



SUNSTONE METALS

Sunstone Metals Limited

ACN 123 184 412

SHARE PURCHASE PLAN

Eligible Shareholders have the opportunity to participate in the Share Purchase Plan offer (SPP Offer) by applying for up to \$30,000 of fully paid ordinary shares in Sunstone Metals Limited without incurring brokerage or other transaction costs.

The SPP Offer closes (unless extended) at 5pm (Sydney time) on Monday, 7 October 2024

This SPP Offer Booklet is important and should be read in its entirety. If you do not understand any part of this document or are in doubt as to what you should do, you should contact your professional adviser immediately. This document is provided for your information purposes and is not a prospectus or other disclosure document under the Corporations Act.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES OR TO U.S. PERSONS

Message from the Chairman

Dear Shareholder

On behalf of the Board, I am pleased to provide Eligible Shareholders with the opportunity to participate in Sunstone Metals Limited's (**Sunstone** or **Company**) Share Purchase Plan (**SPP**).

Background - Placement

On 9 September 2024, the Company announced that it had secured firm commitments from new and existing investors to raise \$2.5 million by the issue of 500,000,000 shares at an issue price of \$0.005 (0.5 cents) per share (**Placement**).

Subject to shareholder approval, investors who participated in the Placement will be separately offered 1 free attaching option (**Placement Option**) for each 2 shares subscribed for under the Placement (**Placement Options Offer**). The Placement Options will be exercisable at \$0.0075 (0.75 cents) and expire on the date that is 2 years from the date of grant. The Placement Options Offer will be made under a prospectus to be dated on or around Monday, 16 September 2024.

Share Purchase Plan

To allow eligible shareholders the opportunity to subscribe for shares on the same terms as the Placement, the Company will be undertaking the SPP under which eligible shareholders will be offered the opportunity to subscribe for up to A\$30,000 of shares at an issue price of 0.5 cents and on the terms and conditions set out in this booklet (**SPP Offer**).

Eligible shareholders who participate in the SPP Offer will be separately offered 1 free attaching option (**SPP Option**) for every 2 shares subscribed for under the SPP Offer (**SPP Options Offer**). The SPP Options will be exercisable at \$0.0075 (0.75 cents) and expire on the date that is 2 years from the date of grant. The SPP Options Offer will be made under a prospectus to be dated on or around Monday, 16 September 2024.

The SPP Offer and SPP Options Offer are subject to the satisfaction of any one of the following conditions (**Offer Preconditions**), the Company:

- in respect of the SPP Offer, obtaining a waiver from Listing Rule 7.1 (as the issue price is at a discount of more than 20% of the 5 day VWAP up to the day the SPP was announced); or
- obtaining shareholder approval for the issue of the SPP Shares and SPP Options; or
- the Board otherwise determining that it can issue the SPP Shares or SPP Options in compliance with the Corporations Act or the ASX Listing Rules,

The SPP gives eligible shareholders a chance to increase their Sunstone shareholding at the same price as the Placement being A\$0.005 per Share (**Issue Price**).

It is intended that funds raised by the SPP Offer will be used to:

- prepare an inaugural Mineral Resource Estimate at the El Palmar copper gold project in northern Ecuador;
- fund further exploration at the high-grade Limon gold-silver discovery within the Bramaderos gold-copper porphyry project in southern Ecuador;
- advance partnership opportunities at both El Palmar and Bramaderos; and
- general working capital requirements.

Participation in the SPP Offer is entirely voluntary and is subject to the eligibility criteria on the terms and conditions set out in this booklet. The offer to acquire SPP Shares is not a recommendation, and we encourage you to seek your own professional advice regarding your participation in the SPP.

Please note that the future market price of Shares is uncertain and may be below the Issue Price. If you are an Eligible Shareholder, you may apply to purchase a parcel of New Shares ranging in amounts from A\$1,000 (200,000 Shares) to A\$30,000 (6,000,000 Shares). Full details of the SPP and how to participate are set out in the attached SPP Terms and Conditions.

The SPP Offer will open on Monday, 16 September 2024 (**Opening Date**) and will remain open for subscription until 5.00pm (Brisbane time) on Monday, 14 October 2024 (unless extended or withdrawn) (**Closing Date**).

If you wish to apply for SPP Shares, please ensure that your application and payment are received by Sunstone by 5.00pm (Brisbane time) on the Closing Date. Sunstone reserves the right to amend the timetable for the SPP at any time, including extending the Closing Date or accepting late applications, either generally or in particular cases, without notice.

