

NEWS RELEASE 20-15

November 26, 2020

SUN METALS CLOSES ACQUISITION OF LORRAINE PROJECT

Vancouver, B.C. - Sun Metals Corp. (TSXV: SUNM) ("Sun Metals" or "we" or the "Company") is pleased to announce the closing of the acquisition of Teck Resources Limited's ("Teck") 51% joint venture interest in the Lorraine copper-gold project. Sun Metals now owns 100% of the Lorraine project which is located in northcentral B.C., just 40 kilometres north of the Company's 100% owned Stardust project and 270 km northwest of the city of Prince George, B.C.

The Lorraine project is host to a precious metal enriched, alkaline porphyry copper system. Examples of deposits with this style of mineralization in British Columbia include Galore Creek, New Afton, and Mount Polley.

"Having full ownership of Lorraine is an important step forward as we build a quality portfolio of high-grade copper-gold exploration projects at Sun Metals. The Company now controls two high-grade copper-gold projects in the area, both with excellent exploration potential," stated Steve Robertson, Sun Metals' President and CEO.

Pursuant to the terms of the acquisition, Sun Metals has issued 4,633,440 common shares of the Company to Teck with a fair market value of \$500,000 based on the Company's 20-day VWAP of \$0.108 per share. The common shares are subject to a statutory four month and one day hold, expiring March 26, 2021.

The common share issuance, together with the 13,039,546 common shares currently held by Teck, will result in Teck holding 17,672,986 common shares or approximately 10.29% of Sun Metals outstanding shares on a non-diluted basis. Teck may determine to increase or decrease its holdings in Sun Metals depending on market conditions and any other relevant factors. A copy of Teck's early warning report may be obtained from Chris Stannell at 604 699 4368.

Pursuant to the terms of the acquisition, Teck has also retained a 1.0% NSR royalty on all claims that are not already burdened by a royalty and a 0.25% NSR royalty on all claims that are subject to existing royalties. In addition, Sun Metals will make the following future payments to Teck in either cash or common shares of the Company as follows:

- \$500,000 payable on November 25, 2021; and
- \$500,000 payable on November 25, 2022.

Sun Metals will also make milestone payments to Teck in either cash or common shares of the Company as follows:

- \$500,000 upon a Preliminary Economic Assessment;
- \$2,000,000 upon a Feasibility Study; and
- \$5,000,000 upon a construction decision.

If Sun Metals sells or options all or a portion of the property to a third party at any time during a 60-month period commencing from the date of the acquisition agreement, Sun Metals will pay to Teck 20% of the sale proceeds, net of exploration expenses incurred on the property by Sun Metals following closing.

Lorraine Project Overview

The Upper Main, Lower Main and Bishop zones at Lorraine were the subject of a 2012, National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) resource estimate published by Lorraine Copper Corp. titled “Summary Report on the Lorraine-Jajay Property Omineca Mining Division, B.C.”¹ with an effective date of December 16, 2015. In that report, Gary Giroux, P.Eng. a qualified person as defined under NI 43-101 provided the following estimate:

Resource Category ²	Tonnes	Copper (%)	Gold (g/t)
Indicated	6,419,000	0.61	0.23
Inferred	28,823,000	0.45	0.19

A qualified person as defined under NI 43-101 has not completed sufficient work to classify the above historical estimate as a current mineral resource. Sun Metals is not treating the historical estimate as a current mineral resource.

The property is underlain by the Hogem batholith within the Quesnel Trough. The Duckling Creek syenite occurs in the Lorraine area as a multiple-stage dyke swarm emplaced into the older Hogem calc-alkaline intrusive rocks and Takla volcanic rocks. Copper-gold mineralization at Lorraine is associated with the Duckling Creek alkaline magmatism.

The mineralization at Lorraine is typical of alkalic porphyry copper systems characterized by:

- High grades
- Strong gold +/- silver enrichment
- Multiple zones

Some of the highlight results from past drilling at the Lorraine property include:

Table 1: Significant Historic Drill Results¹

Zone	Drill Hole	From (m)	To (m)	Length (m)	Copper (%)	Gold (g/t)	Silver (g/t)
Bishop	L96-43	69.2	203.9	134.7	0.59	0.11	-
Upper Main	L94-8	1.5	103.0	101.5	1.42	0.62	-
Lower Main	2001-60	32.8	146.0	113.2	0.76	0.49	-
Weber	04-82	3.1	112.0	108.9	0.69	0.07	-
Slide	JTM06-07	261.5	317.0	55.5	0.72	-	5.5

¹ See updated and amended NI 43-101 Technical Report entitled “Summary Report on the Lorraine-Jajay Property Omineca Mining Division, B.C.” with an effective date of December 16, 2015, as amended July 22, 2016, which can be found on Lorraine Copper Corp.’s profile on SEDAR at www.sedar.com.

² The cut-off grade used in the resource estimate was 0.2% copper (Cu).

Technical aspects of this news release have been reviewed, verified and approved by Ian Neill P.Ge., Vice President Exploration of Sun Metals, who is a qualified person as defined by NI 43-101.

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 now owns the Lorraine copper-gold project, 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

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.

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 mineralization at the Lorraine project; 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; 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.