

# SUNSTONE METALS



**STM**

Noosa Mining  
Conference Presentation  
17-19 July 2024



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# A compelling major Gold & Copper opportunity

## Track record Discovery and development

- New MD & CEO, Patrick Duffy (ex-Red 5, Glencore/Xstrata)
- World class exploration team led by Malcolm Norris and Bruce Rohrlach (previous discoveries at Tampakan, Tujuh Bukit, Cascabel)
- New NED, Neal O'Connor (former Xstrata Copper Chief Legal Counsel)

## Bramaderos Targeting 10+Moz Au-Cu-Ag camp

- Strategy to develop high-grade at-surface Limon mine, unlocking multi-decade gold-copper porphyry systems at Bramaderos
- Accelerating drilling at Limon - plan to establish inaugural MRE
- Complements Brama-Alba porphyry-grade MRE of 2.7Moz AuEq<sup>1</sup>

## El Palmar Tier 1 copper-gold belt in north Ecuador

- Exceptional drill results to-date from surface porphyry systems
- The identified at-surface system represents a potential high-grade surface mine, sitting above and adjacent to other large porphyry systems to be subsequently developed

<sup>1</sup> see slides 21, 22 for full details



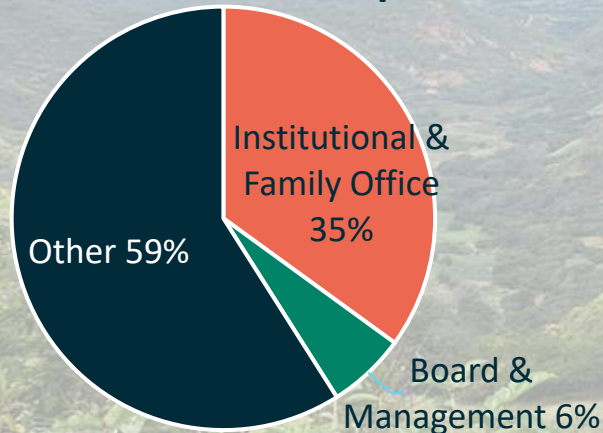


# Overview of Sunstone Metals

Sunstone is a gold and copper company in the world-class Ecuador Andean Copper Belt

| ASX  | STM                            |
|--|--------------------------------|
| Shares on Issue  | 3,852M                         |
| Market Capitalisation <sup>1</sup>                     | A\$39M <sup>1</sup>            |
| Cash and Equities <sup>2</sup>                         | ~A\$1.9M <sup>4</sup>          |
| MRE – Brama-Alba Porphyries                            | 2.7Moz AuEq <sup>3</sup>       |
| Exploration Targets – Bramaderos Porphyry +Epithermals | 4.2-10.3 Moz AuEq <sup>3</sup> |

## Share ownership



<sup>1</sup> based on share price of A\$0.010

<sup>2</sup> At 31 March 2024

<sup>3</sup> see slides 21, 23 for full details

<sup>4</sup> **\$4M Placement and Entitlement Offer completed in April/May**





# Leadership transition enhances LT capability

➤ Experienced resources executive Patrick Duffy was appointed MD and CEO on 15 April 2024

**Graham Ascough**  
Non-Exec Chair



Ex-Falconbridge and Musgrave executive, Mr Ascough is an experienced Board member who brings strategic direction and capital market experience

**Patrick Duffy**  
Managing Director & CEO (Apr-24)



Ex-Red 5, Glencore and Xstrata, Mr Duffy brings international leadership and capital markets experience with a successful mine development track record

**Malcolm Norris**  
Executive Director - Exploration



Ex-WMC, Intrepid and SolGold, Mr Norris has been part of several major global porphyry discoveries and brings mineral exploration and management expertise

**Neal O'Connor**  
Non-Executive Director (Apr-24)



Former Xstrata Copper Chief Legal Counsel, Mr O'Connor has extensive experience developing South American mining operations and infrastructure

**Stephen Stroud**  
Non-Executive Director



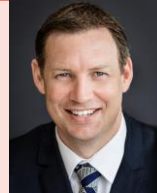
Mr Stroud is Director – Corporate Finance at Morgans and brings extensive capital markets knowledge and investor relationships

**Bruce Rohrlach**  
GM - Exploration



Ex-WMC, Intrepid and SolGold, Dr Rohrlach has been part of several major porphyry discoveries and oversees all exploration programs at Sunstone

**Lucas Welsh**  
CFO & Company Secretary (Jul-24)



Former CFO of St Barbara, Mr Welsh is a specialist resources financial executive with international mining, capital markets and governance expertise

**Ray Robinson**  
GM – Studies & Tech Services



Ex-PanAust, Placer Dome and Intrepid, Mr Robinson has extensive mining studies and operations experience, and oversees all study programs at Sunstone

**Rodrigo Izurieta**  
Country Manager



Based in Quito, Ecuador, and US-educated, Mr Izurieta is highly respected with deep relationships in the local mining industry and government



# 1. Bramaderos, Southern Ecuador



- 4,984 ha concessions at ~900m above sea level (asl)
- The project is supported by excellent infrastructure
  - ✓ Adjacent to the Pan American Highway
  - ✓ ~100km's from Loja Airport
- 93% of Ecuador's power is generated from renewables
  - ✓ Potential for low-carbon footprint mining

