

NEWS RELEASE 18-18

December 20, 2018

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**SUN METALS CLOSES PREVIOUSLY ANNOUNCED PRIVATE PLACEMENT
FOR GROSS PROCEEDS OF \$5.2 MILLION**

Vancouver, British Columbia – Sun Metals Corp. (“**Sun Metals**” or the “**Company**”) (TSXV: SUNM) is pleased to announce it has closed the non-brokered private placement (the “**Offering**”) with PearTree Securities Inc. (“**PearTree**”) previously announced on December 7, 2018.

Pursuant to the Offering, the Company issued 12,500,000 flow-through common shares in the capital of Sun Metals (each, a “**Flow-Through Share**”) at a price of \$0.413 per Flow-Through Share for gross proceeds of \$5,162,500. The Flow-Through Shares issued in the Offering are subject to a four-month resale hold period in Canada from the closing date of the Offering. Proceeds from the Offering will be used by the Company for exploration expenditures at the Stardust project in British Columbia that will qualify as “Canadian exploration expenditures” and “flow-through mining expenditures” within the meaning of the Income Tax Act (Canada). There were no fees or commissions payable to PearTree in connection with the Offering.

Teck Resources Limited (“**Teck**”) has invested in Sun Metals as the end acquirer of the common shares for an aggregate purchase price of \$3,500,000, pursuant to a donation arrangement (the “**Acquisition**”). As a result of the Acquisition, Teck holds 12,500,000 common shares of Sun Metals, or approximately 13.8% of Sun Metals’ outstanding common shares, and Sun Metals has agreed to give Teck the right to maintain this shareholding in Sun Metals subject to certain conditions.

“This investment by Teck is the first strategic position to be taken by a large integrated miner in Sun Metals and I view this as an important step in the evolution of our company. We look forward to our new relationship with one of the world’s most respected mining companies,” stated Steve Robertson, President & CEO of Sun Metals.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available).

For more information, please contact Susie Bell, Investor Relations for Sun Metals at sbell@sunmetals.ca, 604-697-4953, or Steve Robertson, President and CEO of Sun Metals, at srobertson@sunmetals.ca, (604) 697-4952.

On Behalf of the Board of Directors of

SUN METALS CORP.

Steve Robertson
Chief Executive Officer

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Sun Metals

Sun Metals is advancing its flagship Stardust project located in northcentral British Columbia, Canada. Stardust is a polymetallic Carbonate Replacement Deposit with a rich history. Pursuant to an option agreement between Sun Metals and Lorraine Copper Corp., a TSX Venture Exchange listed issuer, Sun Metals has an option to earn a 100% interest in the Stardust project. Sun Metals believes British Columbia is a reliable jurisdiction with excellent exposure to capital markets, a deep pool of exploration professionals, a wealth of supporting services, and exceptional infrastructure with direct access to Pacific markets.

Please see the corporate presentation available on Sun Metal's website at www.SunMetals.ca.

Cautionary Note Regarding Forward-Looking Statements

Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature, are intended to be, and are hereby identified as, "forward-looking statements". Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.