

PLACEMENT TO ACCELERATE LARGE SCALE PROJECTS

HIGHLIGHTS

- High demand for share placement to institutional and sophisticated investors at \$0.025 with commitments secured for \$3.505 million before costs ("**Placement**").
- Funds raised will be applied to rapidly advance on recent exploration successes at the Company's quality, large scale projects in Queensland including:
 - Ravenswood West: Auger/aircore 27km² rare-earth anomaly at Elphinstone Creek
 - Ravenswood West: Drilling Wilburs Hill Au, analogue for Mt Leyshon (3.5m oz) and Mt Wright (1.0m oz)
 - Ravenswood West: Drilling the 15km long Cu-Mo-Au-Ag porphyry corridor with an initial focus on Gagarin & Bank
 - Triumph Resource: Drilling this Ravenswood Gold Mine analogue (6.6m oz) to rapidly grow the existing Resource and to make further discoveries
 - Investigator: drill target generation at this analogue to the Capricorn Copper Mine (61mt @1.8% Cu located only 12km away
 - General working capital and business development purposes
- Directors are contributing \$245,000 to the Placement (subject to shareholder approval at the 2022 Annual General Meeting) bringing their total investment to ~\$3 million. Also at the 2022 Annual General Meeting, the Company will seek approval to change the Company's name to Sunshine Metals Limited to better reflect the broad range of opportunities being pursued.

Sunshine Gold Limited (ASX:SHN, "**Sunshine Gold**", "**the Company**") is pleased to announce that it has secured commitments for a placement of \$3,505,000 million (before costs) at an issue price of \$0.025 to institutional and sophisticated investors ("**Placement**").

Sunshine Gold Managing Director, Damien Keys, commented: *"We are going to rapidly advance our genuine scale projects based on recent exploration and drilling success. Drilling at Wilburs Hill starts in September 2022 and has a great similarity to Mt Wright (1m oz) located 10km away. We will also continue to expand on our exploration success along the 15km long mineralised porphyry corridor at Ravenswood West.*

At Triumph we will be looking to expand on our initial Resource while looking to make further discoveries on this analogue to the Ravenswood Gold Mine (6.6m oz). We will also progress activities at our other projects, which are showing considerable promise as ongoing exploration continues. This all amounts to continuous news flow and an exciting period ahead for Sunshine Gold.

Sunshine Gold would like to thank our shareholders, new and existing, for the continued support and we look forward to ongoing success with our exciting portfolio of projects."

SUNSHINE GOLD LIMITED (ASX:SHN)

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Dr Damien Keys
Mr Anthony Torresan
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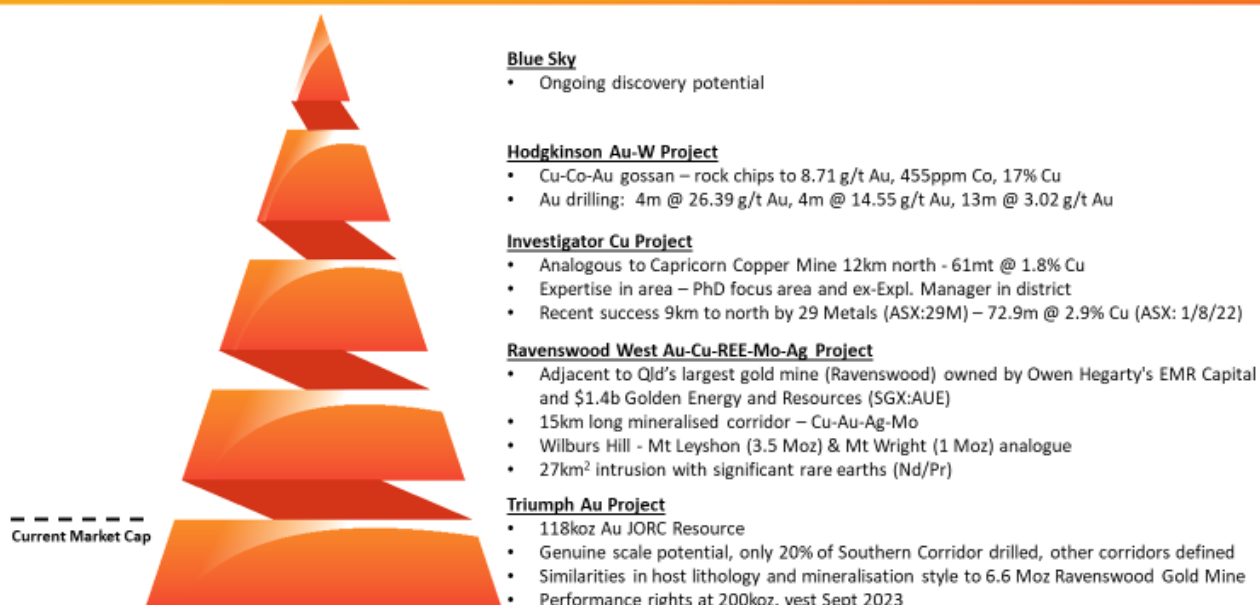
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Capital:

Ordinary shares: 467,822,730
Unquoted shares: 151,900,000 (24m Esc)
Deferred shares: 50,000,000 (24m Esc)
Unlisted options: 65,600,000 (24m Esc)
Unlisted plan options: 2,700,000
Perf Rights: 8,500,000 (24m Esc)

Value Proposition



PLACEMENT DETAILS

The Company expects to complete the Placement and therefore issue the new shares to institutional and sophisticated investors on or about 22 August 2022. The proposed issue of shares to directors will be completed on obtaining the requisite shareholder approval at the Annual General Meeting in November 2022.