Limon epithermal & porphyry

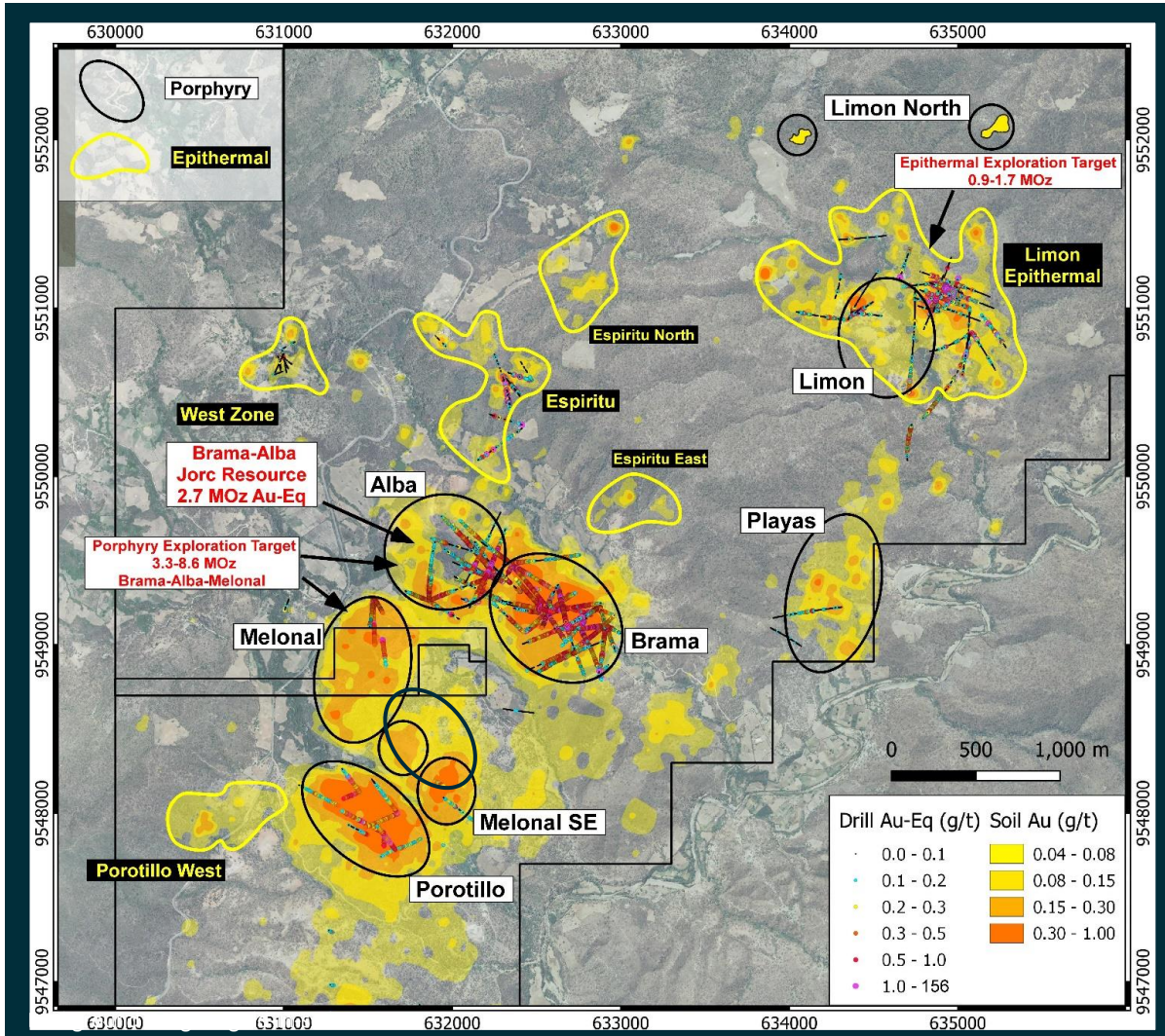
Brama-Alba porphyry

Melonal porphyry

Pan American Hwy

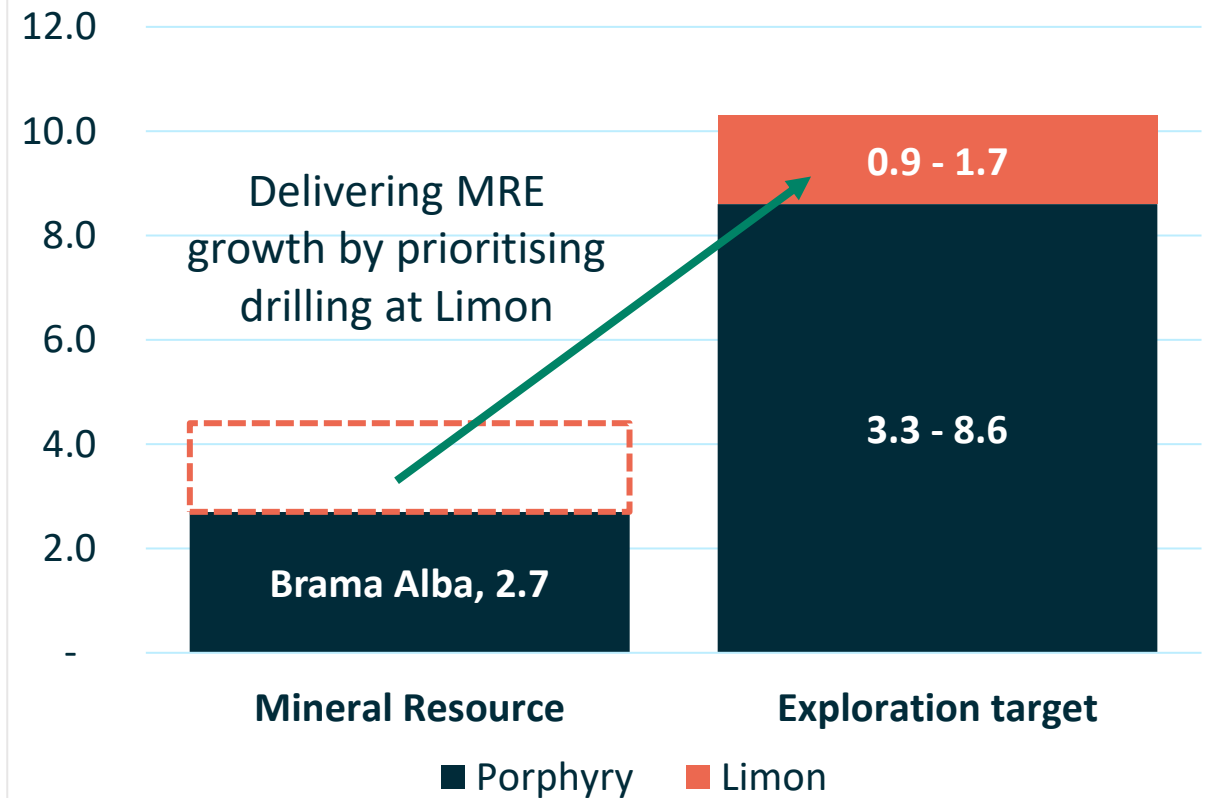


# 1. Bramaderos – targeting 10M+oz AuEq



Immediate priority is to establish a high-grade Mineral Resource Estimate for the Limon epithermal system

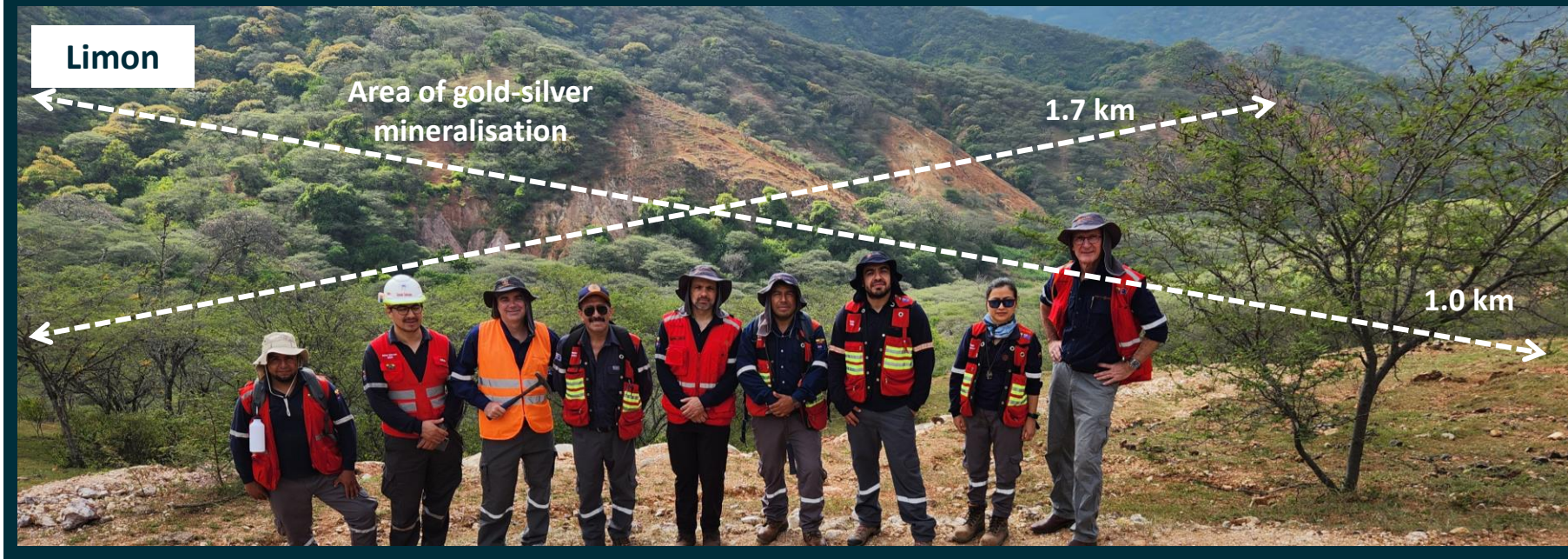
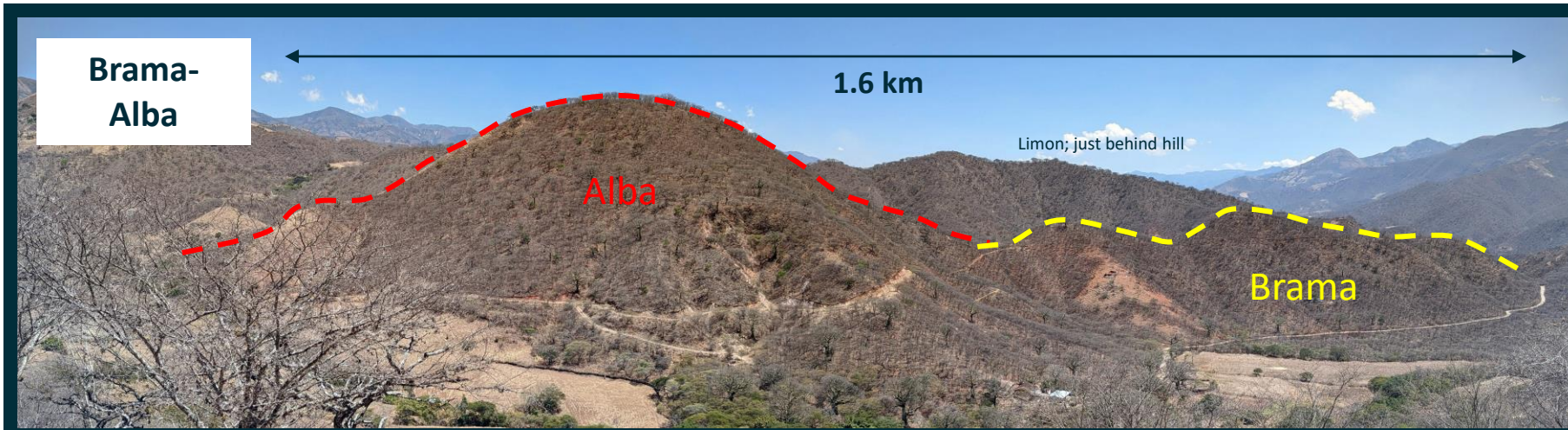
**Bramaderos Project, Au-Equivalents (Moz's)<sup>1</sup>**



<sup>1</sup> see slides 21,23 for full details



# 1. Brama-Alba + Limon – mineralisation from surface



## **Brama-Alba: 1.6km long mineralised porphyry system**

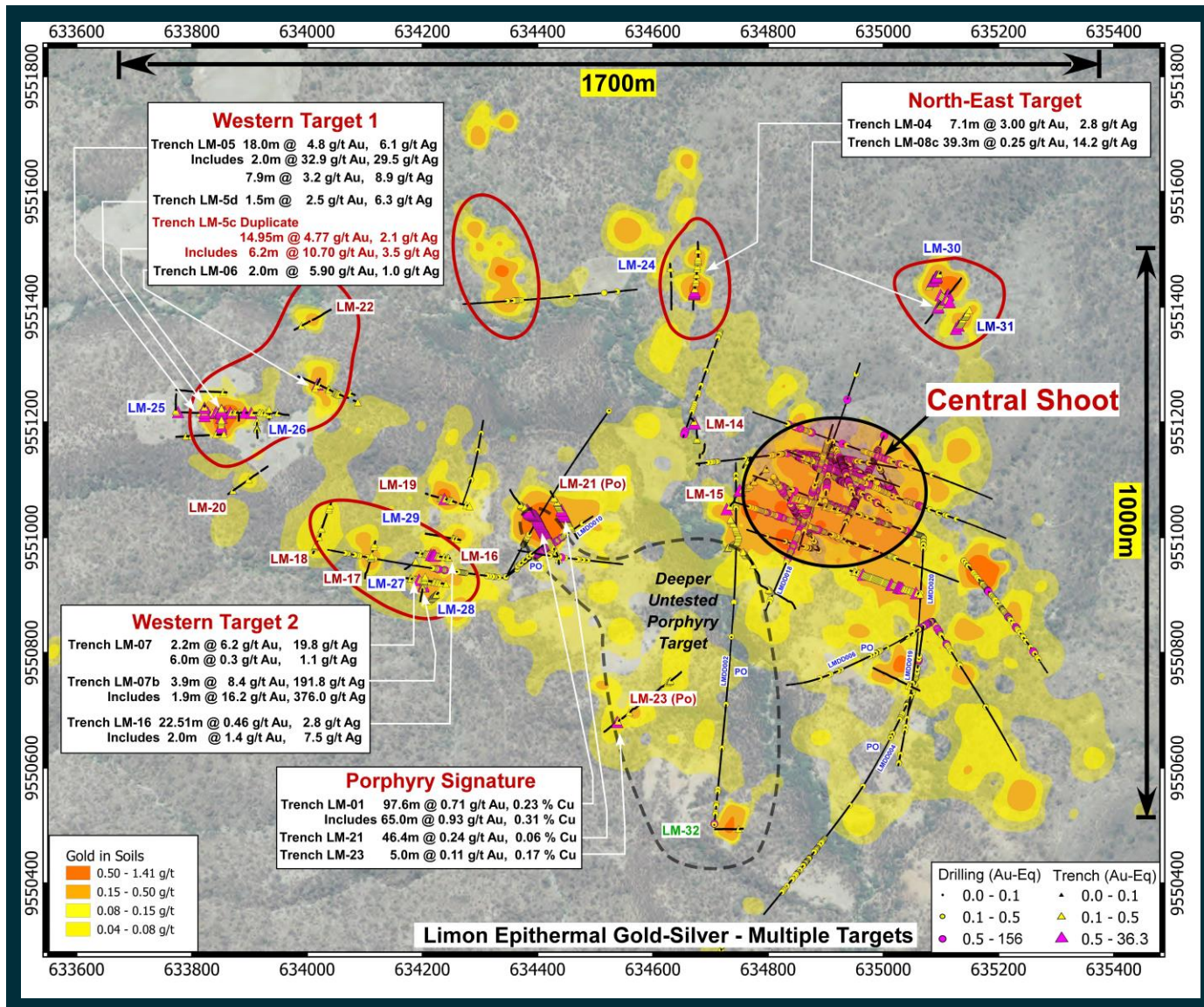
- Outcropping gold-copper-silver
- MRE undertaken by Tier 1 consultants CSA
- Attractive mining metrics
  - ✓ Very low strip ratio
  - ✓ Higher grade domains close to surface
- Significant upside to grow the porphyry resource and define higher grades

