

NEWS RELEASE 19-09

August 13, 2019

**SUN METALS REPORTS 58.01 METRES GRADING 2.49% COPPER, 2.61 G/T GOLD AND 44.3 G/T SILVER OR 4.54% COPPER EQUIVALENT IN 421 ZONE AT STARDUST PROJECT**

Vancouver, B.C. – Sun Metals Corp. (“Sun Metals” or the “Company”) (TSXV: SUNM) reports the initial results from step-out drilling in the 421 zone at its 100% owned Stardust project in northcentral British Columbia. The first three holes reported from Stardust have all intersected significant copper gold mineralization. Sun Metals believes the results confirm continuity of mineralization down dip and to the south from drill hole DDH18-SD-421, the initial discovery hole in the 421 zone.

Drill hole DDH19-SD-428D was drilled on section 2125N and returned 142.35 metres<sup>(1)</sup> of 1.22 percent (%) copper, 1.28 grams per tonne (g/t) gold, 21.8 g/t silver and 0.41% zinc. In metal equivalent terms, this polymetallic interval is 2.39% copper equivalent (CuEq)<sup>2</sup> or 3.83 g/t gold equivalent (AuEq)<sup>2</sup> (See figures: <https://sunmetals.ca/site/assets/files/3736/figures.pdf> and Table 1 <https://sunmetals.ca/site/assets/files/3736/table1.pdf>). There were several higher-grade intervals within the zone including 32.20 metres of 5.06% CuEq or 8.09 g/t AuEq, and another of 14.10 metres grading 6.72% CuEq or 10.76 g/t AuEq.

Drill hole DDH19-SD-430D was drilled lower on the same section and returned two separate mineralized intervals. The upper interval contained 22.00 metres of 1.53% copper, 1.02 g/t gold and 24.6 g/t silver. The lower interval started 34 metres lower and contained 107.00 metres of 1.64% copper, 1.77 g/t gold and 28.6 g/t silver for a CuEq value of 3.02% or 4.82 g/t AuEq.

On section 2075N, 50 metres to the south of the mineralized intercept in drill hole DDH18-SD-421, DDH19-SD-429M returned 90.05 metres of 1.08% copper, 1.40 g/t gold, 21.6 g/t silver and 0.22% zinc which equates to 2.24% CuEq or 3.58 g/t AuEq.

The drilling reported here has provided Sun Metals with positive confirmation on the continuity and strength of mineralization. In the current environment of strengthening gold price, Sun Metals is particularly encouraged to see the continued tenor of gold values and have expressed the equivalency values in terms of both copper equivalence and gold equivalence to emphasize the precious metals strength in the 421 zone.

Table 1

Drill Hole Name	From (m)	To (m)	Length (m) <sup>(1)</sup>	Copper (%)	Gold (g/t)	Silver (g/t)	Zinc (%)	Copper Equivalent (%) <sup>2</sup>	Gold Equivalent (g/t) <sup>2</sup>
DDH19-SD-428D	493.45	635.80	142.35	1.22	1.28	21.8	0.41	2.40	3.79
<i>including</i>	562.80	595.00	32.20	2.47	2.37	47.4	1.61	5.05	7.99
<i>including</i>	604.95	619.05	14.10	3.45	4.12	57.9	0.44	6.74	10.67
DDH19-SD-429M	564.00	654.05	90.05	1.08	1.40	21.6	0.22	2.24	3.55
<i>including</i>	586.50	593.00	6.50	4.61	7.05	60.2	1.68	10.29	16.28
<i>including</i>	649.45	654.05	4.60	2.96	5.31	131.8	1.65	8.16	12.91
DDH19-SD-430D	490.60	512.60	22.00	1.53	1.02	24.6	0.03	2.40	3.79
<i>and</i>	546.00	653.00	107.00	1.64	1.77	28.6	0.03	3.02	4.79

<i>including</i>	572.20	630.30	58.10	2.49	2.61	44.3	0.04	4.54	7.19
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(1) True widths of the reported mineralized intervals are not yet known

(2) Assumptions used in USD for the copper equivalent calculation were metal prices of \$3.00/lb Copper, \$1,300/oz Gold, \$18/oz Silver, \$1.25/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:  $CuEq = \text{Copper (\%)} + (\text{Gold (g/t)} \times 0.6319) + (\text{Silver (g/t)} \times 0.0087) + (\text{Zinc (\%)} \times 0.4167)$ . The following equation was used to calculate gold equivalence:  $AuEq = (\text{Copper (\%)} \times 1.5824 + \text{Gold (g/t)} + (\text{Silver (g/t)} \times 0.01385) + (\text{Zinc (\%)} \times 0.6593)$ .

