

Sunstone secures \$4.6mill to accelerate drilling at Bramaderos gold-copper project

Second hole at Limon approaching target depth and drilling at high-grade West Zone target now underway

Key Points

- \$4.6mill received from the underwriting and exercise of options at \$0.03 and \$0.032
- Proceeds ensure Sunstone is well-positioned to accelerate drill programs at its Bramaderos Gold-Copper Project in Ecuador
- Drilling is progressing well, with second hole at Limon (LMDD004) targeting the large porphyry system interpreted from hole LMDD002
- Second rig has been contracted and is now drilling at the high-grade West Zone gold target below trench results of 6.9m at 12.7g/t gold within a broader interval of 30m at 3.6g/t gold
- Further assays expected during September and October

Sunstone Metals Limited (ASX:STM) is pleased to advise that it has received A\$4.6 million net of fees for the recent underwriting and exercise of options at A\$0.03 and A\$0.032 per share to support an accelerated exploration program at the Bramaderos Project in Southern Ecuador.

Sunstone Managing Director Malcolm Norris said: “Our ability to secure these funds reflects the strong potential of Bramaderos.

“Drilling at the Bramaderos Main prospect has delivered significant grades and widths of mineralisation in an outcropping gold-copper porphyry deposit and demonstrates the potential to deliver a sizeable gold-copper system.

“We now also have a parallel program drilling the high-grade West Zone epithermal gold target.

“And drilling at the Limon prospect is progressing well. Hole LMDD004 is at a depth of ~520m and has intersected a sequence of altered rock consistent with the exploration model. LMDD004 is approaching the target zone and it is expected that the hole will be drilled to ~1,000m.”

The Limon target is part of the package of multiple outcropping and near-surface gold-copper porphyry systems identified at the Bramaderos Project (see ASX announcement dated 27th August 2019), with only 2 holes drilled to date, which intersected alteration and weak copper-gold-molybdenum mineralisation consistent with being in close proximity to a large porphyry system.

ASX ANNOUNCEMENT

Bramaderos Main has delivered intersections such as **172m at 0.52g/t gold and 0.16% copper, and 242m at 0.42g/t gold and 0.14% copper, including intervals such as 18m at 1g/t gold and 0.19% copper** – with mineralisation extending from surface to depths of at least 300m below surface (see ASX announcements dated 26th and 20th August 2019).

Drilling has commenced at the high-grade West Zone gold target with a second rig. Hole WZDD001 is testing underneath trenching results in the epithermal breccia of **6.9m at 12.7g/t gold within a broader interval of 30m at 3.6g/t gold in trench TR-LB06** (see ASX announcement dated 8th November 2017), with this first hole having a planned depth of ~100m, and a series of 8 holes following that for a total meterage of 1530m.

The first pass West Zone drilling program is expected to be completed by the middle of October and assays likely to be received from the middle of October.

ASX ANNOUNCEMENT

About Sunstone Metals

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

1. **The Bramaderos Gold-Copper Project** where Sunstone has signed an earn-in agreement with TSXV listed Cornerstone Capital Resources (see ASX announcement dated 10th April 2017). The Bramaderos gold-copper project is located in Loja province, southern Ecuador, and is considered to be highly prospective for the discovery of large porphyry gold-copper systems, and high-grade epithermal gold systems. Historical exploration results from drilling at Bramaderos together with recent exploration by Sunstone and joint venture partner Cornerstone Capital Resources (TSXV:CGP) indicate multiple fertile mineralised systems with significant discovery potential.
2. **The Southern Finland Gold Project** includes the Satulinmäki gold prospect. Shallow diamond drilling was completed by the Geological Survey of Finland (GTK) during the period 2000-2005 and this was followed by a 7-hole diamond drilling program by Sunstone Metals in 2016. Intersections from GTK include 18m @ 4.1g/t Au from 50m downhole, including 3m @ 9.3g/t Au, and 4m @ 10.3g/t Au in drill hole R391. Intersections by Sunstone include 23.5m at 3.3g/t in SMDD007 and 2m at 10.5g/t in SMDD005. The Satulinmäki gold prospect is part of an earn-in JV with Canadian company Nortec Minerals, where Sunstone holds an ~82% interest, is funding on-going work, and has also acquired a significant land position, in its own right, in the district.
3. **The Scandinavian Lithium Project** includes the Kietyönmäki lithium prospect. Drilling by Sunstone has delivered 24.2m at 1.4% Li₂O in a spodumene-bearing pegmatite. Kietyönmäki is also part of the JV with Nortec Minerals.
4. **Sunstone has a significant equity** interest of ~37.6% in Stockholm listed Copperstone Resources (COPP-B.ST) following the recent sale of the Viscaria Copper project.

Competent Persons Statement

The information in this report that relates to exploration results is based upon information reviewed by Mr Malcolm Norris who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Norris 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". Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information, please visit www.sunstonemetals.com.au

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