## **Limon: 1.7km x 1.0km epithermal gold-silver system**

- Outcropping gold-silver with high-grade domains
- Potential for a significant deeper gold-copper-silver porphyry



# 1.1 Limon high-grade at-surface discovery

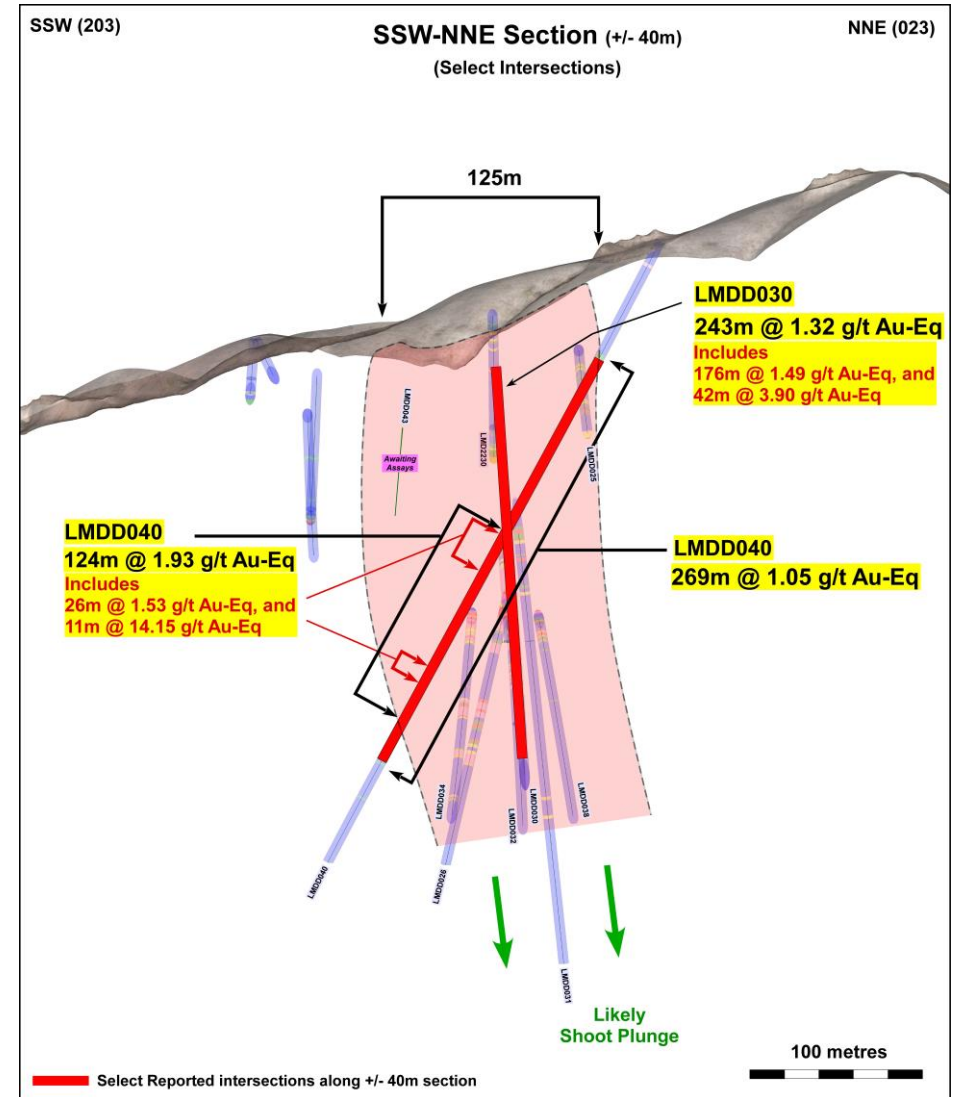
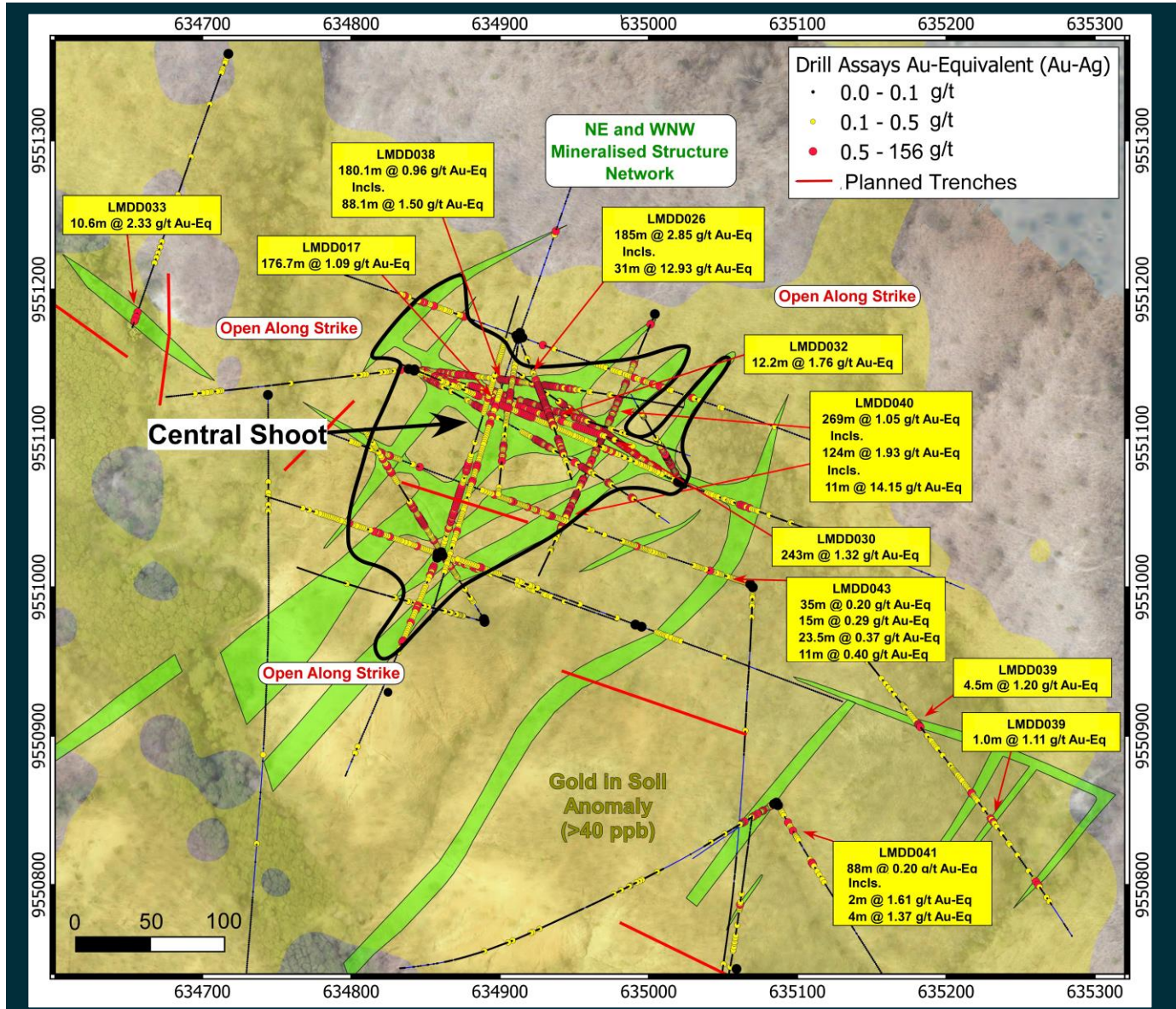


Limon is a very significant discovery - delivers the potential at-surface higher-grade front end for a larger multi-decade development at Bramaderos

- Large 1.7km x 1.0km alteration zone of epithermal gold-silver-base metal mineralisation
- Evidence of multiple epithermal vein occurrences approx. 600m from Central Shoot drilling
- Current interpretation of mineralised structures trending NW and NE, and higher grades developed at the intersections of these structures
- Large porphyry target (>600m diameter) below epithermal system to be drilled at a later stage



