

NEWS RELEASE 20-12

October 21, 2020

**SUN METALS RETURNS MORE HIGH-GRADE RESULTS AT STARDUST INTERSECTING
3.34% COPPER EQUIVALENT OVER 40.40 METRES GRADING 1.74% COPPER, 1.41 g/t GOLD and 26.6 g/t SILVER**

Vancouver, B.C. - Sun Metals Corp. (TSXV: SUNM) ("Sun Metals" or "we" or the "Company") is pleased to announce that additional high-grade mineralization has been returned from the southern area of the 421 zone contributing to the previously announced 900 metre (m) corridor of continuous high-grade copper-gold mineralization at the 100% owned Stardust project in northcentral B.C.

The latest drill results provide information below the previously announced drill hole DDH20-SD-457M (See September 29, 2020 news release) that established continuity from the 421 zone to the overlying Canyon Creek zone. This lower intercept in drill hole DDH20-SD-460D establishes a lower vertical connection of the mineralization into the 421 zone (See Figures 1 and 2).

- Drill hole DDH20-SD-460D was drilled as an undercut daughter hole to DDH20-SD-457M to explore the vertical continuity of high-grade copper-gold mineralization in this critical area of the 421 zone. The hole intercepted:
 - 3.34% Copper Equivalent (CuEq)¹ over 40.40m² grading 1.74% Copper (Cu), 1.41 grams per tonne (g/t) Gold (Au) and 26.6 g/t Silver (Ag), from 588.00m
 - Including 6.02% CuEq over 16.00m grading 3.12% Cu, 2.55 g/t Au and 48.2 g/t Ag, from 588.00m

This further supports that Stardust's high-grade copper-gold massive sulphide mineralization has now been traced along one of the continuous pathways in the currently known 900m of plunge length from surface (See Figure 3).

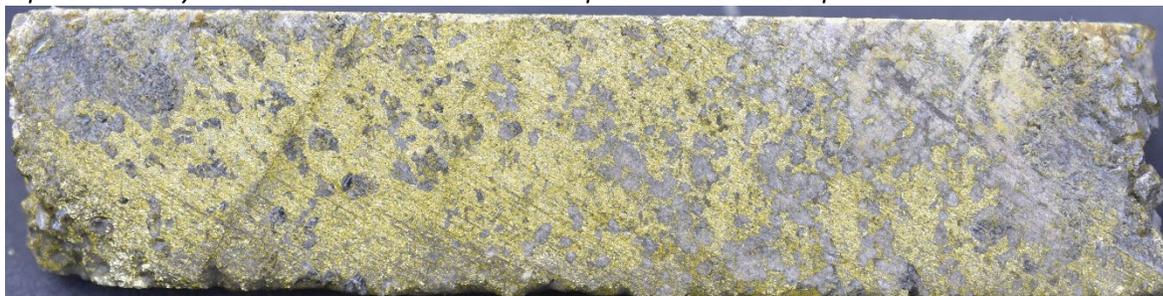
"The Stardust mineralized system continues to produce spectacular intercepts of high-grade copper-gold mineralization as we reveal the details of how the mineralization ties together. The latest result from hole DDH20-SD-460D is found within a continuously altered and variably mineralized section of core 100.8 metres long with an overall grade of 1.51% CuEq. This mineralized system clearly has the physical characteristics of a bulk mineable underground target, so we are pleased with how it is progressing" states Sun Metals President & CEO Steve Robertson.

The discovery outcrop of the Canyon Creek zone, found by Dr. Peter Megaw in 1999, is the top of a 900m plunging corridor of high-grade copper-gold mineralization (See Figure 3). The developing concept of the size, grade and continuity of the continuous corridor of mineralization establishes Stardust as one of the premier, undeveloped high-grade copper-gold projects in Canada.

¹ Assumptions used in USD for the copper equivalent calculation were metal prices of \$3.00/lb. Copper, \$1,900/oz Gold, \$23/oz Silver, \$1.10/lb. Zinc and recovery is assumed to be 100% as no metallurgical test data is available. The following equation was used to calculate copper equivalence: $CuEq = \text{Copper (\%)} + (\text{Gold (g/t)} \times 0.9240) + (\text{Silver (g/t)} \times 0.0112) + (\text{Zinc (\%)} \times 0.3667)$.

