

NEWS RELEASE 18-15

December 7, 2018

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SUN METALS ANNOUNCES \$5,162,500 PRIVATE PLACEMENT FINANCING

Vancouver, British Columbia – Sun Metals Corp. (“**Sun Metals**” or the “**Company**”) (TSXV: SUNM) announces it has entered into an agreement with PearTree Securities Inc. (“**PearTree**”), whereby PearTree, as agent for the purchasers, will subscribe for up to 12,500,000 flow-through common shares in the capital of Sun Metals (the “**Flow-Through Shares**”) at a price of \$0.413 per Flow-Through Share for targeted gross proceeds of up to \$5,162,500 (the “**Offering**”).

The Offering is expected to close on or about December 20, 2018 (the “**Closing Date**”), and is subject to the satisfaction of certain conditions, including receipt of all applicable regulatory approvals, including the approval of the TSX Venture Exchange (the “**Exchange**”). All Flow-Through Shares issued in the Offering will be offered by way of a non-brokered private placement and will be subject to a four-month resale hold period in Canada from the Closing Date of the Offering. Proceeds from the Offering will be used by the Company for exploration expenditures at the Stardust Project in British Columbia that will qualify as “Canadian exploration expenditures” and “flow-through mining expenditures” within the meaning of the Income Tax Act (Canada). There are no fees or commissions payable in connection with the Offering.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available).

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.

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 Stardust project located in northcentral British Columbia, Canada. Stardust is a polymetallic Carbonate Replacement Deposit with a rich history. Pursuant to an option agreement (the “**Option Agreement**”) between Sun Metals and Lorraine Copper Corp. (“**Lorraine Copper**”), an Exchange listed issuer, Sun Metals has an option (the “**Option**”) to earn a 100% interest in the Stardust Project (the “**Project**”), located in central British Columbia. 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.

Please see the corporate presentation available on Sun Metal’s 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.