# 1.1 Limon drilling to establish inaugural Resource



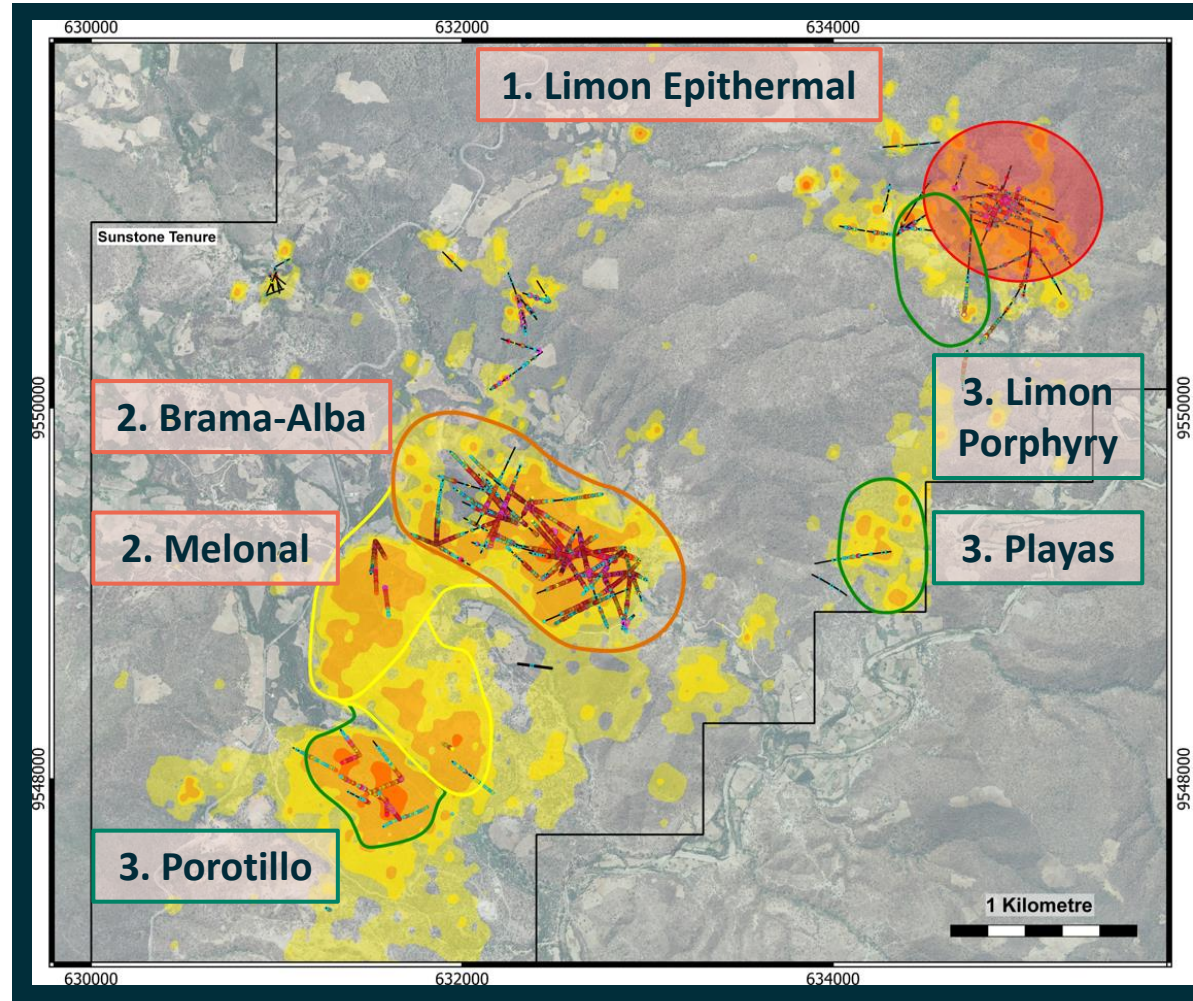


# 1.2 Pathway to a multi-decade mining centre

**Bramaderos is a world-class gold and copper discovery with multiple pathways to establishing a large 10M+oz AuEq mining centre in southern Ecuador**

**Stage 1:**  
**Establish Limon**  
**epithermal as a higher-**  
**grade gold-silver mine**  
Lower capital cost  
development

**Stage 2:**  
**Grow Brama-Alba and**  
**Melonal porphyries**  
**from surface**  
Open Pits to feed large-  
tonnage milling operation

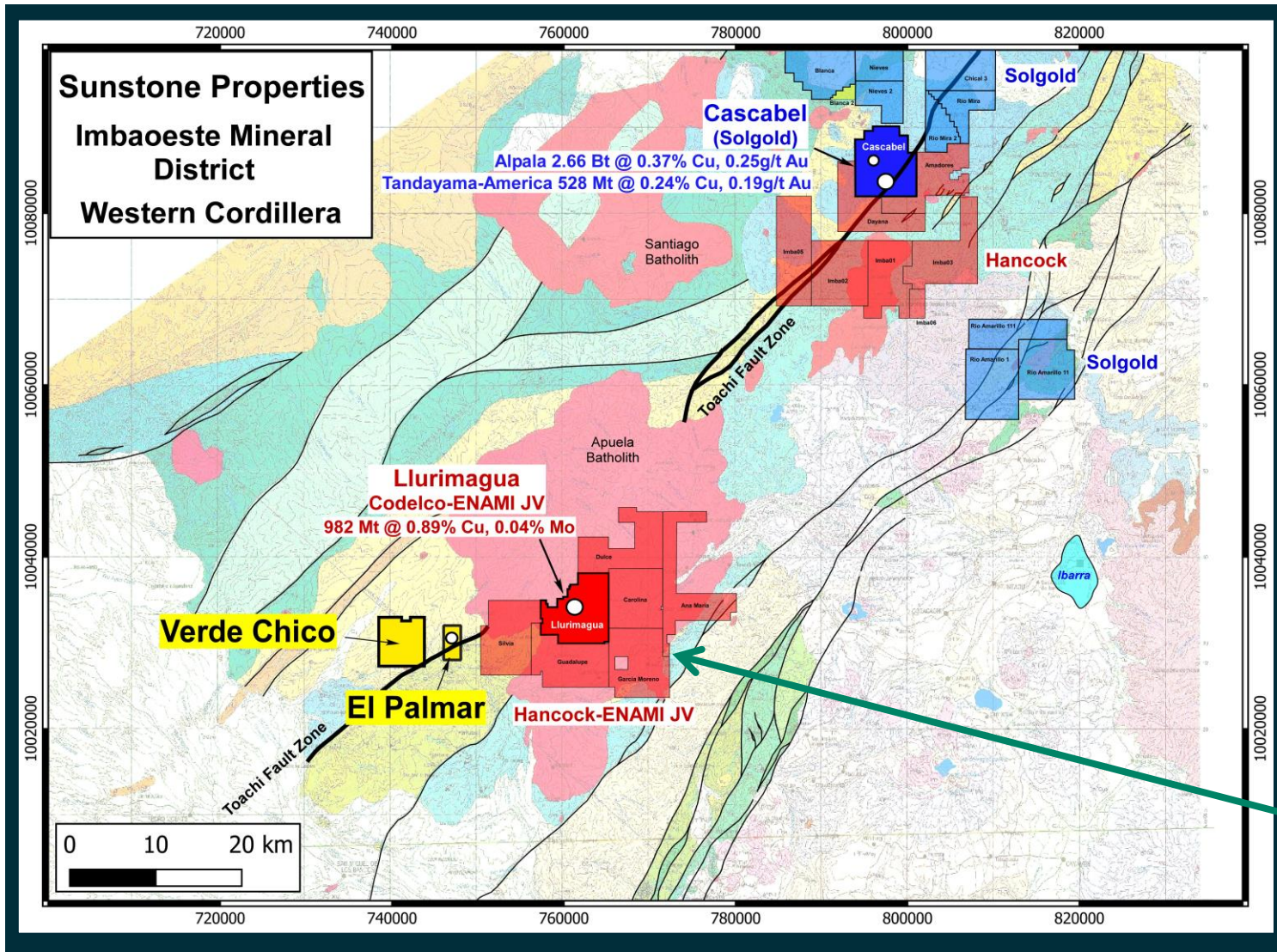


Limon to provide the  
revenue and balance sheet  
to fund larger gold-copper  
porphyry development

**Stage 3:**  
**Convert porphyry targets**  
**at Playas, Porotillo, Limon**  
Future exploration growth  
opportunity



# 2. El Palmar & Verde Chico, northern Ecuador



3,671 Ha under two concessions

- 3-hour drive from Quito
- Remote agricultural communities are supportive of project

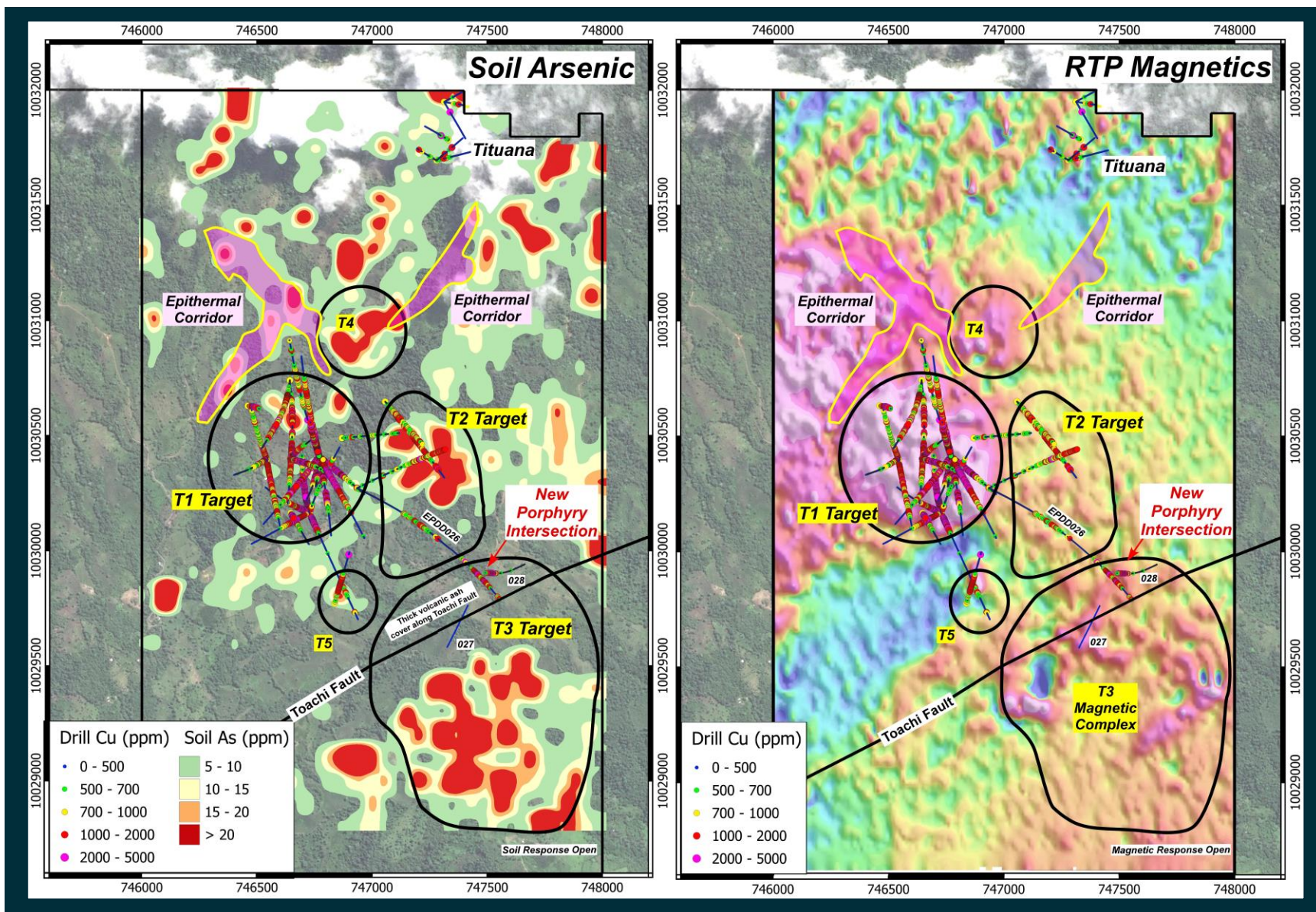
**Highly prospective mineralised district related to the Toachi Fault Zone**

- 2.7Bt Alpa copper-gold porphyry deposit (0.53% CuEq) at Cascabel
- 0.53Bt Tandayama-America copper-gold porphyry deposit (0.36% CuEq) at Cascabel
- 1Bt Llorimagua copper-moly porphyry deposit (1.0% CuEq)

