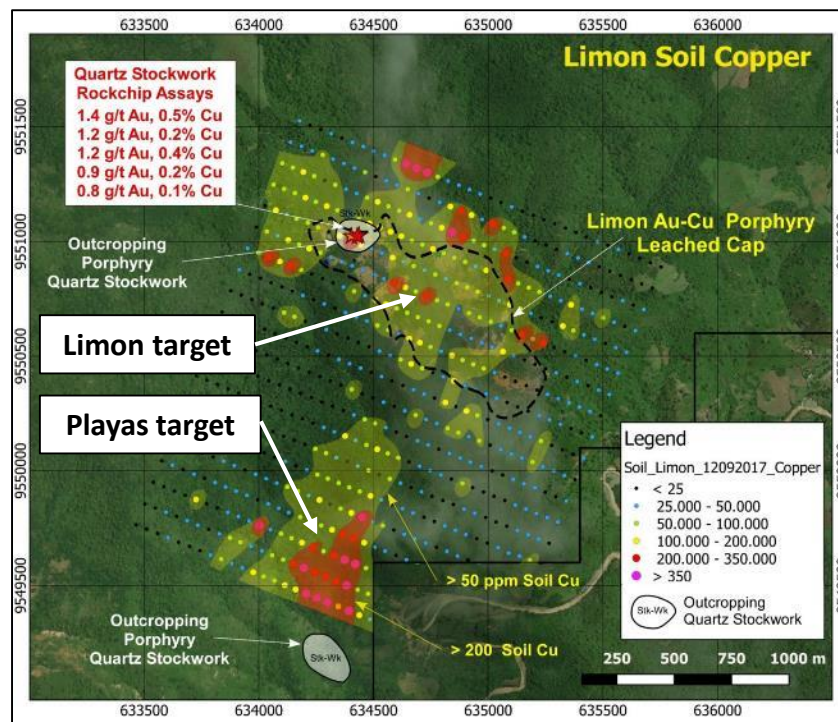
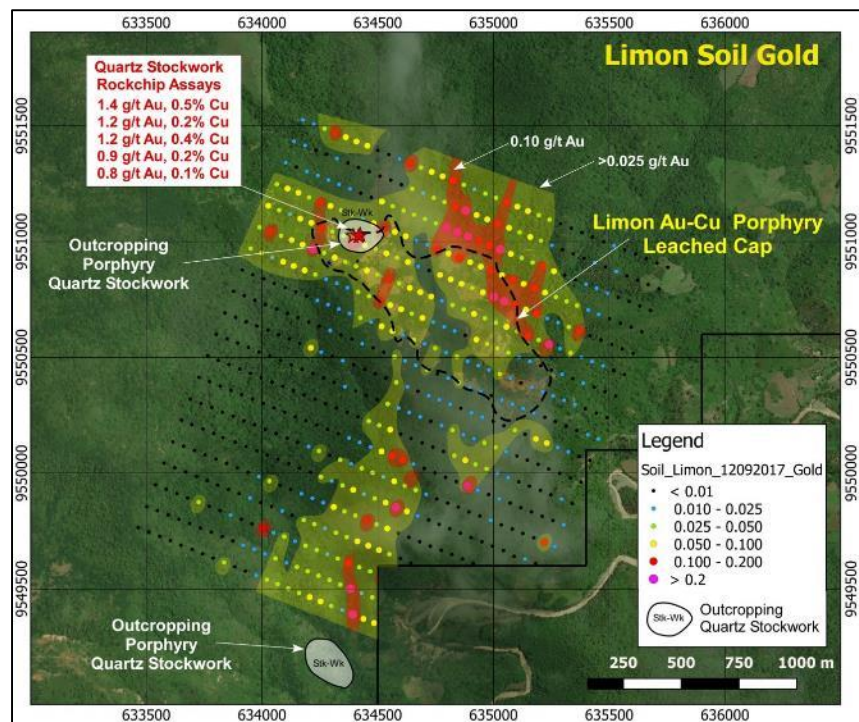
Bramaderos Main – rock chips and historical geophysics

- Bramaderos Main prospect is the area of the most significant historical exploration, including drilling
- Historical exploration was systematic, and simple, but with some key aspects not followed-up
- Clear opportunities exist for discovery based on the historical work and improved interpretations
- Historical drilling delivered 260m at 0.6g/t gold and 0.15% copper in the technically correct target area
- Images below; IP chargeability on margin of porphyry target zone; classic porphyry signature
- Target is 'internal to' the domain of high IP chargeability; this will be drilled in the first phase of drilling



