

NEWS RELEASE 20-03

APRIL 1, 2020

SUN METALS REPORTS FINANCIAL AND OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2019

Vancouver, B.C. – Sun Metals Corp. (“Sun Metals” or the “Company”) (TSXV: SUNM) is pleased to announce financial results and operating highlights for the year ended December 31, 2019.

2019 Overview

Sun Metals has realized significant discovery success at the Stardust Project (“Stardust”). In 2018, our Stardust technical team discovered the 421 zone by drilling DDH18-SD-421, which returned 100 metres of 5.05% copper equivalent (CuEq)¹. In 2019, we followed up this discovery by intersecting the 421 zone with 15 additional drill holes delineating a significant high-grade copper-gold system. We also consolidated ownership of Stardust and completed a \$6,151,500 bought-deal private placement. Combined, we have increased our exposure to, and ability to achieve additional discovery success at Stardust.

2019 Highlights**Created 100% exposure to a quality high-grade asset.**

On April 12, 2019, the Company acquired all of the issued and outstanding common shares of Lorraine Copper Corp. (“Lorraine”) by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia) (the “Arrangement”). Sun Metals now owns 100% of Stardust with no royalties.

Funded future growth.

On October 23 and 30, 2019, the Company closed the first and second tranches of a bought-deal private placement, pursuant to which the Company issued 8,100,000 common shares of the Company on a flow-through basis (the “Premium FT Shares”) at a price of C\$0.315 per Premium FT Share issued, and 14,400,000 common shares of the Company on a flow-through basis (the “FT Shares”) at a price of C\$0.25 per FT Share for aggregate gross proceeds of \$6,151,500 (the “Offering”). In connection with the Offering the Company paid commissions, legal fees and filing fees totaling \$0.5 million.

Delivered continued exploration success.

The Company’s 2019 exploration drilling at Stardust demonstrates continuity of mineralization in the 421 zone, intersecting significant copper gold mineralization in 15 drill holes. Highlights of 2019 drilling include²:

- 142.35 metres grading 1.22% copper, 1.28 grams per tonne (“g/t”) gold, 21.8 g/t silver and 0.41% zinc for a 2.40% copper equivalent (CuEq) from drill hole DDH19-SD-428D;
- 90.05 metres grading 1.08% copper, 1.40 g/t gold, 21.6 g/t silver and 0.22% zinc for a 2.24% CuEq from drill hole DDH19-SD-429M;
- 107.00 metres grading 1.64% copper, 1.77 g/t gold, 28.6 g/t silver and 0.03% zinc for a 3.02% CuEq from drill hole DDH19-SD-430D;

¹ See press release dated November 14, 2018 available at www.sunmetals.ca or the Company’s profile on SEDAR at www.sedar.com for further details.

² See press releases dated August 13, 2019, August 26, 2019, October 3, 2019, January 20, 2020 and February 21, 2020 available at www.sunmetals.ca or the Company’s profile on SEDAR at www.sedar.com for further details of exploration results.

- 86.40 metres grading 1.65% copper, 1.56 g/t gold, 28.8 g/t silver and 0.28% zinc for a 3.00% CuEq from drill hole DDH19-SD-437M;
- 24.85 metres grading 3.13% copper, 4.85 g/t gold, 93.5 g/t silver and 0.28% zinc for a 7.12% CuEq from drill hole DDH19-SD-436D; and
- 41.55 metres grading 2.33% copper, 2.73 g/t gold, 44.3 g/t silver and 0.07% zinc for a 4.47% CuEq from drill hole DDH19-SD-441M.

In total 16 mineralized intercepts in the 421 zone have established a plunge-length of 375 metres and the zone remains open for extension.

Outlook

Sun Metals expects to continue exploring Stardust with the intent to identify additional mineralization and create shareholder value through discovery and delineation.