The SPP Offer seeks to raise up to \$2 million (before offer costs). If the offer is oversubscribed, the Company reserves the right to accept oversubscriptions in their absolute discretion but not exceeding the threshold of \$30,000 per Eligible Shareholder. The Company may also scale back applications under the SPP in its absolute discretion, to the extent and in a manner it sees fit. SPP Shares will rank equally with the Company's existing ordinary shares on issue.

How to apply

To participate in the SPP, please carefully read the this offer booklet and the instructions on the enclosed personalised application form (**Application Form**).

Applications for the SPP can only be made online at www.computersharecas.com.au/stmspp.

Eligible shareholders may then participate as follows:

- Eligible Shareholder with a registered address in Australia: submit a BPay® payment; or
- Eligible Shareholder with a registered address in New Zealand: submit a BPay® or contact the Company to receive instructions to make an electronic funds transfer (EFT)

Please make sure your that you complete your online application and payment by 5.00pm (Sydney time) on Monday, 7 October 2024.

Enquiries

If you have any enquiries in relation to your application or the SPP, please call the Company on +61 (7) 3368 9888 or email info@sunstonemetals.com.au.

Thank you for your continued support.

Yours faithfully



Malcom Norris
Chairman

16 September 2024

Share Purchase Plan (SPP) - Terms and Conditions

Important Notice: If you apply to participate in the SPP by completing and returning the Application Form and making a BPay® or EFT payment (EFT only available to Eligible Shareholders in New Zealand), you are accepting the risk that the market price of Shares may change between the date of this offer, the date on which you send in an Application Form and make the BPay® or EFT payment and the allotment date. This means that it is possible that, up to or after the allotment date, you may be able to buy Shares at a lower price than the Issue Price.

We encourage you to seek your own professional advice regarding your participation in the SPP.

The following information sets out the terms and conditions of the SPP (**Terms and Conditions**).

1. SPP Offer

1.1. Under the SPP, Eligible Shareholders (defined below) have the opportunity to participate in the SPP Offer by subscribing for up to A\$30,000 of fully paid ordinary shares in the Company (**New Shares**) without incurring brokerage and subject to the following Terms and Conditions.

1.2. Please read these Terms and Conditions relating to the SPP Offer carefully, as you will be bound by them by participating in the SPP.

1.3. All New Shares issued under the SPP Offer will rank equally with existing Sunstone Shares from the date of issue, and carry the same voting rights, dividend rights and other entitlements as existing Shares.

1.4. All amounts referred to in these Terms and Conditions are in Australian dollars.

2. Conditional Offer

2.1 The issue of the New Shares is subject to either:

- (a) ASX granting a waiver from Listing Rule 7.1 to permit the issue of the SPP Shares at the issue price without shareholder approval; or
- (b) shareholder approval being obtained at a General Meeting.

The New Shares will not be issued until such time as the Waiver or Shareholder Approval has been obtained unless the Board determines, in its absolute discretion, to issue the SPP Shares and such issue is in accordance with the Corporations Act and ASX Listing Rules.

3. Key Dates

Event	Date
Record date for the SPP (7.00pm Sydney time)	Friday, 6 September 2024
Application for ASX Waiver ¹	Wednesday, 10 September 2024
SPP Offer opens	Monday, 16 September 2024
ASX Waiver decision	By Monday, 7 October 2024
SPP Offer closes (Closing Date) ²	Monday, 7 October 2024
Announcement of SPP participation results ²	Monday, 14 October 2024
Allotment of new shares under the SPP ²	Monday, 14 October 2024
Normal trading of SPP shares and dispatch of holding statements ²	Tuesday, 15 October 2024
General Meeting for approve of the Placement Options and SPP Options	Thursday, 24 October 2024
Grant of Placement Options and SPP Options	Monday, 26 October 2024

The above timetable is indicative only and subject to change. The SPP Offer Sunstone reserves the right to amend any or all of these dates (including extending the closing date of the SPP Offer or closing the SPP Offer early) at its absolute discretion and without prior notice subject to the Corporations Act 2001, the ASX Listing Rules and other applicable laws.

Note 1: Sunstone has applied for a waiver under ASX Listing Rule 7.1 to issue the Shares under the SPP without shareholder approval. If the ASX does not grant this waiver, the SPP may require shareholder approval at a General Meeting and the timetable will change accordingly.

