

Continued progress on potential corporate transactions aimed at unlocking value of major copper-gold discoveries

Further site visits set for June Quarter as part of ongoing due diligence being conducted by global majors

Highlights

Partnership discussions

- Ongoing due diligence underway with several parties, with further site visits to both the Bramaderos Project and the El Palmar Project planned in the June Quarter
- Due diligence activities cover a range of potential outcomes, including corporate transactions and farm-out agreements on either or both of Bramaderos and El Palmar
- Additional parties continue to express interest in taking part in the process, with requests for confidentiality agreements

El Palmar Gold and Copper Project, Northern Ecuador

- Maiden Mineral Resource estimate (MRE) of 1.2Moz AuEq^{1,2} based solely on the outcropping T1 gold-copper porphyry target, which is one of several gold-copper porphyry deposits at El Palmar. T1 has potential to be a large open pit opportunity before undertaking exploration and development of the deeper porphyry opportunities
- A high conviction Exploration Target of between 15M to 45Moz AuEq² has been identified at El Palmar consisting of 1.0Bt to 1.2Bt at a grade between 0.3g/t to 0.7g/t gold and 0.1% to 0.3% copper for contained metal of between 10Moz and 27Moz gold and 1.0 to 3.7Mt copper
- The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Resource for the exploration target area reported. It is uncertain if further exploration will result in the estimation of a Resource

Bramaderos gold-copper porphyry Project, Southern Ecuador

- MRE of 2.7Moz AuEq^{3,4} at the Brama-Alba gold-copper porphyry deposit which is complemented by a porphyry Exploration Target of between 3.3Moz and 8.6Moz AuEq⁴ within 255Mt to 360Mt at a grade between 0.40 and 0.74g/t AuEq⁴
- An Exploration Target at the nearby Limon gold-silver epithermal deposit of 0.9M and 1.7Moz AuEq⁶ within 30Mt to 44Mt at a grade between 0.9 and 1.2g/t AuEq^{5,6} highlights the potential for Limon to be established as an open-pit development to complement and unlock the broader Bramaderos porphyry gold-copper-silver discoveries
- Trench sampling results at the Copete gold-copper porphyry target have confirmed further significant surface porphyry gold-copper mineralisation, taking the Bramaderos cluster of gold-copper mineralised bodies at surface to an area of 2km x 1.8km, highlighting the potential for a large open pit operation.

Corporate highlights

- **\$4.0M raised (before fees) in March/April 2025 via an institutional share placement at 0.5 cents per share**
- **Expenditure reduced by \$0.6M, down 24% from the December 2024 quarter**
- **Cash at 31 March 2025 was \$0.9 million (unaudited)**

Subsequent to 31 March 2025, 17,750,000 options have been converted to shares at a strike price of \$0.0075. These options had been issued to subscribers in the September 2024 Placement and October 2024 Share Purchase Plan. For any shareholders who would like to enquire about the process to convert options to shares, please email info@sunstonemetals.com.au.

Partnership Discussions

Sunstone has been pursuing partnership opportunities to unlock the value of its substantial gold and copper discoveries. This process has involved several parties accessing Sunstone's data room and undertaking site visits. Several opportunities and structures have been explored, with some more advanced than others, including:

- Corporate level transactions;
- Project level joint venture earn-in agreements; and
- Combinations with complementary nearer-term development assets.

As a result of these discussions, an attractive opportunity has advanced to the stage where, in the short term, a confidential and incomplete non-binding indicative offer could be finalised. This would be followed by a confirmatory diligence phase. The Company is engaging with the party and is well advanced in its due diligence investigations in relation to the proposal and associated transaction risks.

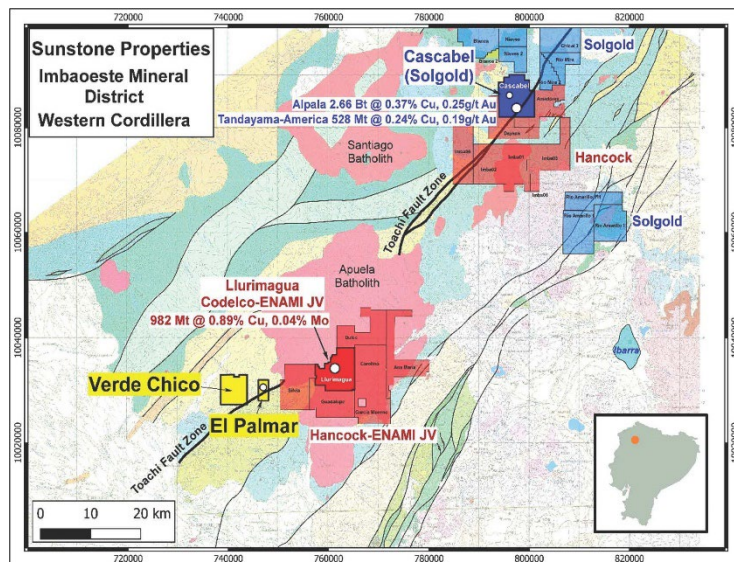
The Company is separately progressing due diligence and commercial discussions for a material business transaction, which could result in a nearer-term gold development asset, currently privately owned, being combined with Sunstone's two large gold-copper assets. The Company has hosted an asset site visit and continues to engage with the major shareholders to discuss and evaluate the strategic rationale of the combination.

Additional parties continue to express interest in taking part in the process, with requests for confidentiality agreements, and further site visits planned in the June Quarter.

At this stage, timeframes are unknown, and there is no certainty or assurance that any proposals will be received or, if received, will be acceptable, either in principle or otherwise, or will result in a binding transaction. The Company believes that confidentiality has not been lost in relation to the discussions mentioned above, and the Company will provide further information when appropriate under its continuous disclosure obligations.