Hancock investing US\$120m to earn 49% into JV with state-owned ENAMI in northern Ecuador (adjacent to El Palmar)



# 2.1 El Palmar: five porphyry gold-copper centres



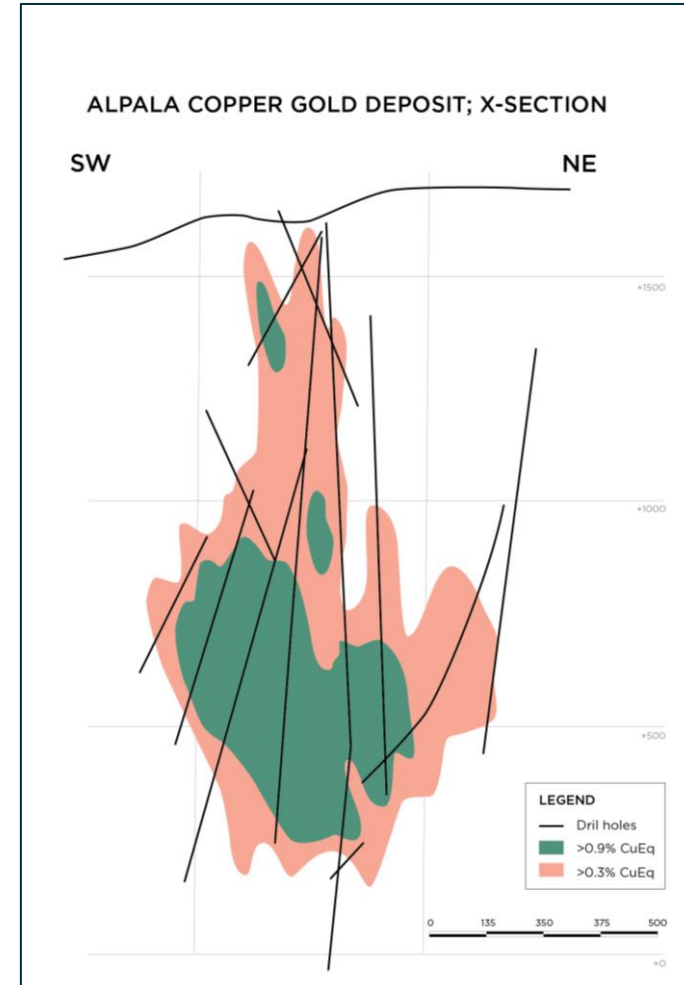
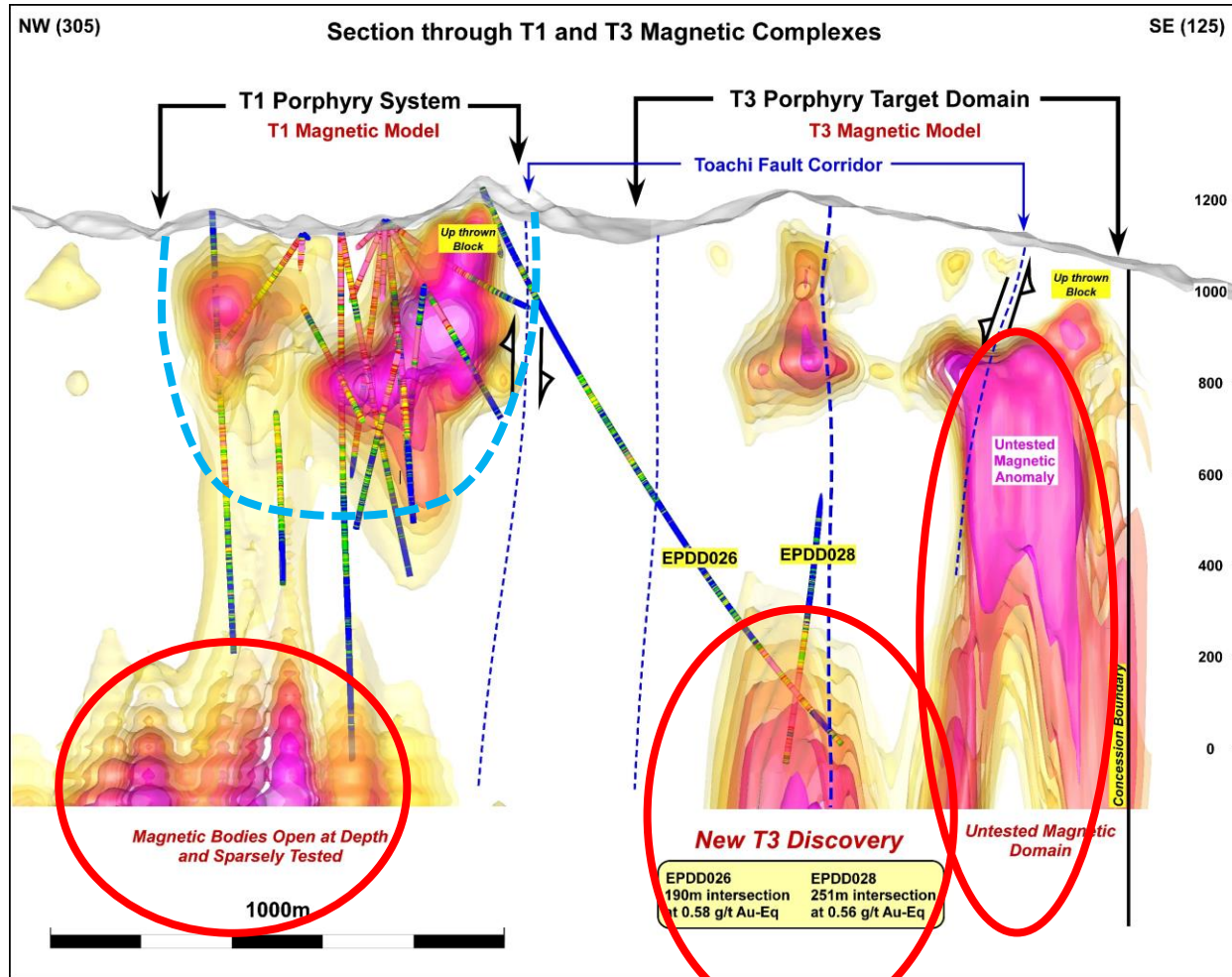
Mineralisation from surface at T1, T2, and T5  
 Mineralisation at depth at T3 and T4

- 2.3km long cluster of porphyry targets identified to date
- T3 results from holes EPDD026 and 028 are extremely significant
  - ✓ First holes into a very large target delivering ore grade mineralisation
  - ✓ Drill hole intersections are deep, but targets extend towards surface

Potential to deliver a very large multi-decade gold-copper deposit camp



# 2.1 El Palmar – demonstrating its mining potential



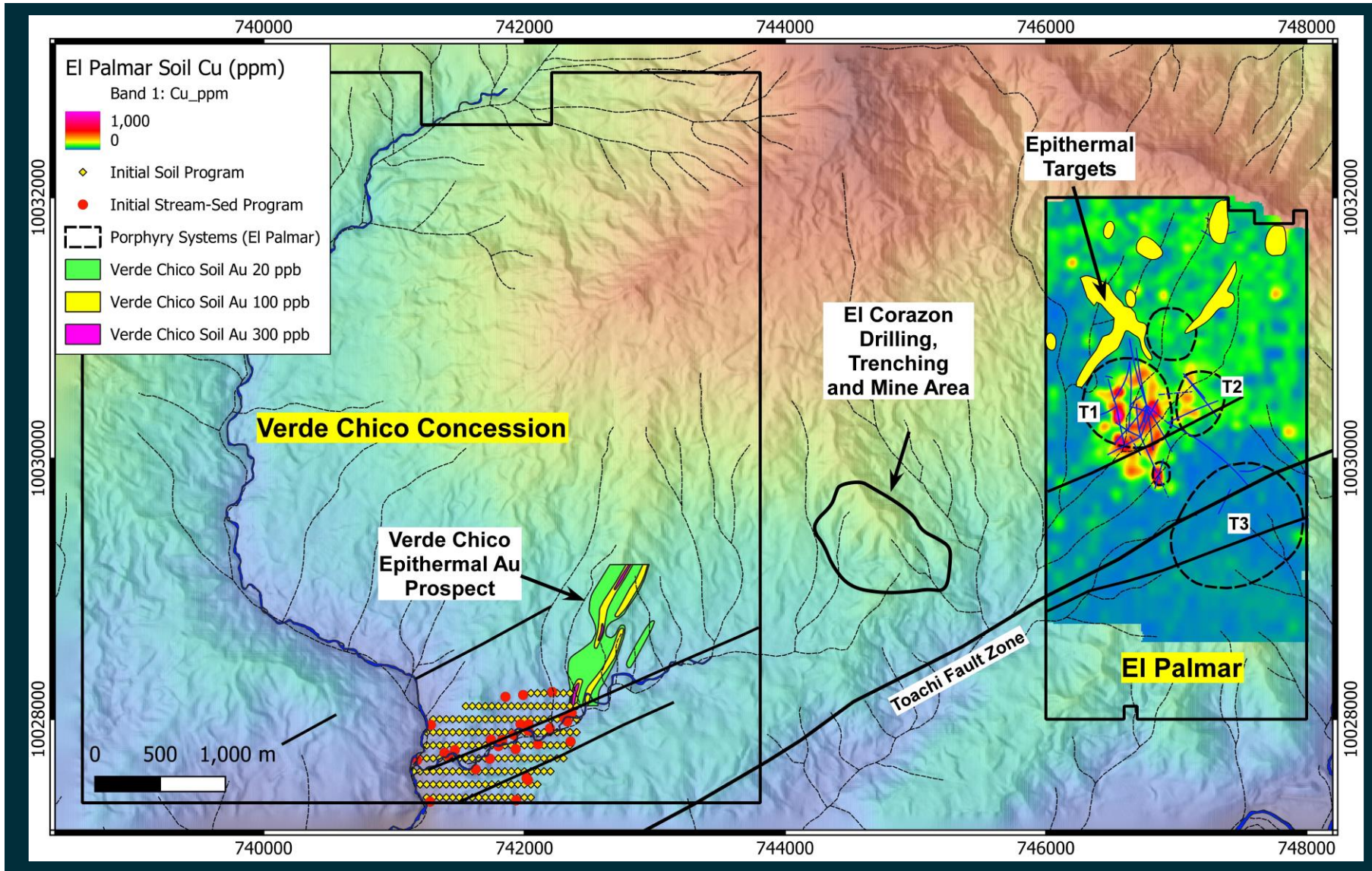
- Cross section, same scale comparison with the 3Bt Alcala deposit at Cascabel (SolGold)
- Depth to top of the main Alcala orebody is ~700m