Note 2: Closing of the SPP Offer (and SPP Option Offer) is subject to satisfaction of any of the Offer Preconditions.

4. Eligible Shareholders

4.1. You are eligible to participate in the SPP Offer (an **Eligible Shareholder**) if:

- (a) you were registered on the Sunstone share register as a holder of Sunstone Shares at 7.00pm (Sydney time) on Friday, 6 September 2024 (**Record Date**);
- (b) you have a registered address in Australia or New Zealand;
- (c) you are not a US Person, or are not acting for the account or benefit of, a US Person (as defined in Regulation S under the US Securities Act); and
- (d) you are eligible under all applicable securities laws to receive an offer under the SPP Offer.

4.2. Shareholders that are not Eligible Shareholder are Ineligible Shareholders.

4.3. New Shares to be allotted under the SPP have not been and will not be registered under the US Securities Act and may not be offered, sold or delivered, directly or indirectly, in or to persons in, the United States.

4.4. Eligible Shareholders can apply for a maximum of A\$30,000 worth of New Shares in aggregate under the SPP (unless you are applying as a Custodian). This limitation applies even if Eligible Shareholders receive more than one Application Form due to having multiple holdings, or if they hold Sunstone Shares in more than one capacity such as if they are a sole Eligible Shareholder and a joint Eligible Shareholder and/or an Eligible Shareholder with more than one holding under a separate account or designation.

4.5. If you choose not to participate in the SPP Offer, your right to participate lapses on the Closing Date.

5. Custodians, trustees and nominees

5.1. Eligible Shareholders who hold Sunstone Shares as a custodian, trustee or nominee (**Custodian**) may participate on behalf of each Beneficiary (defined below) on whose behalf the Custodian is holding Sunstone Shares. An Eligible Shareholder is deemed to be a Custodian under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 if it is a person that provides a custodial or depository service in relation to shares of a body or interests in a registered scheme and who:

- (a) holds an Australian financial services licence that:
 - (i) covers the provision of a custodial or depository service; or
 - (ii) covers the operation of an IDPS or is a responsible entity of an IDPS-like scheme; or
- (b) is exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
- (c) is a trustee of a self-managed superannuation fund or a superannuation master trust; or
- (d) is the registered holder of Sunstone Shares and is noted on the Sunstone register of members as holding Sunstone Shares on account of another person.

A '**Beneficiary**' is a client of a Custodian or Downstream Custodian on whose behalf the Custodian or Downstream Custodian held Sunstone Shares on the Record Date. To the extent that a Custodian holds Sunstone Shares on behalf of a Beneficiary resident outside Australia and New Zealand, it is the responsibility of the Custodian to ensure that any acceptance complies with all applicable foreign laws.

5.2. If you wish to apply as a Custodian to receive the New Shares for one or more of Beneficiaries, you must complete and submit an additional Custodian Certificate before your application for New Shares under the SPP Offer will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.

5.3. By applying as a Custodian on behalf of Beneficiaries to purchase the New Shares, the Custodian must certify (among other things) that each Beneficiary has not applied for an amount exceeding A\$30,000 across all of their holdings. Custodians should contact Sunstone's share registry (refer to contact details in 'Corporate Directory' section) to request a Custodian Certificate that contains these certifications and other details required to be provided by the Custodian.

5.4. Sunstone is not required to determine, and will not determine, the identity or residence of any beneficial owners of Sunstone Shares.

5.5. If you hold Sunstone Shares as a custodian, trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

6. Joint holders/joint beneficiaries

If two or more persons are registered on the Sunstone share register as jointly holding Sunstone Shares, they are taken to be a single registered holder of Sunstone Shares and any certification or representation given by any of them is taken to be a certification or representation given by all of them. If the same joint holders receive more than one Application Form under the SPP Offer due to multiple identical holdings, the joint holders may only apply for one maximum amount of A\$30,000 of New Shares.

7. Application procedure for New Shares

7.1. The SPP Offer opens on Monday, 16 September 2024. The SPP Offer closes at 5.00pm (Sydney time) on Monday, 7 October 2024. This date is indicative only and subject to change. The Company may vary this date without notice, including by closing the SPP Offer early, extending the Closing Date, or accepting late applications, either generally or in particular cases.