Exploration and Development Activities

1. El Palmar Copper-Gold Project (Sunstone 74.5%, to acquire 100%)



El Palmar is located in northern Ecuador, 60km north-west of Ecuador's capital, Quito. Under a Staged Acquisition Agreement, Sunstone holds 74.5% and may move to 100% for a payment of US\$1.7M by 30 June 2026.

El Palmar is made up of five gold-copper porphyry targets which sit on and around the Toachi fault zone which also hosts the nearby 2.7Bt Cascabel deposit and the 1Bt Llorimagua deposit.

During the December Quarter, Sunstone announced the inaugural Mineral Resource estimate and initial Exploration Target at El Palmar.

Figure 1: Location of the El Palmar and Verde Chico projects relative to the giant Llorimagua, Alpala and Tandayama- America (Cascabel project) porphyry deposits, and the Toachi fault system. Also shown are the concessions held by ENAMI that surround Llorimagua, and which Hanrine (subsidiary of Hancock Prospecting) have committed to spend US\$120 million to earn 49%.

Mineral Resource Estimate

Based on drilling to date at the T1 target at El Palmar, the Company released the inaugural Mineral Resource estimate (MRE) for the T1 target at El Palmar on 22 October 2024 of 64Mt at 0.60g/t AuEq^{1,2} (0.41g/t gold, 0.13% copper and 0.7g/t silver) for 1.2Mozs AuEq².

Category	Tonnage Mt	Average Grade					Material Content			
		AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (ppm)	Cu (%)	AuEq (Koz)	Au (Koz)	Ag (Koz)	Cu (Kt)
Indicated	5	0.63	0.42	0.81	1,456	0.15	100	100	100	7
Inferred	59	0.59	0.40	0.65	1,290	0.13	1,100	700	1,200	70
TOTAL	64	0.60	0.41	0.66	1,301	0.13	1,200	800	1,300	80

The MRE is based on 21 drill holes for 17,699m of drilling (18 drilled by Sunstone in the period August 2021 to July 2022 and 3 drilled by Codelco in 2012) and 1,498 linear metres of trenching in 5 trenches.

¹ Refer ASX Announcement on 22 October 2024.

² The gold equivalent calculation formula for the El Palmar gold-copper porphyry 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 applied were US\$1,800/oz gold, US\$4.50/lb copper and US\$22/oz silver. Recoveries are estimated at 90% for gold, 78% for copper (excluded for oxide material), and 60% for silver based on metallurgical studies. In Sunstone's opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold.

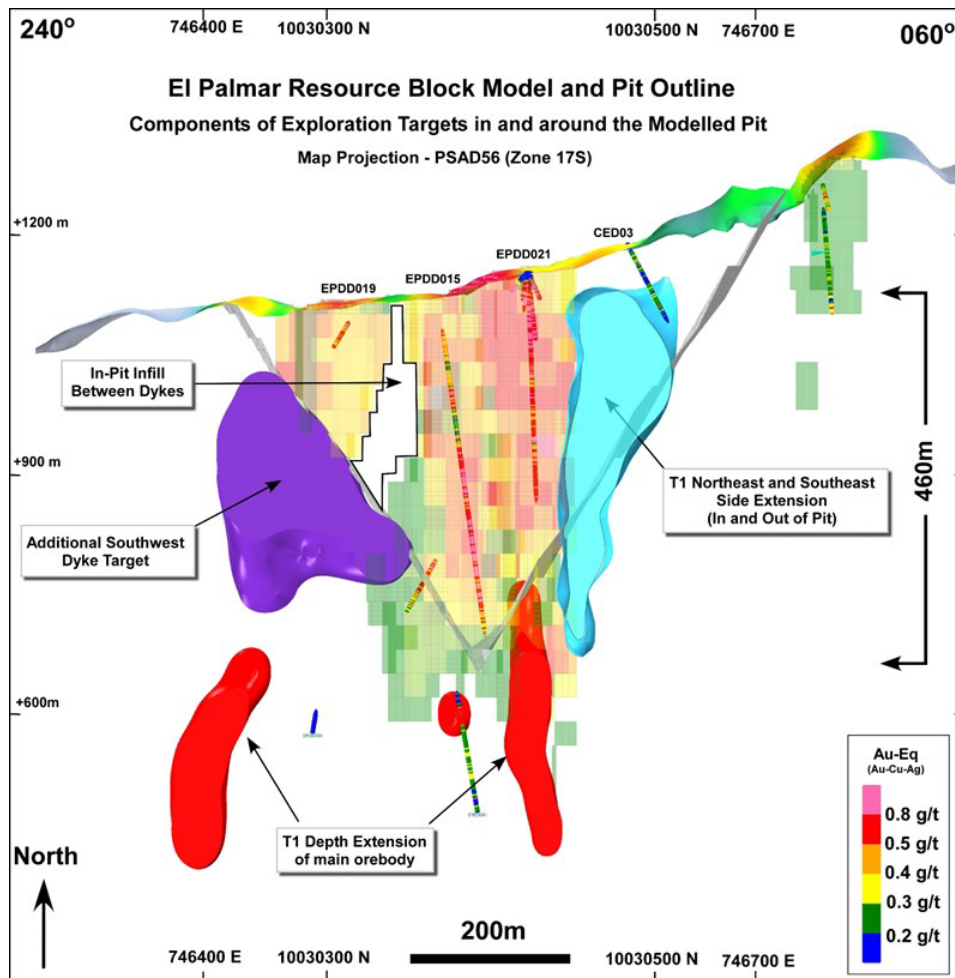


Figure 2: El Palmar T1 resource block model for grades >0.2 g/t Au-Eq and pit outline along a 240-060° cross-section and showing the exploration targets which are located within, on the sides, and immediately below the modelled T1 open pit.