Any potential at-surface high-grade mine at T1 would have the advantage of generating early cash flow while developing subsequent El Palmar porphyry mining opportunities

- T1 - 800m long (in NW-SE orientation) already an orebody in its own right
- T1 - 21 drill holes completed, gold-copper from surface to 500m below surface, intersections include 160m at 0.7g/t gold and 0.2% copper from 52m (EPDD001)



# 2.2 Verde Chico is complimentary to El Palmar



Potential to define both porphyry copper-gold and epithermal gold opportunities

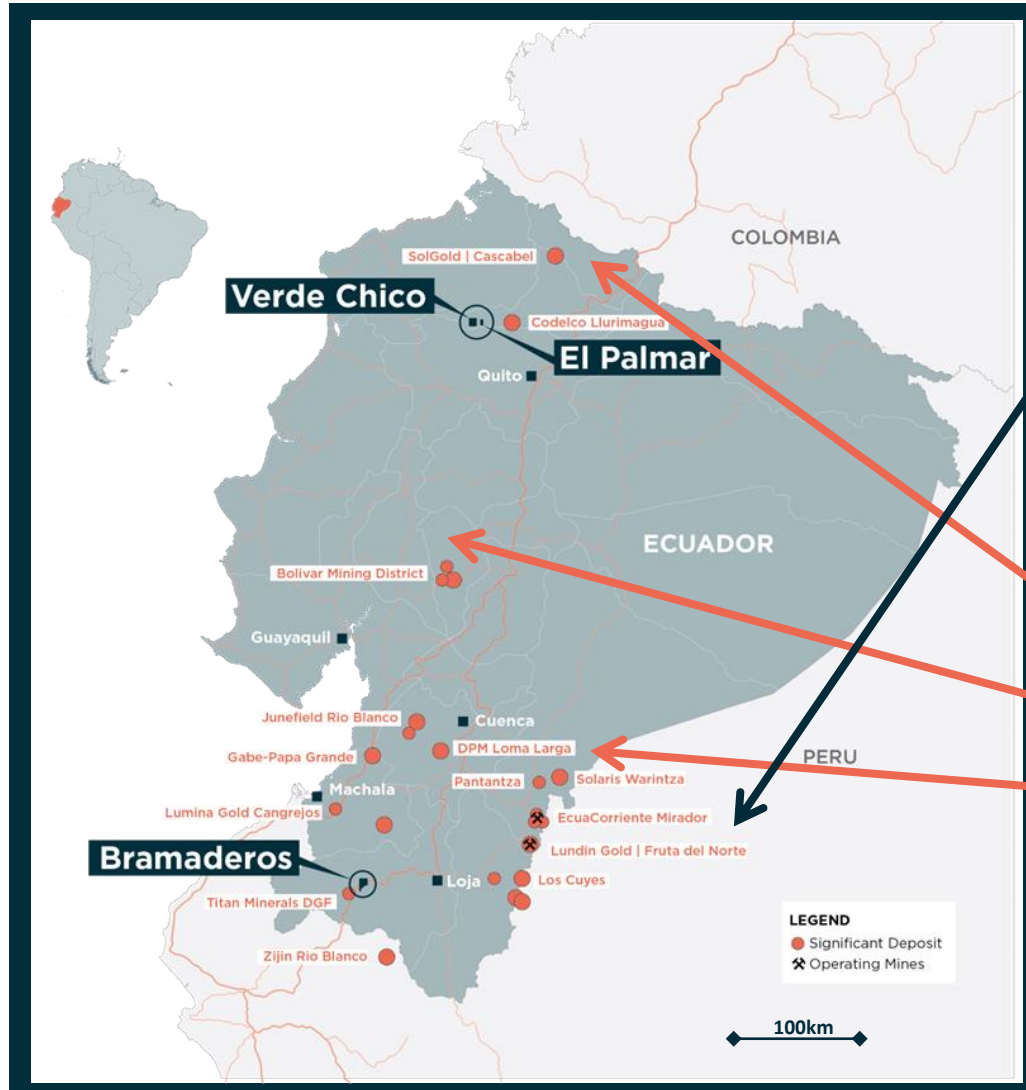
Exploration at Verde Chico has commenced with initial follow-up to the known high-grade gold mineralisation

Historical exploration from the 1990's includes:

- Perdida vein - 6.5m @ 25.11 g/t Au
- Peligrosa vein - 24m @ 21.2 g/t Au, 19m @ 7.72 g/t Au, 25m @ 10.24 g/t Au
- Gato vein - 39m @ 3.08 g/t Au
- Pavas vein - 26.5 @ 2.28 g/t Au, 10m @ 11.72 g/t Au
- Oso Hormiguero vein - 29m @ 8.26 g/t Au, 11m @ 9.08 g/t Au
- Falla vein - 8m @ 7.28 g/t Au



# Ecuador – rapidly emerging mining jurisdiction...



## Pro-responsible mining government

- President actively encouraging responsible mining
- Single national mining department

## Forms part of the worlds most endowed copper gold belt

- 2 world-class operating mines – Fruta del Norte, Mirador
- All majors present (BHP, Anglo, Barrick, Codelco)

## Significant activity in the sector

- Investment agreements signed for the most advanced projects including
  - SolGold – Cascabel Copper/Gold Project
  - Adventus – El Domo Curipamba Copper/Gold Project
  - Dundee – Loma Larga Gold Project
- FY24 transaction highlights include:
  - ✓ Solgold US\$750m financing for Cascabel Project
  - ✓ Hancock US\$120m 49% JV earn-in with ENAMI
  - ✓ Silvercorp US\$200m merger with Adventus



# Ecuador – ...with a low-cost strategic advantage

## Ecuador has two world-class, lowest cost-quartile operating mines

- Fruta del Norte Gold Mine (Lundin Gold)
- Mirador Copper Mine (Chinese-owned)

## Low mining input costs are a competitive advantage

- Energy and Labour both significantly lower than Australia and Canada
- Potential for Sunstone's projects to be in the lowest cost quartile
  - Complimented by very low stripping ratios

## Hydro provides base energy load for the country (>90%)

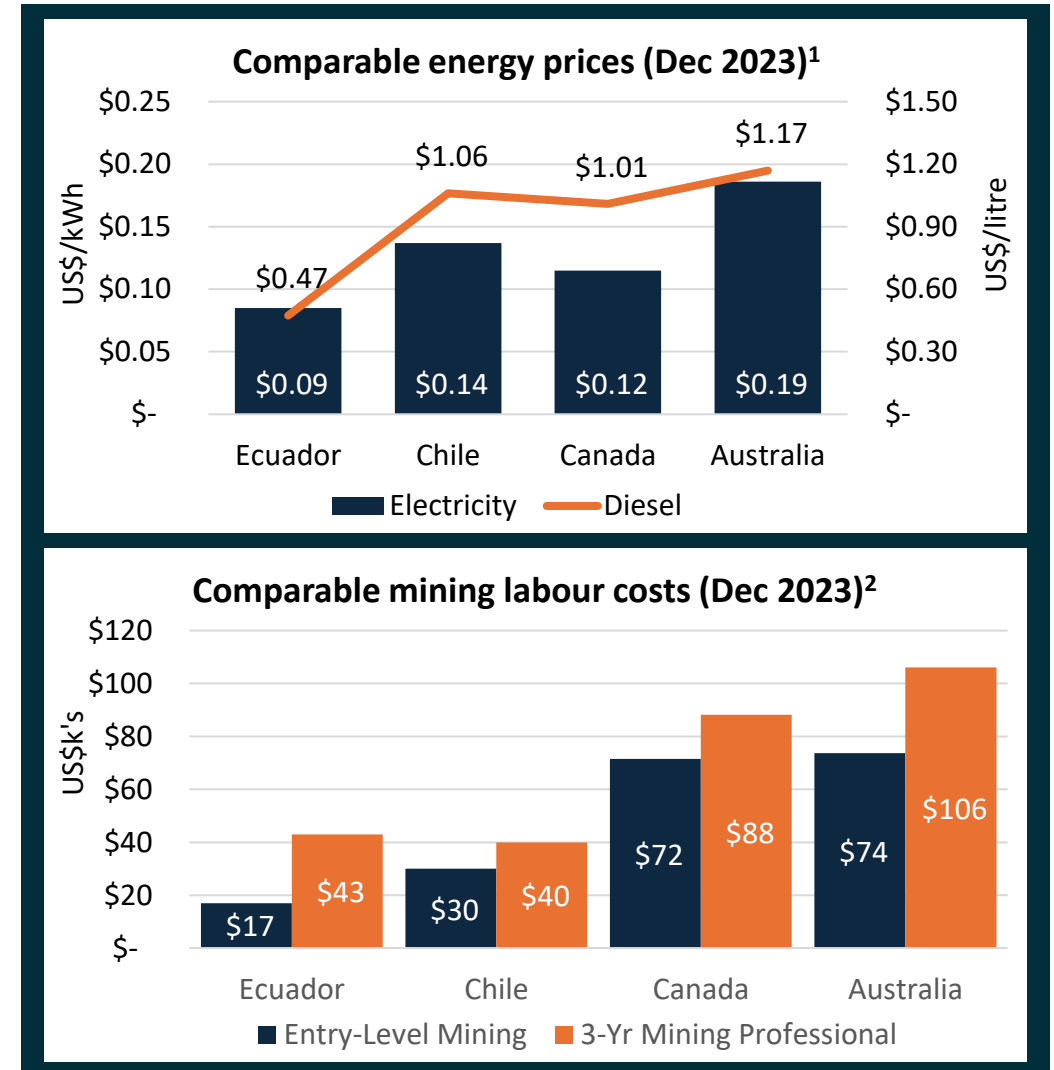
- Potential for low-cost, low-carbon emission mining

## Ecuador's currency is USD

- Provides protection against inflation

Source:

1. <https://www.globalpetrolprices.com/>
2. <https://www.erieri.com/salary/job/mining-engineer>,  
<https://ca.talent.com/salary?job=Mining>