Limon and Playas – Soil Geochemistry and Targets

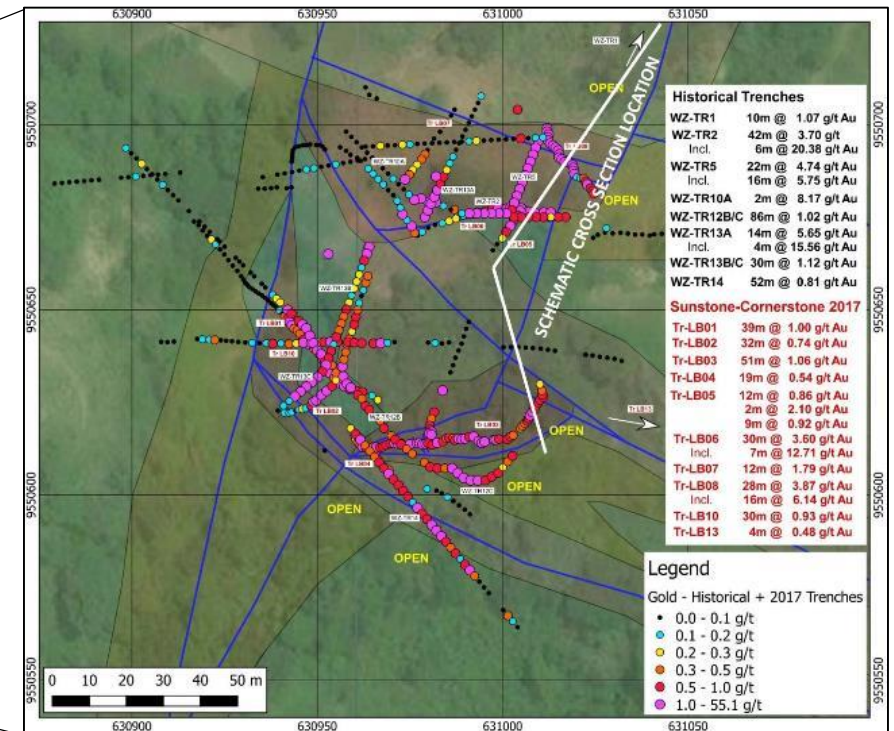
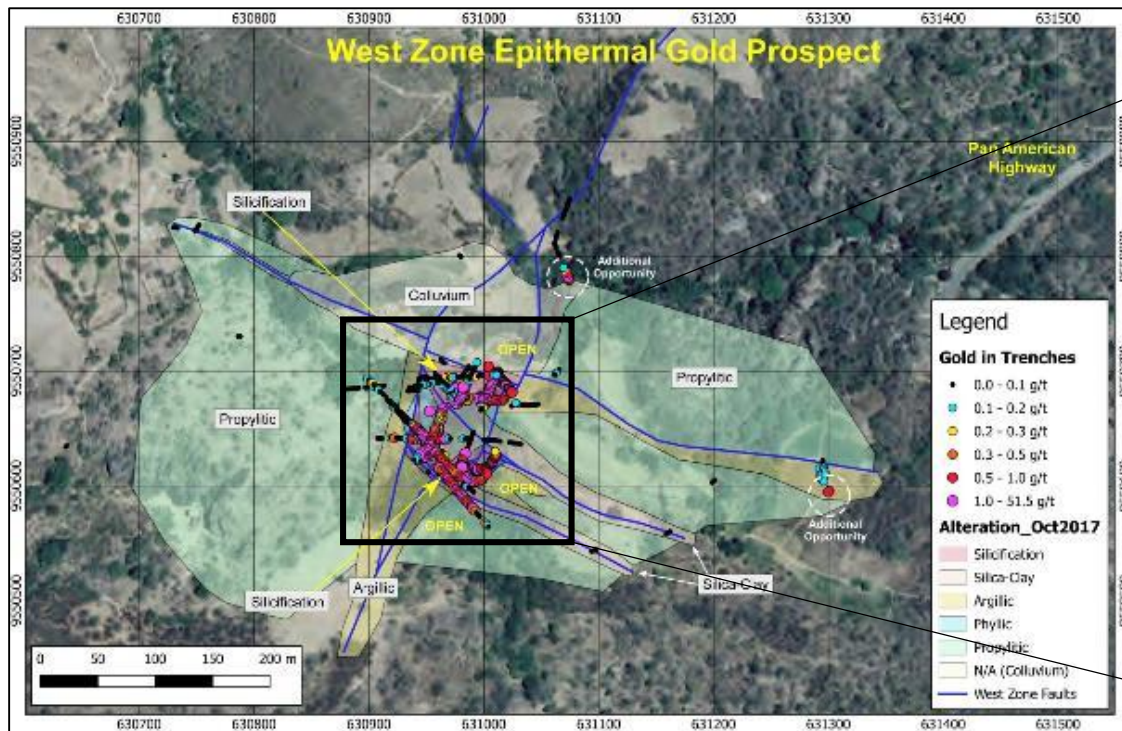
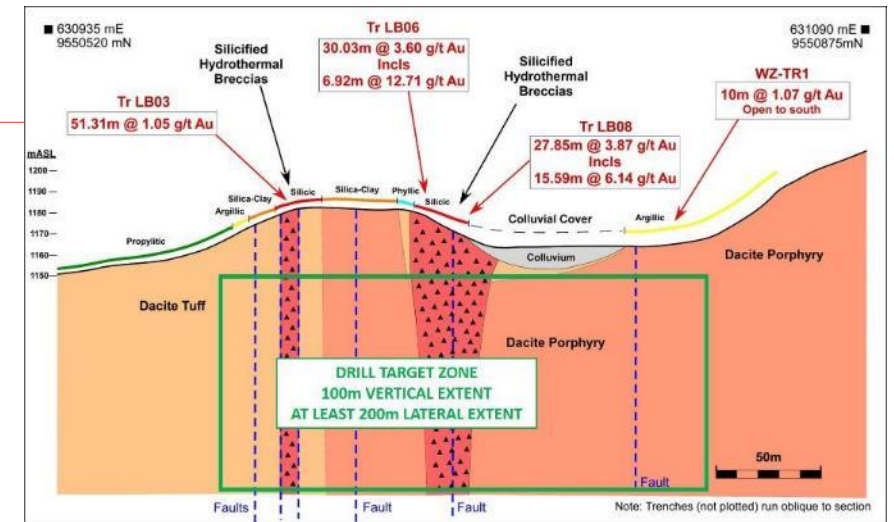
- The Limon and Playas targets are defined by coincident gold and copper anomalies
- Soil sampling has defined targets with classic porphyry zoning in surface geochemistry; gold-copper core, some moly support, & lead-zinc halo
- Outcrops of stockwork, leached cap, epithermal overprint, correlate well with geochemistry
- Rock chip samples up to 1.2g/t gold and 0.5% copper at Limon
- No historical drilling at either target; and both will be drilled in the first phase of drilling



BRAMADEROS

West Zone – Trenching

- West Zone prospect is a gold mineralised epithermal hydrothermal breccia
- Historical and recent trenching has defined high grade gold mineralisation
- Mineralisation over area of at least 150m x 150m, within a broader soil geochemical anomaly
- Better trench results include 22m at 4.8g/t, 8.9m at 6.1g/t
- No historical drilling; will be drilled in the first phase of drilling



BRAMADEROS – A WORLD-CLASS OPPORTUNITY

Excellent access and infrastructure

- Area amenable to development
- The Project is accessible by vehicle from Catamayo, a 1.5 hour drive on the sealed Pan-American highway which passes through the western portion of the Project
- Catamayo is serviced by daily flights (45 minutes) from the capital city of Quito
- A hydro power line (110V and 220V) passes through the Property area
- Unskilled labour is available locally
- Water supply is good in the vicinity of the main rivers such as the Rio Playas
- Elevation 900 -1100m asl
- No seasonal constraints on exploration activity

BRAMADEROS – A WORLD-CLASS OPPORTUNITY

A significant commitment to social and environmental issues

- Regular local community meetings and information sessions on current and planned work programs
- Environmental base line and water studies underway as part of drill permit process, and ongoing environmental management plans
- Drill permit process is progressing; comprehensive documentation submitted; now dependent upon the bureaucratic process
- Drill permit status to be reported in December



Open for investment – pro-mining Government

EQUITABLE - A GOOD PLACE TO EXPLORE AND DEVELOP

- Ecuador has not seen the same level of mineral exploration as its neighbouring countries of Peru, Chile, Argentina and Colombia
- Yet it contains some of the most highly prospective terrains for copper and gold – the northern extension of the South American Andes, host to some of the worlds largest copper and gold deposits in Chile and Peru
- Newly elected President Moreno is pro-mining and provides policy continuity from President Correa

COMPETITIVE TAX STRUCTURE

- Wood Mackenzie engaged by the government of Ecuador to provide advice to deliver an equitable and competitive tax structure
- Ecuador now competitive with regional peers
- Ecuador awarded ‘Country of the Year’ award at 2017 Mines and Money Americas

ENDORSEMENT BY MAJORS

- Lundin Gold – Fruta Del Norte under construction (10moz Resource, 5Moz Reserve, 10g/t orebody)
- Large investment commitments by BHP, Newcrest, Codelco, Fortescue, Hancock Prospecting

AUSTRALIAN COMPANIES IN ECUADOR

Ecuador is booming; very active exploration and development scene

Sunstone represents the only ASX listed junior to provide direct exposure to this potential

2016

Secured 10% position in SolGold (owner of giant Cascabel copper-gold deposit) for US\$23M outlay



2017

Invested US\$40M for an additional 4.5%

JV 85:15

SolGold is Brisbane based, AIM listed
Secured Cascabel through JV with Cornerstone Capital Resources (TSXV:CGP)
Cascabel discovered 2013
A very large copper-gold discovery



2016

JV proposal over Cascabel rejected by SolGold

BHP

2017

Acquired exploration concessions with reports of commitments to spend ~US\$80M over 4 years

Exploring for copper-gold opportunities

The only non-Australian exploration address for the companies

Reports of commitments of >US\$200 million

HANCOCK PROSPECTING PTY LTD



Open for investment – pro-mining Government

Ecuador has been delivering good progress in enhancing its mining investment framework

2018

- Further positive changes to the tax regime and mining laws are being discussed

2017

- **Ecuador is voted 'Country of the Year'**, and Cascabel 'Project of the Year' at 2017 Mines and Money Americas
- Construction commences at Mirador Cu project
- New President Lenin Moreno expresses strong formal support for mining, and the Mining Minister leadership team stays on

2016

- Ecuador makes new concessions available via Mining Auction Process, ending the moratorium initiated in 2008
- Newcrest and BHP invest in exploration in Ecuador
- Government and Junefield Resources commence construction of Rio Blanco Gold Project
- Government agrees Exploitation Terms & Conditions with Lundin Gold to build Fruta del Norte and signs Investment Protection Agreement

