

NEWS RELEASE 18-11

August 23, 2018

SUN METALS ANNOUNCES SECOND DRILL AT 15,000 METRE STARDUST DRILL PROGRAM

Vancouver, B.C. – Sun Metals Corp. (“**Sun Metals**” or the “**Company**”) (TSXV: SUNM) announces that a second diamond drill has commenced drilling at its flagship Stardust project in northcentral British Columbia. The second drill will focus on new target areas while targets related to expansion of the current resource are being tested by the first rig (See news release dated August 9, 2018). The focus of 2018 drilling at Stardust is 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.

New Target Areas at Stardust refers to areas that have geologic, geophysical and/or geochemical anomalies that have not been tested previously by drilling. The accompanying map (see link: <https://sunmetals.ca/site/assets/files/3660/Aug2218NR-b.pdf>) shows the labeled target areas by type. The second drill started at Anomaly C and is now drilling at Anomaly B where it will test the west and north sides of the Glover Stock. The lettered anomalies (A – F) are targets generated from or related to the Heli-borne VTEM and Magnetics survey completed earlier this season. The first drill is continuing at the Skarn Deep zone at the time of this release.

The exploration program at Stardust, including 15,000 metres of planned diamond drilling, was initiated in early June with mapping and prospecting, completion of several soil geochemical grids, 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.

Steve Robertson, president and CEO stated, “The addition of the second rig to our exploration program will greatly enhance our ability to thoroughly test the extensive Carbonate Replacement System. Our preparatory work has developed numerous prospective targets that have never been drill tested and we are excited to begin this next phase of work at Stardust.”

Technical aspects of this news release have been reviewed 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.

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.