# Momentum in Gold and Copper markets

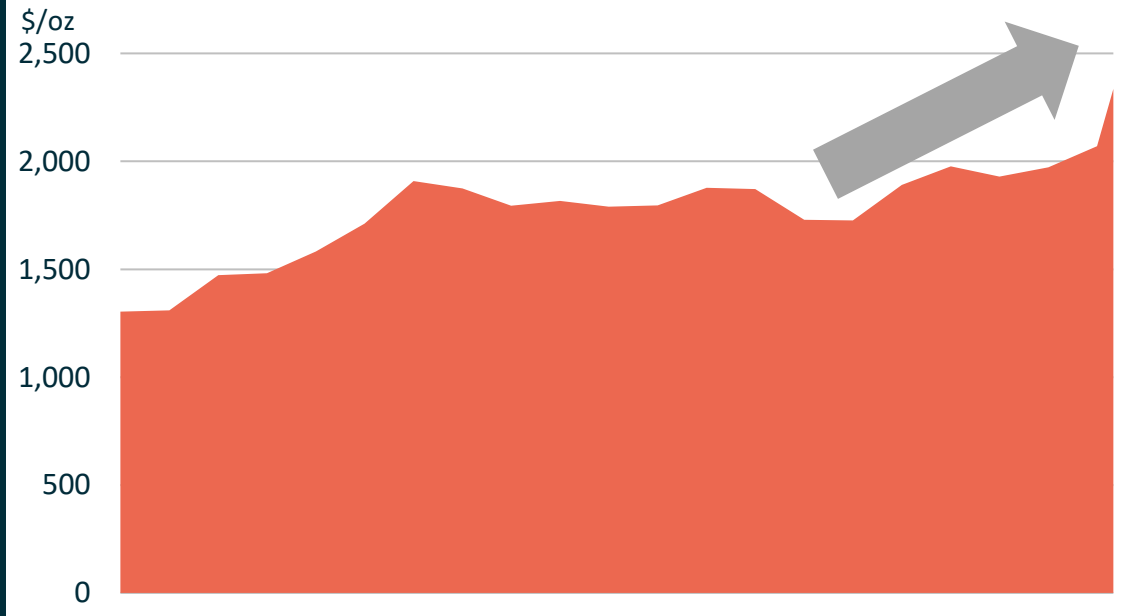
Geopolitical and macroeconomic factors will continue to drive up the price of gold

- ✓ Regional conflicts, trade restrictions, shift from USD
- ✓ Inflation subsiding, likely USD rate cuts

World is faced with enormous challenge to satisfy future global copper demand has been decades in the making

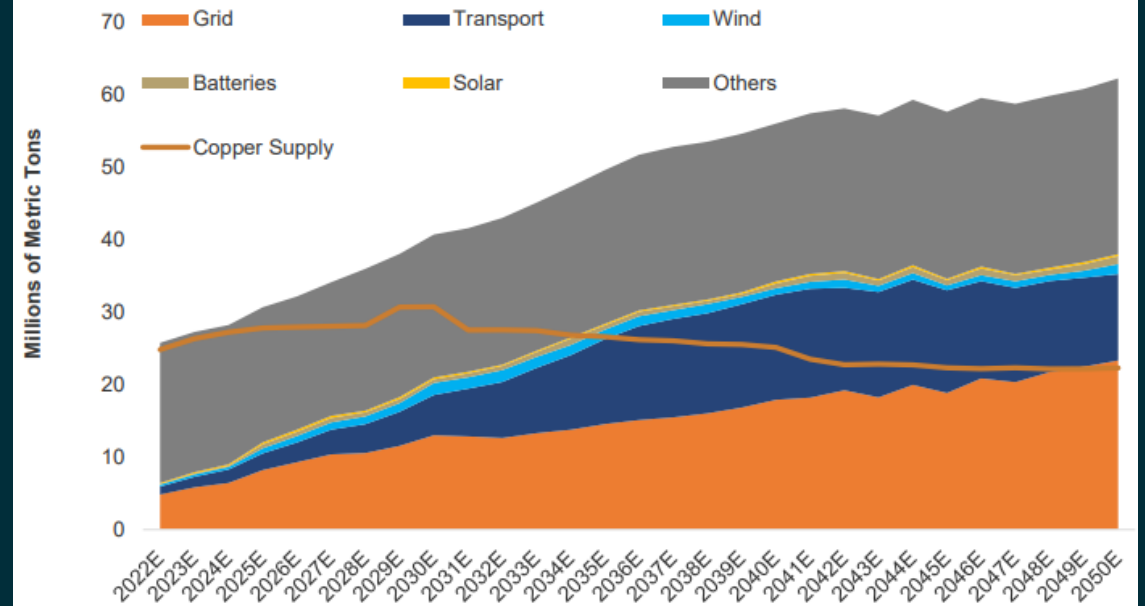
- ✓ New copper supply mostly in difficult jurisdictions
- ✓ Net Zero Transition requires huge increase in copper

### 5-YEAR USD GOLD PRICE



Source: Bloomberg

### Copper Demand and Supply imbalance likely to grow



Source: Sprott Webcast, March 23



# 2024 priorities amidst record gold/copper prices

## Bramaderos

### Accelerate drilling at Limon

- Drilling to drive preparation for Limon MRE in 2025, and subsequent Limon + porphyry Scoping Studies
- Additional porphyry and epithermal discovery opportunities
- Exploration Target updates to enhance 10M+ozs AuEq district

## El Palmar

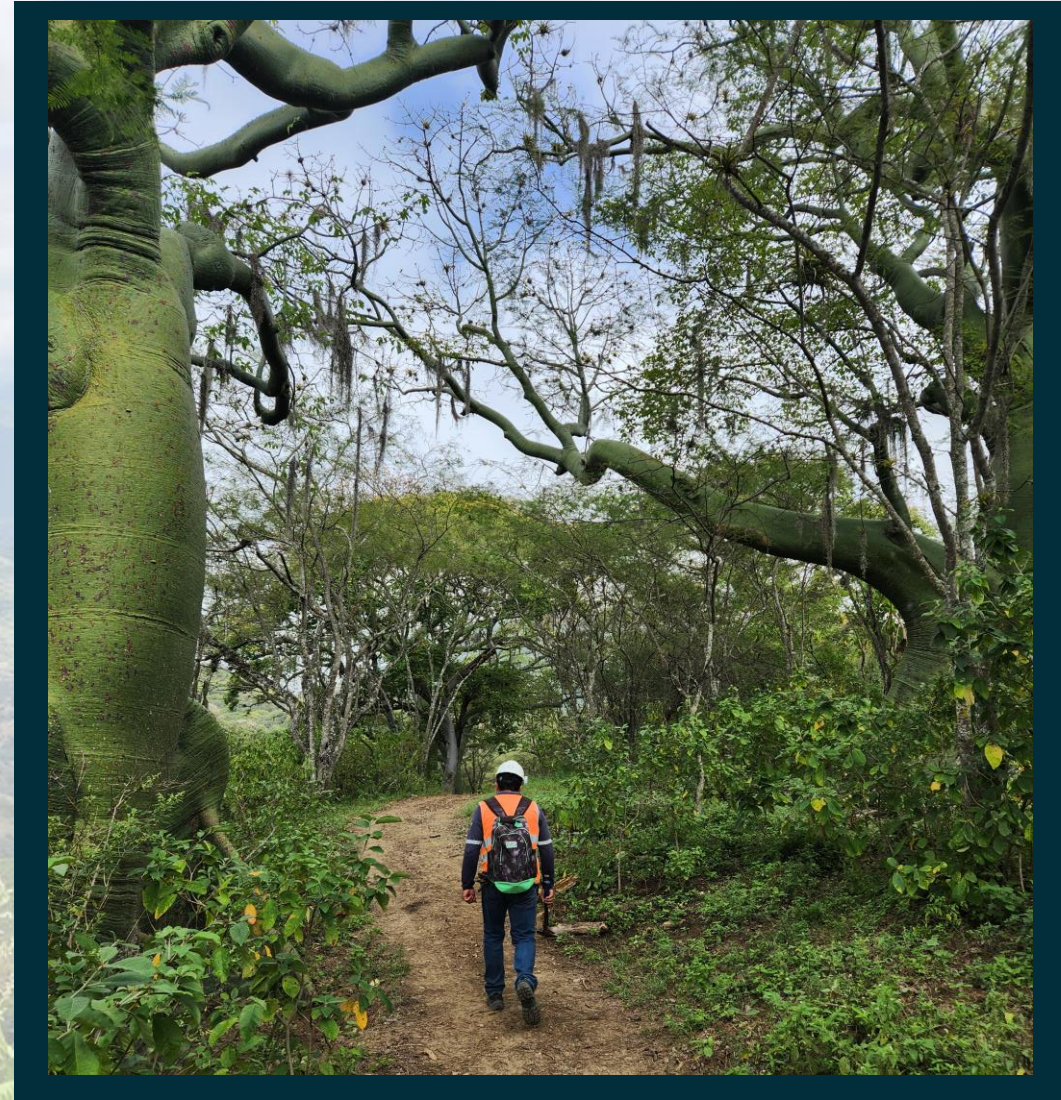
### Short term priority is trenching

- Continue to advance porphyry gold-copper and epithermal gold-silver opportunities through low-cost trenching
- Preparation for gold-copper Exploration Target and target a resumption of drilling

## Verde Chico

### Surface exploration activities

- Advance exploration to demonstrate high-grade gold system of considerable scale
- Expands district opportunities





# About Sunstone Metals

Sunstone has an advanced portfolio of exploration projects in Ecuador. The portfolio comprises:

•**The Bramaderos Gold-Copper Project** where Sunstone owns an 87.5% interest, and SolGold Canada, Inc. (formerly Cornerstone Capital Resources) a subsidiary of SolGold, holding 12.5% (loan carried through to start of commercial production) (see ASX announcement dated 10 April 2017, 28 August 2019, and 7 January 2020). The Bramaderos gold-copper project is located in Loja province, southern Ecuador, and is highly prospective for the discovery of large porphyry gold-copper systems, and high-grade epithermal gold systems. The Bramaderos concession is host to multiple fertile mineralised systems with significant discovery potential.

The Brama-Alba porphyry gold-copper-silver deposit, within the Bramaderos concession contains an initial Mineral Resource estimate of 156Mt at 0.53g/t AuEq for 2.7Moz gold-equivalent\*. In addition to this is the Bramaderos project porphyry gold-copper-silver Exploration Target of between 3.3Moz and 8.6Moz AuEq\* within 255 to 360Mt at a grade between 0.40 and 0.74g/t AuEq\* (see ASX release dated 13 December 2022).

An Exploration Target for the Limon epithermal gold-silver deposit was released on 9 November 2023 (also refer to ASX release dated 5 February 2024) consisting of between approximately 30 and 44 million tonnes at a grade of between 0.9 and 1.2g/t AuEq\*, for between 0.9 and 1.7mill oz AuEq\*

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement for the Mineral Resource estimate and Exploration Target referred to above and, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for the target area reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

\*The gold equivalent calculation formula for porphyry gold-copper-silver mineralisation is  $AuEq(g/t) = (Au \text{ grade} \times Au \text{ price} \times Au \text{ recov} / 31.1035) + (Ag \text{ grade} \times Ag \text{ price} \times Ag \text{ recov} / 31.1035) + (Cu \text{ grade} \times Cu \text{ price} \times Cu \text{ recov} / 100) / (Au \text{ price} \times Au \text{ recov} / 31.1035)$ . The prices used were US\$1,800/oz gold and US\$9,500/t copper and US\$22/oz silver. Recoveries are estimated at 89% for gold, 85% for copper, and 60% for silver based on metallurgical studies (see ASX release dated 13 December 2022).