2015

- Improved environmental permitting; reducing processing authorizations to 6 months
- Government established the Ministry of Mines of Ecuador, signalling its commitment to promote the mining industry

2014

- Wood Mackenzie recommended mining code reforms to make Ecuador more competitive for investment

VISCARIA COPPER PROJECT

Advanced copper project in Sweden

- High quality copper project
- Over 600kt copper resource
- PFS stage copper development opportunity in a mining district
- Development permitting in progress
- Exceptional exploration upside



PROJECT SITE



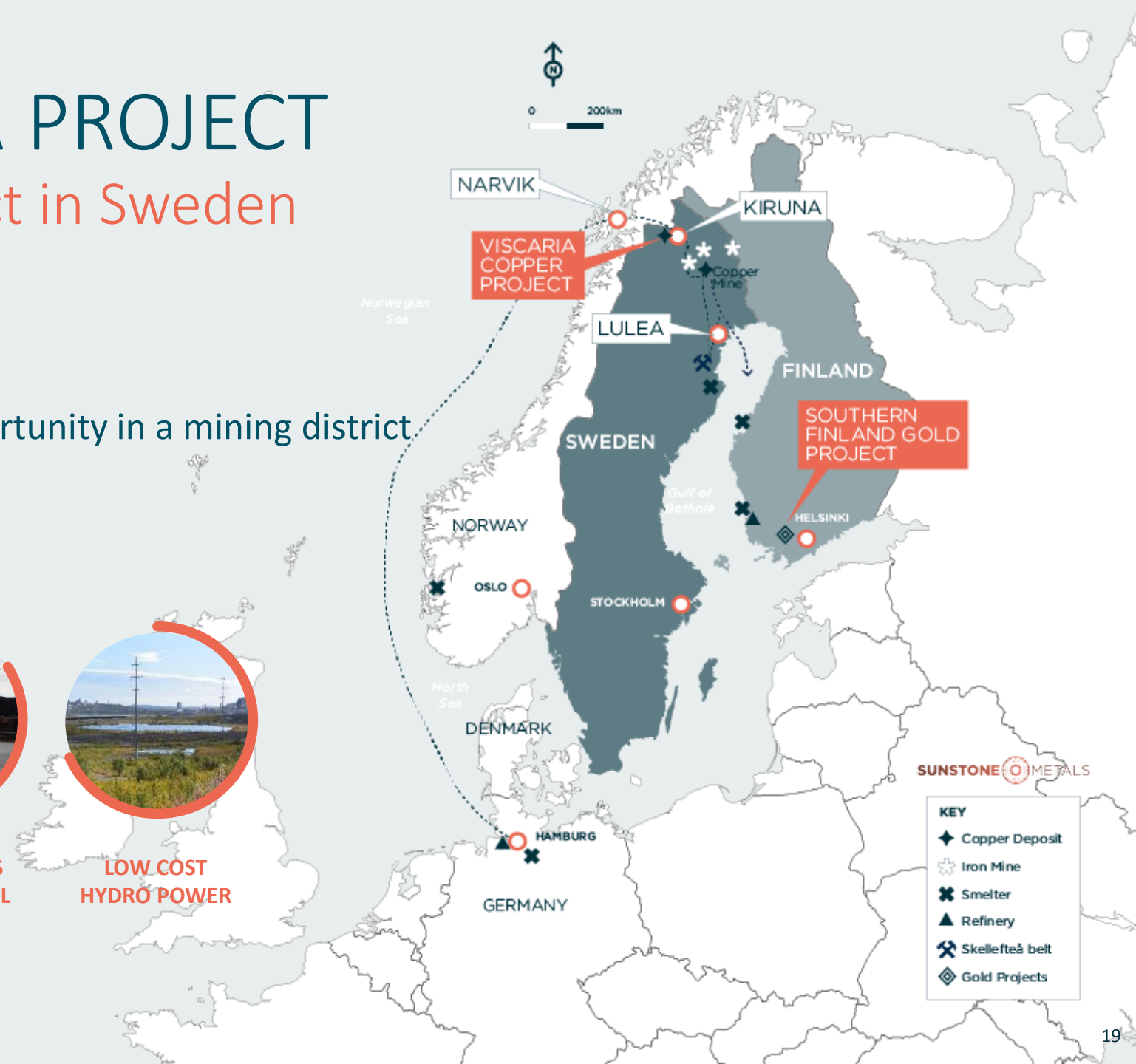
KIRUNA TOWN



PUBLIC ACCESS ELECTRICAL RAIL



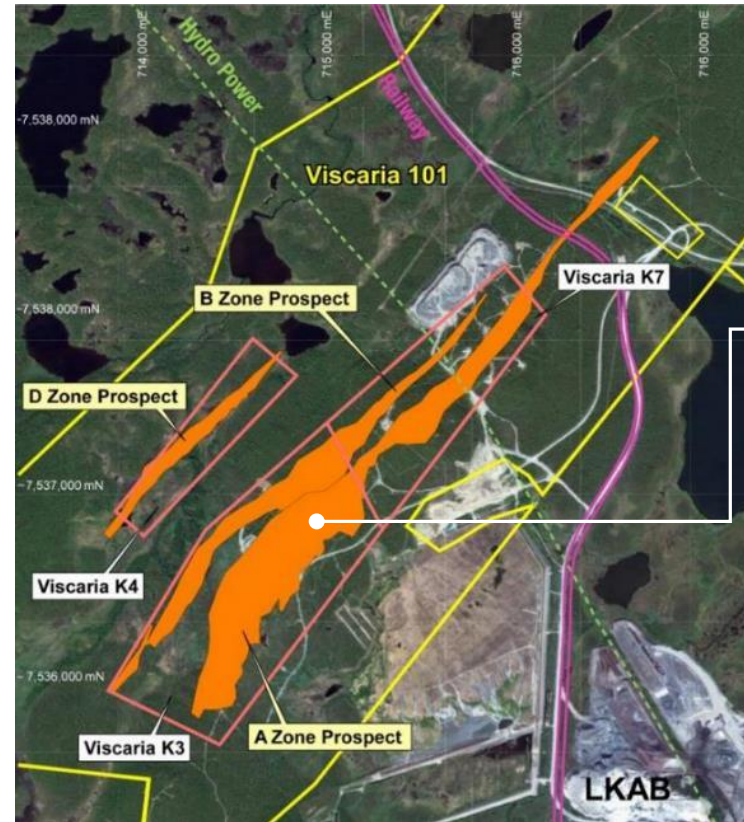
LOW COST HYDRO POWER



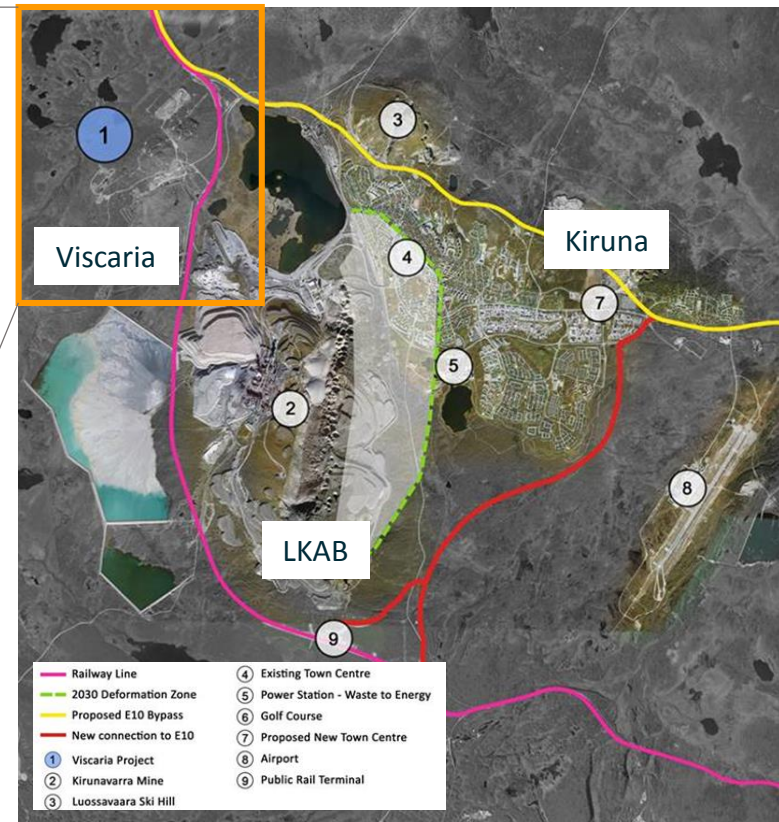
SUNSTONE METALS

VISCARIA COPPER PROJECT

Outstanding Location



Copper orebodies shown in orange



A Zone previously mined, other orebodies not

Mineral Resource estimate 52Mt at 1.2% Cu

18Mt subset of that used in 2016 Scoping Study*

*Refer Annual Report released 16 August 2016, Mineral Resource Estimate table and the Competent Persons Statement at the end of this presentation