7.2. Eligible Shareholders may apply for a maximum of A\$30,000 worth of New Shares under the SPP. The following options to acquire New Shares under the SPP are available:

SPP Offer Amount	Number of shares which may be purchased
\$1,000	200,000
\$2,500	500,000
\$5,000	1,000,000
\$7,500	1,500,000
\$10,000	2,000,000
\$15,000	3,000,000
\$20,000	4,000,000
\$25,000	5,000,000
\$30,000	6,000,000

7.3. If you make a payment for a parcel of New Shares which is:

- (a) less than A\$1,000 – Sunstone will not allot any New Shares to you and the application money will be refunded without interest;
- (b) greater than A\$30,000 – subject to any Scale Back, Sunstone will allocate 6,000,000 New Shares to you in relation to A\$30,000 and will refund the excess application money to you without interest; or
- (c) for an amount between A\$1,000 and A\$30,000 that is not listed above – subject to any Scale Back, Sunstone will allocate to you the number of New Shares that would have been allocated had you applied for a parcel listed above that is nearest to but less than the amount of the payment, and will refund the excess application money to you without interest.

7.4. If you do not wish to accept the SPP Offer, you do not need to take any action and the SPP Offer will lapse on the Closing Date.

7.5. All applications for New Shares under the SPP Offer can only be made online at www.computersharecas.com.au/stmspp. If you wish to apply for New Shares under the SPP Offer, Eligible Shareholders should carefully read the instructions in the accompanying Application Form, and do one of the following:

- (a) *Australia and New Zealand residents: pay by BPAY®*

If you are paying for your New Shares by BPAY®, please refer to your personalised instructions on your Application Form. Please note that should you choose to pay by BPAY®, you do not need to complete or return the Application Form but are taken to have made the declarations, representations and warranties described in this SPP Offer Booklet and your personalised Application Form.

When completing your BPAY® payment, please make sure to use the specific Biller Code and unique reference number provided on your personalised Application Form. Funds received by BPAY® will be

regarded as applications for the maximum number of New Shares that those funds will pay for in full. If you receive more than one Application Form (e.g., where you have multiple holdings), the maximum you may invest under the SPP Offer is \$30,000.

(b) New Zealand residents only: pay by electronic funds transfer (EFT)

If you are a resident in New Zealand, and are unable to pay by BPAY®, you can pay for your New Shares by using EFT. If you wish to use this option, please contact the Company to organise EFT details:

Phone: +61 (7) 3368 9888

Email: info@sunstonemetals.com.au

Please refer to your personalised instructions on your Application Form. Please note that should you choose to pay by EFT you do not need to complete or return the Application Form, but are taken to have made the declarations, representations and warranties described in this SPP Offer Booklet and your personalised Application Form.

When completing your payment, please make sure to enter the reference number provided on your personalised Application Form. Unless you quote your reference number, your application cannot be processed. If you receive more than one personalised Application Form (i.e. where you have multiple holdings), the maximum you may invest under the SPP Offer is \$30,000.

7.6. You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® or EFT are received by 5.00pm (Sydney time) on the Closing Date.

7.7. In applying for the New Shares, you represent to Sunstone that the total of the application price for the following does not exceed A\$30,000:

- (a) the New Shares the subject of the application;
- (b) any other shares in the class applied for under the SPP or any shares in the class issued under a similar arrangement in the 12 months before the application;
- (c) any other shares in the class which you have instructed a Custodian to acquire on your behalf under the SPP; and
- (d) any other shares in the class issued to a Custodian under an arrangement similar to the SPP in the 12 months before the application as a result of an instruction given by you to a Custodian and which resulted in you holding beneficial interests in the shares.

7.8. Sunstone reserves the right to reject any application for New Shares under the SPP Offer that it believes does not comply with these Terms and Conditions and the money received from you will be refunded without interest.

8. Issue price

The issue price for New Shares will be A\$0.005 (0.5 cents) per New Share which is:

- (a) a 28.6% discount to the closing price of Sunstone Shares of A\$0.007 (0.7 cents) on Thursday 4 September 2024 (last trading day for Sunstone Shares before the announcement of the Placement and intention to conduct an SPP); and
- (b) a 34.1% discount to the 5-day VWAP up to Thursday 4 September 2024 of A\$0.0076 (0.76 cents).

You should note that Sunstone's share price may rise or fall between the date of the SPP Offer and the date when New Shares are allotted and issued to you under the SPP Offer. This means that the price you pay per

New Share pursuant to this offer may be either higher or lower than the Sunstone share price at the time of the offer or at the time the New Shares are issued and allotted to you under the SPP Offer.