Subsequent to year end the COVID-19 outbreak was declared a pandemic by the World Health Organization on March 11, 2020. The situation is dynamic and the ultimate duration and magnitude of the impact on the Company's planned 2020 exploration program, the economy, and capital markets are not known at this time. Sun Metals is closely monitoring the situation and, following the COVID-19 safety guidelines outlined by the Government of Canada, has implemented measures at its Vancouver office to ensure the health and safety of staff, including work from home processes and suspension of any non-essential travel. The Company continues to plan for the 2020 field program, currently intended to begin in June 2020, and will adjust plans as warranted or directed as more information becomes available. The COVID-19 pandemic may impact the ability of the Company to safely operate the currently contemplated form of camp at site and the availability of contractors and staff.

"The health and safety of our employees, contractors and community members continues to be the top priority for Sun Metals and we will remain vigilant and innovative to maintain this core value. The timing and form of the 2020 field program may be altered to accommodate the COVID-19 pandemic and government recommendations while keeping a focus on our objective of advancing the Stardust Project." said Steve Robertson, President and CEO.

The Company's principal objective in 2020 is to continue to advance exploration at Stardust in order to determine if the project hosts mineralization with the potential to be exploited economically. The Company plans to continue focusing its efforts on additional diamond drilling to follow up on the discovery and delineation of the 421 zone in 2018 and 2019.

During 2020, the Company is planning to carry out an exploration program focused on growing the high-grade 421 zone and exploring for similar thick high-grade, massive sulphide zones within the Stardust Carbonate Replacement Deposit (CRD) system. A \$3.8-million fully funded program is planned, which will include approximately 12,000 metres of diamond drilling expected to begin in late spring with up to three drill rigs on site, as well as borehole electromagnetic geophysical surveys (BHEM) and continued geological studies.

In July 2018, discussions with Takla First Nation resulted in the successful negotiation and execution of an Exploration Agreement to facilitate the exploration activities to be undertaken at Stardust, which is located within the claimed traditional territory of Takla First Nation. The Exploration Agreement expired at the end of December 2019, and the Company has commenced discussions with Takla First Nation regarding a new agreement.

Selected Financial Data

The following selected financial data is derived from our Consolidated Financial Statements and related notes thereto for the periods indicated, as prepared in accordance with International Financial Reporting Standards. Details of these results are described in the Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2019. These documents can be found on the Company's website (www.sunmetals.ca) or on SEDAR at www.sedar.com. All dollar figures are expressed in Canadian \$.

	For the year ended December 31, 2019	For the year ended December 31, 2018	For the period June 23, 2017 to December 31, 2017
Total Revenue	\$ -	\$ -	\$ -
Exploration and evaluation expenditures	\$ 7,500,744	\$ 3,323,555	\$ 621,951
Net loss for the period attributable to shareholders	\$ 6,948,331	\$ 7,892,443	\$ 953,583
Total comprehensive loss for the period	\$ 6,948,331	\$ 7,892,443	\$ 953,583
Basic and Diluted Loss per Share	(0.06)	(0.12)	(0.03)

	As at December 31, 2019	As at December 31, 2018
Total assets	\$ 28,306,283	\$ 7,814,202
Current liabilities	\$ 2,465,928	\$ 2,687,417
Non-current liabilities	\$ 131,937	\$ 131,678
Cash dividends declared	\$ -	\$ -

This press release should be read in conjunction with Sun Metals' Consolidated Financial Statements and Management's Discussion and Analysis for the year ended December 31, 2019. These documents can be found on the Company's website (www.sunmetals.ca) or under the Company's profile on SEDAR at www.sedar.com. Shareholders may receive a printed copy of the audited consolidated financial statements, free of charge, upon request.

Qualified Persons and 43-101 Disclosure

Technical aspects of this news release have been reviewed, verified and approved by Ian Neill P. Geo., Vice President Exploration of Sun Metals, who is a qualified person as defined by National Instrument 43-101 – Standards of Disclosure for Minerals Projects.

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 100% owned flagship, high-grade Stardust Project located in northcentral British Columbia, Canada. Stardust is a high-grade polymetallic Carbonate Replacement Deposit with a rich history. Sun Metals also owns the Lorraine copper-gold project (joint-ventured with Teck Resources Limited), and the OK copper-molybdenum project.