VISCARIA COPPER PROJECT

PFS Stage project

2015 Scoping Study metrics for Target Case A

At >US\$3/lb copper the Viscaria project is a very attractive investment proposition

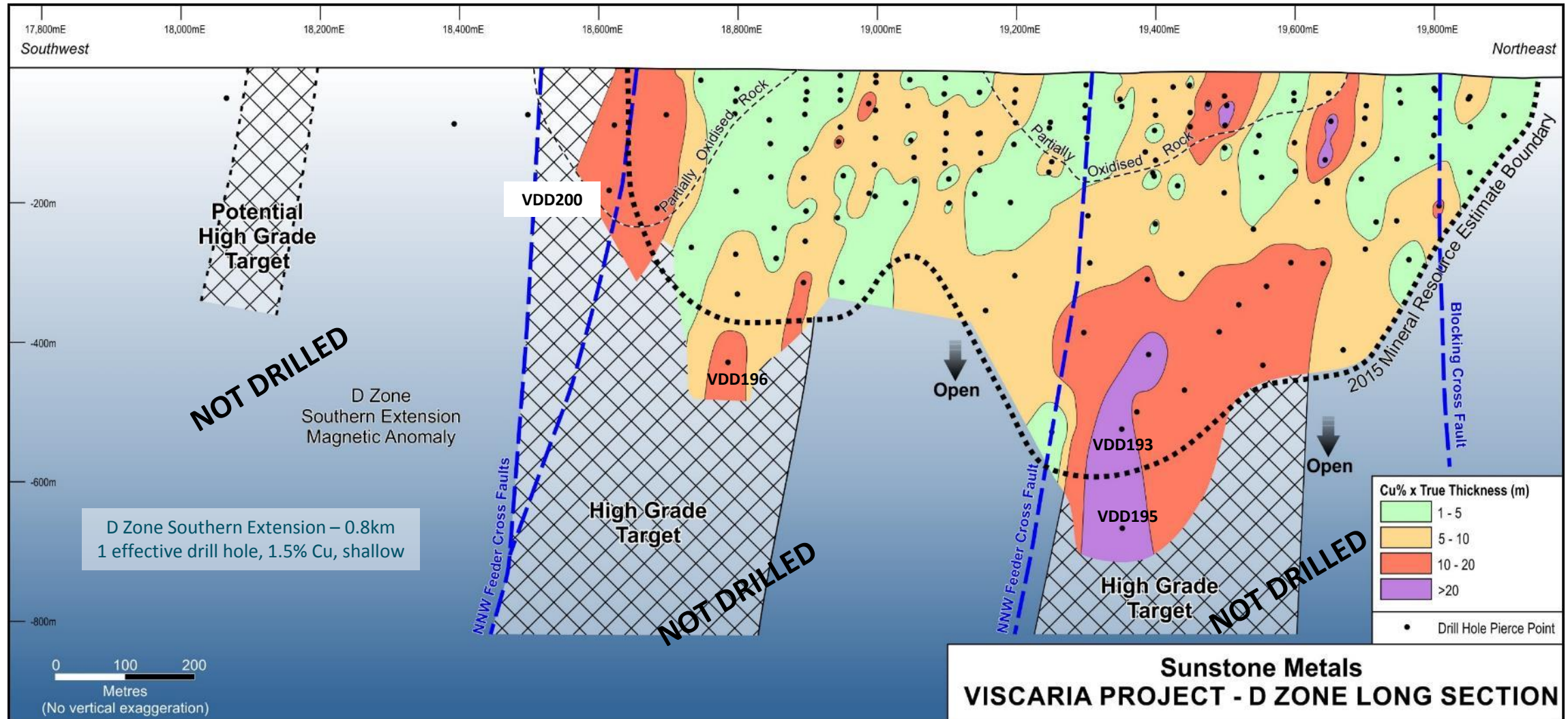
SEE ASX ANNOUNCEMENTS

18th December 2015 “Viscaria Copper Project Scoping Study”

5th April 2016 “Investor Update and Presentation”

VISCARIA PROJECT – D ZONE

Considerable upside potential laterally to the south and down plunge



VISCARIA PROJECT – D ZONE

Considerable upside potential laterally to the southwest and down plunge

VDD 193 (drilled 2015), the deepest hole in the North Shoot resource area, intersected

26.7m at 2.6% Cu; including

- 6.6m at 3.5% Cu; and
- 5.2m at 2.9% Cu, and
- 6.9m at 2.6% Cu

VDD 195 was drilled 130m below **VDD 193**, outside the resource boundary in the **North Shoot**, and intersected

21.5m at 1.5% Cu, including

- 3m at 2.3% Cu, and
- 9.9m at 2.2% Cu

Similarly, strong results from **VDD 196**, drilled outside of the resource boundary in the **South Shoot**, intersected

13.8m @ 1.4% Cu, including

- 5.3m @ 2.0% Cu

And in 2017, **VDD 200** drilled outside of the resource boundary in the **South Shoot**, intersected