T1, which is at surface, is one of five target gold-copper porphyry deposits at El Palmar, and has the potential to be advanced as a large open pit opportunity before undertaking exploration and development of the deeper porphyry opportunities. This MRE establishes a strong platform on which to build a world-scale gold and copper resource inventory at El Palmar.

Exploration Target

In addition to the inaugural MRE, the Company announced¹ an initial Exploration Target for El Palmar of 1.0Bt and 1.2Bt at a grade between approximately 0.3g/t to 0.7g/t gold and approximately 0.1% to 0.3% copper for contained metal of between 10Mozs to 27Mozs gold and 1.0Mt to 3.7Mt copper.

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 Exploration Target comprises material from the T1, T2 and T3 targets and extends across an area of 1.6km x 1.1km. It includes near-surface mineralisation and deeper mineralisation to depths of 1,500m below surface. The areas of mineralisation captured in the Exploration Target are of high conviction, geologically robust domains consistent with high aspect ratio, clustered porphyry gold-copper deposits. There is potential for the copper content to increase in areas interpreted to be central to the porphyry systems.

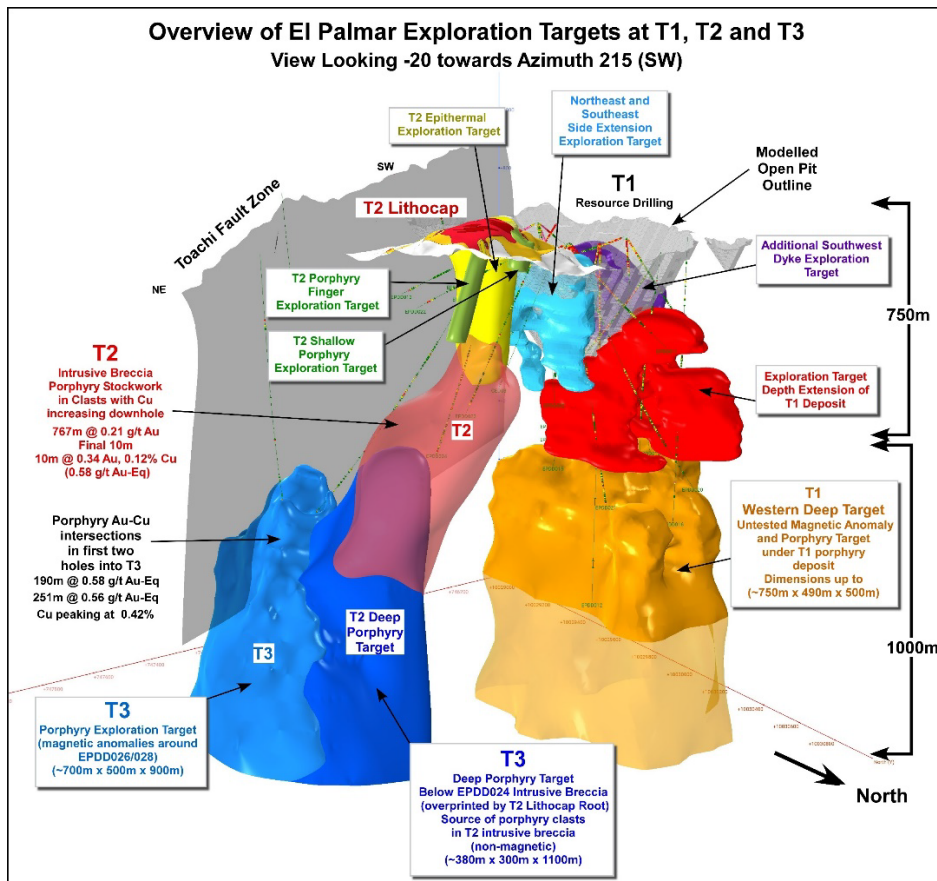
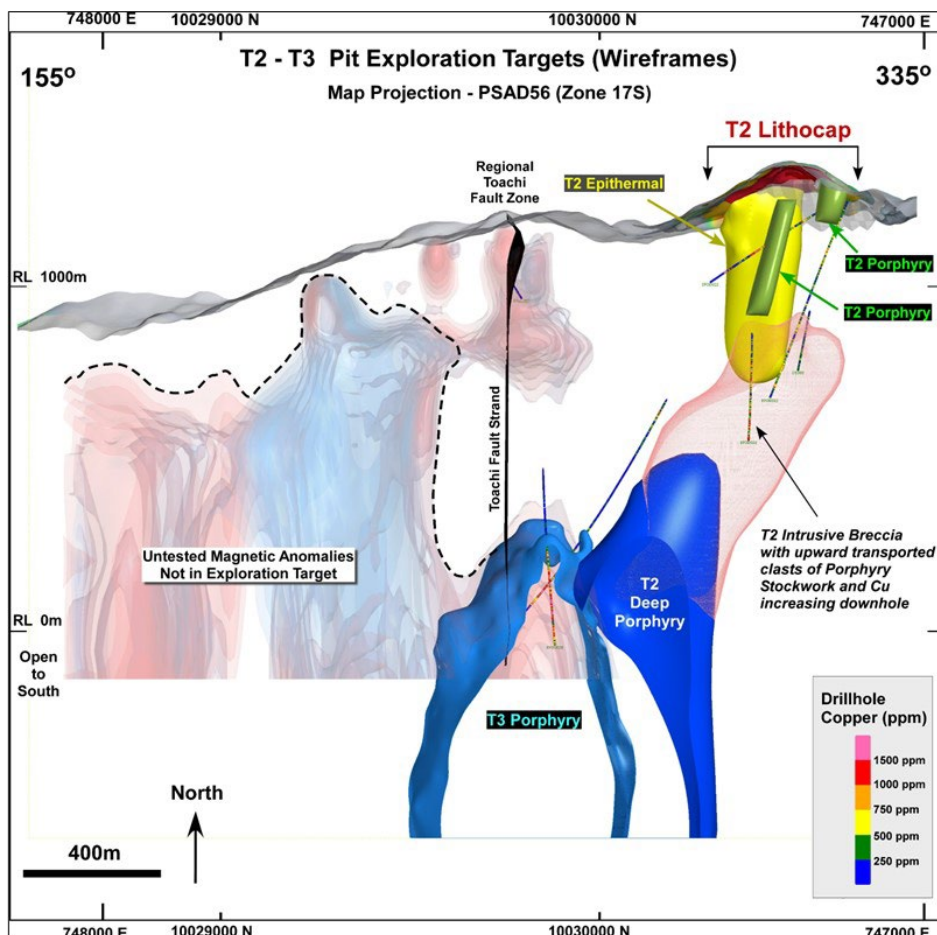