Please refer to the below information under section 9 (Participation is optional) about how to monitor current trading prices of Sunstone Shares.

9. Participation is optional

Participation in the SPP Offer is entirely optional (subject to the eligibility criteria set out in these Terms and Conditions). The offer to acquire New Shares is not a recommendation.

If you are in any doubt about the SPP Offer, whether you should participate in the SPP Offer or how participation will affect you, you should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept this offer.

Sunstone also recommends that you monitor the Sunstone share price which can be found on Sunstone's website at www.Sunstonemetals.com.au or on the Australian Securities Exchange (ASX) website at www.asx.com.au (ASX code: STM). Sunstone also recommends that you monitor via the abovementioned websites any Sunstone announcements made to the ASX.

10. Issue date

10.1. Subject to the satisfaction of any of the Offer Preconditions, the New Shares are expected to be issued on or around 14 October 2024 or as soon as possible after that date.

10.2. Subject to the satisfaction of any of the Offer Preconditions, Holding statements are expected to be despatched on or around 15 October 2024. You should confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP Offer. In advance of receiving your holding statement, you can check the number of New Shares issued under the SPP Offer by visiting Computershare's website at www.investorcentre.com and following the security access instructions.

10.3. The above timetable is indicative only and subject to change. Sunstone reserves the right to amend any or all of these dates (including extending the closing date of the SPP Offer or closing the SPP Offer early) at its absolute discretion and without prior notice subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws.

11. No transfer

The SPP Offer is non-renounceable and non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase New Shares under the SPP Offer to a third party.

12. Brokerage and transaction costs

You must pay the issue price per New Share (being \$0.005 (0.5 cents) per New Share) and any fees or charges incurred by you in completing the Application Form, for example bank fees or fees of professional advisers. No brokerage or other transaction costs will apply to the acquisition of New Shares under the SPP.

13. Quotation

Sunstone will apply for New Shares issued under the SPP to be quoted on the ASX. If the New Shares are not to be quoted on ASX, the New Shares will not be issued and application funds will be refunded without interest.

14. Compliance with ASIC requirements

The SPP Offer of New Shares is made in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, which grants relief from the requirement to prepare a prospectus for the SPP Offer of New Shares.

15. Foreign Jurisdictions

(a) General Restriction

This SPP Offer booklet and accompanying Application Form do not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify the New Shares, or to otherwise permit an offering of New Shares outside Australia and New Zealand. The New Shares may not be offered in a jurisdiction outside Australia and New Zealand where such an offer is not made in accordance with the laws of that place.

The distribution of this SPP Offer booklet in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons who come into possession of this document outside Australia and New Zealand should seek advice on and observe any such restrictions. A failure to comply with these restrictions may constitute a violation of applicable securities laws.

It is the responsibility of any applicant to ensure compliance with any laws of the country relevant to their application. Payment of application money by BPAY® or EFT will be taken by the Company to constitute a representation that there has been no breach of such laws and that the applicant is physically present in Australia or New Zealand.

(b) Ineligible Shareholders

The Company is not extending the SPP Offer to Ineligible Shareholders having regard to the cost of complying with legal and regulatory requirements outside Australia and New Zealand, the number of Ineligible Shareholders and the number and value of New Shares which could be offered to Ineligible Shareholders.

Where this SPP Offer Booklet has been dispatched to Ineligible Shareholders, it is provided for information purposes only.

In limited circumstances the Company may elect to treat as Eligible Shareholders certain Shareholders who would otherwise be Ineligible Shareholders, provided the Company is satisfied that it is not precluded from lawfully issuing New Shares to such Shareholders either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous.

16. Eligible Shareholders in New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (as amended)* (New Zealand).

This SPP Offer booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This SPP Offer booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain. Application payments must be made in Australian dollars.

17. Dispute resolution

17.1. Sunstone may settle, in any manner it deems, any difficulties, anomalies, or disputes which may arise in connection with the operation of this SPP whether generally or in relation to any participant or any application for New Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.

17.2. The powers of Sunstone under these Terms and Conditions may be exercised by its Directors or any delegate or representative of the Directors.

18. Scale Back

18.1. If applications for New Shares under the SPP Offer exceed the target amount of \$2 million (before offer costs), Sunstone may, in its absolute discretion, close the SPP Offer early and/or undertake a scale back of applications for New Shares to the extent and in a manner it sees fit.