13.4m @ 1.1% Cu, including

- 5.1m @ 2.2% Cu

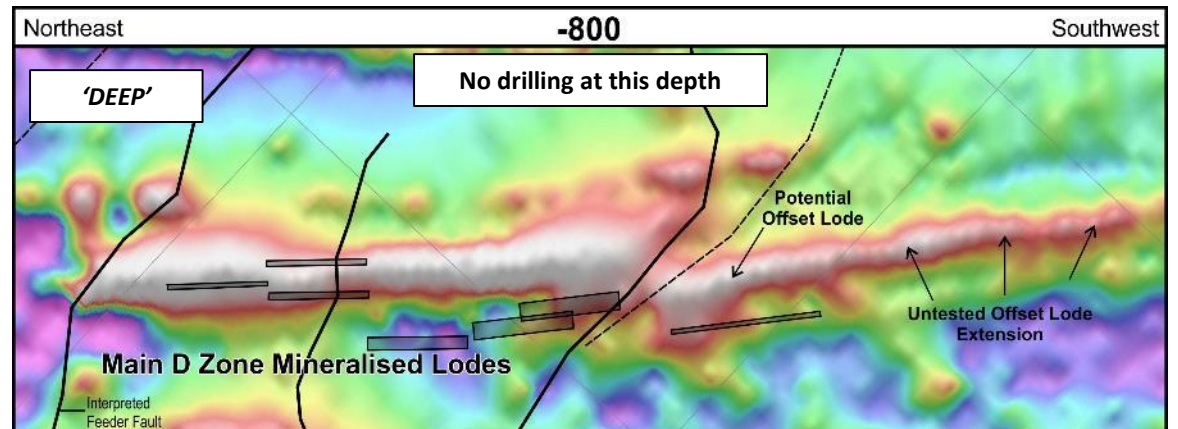
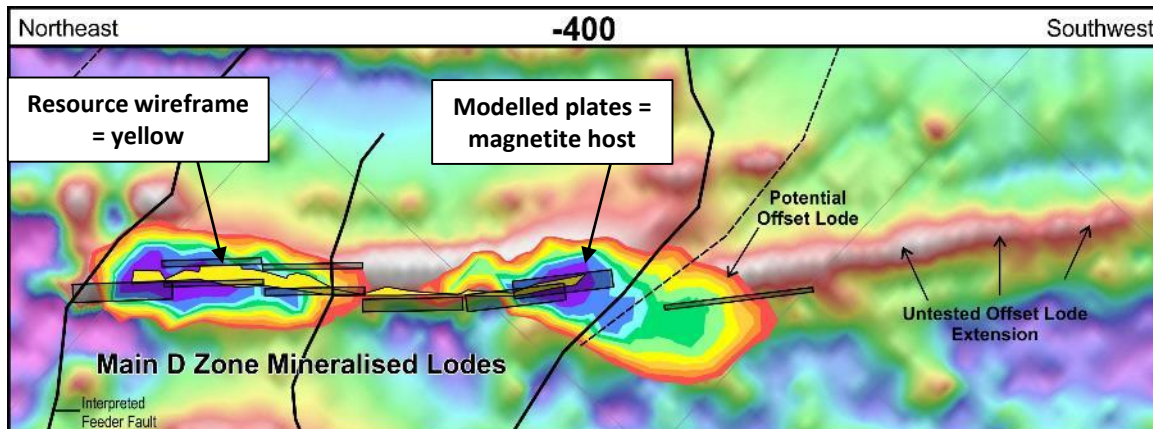
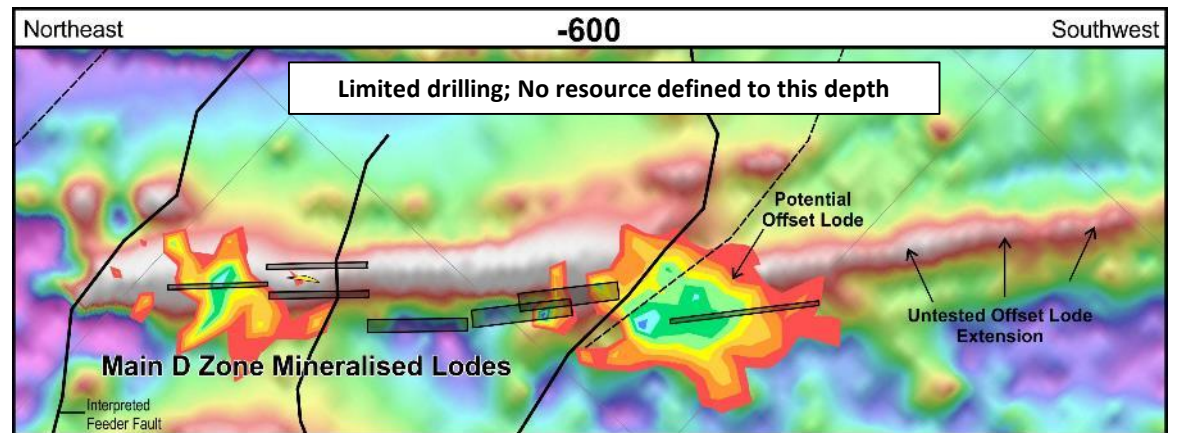
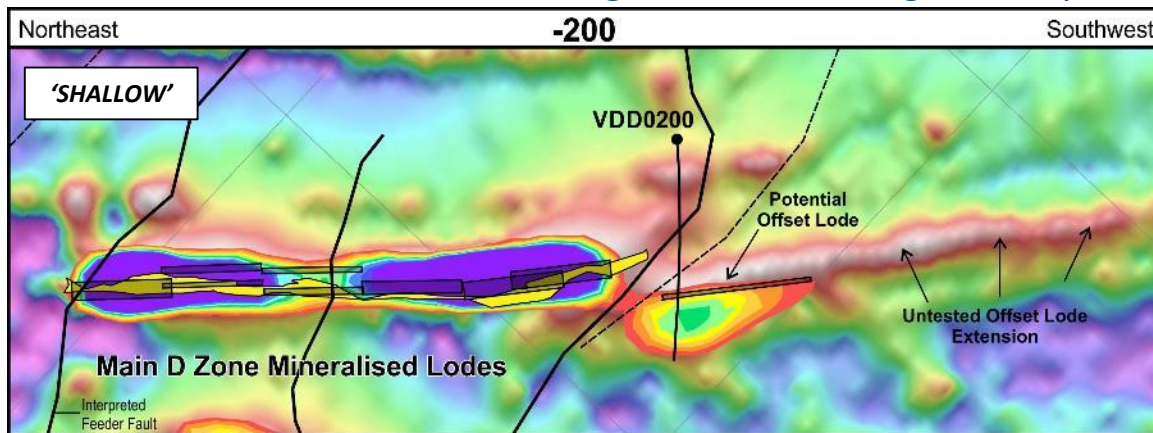


... and geophysical modelling of the host magnetite indicates that this copper orebody will grow
D Zone shoots getting thicker and higher grade with depth

VISCARIA PROJECT – D ZONE

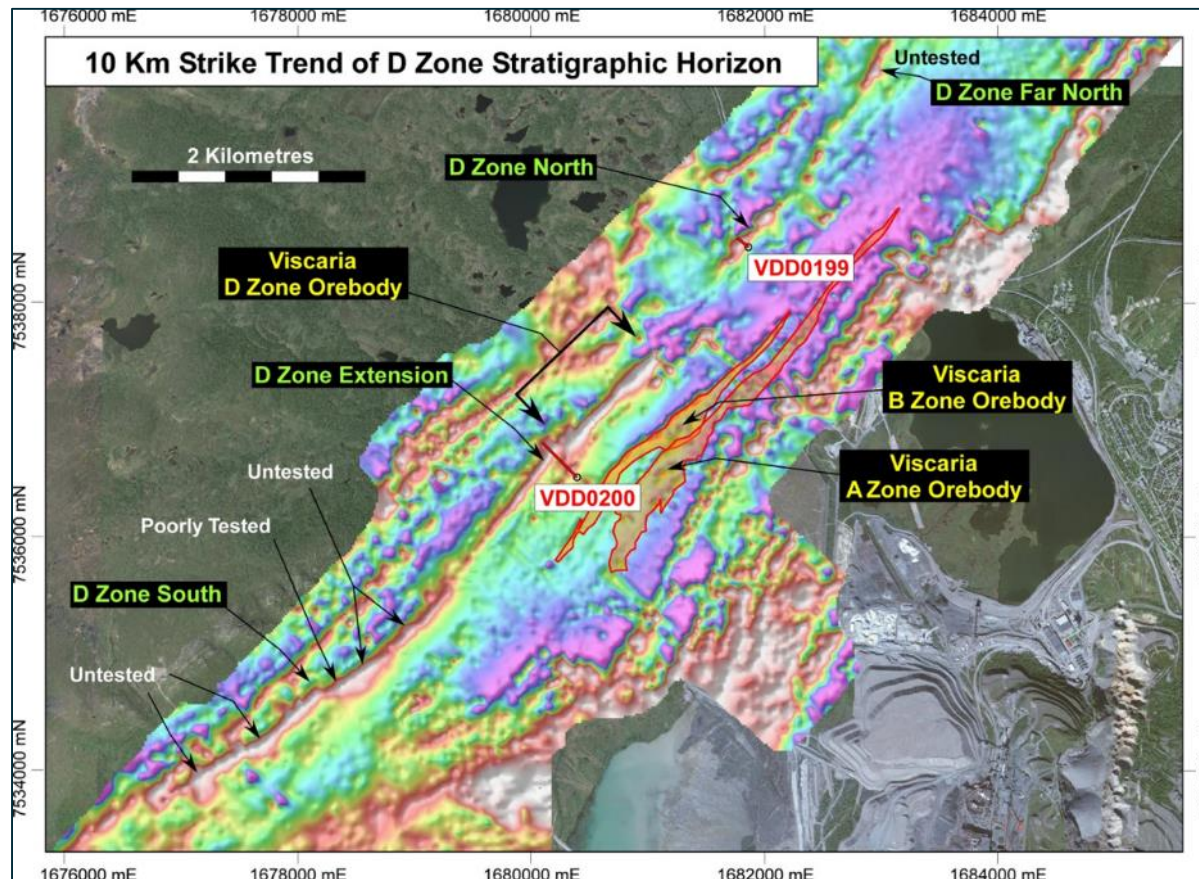
Strong evidence to support considerable vertical extent