Figure 3: Overview of 9 of the 10 exploration targets defined on the El Palmar concession. View is looking at -20 degrees towards azimuth 215°.



As the Exploration Target has been estimated from only three of the five target deposits, there is still immense potential to grow at El Palmar, including in the larger untested magnetic anomalies as highlighted in Figure 4.

Figure 4: Cross section showing the T2-related Exploration Targets from surface extending to depth to the large T3 target. Note that the MRE and pit are located 'behind' this image to the west (refer to Figures 2 & 3).

Verde Chico Project

Sunstone is acquiring the Verde Chico Project through a Staged Acquisition Agreement (signed on 23 September 2022). Verde Chico is located to the west of Sunstone's El Palmar gold-copper porphyry discovery in northern Ecuador and quadruples Sunstone's land position to 3,672ha in this prospective belt in northern Ecuador.

The initial exploration activities at Verde Chico have included rock chip sampling and stream sediment sampling programs, along with formal community agreements and environmental baseline surveys. Further soil sampling, geological mapping and rock chip sampling have commenced.

2. Bramaderos Gold-Copper Project (Sunstone 87.5%)

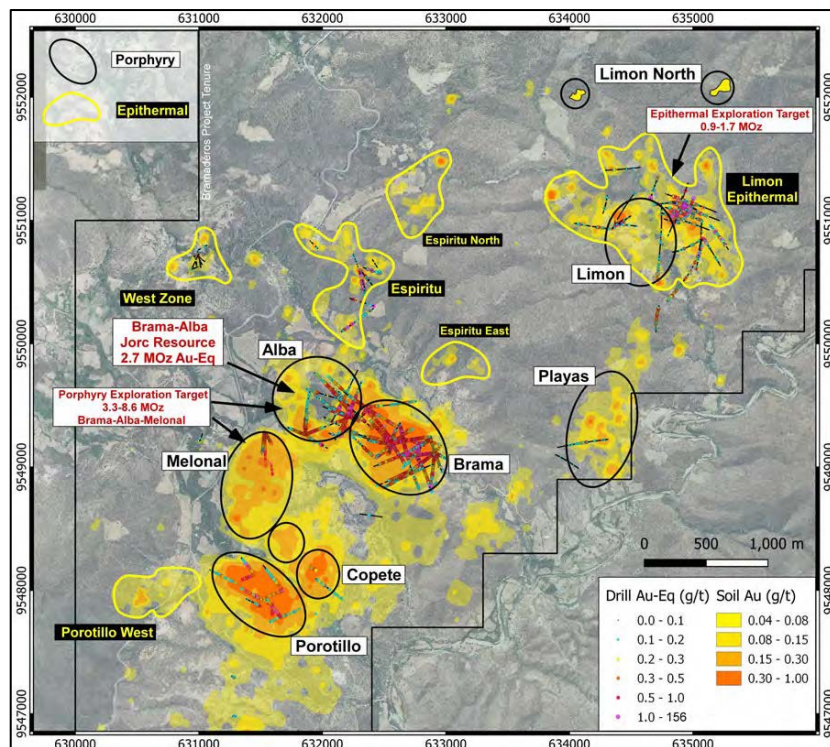


Figure 5: Bramaderos gold in soil contours showing the main porphyry and epithermal domains

The Bramaderos Project is ideally located immediately adjacent to the Pan American highway in southern Ecuador, and within a reasonable distance of available grid power, supporting the economics of potential future development opportunities. The project has gentle topography with an average elevation of around 1,100m above sea level. It is also supported by nearby commercial airports and significant population centres such as the city of Loja, and has strong community support.

Brama-Alba deposit

The Brama-Alba deposit, within the Bramaderos concession, contains an initial Mineral Resource estimate of 156Mt at 0.53g/t AuEq for 2.7Moz AuEq^{3,4}

JORC Classification	Tonnage (Mt)	Au (g/t)	Cu (%)	Ag (g/t)	AuEq (g/t)	AuEq ⁴ (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
Total	156	0.35	0.11	1.3	0.53	2.7

³ Refer ASX Announcement on 13 December 2022.

⁴ The gold equivalent calculation formula for porphyry gold-copper-silver mineralisation at Bramaderos 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.

In addition, the Bramaderos Project has a porphyry Exploration Target of between 3.3Moz and 8.6Moz AuEq⁴ within 255Mt to 360Mt at a grade between 0.40 and 0.74g/t AuEq⁴, and the Limon epithermal gold-silver Exploration Target of 0.9 - 1.7Moz AuEq⁶ within 30Mt - 44Mt at a grade between 0.9 - 1.2g/t AuEq^{5,6}.

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.