18.2. If there is a scale back, you may receive less than the parcel of New Shares for which you applied. If the scale back produces a fractional number of New Shares when applied to your issue of New Shares, the number of New Shares issued will be rounded down to the nearest whole New Share. Scale back of New Shares held by Custodians will be applied at the level of the underlying Beneficiary.

18.3. If the Company undertakes a scale back, you will receive the number of New Shares determined by the Company in its absolute discretion which may be less than the number of New Shares applied for. In this case, the difference between the application money received and the number of New Shares allocated to you multiplied by the Issue Price per Share may be refunded to you by direct credit (to your nominated account recorded on the Company's share register) as soon as practicable, without interest.

19. Acceptance of Oversubscriptions

In addition to Sunstone's right to scale back or close the SPP Offer early, Sunstone may also, in its absolute discretion, decide to increase the amount raised under the SPP and accept applications (in whole or in part) in excess of \$2 million (before offer costs), provided that the exercise of this discretion does not result in any Eligible Shareholder being issued more than \$30,000 of New Shares.

20. Waiver or withdrawal

Sunstone reserves the right:

- (a) to waive compliance with any provision of the Terms and Conditions either generally or in specific circumstances;
- (b) to amend or vary any Terms and Conditions of the SPP Offer or to suspend, terminate or withdraw the SPP Offer at any time before the issue of New Shares, in which case the Company will refund application money without payment of interest. Any amendment, variation, suspension or termination will be binding on all Eligible Shareholders even where the Company has not notified the Eligible Shareholder of that event; and
- (c) not to issue New Shares or to issue fewer New Shares than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of its Beneficiaries) if Sunstone believes that the issue of those New Shares would contravene any law or the ASX Listing Rules.

21. Representations and Warranties

By making payment (including through BPay® or EFT) or returning a Custodian Certificate, you certify, acknowledge, warrant and represent as true, correct and not misleading to Sunstone that:

- (a) you agree to be bound by the Terms and Conditions of this SPP Offer Booklet and the provisions of the Company's Constitution;
- (b) you authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (c) you declare that all details and statements made in your application are complete, accurate and not misleading;
- (d) you declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the SPP Offer;
- (e) you acknowledge your application is irrevocable and unconditional and cannot be withdrawn;
- (f) you agree to apply for, and be issued with up to, the number of New Shares that your payment of application money will pay for at the Offer Price;
- (g) you authorise the Company and its officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in your application form;
- (h) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the application form as being held by you on the Record Date;
- (i) you acknowledge that the information contained in this SPP Offer Booklet is not investment advice or a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (j) you accept the risk associated with any refund that may be dispatched to you by direct credit (to your nominated account recorded on the Company's share register);
- (k) you acknowledge that the New Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
- (l) you have not and will not send any materials relating to the SPP Offer to any person in the United States or that is, or is acting for the account or benefit of, a US Person;
- (m) if you are applying on your own behalf (and not as a custodian or nominee):
 - (i) you are not applying for New Shares with an application price of more than \$30,000 under the SPP Offer (including by instructing a custodian or nominee to acquire the New Shares on your behalf under the SPP Offer);
 - (ii) the total of the application price for the following does not exceed \$30,000:
 - (A) the New Shares the subject of the Application;
 - (B) any other Shares issued to you under the SPP Offer or any similar arrangement in the 12 months before the Application;
 - (C) any other New Shares which you have instructed a custodian to acquire on your behalf under the SPP Offer;
 - (D) any other Shares issued to a custodian in the 12 months before the Application as a result of an instruction given by you to the custodian (or another custodian