The issue of the new shares pursuant to the Placement will be made under the Company's existing placement capacity pursuant to Listing Rules 7.1 and 7.1A, whereby 47,041,590 shares will be issued under the Company's placement capacity under Listing Rule 7.1A and 92,958,410 shares have been issued under the Company's placement capacity under Listing Rule 7.1.

Indicative Timetable

Trading Halt	Thursday, 11 August 2022
ASX Announcement / Resume Trading	Monday, 15 August 2022
Settlement of New Shares under the Placement	Friday, 19 August 2022
ASX Quotation of New Shares under the Placement	Monday, 22 August 2022
Annual General Meeting for approval of Director Placement	Mid to Late November 2022
Issue and quotation of Director Placement shares	Mid to Late November 2022

Shaw and Partners acted as sole lead manager for the Placement.

CAPITAL STRUCTURE

(Post Placement & Shareholder Approval of Director Placement)

Quoted Securities	
Fully Paid Ordinary Shares	616,822,730
Unquoted Securities	
Unquoted shares (24m Esc)	151,900,000
Deferred shares (24m Esc)	50,000,000
Unlisted options @ \$0.03 expiring 30/09/2025 (24m Esc)	65,600,000
Unlisted plan options	2,700,000
Performance rights (24m Esc)	8,500,000

PLANNED ACTIVITIES

- August 2022: Titov Main, Titov South and Titov North RC drilling results, Ravenswood West
- August-Sept 2022: Results of Wilburs Hill IP-MT surveys, Ravenswood West
- September 2022: Audited Annual Financial Statements
- Sept-Oct 2022: Wilburs Hill, Gagarin and Bank follow up drilling
- October 2022: Elphinstone Creek rare-earth auger-aircore test work, Ravenswood West
- October 2022: September Quarterly Activities
- November 2022: Annual General Meeting
- November 2022: Noosa Mining Conference
- November 2022: Drill targeting work including geophysical surveys, Investigator
- Dec-Feb 2023: Follow up RC drilling - Southern & Northern Corridors - Triumph

ENDS

For further information:

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This ASX announcement is authorised for market release by the Board of Sunshine Gold.

ABOUT SUNSHINE GOLD (ASX:SHN)

Sunshine Gold is focused on its 100% owned projects in Queensland all of which have genuine scale potential.

Triumph Gold Project (EPM18486, EPM19343: 100%)

Triumph is located 50km south of the mining hub of Gladstone and covers 138km². Triumph has genuine scale potential and is geologically analogous to the Ravenswood Gold Mine (6.6m oz). Triumph is a 15km² intrusion related gold system which has the potential to host both discrete high-grade vein deposits and large-scale, shear hosted deposits.

Triumph contains an initial JORC Resource of 118koz @ 2.03 g/t Au which is expected to expand considerably due to a range of factors, including:

- 3 mineralised corridors have been identified and the initial Resource is based on drilling of only 20% of one corridor (being the Southern Corridor) and then only down to 100m or less; and
- Director's performance rights were based on announcing a 200koz JORC Resource by September 2023 which is still considered to be a reasonable objective.

Ravenswood West Gold-Copper-Rare Earths Project (EPM 26041, EPM 26152, EPM 26303, EPM 26304: 100%)

Ravenswood West is comprised of a significant holding (446 km²) and is located 100kms from Sunshine Gold's head office in Townsville.

The project is comprised of three key geological targets:

- **Breccia Au:** Triumph sits on a corridor that hosts large breccia gold deposits including Mt Leyshon (3.5 Moz) & Mt Wright (1 Moz). Wilburs Hill is a clear analogue to these two deposits.
- **15km long mineralised porphyry corridor:** the corridor hosts extensive Cu-Au-Ag-Mo deposits with genuine scale potential.
- **27km² intrusion** with significant rare earths with a high magnet metal component being Nd₂O₃+Pr₆O₁₁.

The project sits adjacent to, and is surrounded by, Queensland's largest gold mine (Ravenswood, 6.6m oz) owned by Owen Hegarty's EMR Capital and the \$1.4b Golden Energy and Resources (SGX:AUE).

Hodgkinson Gold Copper Tungsten Project (EPM18171, EPM19809, EPM25139, EPM27539, EPM27574, EPM27575: 100%)

Hodgkinson is located 100km northeast of Cairns in North Queensland and covers 365km². The project is situated between the Palmer River alluvial gold field (1.35m oz Au) and the historic Hodgkinson gold field (0.3m oz Au). The project includes numerous prospects with results including:

- **Cu-Co-Au gossan:** rock chips to 8.71 g/t Au, 455ppm Co, 17% Cu
- **Au drilling:** 4m @ 26.39 g/t Au, 4m @ 14.55 g/t Au, 13m @ 3.02 g/t Au

Investigator Copper Project (EPM27344, EPM27345: 100%)

Investigator covers 115km² and is located 110km north of Mt Isa. The Project sits 12km south of the Capricorn Copper Mine (61mt @ 1.8% Cu) which is also a geological analogue to Investigator. Investigator has seen no modern exploration and no holes have been drilled in the most prospective stratigraphic and structural positions. The Sunshine Gold team has extensive experience in the area.