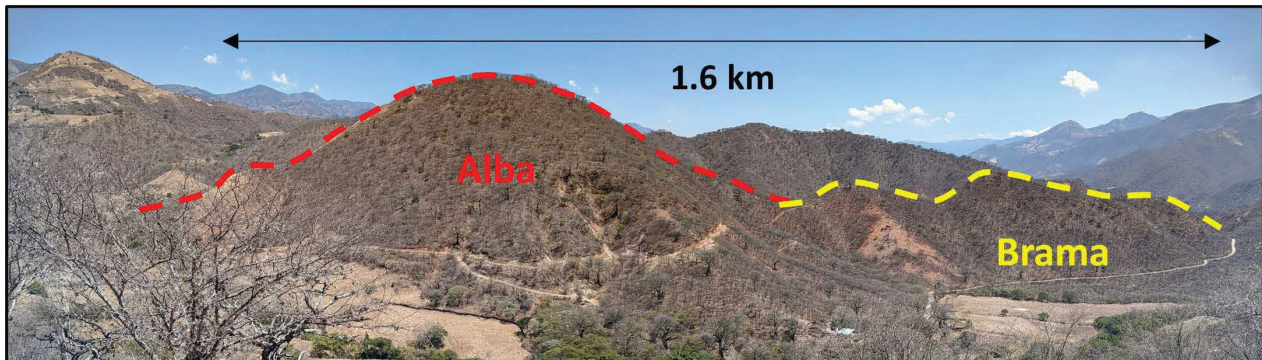


Figure 6: Panorama of the valley hosting the Brama and Alba deposits, showing the porphyry systems emerging at surface. The Limon area is behind these hills.

Limon gold-silver epithermal deposit

Located 2.7km northeast of the Brama-Alba-Melonal gold-copper porphyry deposits, the Limon gold-silver epithermal discovery moved from discovery to Exploration Target in less than ten months and new high-grade results from recent drilling continue to expand the size of Limon.

The Limon gold-silver epithermal has an exploration target of between 0.9 and 1.7Moz AuEq within 30 to 44Mt at a grade between 0.9 and 1.2g/t AuEq^{5,6}.

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.

Importantly, the higher-grade Limon deposit allows for a scalable, lower capital cost operation to be first built, before developing the much larger porphyry opportunities at Bramaderos.

⁵ Refer ASX Announcement on 5 February 2024.

⁶ The gold equivalent calculation formula for the Limon epithermal gold-silver mineralisation is $\text{AuEq(g/t)} = \text{Au(ppm)} + (\text{Ag(ppm)}/82)$. 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. In Sunstone's opinion all the elements included in the metal equivalents calculation have reasonable potential to be recovered and sold