Steve Robertson, President & CEO of Sun Metals stated “the initial step-out drilling was very important to establish the continuity this recently discovered mineralization in the 421 zone. It particularly encouraging to see the continued strong precious metals content within this skarn altered zone. The gold content makes this discovery even more captivating.”

The precious metal value of the intercepted mineralization has comparable weighting to the copper value highlighting the strong gold component in the 421 zone. The elevated gold to copper ratio observed in the higher-grade intervals in DDH19-SD-429M indicate that metal zonation may be starting to be revealed. This drill hole is on section 2075N which is 50 metres to the south of the other reported drill holes (See Figure 3).

Diamond drilling at Stardust was initiated in late May with two drills. To date, the drills have completed 5,220 metres over 11 drill holes and drill holes 12 and 13 are in progress. The primary focus of the diamond drill program is to explore around the mineralization identified in drill hole DDH18-SD-421 (see press release at <https://sunmetals.ca/news/2018/>) which returned a 100.00 metre interval of 2.51% copper, 3.03 g/t gold, and 52.5 g/t silver for a 5.05% CuEq or a 8.00 g/t AuEq<sup>(1,2)</sup>.

Directional diamond drilling has been used in all the 2019 drilling at Stardust to increase the accuracy of drilling step-outs. The directional drilling incorporates the use of pilot holes which has resulted in a 33% reduction in metres drilled to this point in the program. Progress has been slower than scheduled using the directional drilling, however the ability to hit the target areas as planned has made the use of this technology worthwhile. Both drills will continue to explore 421 zone along strike, up dip and down dip for the remainder of the exploration season.

#### Graphics & Table

A plan map of the 2019 drill program (Figure 1, 2, 3) and a full table of results to date from the 2019 drill program (Table 1) are available on the Company website:

Figures: <https://sunmetals.ca/site/assets/files/3736/figures.pdf>

Table 1: <https://sunmetals.ca/site/assets/files/3736/table1.pdf>

The Company will host a telephone conference call and live webcast on Tuesday, August 13, 2019 at 10:00 a.m. Pacific Time (1:00 p.m. Pacific) to discuss these results. After opening remarks by management, there will be a question and answer session open to analysts and investors.

The conference call may be accessed by dialing (888) 319-4610 in Canada and the United States, or (604) 638-5340 internationally.

The conference call will be archived for later playback until September 13, 2019 and can be accessed by dialing International Toll: 1-604-638-9010; Canada/USA TF: 1-800-319-6413; Replay Access Code: 3568; Canada and the United States.

## Quality Assurance / Quality Control

A total of 2,328 samples have been selected from the 11 completed holes thus far. Process samples have been shipped to the Bureau Veritas (“BV”) laboratory in Vancouver, BC. Drilling completed on the project in 2019 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 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 and a silica wash was used between high grade samples to ensure no sample carry over.

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 Susie Bell, Investor Relations for Sun Metals at [sbell@sunmetals.ca](mailto:sbell@sunmetals.ca), 604-697-4953, or Steve Robertson, President and CEO of Sun Metals, at [srobertson@sunmetals.ca](mailto: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 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, 43-101 resource estimate published by the Company in January 2018. GeoSim Services Inc. provided the following estimate.

Stardust Project - Canyon Creek zone Mineral Resource Estimate<sup>(3)</sup>:

Resource Category	Tonnes	Copper %	Zinc %	Gold g/t	Silver g/t	% Cu Eq <sup>(3)</sup>
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

<sup>(3)</sup>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.

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.

For further information please visit Sun Metals' website at [www.Sunmetals.ca](http://www.Sunmetals.ca).

### **Cautionary Note Regarding 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.*