- Plate modelling of magnetite host shows good correlation to resource wireframe (yellow)
- Resource only defined to -600m at deepest shoot and yet plates continue to beyond -800m
- And evidence to date is that grade is increasing with depth



VISCARIA PROJECT – NEAR-MINE TARGETS

Several kilometers of target horizon for D Zone analogues



D ZONE SOUTH

- Lies along magnetic strike, 3km southwest of the D Zone deposit
- Only a few shallow RC and diamond drill holes completed in Sunstone's early drill campaigns in 2010 and 2011
- Four drill holes intersected weakly, but encouragingly very pervasive, mineralisation and continuous runs of copper in an area near the southwest end of a 600m-long magnetic anomaly
 - VRC0024: 42m @ 0.11% Cu (from 40m) - Pyrite-magnetite alteration in dolerite and basalt
 - VRC0025: 60m @ 0.13% Cu (from 31m) - Epidote-magnetite alteration in dolerite and basalt
 - VDD0066: 10m @ 0.21% Cu (from 87m) - Magnetite alteration (20%) with chalcopyrite stringers in 'greenstone'
 - VDD0067: 10m @ 0.28% Cu (from 58m) - No record.

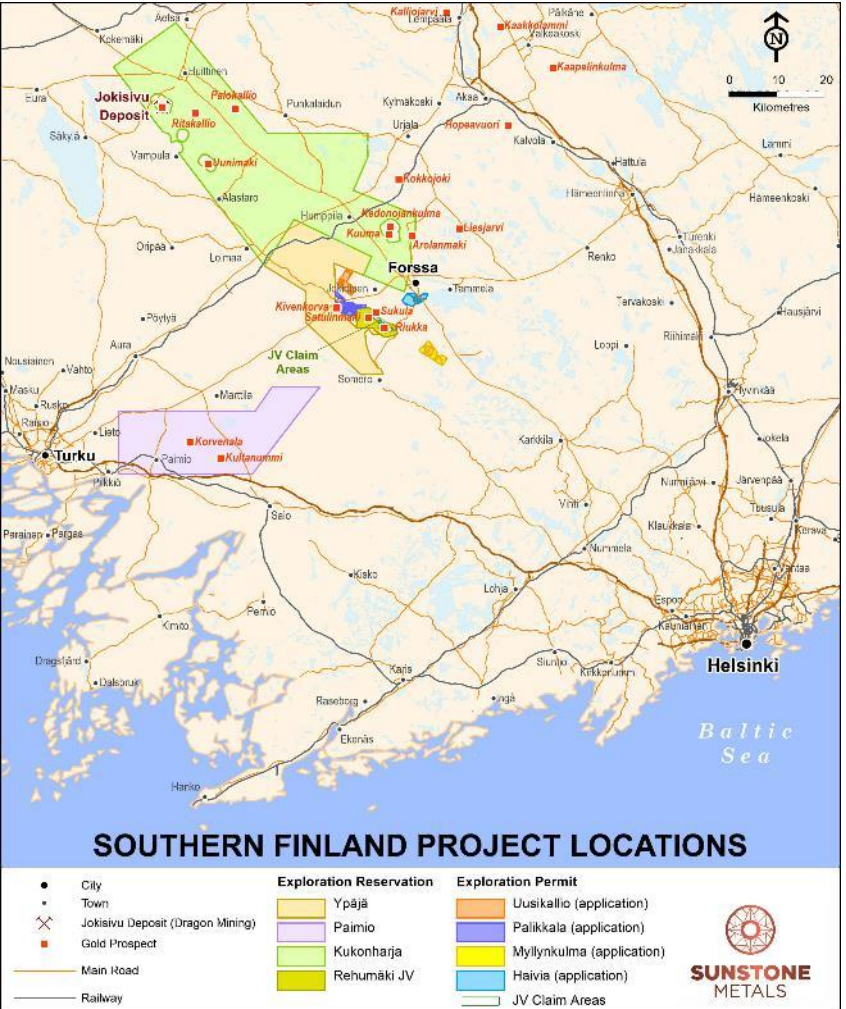
Modelling of ground magnetic data in 2017 indicated that holes VRC0024, VDD0066 and VDD0067 had only tested the very uppermost corners of a 80m-wide magnetic anomaly that broadens substantially at depth where it remains untested. The modelling also indicated that hole VRC0025 drilled parallel to and only tested the south-east edge of a 42m-thick and relatively strong magnetic anomaly.

VDD067 intersected a carbonate horizon which is a key host for mineralisation at D Zone

SOUTHERN FINLAND GOLD PROJECT

Highly prospective gold exploration opportunity

- 2,400km² held as 100% Exploration Reservations, and a JV with Nortec Minerals where STM holds 51% (earning 80%)
- Area supported by infrastructure and can operate all year round
- Operating gold mine at Jokisivu – ASX listed Dragon Mining (ASX:DRA)
- Historical exploration by the Finnish Geological Survey has identified multiple gold occurrences; but there has only been very minor exploration