\*The gold equivalent calculation formula for epithermal gold-silver mineralisation is  $AuEq(g/t) = Au(ppm) + (Ag(ppm)/82)$ . The prices used were US\$1,800/oz gold and US\$22/oz silver. Recoveries are estimated at over 90% for gold and 90% for silver from metallurgical studies (see ASX release dated 9 November 2022).

In Sunstone’s opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

| JORC Classification | Tonnage (Mt) | Au (g/t)    | Cu (%)      | Ag (g/t)   | AuEq (g/t)  | AuEq* (Mozs) |
|---------------------|--------------|-------------|-------------|------------|-------------|--------------|
| Indicated           | 9            | 0.38        | 0.09        | 1.1        | 0.53        | 0.2          |
| Inferred            | 147          | 0.35        | 0.11        | 1.3        | 0.53        | 2.5          |
| <b>Total</b>        | <b>156</b>   | <b>0.35</b> | <b>0.11</b> | <b>1.3</b> | <b>0.53</b> | <b>2.7</b>   |

•**The El Palmar Copper-Gold Project** where Sunstone holds 74.5% of the highly prospective 800ha El Palmar gold-copper porphyry project in Ecuador. Sunstone can acquire 100% through a Staged Acquisition Agreement. A Staged Acquisition Agreement to acquire the nearby Verde Chico Project has also been signed. The El Palmar and Verde Chico gold-copper projects are located in Imbabura province, northern Ecuador, within the same geological belt that includes the giant Alpala, Tandayama-America and Llorimagua porphyry copper-gold and copper-molybdenum deposits.



# Exemplary reputation, strong community support



Sunstone appreciates the strong community support that it has at its projects and takes its **environmental, social and governance** issues very seriously.

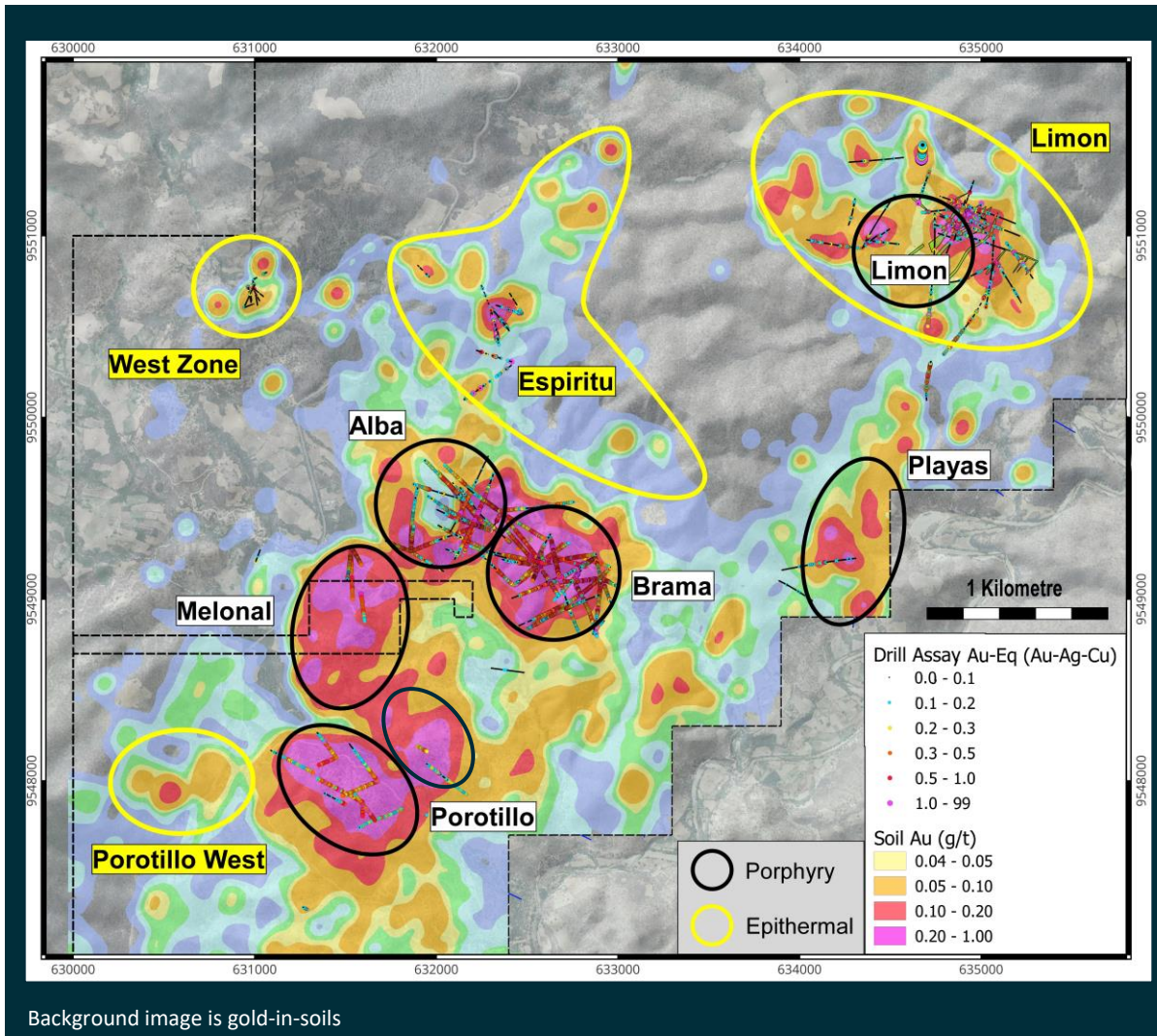
## Inaugural Sunstone Sustainability Report released 27 November 2023

- Significant **environmental monitoring programs** across all projects
- Involved in various high-impact **community programs** at Bramaderos and El Palmar
- Undertakes considerable **training programs** across a large range of skills for workers and the communities in which we operate
- **Sunstone works with the local communities** to assist where possible, for example, during the pandemic
- Employment and skills development for local communities

**Drilling is fully permitted and environmentally compliant at Bramaderos and El Palmar**



# Bramaderos – targeting 10M+oz AuEq opportunity



## LIMON - gold-silver epithermal and porphyry systems

### 1. Epithermal gold and silver system (2023 discovery)

Exploration Target 0.9 – 1.7Moz AuEq at 0.9-1.2g/t AuEq\*<sup>1</sup> from surface

### 2. Identified porphyry gold-copper-silver system

97.6m at 0.71g/t gold and 0.23% copper in trench  
79m at 0.52g/t gold, 0.19% copper, 9.4g/t silver from 90m in LMDD010

## BRAMA-ALBA only - Mineral Resource estimate (2022)

156Mt at 0.53g/t AuEq (0.35g/t gold, 0.11% copper, 1.3g/t silver) for 2.7Moz AuEq\*<sup>2</sup> pit constrained, from surface (1.76Moz gold, 172k tonnes copper, 6.5Moz silver)

## Porphyry Exploration Target - 2022 (in addition to MRE)

255 - 360Mt for 3.3 to 8.6Moz AuEq \*<sup>3</sup>

\*<sup>1</sup> Limon epithermal AuEq is based on gold+silver only  
See page 21 and 23 for \*<sup>1</sup>, \*<sup>2</sup> and \*<sup>3</sup> details



# Competent Persons Statement

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## Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Meakin. Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Aaron Meakin has sufficient experience 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Aaron Meakin consents to the disclosure of the information in this report in the form and context in which it appears.

## Exploration Target Competent Person

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.

*See ASX announcements*

6 June 2024 - Limon drilling to start in known high-grade areas Limon  
22 May 2024 - Visible gold in trenches  
15 May 2024 - El Palmar significant gold-copper mineralisation at surface  
18 April 2024 - Limon large mineralised system, multiple high-grade clusters  
5 February 2024 – Limon Exploration Target – Additional JORC Information  
31 January 2024 - Limon gold-silver discovery grows  
19 December 2023 – Limon gold-silver discovery grows significantly  
27 November 2023 – Sustainability Report released  
23 November 2023 – El Palmar gold target, Verde Chico work commencing  
9 November 2023 – Large Limon Exploration Target  
18 October 2023 – Limon – Bumper results, greatly expands scale  
12 October 2023 – Limon drilling growing scale

*ASX announcements (continued)*

18 September 2023 – High grade, near surface gold at Limon  
11 September 2023 - El Palmar 2nd hole confirms T3 strongly mineralised porphyry  
15 August 2023 - Limon gold discovery continues to grow  
3 July 2023 – High grade gold and silver at Limon, Bramaderos  
20 June 2023 – El Palmar T3 gold-copper porphyry discovery  
28 April 2023 – El Palmar drilling intersects porphyry copper system  
14 April 2023 – Limon emerging as major discovery with visible gold in hole  
29 March 2023 – Limon epithermal drilling results  
18 January 2023 – Limon delivers porphyry discovery  
13 December 2022 – Bramaderos MRE and Exploration Target



# Ecuador



|  |  |
|--|--|
| <b>Capital</b>                                 | Quito  |
| <b>Population</b>                              | 18,320,382 (2024)  |
| <b>Form Of Government</b>                      | Multiparty republic with one legislative house (National Assembly)   |
| <b>Official Language</b>                       | Spanish  |
| <b>Total Area (Sq Km)</b>                      | 256,700  |
| <b>Length</b>                                  | 650km (~Sydney to Cobar, or ~Perth to Kalgoorlie)  |
| <b>Monetary Unit</b>                           | US dollars   |
| <b>Density: Persons Per Sq Km</b>              | 71.4   |
| <b>Urban-Rural Population</b>                  | Urban: 63% • Rural: 37%  |
| <b>Literacy Rate</b>                           | Male: (2016) 95.4% • Female: (2016) 93.3%  |
| <b>Gross National Income Per Capita (US\$)</b> | \$6,391  |
| <b>Mining Exports (US\$)</b>                   | \$3.32 billion in 2023; \$2.78 billion (+25% on 2021, 2021 figure was +541% vs 2019)<br>(by comparison 2022 mining exports from Peru \$37.7 billion) |
| <b>Exports Top 4 in order</b>                  | Oil, Prawns, Bananas, Metals   |



# SUNSTONE METALS



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