

NEWS RELEASE 18-10

August 9, 2018

SUN METALS ANNOUNCES COMMENCEMENT OF 15,000 METRE DRILLING PROGRAM AT STARDUST

Vancouver, B.C. – Sun Metals Corp. (“**Sun Metals**” or the “**Company**”) (TSXV: SUNM) announces that diamond drilling has commenced at its flagship Stardust project in northcentral British Columbia. A second drill is scheduled to be mobilized mid-August as the Company continues to successfully execute the aggressive 2018 exploration campaign, including 15,000 metres of drilling. The focus of drilling will be on the high-grade copper-gold skarn portion of a Carbonate Replacement System that has been identified over a 2.2 kilometre long corridor of historic exploration dating back to 1944.

The 2018 exploration campaign at Stardust was initiated in early June with mapping and prospecting, completion of several soil geochemical grids (over 3,000 samples to date), airborne Lidar and photogrammetry survey, and a 100-metre line spaced Heli-borne VTEM and Magnetics survey. The \$5.0 million campaign is understood to be one of the largest, non-development stage exploration programs to be undertaken in British Columbia in 2018.

Heli-borne VTEM and Magnetics Survey

The 1100-line km Heli-borne VTEM and Magnetics survey commenced on July 11th and was completed on July 17th. The survey was designed to provide detailed magnetics over the entire property and to provide the first property-wide direct targeting EM data. Preliminary results indicate there are several highly prospective targets that require follow-up. Forward modelling of conductive plates is currently underway. A new magnetic inversion model is in progress based on the new dataset, which will help refine some of the complexity within the Glover Stock and aid in further defining drill targets.

Diamond Drilling

The exploration program at Stardust, including 15,000 metres of planned diamond drilling, is designed to investigate many zones and styles of mineralization but will focus on areas prospective for high-grade copper-gold skarn. The first diamond drill arrived on site August 1st, with the second drill expected to arrive later this month.

One of the early targets to be tested is the down-plunge extension of the main Canyon Creek Skarn zone. The identified mineralization there is open along the dominant structural trend and historic drilling in 2002 returned high-grade copper-gold skarn mineralization, including 9.7 metres grading 2.89% copper, 36.70 grams per tonne (g/t) gold and 182.6 g/t silver from hole LD2002-09.

Drilling will also target extension of the Hanging Wall zone, where 2009 drilling intersected 7.0 metres grading 2.68% copper, 2.90 g/t gold, and 45.4 g/t silver in hole LD2009-12. This zone remains open in all directions.

Select, open intercepts of high-grade copper-gold skarn mineralization that will be tested for extension by early diamond drilling are presented in Table 1.

Table 1: Selected Historic High-Grade Copper-Gold Skarn Intercepts near Drill Targets

Mineralization Style	Hole ID	Width	Copper %	Gold g/t	Silver g/t
Skarn	LD2009-12	7.0m	2.68	2.90	45.4
Skarn	LD2002-09	9.7m	2.89	36.70	182.6
Skarn	LD2009-14	10.0m	1.98	0.72	48.5
Skarn	LD2004-04	8.7m	1.56	1.23	39.7
Skarn	LM07-01	13.5m	0.65	0.74	13.9

Steve Robertson, president and CEO stated “this drilling campaign will focus on expansion and further discovery of high-grade copper-gold skarn mineralization related to the Glover Stock which we believe to be the source of mineralizing fluids for the entire Carbonate Replacement System. The recently completed Heli-borne VTEM and Magnetics survey has identified a number of high resolution targets for us to test.”

Technical aspects of this news release have been reviewed 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.

For more information, please contact Steve Robertson, President and CEO of Sun Metals at (604) 697-4952 or srobertson@sunmetals.ca.

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, high-grade Stardust project located in northcentral British Columbia, Canada. Stardust is a high grade polymetallic Carbonate Replacement Deposit with a rich history.

The Canyon Creek copper-gold skarn zone at Stardust was the subject of a 2018, 43-101 compliant resource estimate published by the Company in January 2018. GeoSim Services Inc. provided the following estimate.

Stardust Project - Canyon Creek zone Mineral Resource Estimate⁽¹⁾:

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

⁽¹⁾The cut-off grade used in the resource estimate was 1.5% copper equivalent. Metal price assumptions for the copper equivalent calculation were \$3.00/lb Cu, \$1.25/lb Zn, \$1,300/oz Au and \$18/oz Ag. 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: $Cu\ Eq = Cu + (Zn \times 0.4167) + (Au \times 0.6319) + (Ag \times 0.0087)$. A cut-off grade of 1.5% Cu Equivalent 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.

Sun Metals believes B.C. 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.

A corporate presentation is available on Sun Metals' website at www.SunMetals.ca.

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.