

14 OCTOBER 2024

# Sunstone well-funded for resource growth and partnership strategy after SPP raises \$4.0m

Over-subscribed SPP, in addition to \$2.5m placement, provides Sunstone with a strong platform to deliver on several near-term catalysts

## Key Points

- **Share Purchase Plan (SPP) raises \$4.0m in addition to the Placement of \$2.5m announced on 9 September 2024**
- **Proceeds will be used for:**
  - **Preparing a maiden Mineral Resource Estimate at the El Palmar copper-gold project in northern Ecuador**
  - **Exploration at the high-grade Limon gold-silver discovery within the Bramaderos gold-copper project in southern Ecuador**
  - **Advancing partnership opportunities at both El Palmar and Bramaderos**
- **Sunstone continues to advance partnership discussions for both El Palmar and Bramaderos, with the intention that any future transactions would be designed to accelerate exploration and Resource growth to help unlock the full value of the projects**

Sunstone Metals Ltd (ASX: STM) is pleased to advise that the Company has received applications totalling \$3,985,000 under its SPP (see ASX release dated 16 September 2024).

Under the terms of the offer, eligible shareholders were entitled to purchase up to \$30,000 worth of shares at a subscription price of 0.5 cents per share. Shareholders were also able to apply for one free unlisted option for every two shares to be issued. These were on the same terms as the Placement of \$2.5 million announced on 9 September 2024. The SPP closed on the 7 October 2024.

As a result of the strong support for the SPP from the Company's shareholders and in accordance with the SPP offer, the Directors have decided to accept oversubscriptions to the full amount subscribed so that all shareholders who subscribed can participate to the full extent of the application submitted.

The SPP shares will be issued today, 14 October 2024. Holding statements are expected to be dispatched to shareholders on or before 15 October 2024. The attaching options applied for will be subject to shareholder approval at a general meeting of members.

The Directors would like to thank shareholders for their strong support for the SPP.

ENDS

## ASX ANNOUNCEMENT

Mr Patrick Duffy, Managing Director of Sunstone Metals Ltd., has authorised this announcement to be lodged with the ASX.

For further information, please visit [www.sunstonemetals.com.au](http://www.sunstonemetals.com.au)

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### About Sunstone Metals

Sunstone Metals Limited (“Sunstone” or “Company”) is an ASX-listed mineral exploration company with two world-class gold and copper projects in Ecuador:

1. The Bramaderos Project is located in southern Ecuador and has a 3.3-8.6Moz AuEq<sup>1</sup> Exploration Target<sup>2</sup> for the gold-copper porphyry deposits (in addition to a 2.7Moz AuEq Mineral Resource at Brama-Alba<sup>3</sup>) and a 0.9-1.7Moz AuEq<sup>4</sup> Exploration Target<sup>2</sup> at the Limon gold-silver epithermal system. Drilling is currently focused on progressing Limon to a Mineral Resource, which represents a near-surface high-grade gold-silver development opportunity.
2. The El Palmar Project is located in northern Ecuador, 60km north-west of Ecuador’s capital Quito. The property sits on the regionally significant Toachi Fault Zone that hosts several world-class copper porphyry systems. The Project has both at-surface and deeper porphyry gold-copper systems and drilling to date has demonstrated a pathway to a large starter open pit development opportunity. The Company anticipates releasing a maiden Mineral Resource estimate in late 2024.

### Strategy

The porphyry projects at Bramaderos and El Palmar have the potential to evolve into multi-decade gold-copper mining centres. At Bramaderos, the Limon epithermal deposit has been prioritised as a potential near-surface high-grade gold-silver development opportunity. This strategy allows for a scalable operation to be established first before developing the much larger porphyry gold-copper-silver opportunities at Bramaderos.

The Company continues to evaluate potential new opportunities to continue to grow our business in Ecuador where clear shareholder value can be demonstrated. It is also evaluating potential partnerships for its projects where this may maximise the value of the portfolio.

<sup>1</sup> The gold equivalent calculation formula for porphyry gold-copper-silver mineralisation is  $AuEq(g/t) = (Au\ grade \times Au\ price \times Au\ recov / 31.1035) + (Ag\ grade \times Ag\ price \times Ag\ recov / 31.1035) + (Cu\ grade \times Cu\ price \times Cu\ recov / 100) / (Au\ price \times Au\ recov / 31.1035)$ . 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.

<sup>2</sup> 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.

<sup>3</sup> Refer ASX announcement on 13 December 2022

<sup>4</sup> 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.

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## **ASX ANNOUNCEMENT**

### **Track Record**

The team at Sunstone has been involved in significant discoveries of porphyry and epithermal copper-gold mineralisation at Tujuh Bukit in Indonesia and Cascabel in Ecuador, and the successful development of the King of the Hills Gold Mine in Western Australia and Koniambo Nickel Mine and Smelter in New Caledonia. The Company continues to attract specialist resources executives and is well-placed to repeat that success at Bramaderos and El Palmar.

### **Excellent infrastructure**

All projects are supported by established infrastructure close to power, road and rail infrastructure and ports.

### **Community support**

The Board and Management Team take their responsibilities to the host communities seriously and have endeavoured to implement the highest ESG standards throughout our business. Sunstone released its inaugural Sustainability Report in 2023, which details the level of support and engagement with local communities and project stakeholders.

### **Competent Persons Statement**

The information in this report that relates to Exploration Targets 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.