SATULINMÄKI

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

AROLANMÄKI

No Drilling
 Up to 77g/t gold in boulders

KORVENALA

10 shallow holes
 5.5m at 1g/t gold

RITAKALLIO

15 shallow holes
 4.7m at 1.7g/t gold

KULTANUMMI

31 shallow holes
 1 to 6m intervals up to 10g/t gold

SUKULA

4 shallow holes
 1m at 1.7g/t gold

PALOKALLIO

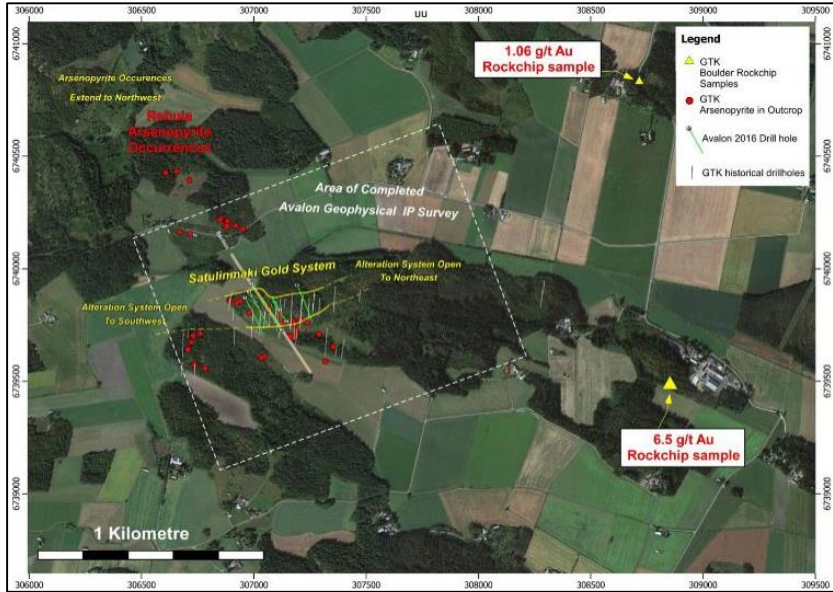
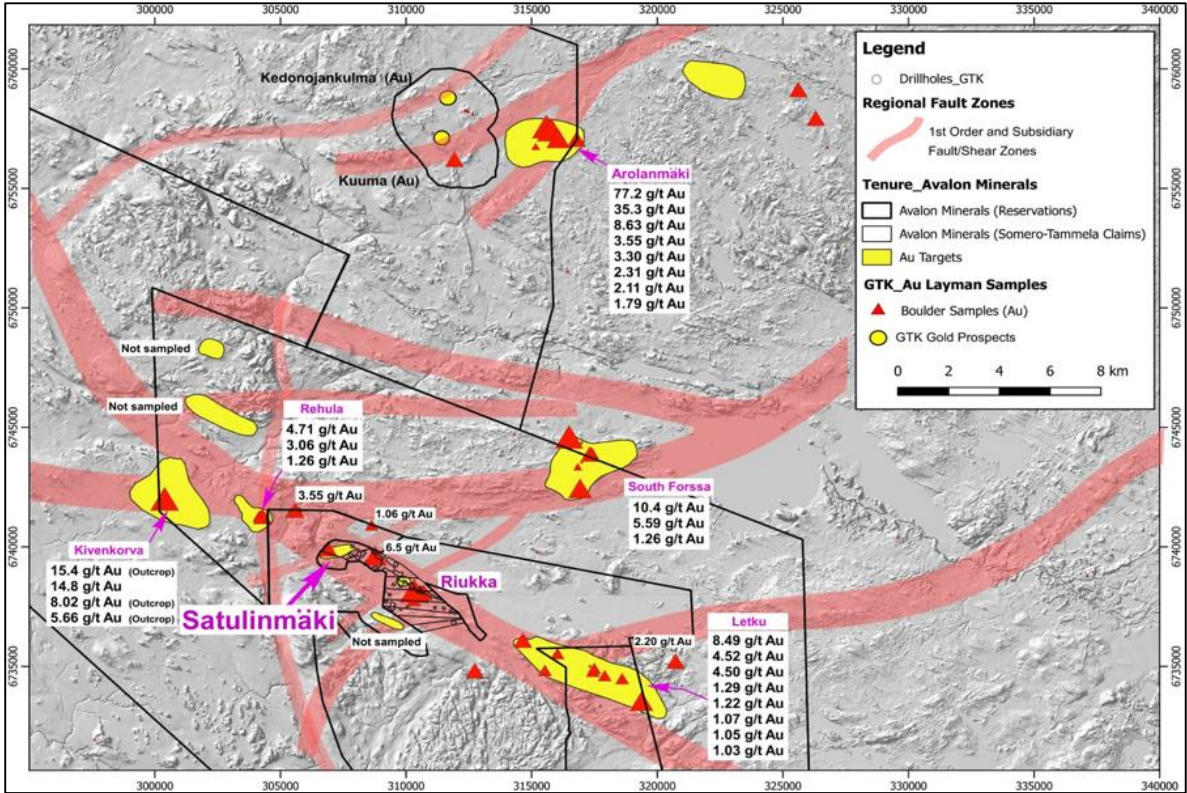
18 shallow holes
 1.0m at 41.8g/t gold

KIVENKORVA

3 shallow holes
 up to 16.6g/t gold in surface sampling

SOUTHERN FINLAND GOLD PROJECT

Highly prospective gold exploration opportunity

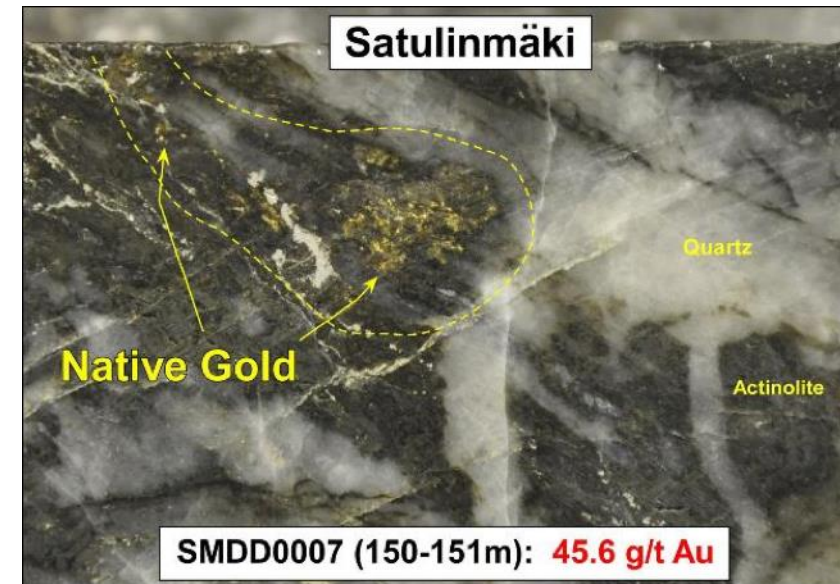
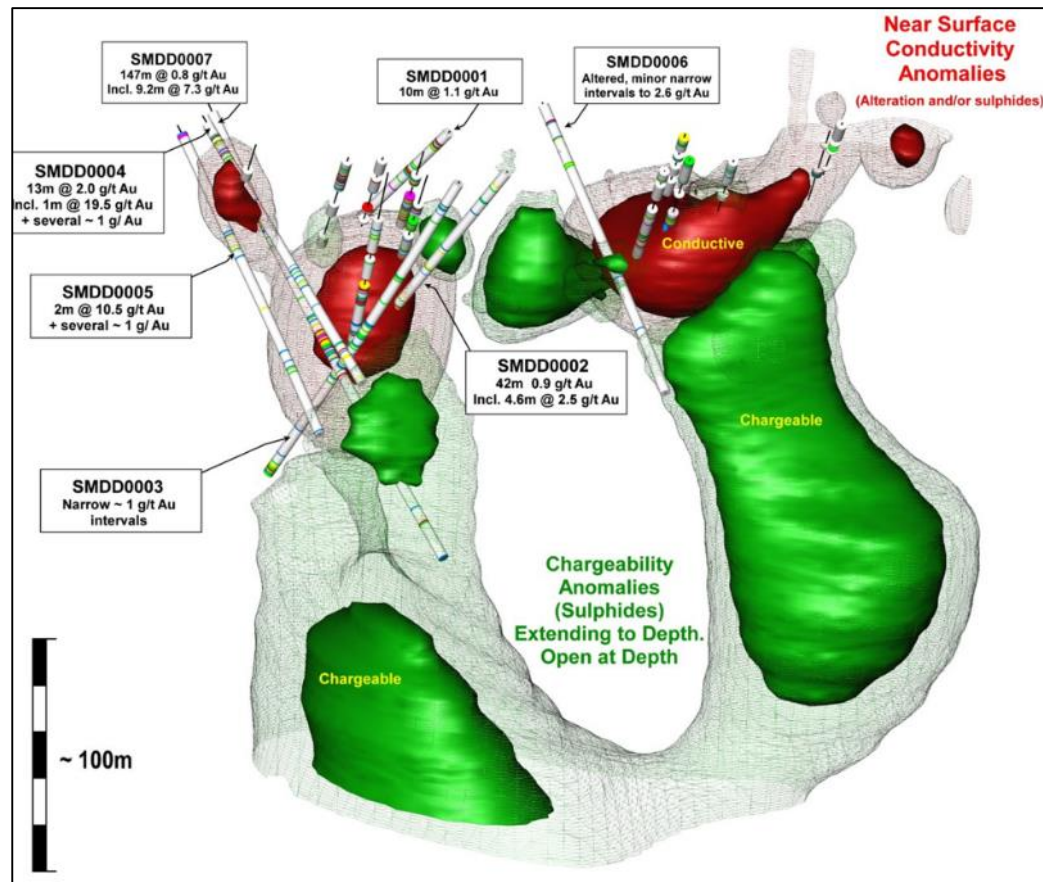