The Canyon Creek copper-gold skarn zone at Stardust was the subject of a 2018, NI 43-101 resource estimate published by the Company titled “Stardust Project NI 43-101 Technical Report Omineca Mining Division, British Columbia” with an effective date of January 8, 2018. In that report, GeoSim Services Inc. provided the following estimate.

Stardust Project - Canyon Creek zone Mineral Resource Estimate⁽³⁾:

Resource Category	Tonnes	Copper %	Zinc %	Gold g/t	Silver g/t	% Cu Eq
Indicated	985,000	1.34	0.62	1.59	36.8	2.92
Inferred	1,985,000	1.24	0.14	1.72	30.5	2.65

⁽³⁾The cut-off grade used in the resource estimate was 1.5% copper equivalent (Cu Eq). Metal price assumptions for the Cu Eq calculation were \$3.00/lb Copper, \$1.25/lb Zinc, \$1,300/oz Gold and \$18/oz Silver. Adjustment factors to account for differences in relative metallurgical recoveries of the constituents will depend upon completion of definitive metallurgical testing. The following equation was used to calculate copper equivalence: $Cu\ Eq = Copper + (Zinc \times 0.4167) + (Gold \times 0.6319) + (Silver \times 0.0087)$. A cut-off grade of 1.5% Cu Eq represents an in-situ metal value of approximately \$100/tonne which is believed to represent a reasonable break-even cost for underground mining and processing. These are not mineral reserves and no work has been completed that demonstrates economic viability at the Project.

A corporate presentation is available on Sun Metals’ website at www.Sunmetals.ca.

Cautionary Note Regarding Forward-Looking Statements

All statements in this news release, other than statements of historical fact, are “forward-looking information” with respect to Sun Metals within the meaning of applicable securities laws, including, but not limited to statements with respect to those that address mineralization at the Stardust project; relative size of mineralization at the 421 zone, geophysical surveys, use of instrumentation data, and goals and expectations pertaining to metallurgical results; the 2020 program and the use of flow-through dollars; the potential quantity and/or grade of minerals; the growth potential of the Stardust project; planned mining methods and mineral processing; break-even cost for the Stardust project; British Columbia as a reliable jurisdiction for mining; proposed timing of exploration and development plans; potential conversion of inferred resources to measured and indicated resources; potential extension and expansion of mineral resources; negotiations with the Takla First Nation; the potential impact of the COVID-19 pandemic; and the focus of the Company in the coming months. Forward-looking information is often, but not always, identified by the use of words such as “seeks”, “anticipates”, “plans”, “continues”, “expects”, “projects”, “predicts”, “potential”, “targets”, “intends”, “believes”, “potential”, “budgets”, “schedules”, “estimates”, “forecasts” and similar expressions (including the negative of such expressions), or describes a “goal”, or variation of such words and phrases or state that certain actions, events or results “may”, “should”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future prices of gold and other metal process; currency exchange rates and interest rates; favourable operating conditions; political stability; obtaining governmental approvals and financing on time; obtaining renewals of existing licences and permits and obtaining required licences and permits; labour stability; stability in market conditions; availability of equipment; accuracy of mineral resources; successful resolution of disputes and anticipated costs and expenditures. Management believes these estimates and assumptions are reasonable. In addition, many assumptions are based on factors and events that are not within the control of Sun Metals and there is no assurance they will prove to be correct.

Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to the speculative nature of the Company’s business; the Company’s formative stage of development; the Company’s financial position; possible variations in mineralization; conclusions of future economic evaluations; business integration risks; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; fluctuations in the securities market; fluctuations in currency markets; change in national and local government, legislation, taxation, controls, regulation and political or economic development; inability to obtain adequate insurance to cover risks and hazards; possible

variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; delays in permitting; possible claims against the Company; the timing of future economic studies; labour and employee disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or the completion of exploration; relationships with and claims by local communities and First Nations; negotiations with the Takla First Nation; assumptions about the effect of the Covid-19 pandemic; and title to properties as well as those factors discussed in the Annual Information Form of the Company dated April 1, 2020 in the section entitled "Risk Factors", under Sun Metals' SEDAR profile at www.sedar.com.

Although Sun Metals has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Sun Metals disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law. Accordingly, readers should not place undue reliance on forward-looking information.