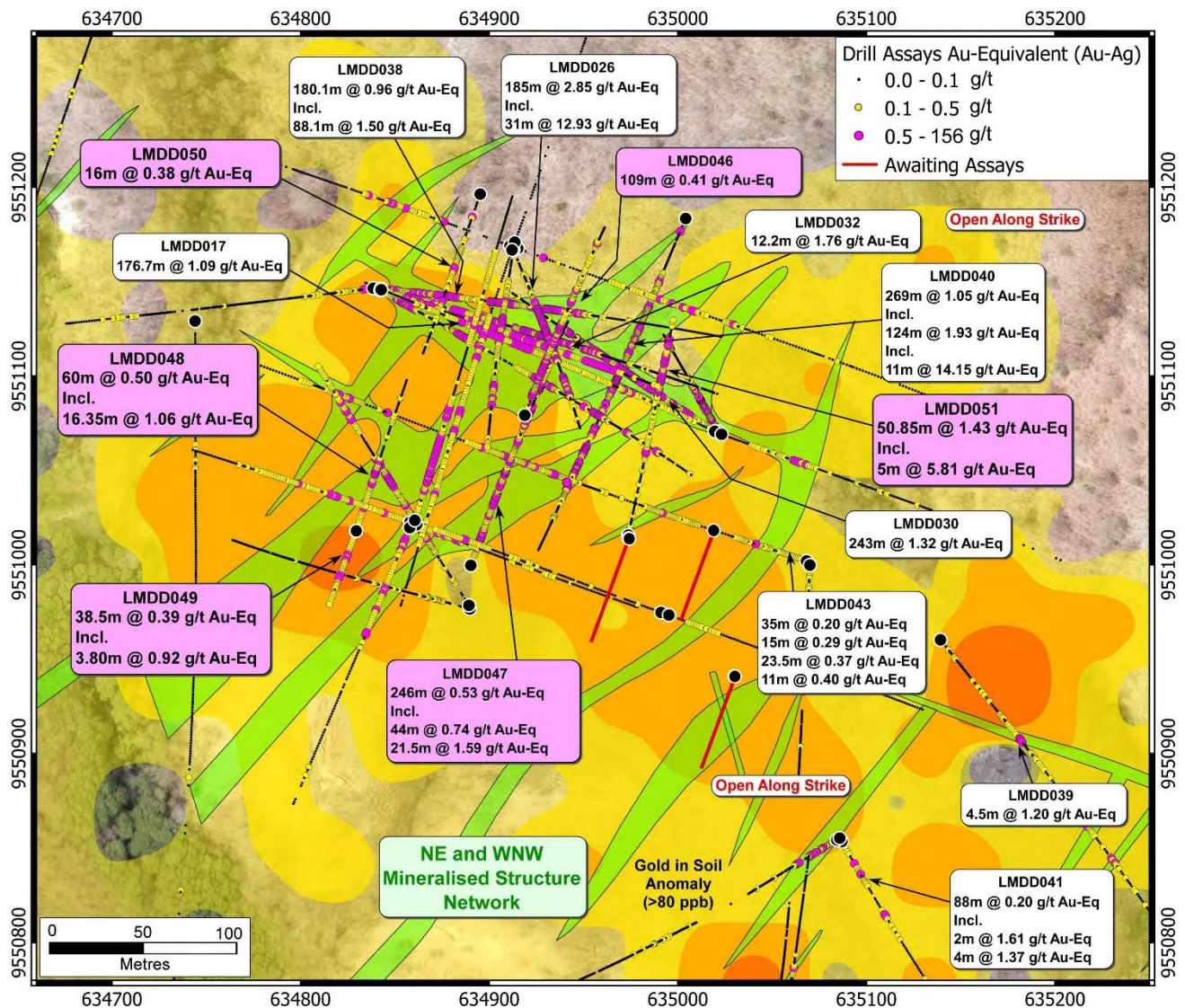


Figure 7: The Limon epithermal gold-silver system in plan view, showing multiple mineralised structures in green. High-grade domains are at intersections of NE and WNW trending structures. Recent intersections in holes LMDD048-051 extend mineralisation on the western and eastern sides of the Limon epithermal system. Several additional targets have been defined based on gold-in-soil and zinc-in-soil anomalies, and structural interpretation.

Copete gold-copper porphyry discovery⁷

The new Copete gold-copper porphyry discovery is in addition to the previously released Bramaderos Project porphyry Exploration Target of 3.3 – 8.6Moz AuEq within 255Mt to 360Mt at a grade between 0.40 and 0.74g/t AuEq^{4,8} and therefore presents significant scope for that Bramaderos Exploration Target to be increased. The potential tonnage, grade and quantity 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.

⁷ Refer to ASX Announcement on 18 November 2024.

⁸ Refer ASX Announcement on 13 December 2022.

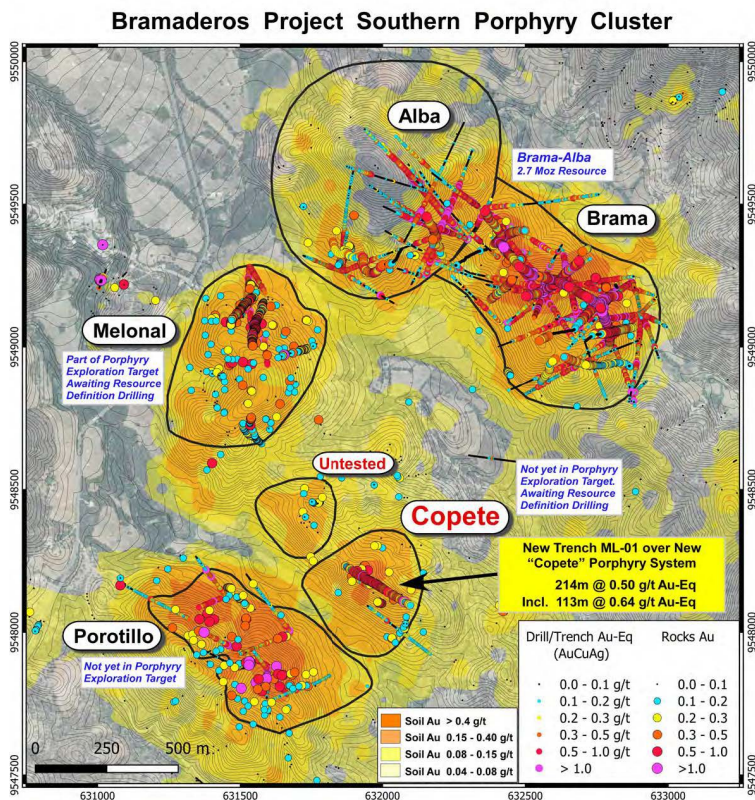


Figure 8: Plan map showing the distribution of porphyry gold-copper targets in the immediate vicinity of the Brama-Alba MRE at Bramaderos that are associated with gold anomalism in soil samples (backdrop to image).

The Copete target remains largely under-explored, with no drilling by Sunstone – but now with a coherent and wide mineralised trench intersection, a 3-D modelled magnetic anomaly plunging to the SE comparable to that seen at Brama and mapped stockwork veining interpreted to represent the upper levels of an intact porphyry system.

The Copete discovery means Sunstone has now outlined a 1.8km-long cluster of porphyry gold-copper mineralised intrusions across the Melonal – Copete trend. This trend runs parallel to the Brama-Alba trend and is located only a few hundred meters to the south (see Figure 8).

Corporate

The Company's unaudited cash position for 31 March 2025 was approximately A\$0.9 million, and the value of tradeable equity investments was approximately A\$0.1 million. The Quarterly Cashflow Report (Appendix 5B) for the period ending 31 March 2025 provides an overview of the Company's financial activities.

As announced on 27 March 2025, the Company raised \$4.0 million via a Placement, while the majority of the funds were received in April 2025, A\$0.7M was received prior to the end of March 2025. The equity raising provides working capital for the Company to progress the ongoing corporate discussions to a conclusion.

Exploration expenditure for the reporting period was A\$1.5 million (December quarter A\$1.8 million) with activities in the current quarter limited to surface soil sampling and mapping activities.

Corporate and other expenditure (including property, plant, and equipment) amounted to A\$0.5 million (December quarter A\$0.9 million), with the prior quarter including A\$0.2 million of redundancy costs at the corporate level as part of management's cost reduction exercises. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was A\$0.3 million and includes salary, superannuation and directors' fees.

As the Company is an exploration entity, no sales revenue has yet been generated from product sales. Sunstone has primarily funded its activities through the issuance of equity securities. It is expected that the Company will be able to fund its future activities through further issuances of equity securities and consideration of project-level strategic partnerships.