- Regional scale belts have been defined from various datasets
- Gold mineralisation at the Jokisivu gold mine (operating), located 60km to the NW, has a very steep sub-vertical geometry with limited lateral extent

- Initial drilling by Sunstone delivered excellent results from Satulinmäki including visible gold
- **Satulinmäki drilling 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**

SOUTHERN FINLAND GOLD PROJECT

Highly prospective gold exploration opportunity



SATULINMÄKI

300m x 300m mineralised area and growing

- Considerable vertical extent interpreted from chargeability anomalies
- Drilling to date correlates gold zones with conductivity anomalies

PLANNED WORK AND NEWS FLOW

ECUADOR

BRAMADEROS GOLD-COPPER PROJECT

- Active exploration program; mapping, rock chip sampling, soil sampling, trenching, heli-magnetics
- Ongoing historical data compilation
- Strong news flow as multiple targets mature
- Operational considerations for early stage development targets
- Drilling to commence as soon as drill permits received, which is expected prior to the end of this quarter
- **Q1 2018 will be significant to deliver drill results from high quality targets**

SWEDEN

VISCARIA COPPER PROJECT

- Recent drilling on multiple near mine targets
- Very good results reinforcing upside potential
- At >US\$3/lb copper price environment - very attractive project and very significant upside potential

FINLAND

SOUTHERN FINLAND GOLD PROJECT

- Satulinmäki IP geophysics completed – results indicate a potentially large gold system
- Geological mapping and surface sampling underway with results expected from early November
- Trenching and drilling to follow
- Goal is to establish continuity of mineralisation and consider development options

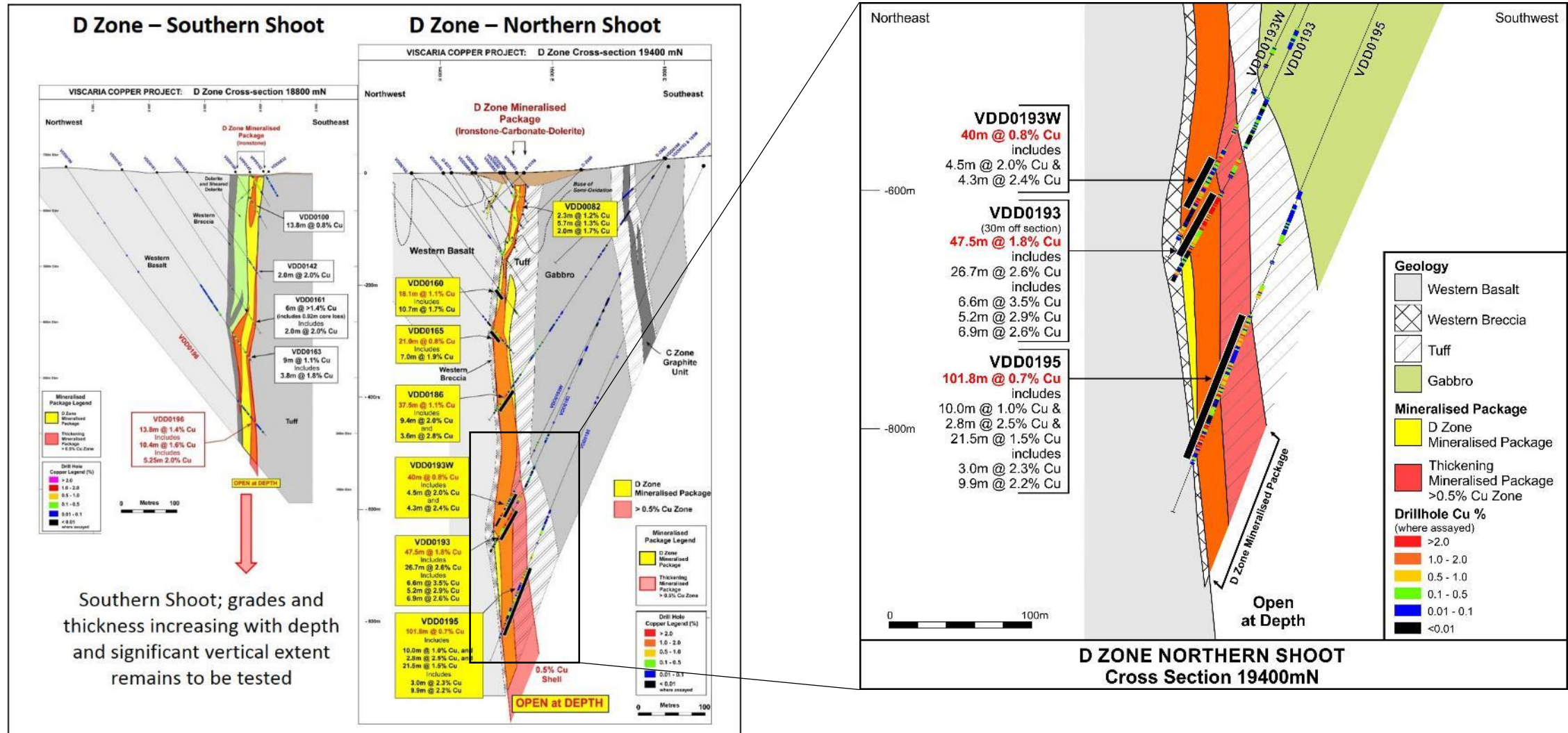
VISCARIA COPPER PROJECT

Mineral Resource Estimate

Resource Area	Classification	Tonnes (Mt)	Cu Grade (%)	Contained Cu (kt)
A Zone	Measured	14.44	1.7	240.0
	Indicated	4.69	1.2	57.2
	Inferred	2.48	1	25.5
	Subtotal	21.61	1.5	322.7
B Zone	Measured	0.12	1.3	1.6
	Indicated	4.12	0.7	29.7
	Inferred	15.41	0.8	118.7
	Subtotal	19.65	0.8	149.0
D Zone	Indicated	3.11	0.81	25.2
	Inferred	0.01	0.32	0.02
	Subtotal (open pit)	3.11	0.81	25.2
	Indicated	7.26	1.37	99.8
	Inferred	0.78	1.57	12.2
	Subtotal (underground)	8.03	1.39	111.9
Overall Cu	Total	52.4	1.2	608.9

VISCARIA PROJECT – D ZONE

Strong evidence to support considerable vertical extent

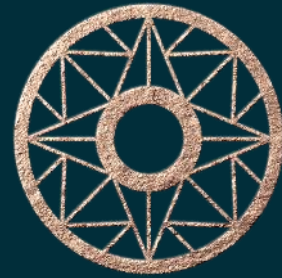


COMPETENT PERSONS STATEMENT

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 16 August 2016 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.

The information in this report that relates to the updated D Zone Mineral Resource estimate is based on the information compiled by Chris Grove who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Measured Group Pty Ltd. Measured Group is an independent mining consultancy who have been engaged by Sunstone Metals Limited to perform geological consulting on a fee for service basis. Mr Grove has sufficient experience that is relevant to the style of mineralisation being considered and to the activity being undertaken 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. Mr Grove consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



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