

NEWS RELEASE 20-07

June 03, 2020

**HIGH-GRADE GROWTH: SUN METALS TO LAUNCH FIELD PROGRAM MID-JUNE**

Vancouver, B.C. - **Sun Metals Corp. (TSXV: SUNM)** (“Sun Metals” or “we” or the “Company”) is pleased to announce its field program at Stardust, the Company’s 100% owned, high-grade copper-gold project located in northcentral B.C., is planned to begin mid-June with drill crews mobilized soon after.

The \$3.8 million 2020 exploration program is fully funded and is planned to include diamond drilling with up to three drill rigs, as well as borehole electromagnetic geophysical surveys (BHEM) and continued geological studies, while fully meeting the Company’s COVID-19 protocols. Crews are expected to mobilize on-site June 15<sup>th</sup> to prepare camp, with drill personnel planned to follow the first week of July.

**OUR COMMITMENT TO SAFETY**

Sun Metals has developed COVID-19 infection and control protocols to meet or exceed all government requirements, as well as satisfy the Company’s mandate to protect the workers and communities that we rely on. We have appointed a COVID-19 Coordinator to oversee our COVID-19 protocol as required by the BC Provincial Health Officer. We are establishing “work pods” to minimize interactions between different groups within camp and at the work site. Measures will also be put in place to allow social distancing within camp, transport to and from site, and at the work site, as well as modified schedules to minimize risk to the health of workers and their families. Dedicated facilities will be created to allow self-isolation in camp should a worker exhibit symptoms while on site.

**OUR ROADMAP TO DISCOVERY**

Our 2020 exploration program will focus on expanding the high-grade 421 zone at Stardust, and exploring for similar thick high-grade, massive sulphide zones that this system is known for. In just two years, Sun Metals’ technical team has developed a proven understanding of this system that has resulted in significant discovery success.

In 2018, our first full season at Stardust, our technical team drilled one of that year’s strongest discovery holes: DDH18-SD-421, which intersected 100 metres of 5.05% copper equivalent (CuEq)<sup>1</sup>. In 2019, we started to delineate what is now known as the 421 zone, one of the most significant recent high-grade copper-gold discoveries in Canada. Seventeen pierce points now define the 421 zone and have established continuity. Average mineralized drill intercepts in this zone are greater than historic drill intercepts in the nearby Canyon Creek zone<sup>2</sup>. The 421 zone now comprises a plunge length of 375 metres and remains open for both extension and expansion.

Diamond drilling this summer will include:

- Targeting the highly prospective and shallow southern up-plunge extension of the 421 zone near hole 453;
- Completion of hole 445 (2019), targeting the northern down plunge extents of the 421 zone;
- Targeting vertically below 421 exploring for a vertical feeder component to the mineralization;
- Test fold targets in carbonate stratigraphy east of 421 zone for analogous zones;
- Targeting the footwall of the 101 lens for feeder style mineralization.

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<sup>1</sup> See press release dated November 14, 2018 available at [www.sunmetals.ca](http://www.sunmetals.ca)

The Company will also conduct downhole geophysical surveying, metallurgical sampling (underway) and ongoing geological studies and structural interpretation.

### **TRUE DISTRICT POTENTIAL**

Stardust is a large mineralized system that features a 2.2-kilometre corridor of mineralization including four mineralization styles typical of Carbonate Replacement Deposits. Stardust is one of the few CRD systems in the world with all CRD components fully intact. Having the ability to view the overall structure of the system provides us the opportunity to better predict how to most efficiently and successfully explore it. Stardust's existing Canyon Creek copper-gold skarn zone is open for expansion and contains a NI 43-101 resource<sup>2</sup>.

The Company believes quality projects like Stardust are extremely rare. Fully funded to carry out the 2020 work program, our technical team is excited for the opportunity to continue to grow Stardust's potential.

Technical aspects of this news release have been reviewed, verified and approved by Ian Neill P.Geol., 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](mailto:sbell@sunmetals.ca), 604-697-4953, or Steve Robertson, President and CEO of Sun Metals, at [srobertson@sunmetals.ca](mailto:srobertson@sunmetals.ca), (604) 697-4952. An updated interactive corporate presentation is available on Sun Metals' website at <https://www.sunmetals.ca/investors/presentation/>.

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.

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<sup>2</sup> See the technical report titled "**Stardust Project Ni 43-101 Technical Report Omineca Mining Division, British Columbia**" with an effective date of January 8, 2018 for further information, available at [www.sunmetals.ca](http://www.sunmetals.ca) or under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com)

### Stardust Project - Canyon Creek zone Mineral Resource Estimate<sup>3</sup>:

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

<sup>(3)</sup> The cut-off grade used in the resource estimate was 1.5% copper equivalent (Cu Eq). Metal price assumptions for the Cu Eq calculation in this table 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.

### 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](http://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.*