- which resulted in you holding beneficial interests in the Shares) to apply for Shares on your behalf under an arrangement similar to the SPP Offer; and
- (E) any other New Shares which you have instructed a custodian to acquire on your behalf under the SPP Offer; and
 - (F) any other Shares or interests in the class issued to a custodian under an arrangement similar to the purchase plan in the 12 months before the application as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in the Shares or interests.
- (n) you are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act (insider trading) and laws and regulations designed to restrict terrorism funding and/or money laundering);
 - (o) you represent and warrant that the law of any place (other than Australia and New Zealand) does not prohibit you from being given this SPP Offer Booklet or making an Application for New Shares;
 - (p) you acknowledge and agree that the Company may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP Offer, even if the application form is incomplete, contains errors or is otherwise defective;
 - (q) you acknowledge that the market price of the Company's Shares may rise or fall between the Opening Date and the date when New Shares are allotted, or otherwise allocated, to you under the SPP Offer and that the price you pay per New Share under this SPP Offer may exceed the market price of the Company's Shares at the time the New Shares are allotted, or otherwise allocated, to you under the SPP Offer; and
 - (r) you represent and warrant that you are, and each person on whose account you are acting is, an Eligible Shareholder and have read and understood this SPP Offer Booklet and the application form, and that you acknowledge the matters, and make the warranties and representations and agreements contained in this SPP Offer Booklet and the application form.
 - (s) if you are a Custodian and are applying on behalf of a Beneficiary on whose behalf you hold Sunstone Shares:
 - (i) you are a Custodian (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547;
 - (ii) either or both of the following apply (as applicable):
 - (A) that on the Record Date you held Sunstone Shares on behalf of one or more Beneficiaries that are not Custodians; or
 - (B) that on the Record Date another Custodian (**Downstream Custodian**) held beneficial interests in Sunstone Shares on behalf of one or more other persons (each a Beneficiary), and you hold the shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian;
 - (iii) each Beneficiary has subsequently instructed either you or the Downstream Custodian (as applicable) to apply for New Shares on their behalf under the SPP;
 - (iv) the details of the number of Beneficiaries instructing you to participate, the name and address of each Beneficiary and in respect of each such Beneficiary:
 - (A) the number of Sunstone Shares that you hold on behalf of that Beneficiary; and
 - (B) the dollar amount of New Shares that the Beneficiary, or its agent, has instructed you (or the Downstream Custodian) to accept on behalf of the Beneficiary (as set out in the Application Form or the Custodian Certificate),

is true and correct;

- (v) there are no Beneficiaries in respect of whom the total of the application value for the following exceeds A\$30,000:
 - (A) the New Shares applied for by you under the SPP on their behalf; and
 - (B) any Sunstone Shares issued to you in the previous 12 months as a result of an instruction given by the Beneficiary to you or a Downstream Custodian to apply for Sunstone Shares on their behalf under an arrangement similar to the SPP;
- (vi) a copy of this offer document was given to each Beneficiary; and
- (vii) the name and address of any Downstream Custodian who holds beneficial interests in the Sunstone Shares held by you in relation to each participating Beneficiary is true and correct;
- (t) neither Sunstone nor Computershare Investor Services Pty Limited has provided you with investment advice or financial product advice, and neither has any obligation to provide this advice, concerning your decision to apply for New Shares;
- (u) Sunstone is not liable for any exercise of its discretion referred to in these Terms and Conditions; and
- (v) your acceptance of an offer under these Terms and Conditions will not result in any person breaching the 20% limit imposed by section 606 of the Corporations Act.

22. Privacy

By receiving completed Application Forms, Sunstone collects personal information about shareholders. Sunstone will use this information for the purposes of processing the Application Form, updating its records and administering the shareholder's holding of New Shares. By submitting an Application Form, each eligible shareholder agrees that Sunstone may use the information provided by such eligible shareholder on the Application Form for the purposes set out in this privacy statement and may disclose it for those purposes to the share registry and Sunstones related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to other regulatory authorities.

Under the Privacy Act 1988 (Cth), shareholders may request to access their personal information held by, or on behalf of, Sunstone or the share registry. For further details, including how to access your personal information, please contact us.

23. Governing law

These Terms and Conditions are governed by the laws in force in Queensland, Australia. By accepting an offer under these Terms and Conditions you submit to the non-exclusive jurisdiction of the Courts of Queensland, Australia.

This document has been prepared for publication in Australia and New Zealand and any other jurisdictions where it complies with relevant laws. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any jurisdiction where it may be illegal to do so. In particular, the securities referred to in this document have not been, and will not be, registered under the United States Securities Act of 1993 as amended (**US Securities Act**), and may not be offered or sold in the United States or to or for the account or benefit of **'US Persons'** (as defined in Regulation S under the US Securities Act) in the absence of registration or an available exemption from registration.

Corporate Directory

Directors

Mr Malcolm Norris – Non-Executive Chairman

Mr Patrick Duffy – CEO & Managing Director

Mr Stephen Stroud – Non Executive Director

Mr Neal O'Connor – Non Executive Director

Company Secretary

Mr Lucas Welsh

Website

www.sunstonemetals.com.au

Registered office

9 Gardner Close

Milton QLD 4064

AUSTRALIA

Share Registry

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