² True widths of the reported mineralized intervals have not been determined.

Figure 4– Mineralized drill core from 602 metres in DDH20-SD-460D showing high-grade copper replacement style mineralization. The 1.00m sample ran 12.67% CuEq¹



DDH20-SD-459D

Drill hole DDH20-SD-459D tested the lower boundary of the high grade trend of the 421 zone below hole DDH20-SD-456M. The hole intersected a moderate intersection of mineralization grading 1.85% CuEq over 4.80m grading 0.92% Cu, 0.81 g/t Au and 16.2 g/t Ag, from 675.00m after encountering over 150m of continuous alteration with weak mineralization throughout.

DDH20-SD-458M

Drill hole DDH20-SD-458M was drilled approximately 200 metres below the 421 zone to test for lower feeders and additional mineralization within the system. The hole intercepted strong alteration with widespread albeit weak copper-gold mineralization indicating there is significant hydrothermal activity below 421 zone and room for additional discovery at depth. The varying hydrothermal alteration was intercepted over a core length of 580m.

Table 1: Significant Drill Results

Drill Hole Name	From (m)	To (m)	Length (m) ²	Copper (%)	Gold (g/t)	Silver (g/t)	Zinc (%)	Cu Eq (%) ¹
DDH20-SD-460D	588.00	628.40	40.40	1.74	1.41	26.6	0.01	3.34
<i>Including</i>	588.00	604.00	16.00	3.12	2.55	48.2	0.01	6.02
DDH20-SD-459D	675.00	679.80	4.80	0.92	0.81	16.2	0.01	1.85

- Figure 1 – Plan View: http://www.sunmetals.ca/_resources/images/NROct21Fig1.pdf
- Figure 2 – Long Section: http://www.sunmetals.ca/_resources/images/NROct21Fig2.pdf
- Figure 3 – 900m Plunge Length View: http://www.sunmetals.ca/_resources/images/NROct21Fig3.jpg
- Drill Results Table: http://www.sunmetals.ca/_resources/images/NROct21MasterDrillResults.pdf

Quality Assurance / Quality Control

Drilling completed on the project in 2020 was supervised by on-site Sun Metals personnel who collected and tracked samples and implemented a full QA/QC program using blanks, standards and duplicates to monitor analytical accuracy and precision. The samples were sealed on site and shipped to Bureau Veritas (BV) in Vancouver BC for analysis. BV's quality control system complies with global certifications for Quality ISO9001:2008. Core samples were analyzed using a combination of BV's AQ270 process for low level concentrations (ICP-ES/MS aqua regia) and the MA270 process for higher level concentrations (ICPES/MS 4 acid digestion). Gold assaying was completed with FA330, a 30-gram fire assay with ICP-ES finish. Base metal overlimits were finalized with titration, with gold overlimits completed with a gravimetric finish. A silica wash was used between high-grade samples to ensure no sample carry over.

A total of 11,988m of drilling was completed in 17 drill holes with 3,147 samples shipped to the lab. Lab turnaround time has been significantly negatively impacted by the COVID-19 pandemic and consequently, only results from six drill holes have been received at the time of this release. Additional results from the program will be reported when they are received from the lab.

Prices used to calculate the CuEq values¹ in this project have been updated from previous reporting on the Stardust project. In some drill intercepts in the 421 zone, up to half of the value can be from gold, silver and zinc and the increase in price of those commodities relative to copper has motivated the update to prices nearer to current spot price quotations. As a result, the previously reported intervals that are referred to in the figures and table related to this release have been updated and will be different than previously presented.

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. 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.

Stardust Project - Canyon Creek zone Mineral Resource Estimate³:

RESOURCE CATEGORY	TONNES	COPPER %	ZINC %	GOLD G/T	SILVER G/T	% CU EQ ³
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

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 or potential 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

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 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.

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.