



Announcement Summary

Entity name

SUNSTONE METALS LTD

Announcement Type

New announcement

Date of this announcement

3/5/2024

The Proposed issue is:

A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
STM	ORDINARY FULLY PAID	388,961,283

Ex date

8/5/2024

+Record date

9/5/2024

Offer closing date

27/5/2024

Issue date

31/5/2024

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

SUNSTONE METALS LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

68123184412

1.3 ASX issuer code

STM

1.4 The announcement is

New announcement

1.5 Date of this announcement

3/5/2024

1.6 The Proposed issue is:

A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

+ Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

No

Part 3B - Offer details

+Class or classes of +securities that will participate in the proposed issue and +class or classes of +securities proposed to be issued

ASX +security code and description

STM : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +security code and description

STM : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities do not have +CDIs issued over them)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

9

**What will be done with fractional entitlements?**

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

388,961,283

Offer price details for retail security holders**In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.01100

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**

Yes

Describe the limits on over-subscription

Eligible Shareholders may apply for New Shares in excess of their Entitlement through the Shortfall Facility with such oversubscriptions to be satisfied from the Entitlements that were not taken up under the Entitlement Offer.

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

In the event that demand for Additional Shares exceed the number of Additional Shares available, the number of Additional Shares issued to eligible shareholders will be scaled back on a pro-rata basis.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 3C - Timetable

3C.1 +Record date

9/5/2024

3C.2 Ex date

8/5/2024

3C.4 Record date

9/5/2024

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

13/5/2024



3C.6 Offer closing date

27/5/2024

3C.7 Last day to extend the offer closing date

22/5/2024

3C.9 Trading in new +securities commences on a deferred settlement basis

28/5/2024

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

31/5/2024

3C.12 Date trading starts on a normal T+2 basis

3/6/2024

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

5/6/2024

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

Morgans Corporate Limited and Canaccord Genuity as Joint Lead Managers

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

5% on placement of any shortfall

3E.2 Is the proposed offer to be underwritten?

No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

Yes

3E.3a Will the handling fee or commission be Dollar based or Percentage based?

Percentage based (%)

3E.3b Amount of any handling fee or commission payable to brokers who lodge acceptances or renunciations on behalf of eligible security holders

1.500000 %

3E.3c Please provide any other relevant information about the handling fee or commission method

Capped at \$300 per application

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer



Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Drilling at the Limon gold-silver epithermal discovery, further ongoing exploration activities at El Palmar and Verde Chico as well as corporate and administrative costs in Australia and Ecuador.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Ecuador, Hong Kong, Malaysia, Philippines, South Africa, Sweden, Switzerland, Thailand, UAE and UK.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Nominees or custodians with registered addresses in Australia and New Zealand may be able to participate in the Entitlement Offer and Shortfall Offer in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Shareholder.

Nominees and custodians who hold Shares as nominees or custodians should note in particular that the Entitlement Offer and Shortfall Offer is not available to:

(a) beneficiaries on whose behalf they hold existing shares who would not satisfy the criteria for an Eligible Shareholder; and

(b) shareholders who are not eligible under all applicable securities laws to receive an offer under the Entitlement Offer or Shortfall Offer.

The Entitlement Offer and Shortfall Offer is not available to securityholders that are in the United States or persons (including nominees or custodians) acting for the account or benefit of a person in the United States.

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://www.sunstonemetals.com.au/site/content/>

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a +disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

No

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)