Shareholder Information

On 27 March 2025, the Company announced a raise of A\$4,000,000 (before costs) through the issue of 800,000,000 shares via a Placement. While the shares were issued on 2 April 2025, A\$727,000 of funds were received prior to 31 March 2025.

Issued Shares	ASX: STM
Opening balance 31 December 2024	5,149,903,636
Options exercised	100,000
Closing balance at 31 March 2025	5,150,003,636

Subsequent to the 31 March 2025 quarter end, 17,750,000 options were converted to shares at a strike price of \$0.0075. These options had been issued to subscribers in the September 2024 Placement and October 2024 Share Purchase Plan. For any shareholders who would like to enquire about the process to convert options to shares, please email info@sunstonemetals.com.au.

Notes Specific – March 2025 Quarter ASX Announcements

The following announcements, which relate to information in this Quarterly Report, were lodged with the ASX. Further details (including JORC 2012 Code Reporting Tables, where applicable) for the results summarised above can be found in the announcements:

Proposed issue of securities	27 March 2025
Sunstone raises \$4M in share placement	27 March 2025
Trading halt	26 March 2025
Corporate Update	26 March 2025
Half year accounts	13 March 2025
Application for quotation of securities	28 January 2025
Quarterly Activities/Appendix 5B Cash Flow Report	22 January 2025

Tenement Schedule

At the end of the quarter, the Company holds the following tenements:

Gold-copper tenements - Ecuador

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Bramaderos S.A.	Bramaderos ^A	Loja, Ecuador	Granted	87.5%
Bramaderos S.A.	Bramaderos 02	Loja, Ecuador	Granted	87.5%
Bramaderos S.A.	Cueva de Leon	Loja, Ecuador	Granted	87.5%
Golden Exploration Ecuador S.A.	Los Mandariyacus (El Palmar) ^B	Imbabura, Ecuador	Granted	74.5% ^B
Compania Minera Verde Chico CIA Ltda	Verde Chico ^C	Imbabura, Ecuador	Granted	0%

Notes

A: Sunstone announced on 7 January 2020 that the terms of the Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (subsequently merged with SolGold PLC) had been amended to provide Sunstone with an immediate 87.5% interest and SolGold with a loan carried 12.5% interest in Bramaderos S.A. (formerly named La Plata Minerales S.A.) the holder of the Bramaderos concession.

B: Sunstone announcement 12 August 2020 regarding a Staged Acquisition Agreement for 100% of the El Palmar project. Sunstone currently holds 74.5% and can acquire the remaining 25.5% by 30 June 2026.

C: Sunstone announcement 21 June 2022 regarding a Letter of Intent to acquire 100% of the Verde Chico Project, located to the west of Sunstone's El Palmar gold-copper porphyry discovery in northern Ecuador, through a Staged Acquisition Agreement, signed 23 September 2022, from the Verde Chico Group.

Competent Persons Statement

The information in this report that relates to exploration 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.

The information in this report that relates to Exploration Targets 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.

The information relating to the Bramaderos Mineral Resource is extracted from the ASX announcement on 13 December 2022. The information relating to the El Palmar Mineral Resource is extracted from the ASX announcement on 22 October 2024. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements 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 for their respective Mineral Resource estimates have not been materially modified from the original market announcements.

Information on Exploration Targets

Bramaderos

The Bramaderos porphyry Exploration Target within the Bramaderos concession is estimated from 3 areas – the extensions to the Brama-Alba system that are not captured in the Mineral Resource estimate (MRE), and mineralisation drilled at the targets of Melonal and Limon porphyry mineralisation.

The Exploration Target does not include known porphyry mineralisation at Sandia, Porotillo, Playas, Copete or Yeso. It was decided to not include these areas because Sunstone has not yet completed any or sufficient drilling in these areas. Some historical drilling has been completed at Porotillo. Further work in these areas will be undertaken and they are expected to contribute to an expanded Exploration Target in future.

Several areas of mineralisation have been identified outside of the area of the MRE. The MRE captured all material within a ‘Mineralisation Wireframe’, and within an economically modelled pit. Some drill holes that intersected mineralisation are outside the mineralisation wireframe, and either within or outside the pit. Inadequate drilling exists in these areas to show continuity. Furthermore, the effect of the reasonable prospects of economic extraction was to exclude 14% of material. This material has been captured in the Exploration Target.

Six domains were identified as having clear potential for additional mineralisation and these were reviewed either on a depth slice basis, or a block basis. Volumes were calculated and grade was assigned based on nearby data and on comparison with the overall Brama-Alba grade.

The Melonal target is a continuation of the Brama-Alba system. It is geologically grouped with Brama-Alba. Recent drilling by Sunstone, and historical drilling from 2007, has confirmed that the Melonal target is mineralised, and that mineralisation is hosted in rocks the same as those drilled at the nearby Brama-Alba deposit. The mineralised rocks are coincident with a discrete sub-vertical magnetic anomaly measuring up to

400m in diameter, and with a vertical extent of over 1,000m. The Exploration Target for Melonal was considered to a depth of 500m. The Melonal target straddles the approved Bramaderos-01 and Bramaderos-02 concessions.

Sunstone has drilled 8 effective diamond holes at the Limon porphyry target. Mineralisation has been intersected in a number of holes. A trench (LM_TR_01) was completed at Limon prior to drilling in an area of outcropping stockwork veining and minor secondary copper mineralisation. It returned 97m at 0.73g/t gold and 0.23% copper. A recent hole drilled under the trench has intersected similar stockwork veined intrusive and contains chalcopyrite.

This area around Trench TR_LM_01 has been included in the porphyry Exploration Target where more drilling is required to allow inclusion in a Mineral Resource estimate.

This target area will be further explored with drilling programs to be executed over the next two years, subject to the Company's funding ability.

Limon epithermal

The Limon epithermal Exploration Target was estimated on target prospects where there was a combination of diamond drilling (by Sunstone), geological mapping, trenching, geochemistry (soils) and to a lesser extent geophysical data (magnetics) which could support the geological and mineralisation concept model.

The Limon alteration area has been covered with soil sampling on a 50m x 50m grid. This survey is an important exploration method which identified several gold-in soil anomalies that are primary targets for drilling. The soil geochemical data is further interpreted using related element associations typical of epithermal systems, such as areas of somewhat coincident gold, silver, zinc, lead, copper, tellurium and arsenic. Target areas have also been strengthened using alteration mineralogy from a hand-held Terraspec instrument. These data assist in mapping the alteration zones most likely to be associated with epithermal mineralisation.

Drilling at Limon has also intersected a high sulphidation system in holes LMDD004 and 006, which included intersections of 13.3m at 0.43% copper and 0.11g/t gold, within 59.6m at 0.16% copper.

Standard geological mapping and rock chip sampling has also been undertaken across the Limon target area.

The volume ranges for the initial Exploration Target in the Central Shoot were estimated using cross sections and 3-D modelling in Leapfrog software, based upon an analysis of drilling, mineralised rock types, grade distribution, potential for extrapolation of mineralisation continuity and interpreted geological risk.

The volume ranges for the other components were estimated from geological interpretation and guided by extent of surface geochemical anomalism, supplemented by preliminary drilling. A conservative approach was taken to the potential distribution of gold and silver bearing veins.

This target area will be further explored with drilling programs to be executed over the next two years, subject to the Company's funding ability.

El Palmar

The Exploration Target within the El Palmar concession is estimated from within the T1, T2 and T3 areas.

The Exploration Target does not include interpreted or known porphyry mineralisation at the T4 and T5 target areas. It was decided to not include these areas because Sunstone has not yet completed any drilling at T4 and has conducted only minor drilling at T5. Further work in these areas will be undertaken and they are expected to contribute to an expanded Exploration Target in future.

The components of the exploration target are based on a combination of diamond drilling conducted by Codelco (during 2012) and by Sunstone (during 2022 and 2023), ground magnetics, multi-element soil sampling, multi-element rock chip and channel sampling, multi-element trench sampling and deep magnetic inversion anomalies modelled from ground magnetic data.

Wireframes of the areas within the Exploration Target areas were created in Leapfrog software using data interpreted from the Mineral Resource block model, iso-surface contours of modelled magnetic intensities, and grade ranges in available diamond drill holes. The volumes were multiplied by a specific gravity of 2.72g/cc (the average density of the T1 resource) to determine the tonnage range of the target. Grade ranges were determined with reference to drill intersection and surface rock chip assays.

The next step in testing these targets is primarily diamond drill testing. The targets have been adequately defined, but drill programs still require detailed planning regarding the number of drill holes, their azimuths, dips, and final depths. Drilling of these targets will be undertaken over the next two years, subject to the company's funding availability.

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Australian Stock Exchange

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Computershare Investor Services

Phone: 1300 850 505

Website: www.computershare.com.au

Registered office

Level 31, 120 Collins St

Melbourne Victoria 3000

Phone: 03 7044 2627

Issued capital

At 31 March 2025:

Ordinary shares: 5,150,003,636 (STM)

Unlisted Performance Rights: 173,176,005 (STMAS)

Unlisted Options: 662,399,999 (STMAL)

Directors (as at 31 December 2024)

Malcolm Norris – Non-Executive Chairman

Patrick Duffy – CEO & Managing Director

Neal O'Connor – Non-Executive Director

Stephen Stroud – Non-Executive Director

Company Secretary

Lucas Welsh

For further information please visit www.sunstonemetals.com.au or contact:

Sunstone Metals Limited

T: 03 7044 2627

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www.sunstonemetals.com.au

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

SUNSTONE METALS LIMITED

ABN

68 123 184 412

Quarter ended ("current quarter")

31 MARCH 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation			
(b) development			
(c) production			
(d) staff costs		(328)	(1,308)
(e) administration and corporate costs		(212)	(1,018)
1.3 Dividends received (see note 3)			
1.4 Interest received		9	45
1.5 Interest and other costs of finance paid			
1.6 Income taxes paid			
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)			
1.9 Net cash from / (used in) operating activities		(531)	(2,281)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements			
(c) property, plant and equipment			(149)
(d) exploration & evaluation		(1,514)	(6,393)
(e) investments			
(f) other non-current assets			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(1,514)	(6,542)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	727	7,370
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		(298)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	727	7,072

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,267	2,669
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(531)	(2,281)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,514)	(6,542)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	727	7,072

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(5)	26
4.6	Cash and cash equivalents at end of period	944	944

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	944	2,252
5.2	Call deposits		16
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	944	2,267

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	267
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(531)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,514)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,045)
8.4 Cash and cash equivalents at quarter end (item 4.6)	944
8.5 Unused finance facilities available at quarter end (item 7.5)	0
8.6 Total available funding (item 8.4 + item 8.5)	944
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes, noting that the remainder of a \$4M equity raise was received in the first week of April (\$0.7M of this raise was received in the last week of March). After fees for the placement, the balance post receipt of remaining funds on 1 April was \$3.9M.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: As a junior explorer the Company is at all times considering opportunities for funding its business. The Company has a track record of successfully raising funds to deliver discoveries and expects to be able to fund the planned activities outlined in the Quarterly Report.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes – it is expected that the Company will be able to fund its future activities through further issuances of equity securities and consideration of project-level strategic partnerships.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025

Authorised by: Lucas Welsh – Company Secretary

(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.