



PRESS RELEASE

NR 2024-07

For Immediate Release

December 19, 2024

Vancouver, British Columbia

SUN PEAK METALS TO CONTINUE NEXT PHASE OF WORK ON THE SHIRE COPPER-GOLD VMS PROJECT

December 19, 2024 – Vancouver – Sun Peak Metals Corp. (the “**Company**” or “**Sun Peak**”) (TSXV: PEAK | OTCQB: SUNPF) is pleased to provide an update on its Shire Project in Ethiopia, highlighting recent exploration results and outlining key targets for its 2025 drilling program.

Greg Davis, President and CEO commented, *"We are excited to advance exploration on the Shire Project, particularly at the Meli and Anguda North trends. Our recent mapping and surveying efforts have revealed significant new targets that reinforce the Shire Project's exceptional copper-gold potential. As we prepare to launch drilling in early 2025, we remain focused on unlocking the value of this promising VMS system."*

Key Highlights of the Shire Project

- **2025 Exploration Program:**
 - Drilling to commence in Q1 at the **Meli Trend** and the **Anguda North Target**.
 - Detailed Ground Deep Time Domain Electromagnetic (DTEM) surveys scheduled for January to refine drill location targeting.
- **Proven VMS Belt:**
 - Located in a district-scale VMS belt with high-priority copper-gold targets.
 - Previous Sun Peak drilling has intercepted significant copper-gold mineralization at the Meli, Argo, and Keel targets – all remain open for expansion. Intercepts include:
 - Meli**
 - ML-001 – 15.30m @ 3.18 g/t Au, 25.0 g/t Ag and 2.2% Cu
 - ML-002 – 37.23m @ 2.45 g/t Au, 29.4 g/t Ag and 2.4% Cu
 - ML-003 – 35.43m @ 2.52 g/t Au, 22.3 g/t Ag and 1.8% Cu
 - Keel**
 - KL-006 – 17.85m @ 3.95 g/t Au, 45.5g/t Ag, 1.4% Cu, and 1.6% Zn
 - Argo**
 - AR-001 – 6.57m @ 1.34 g/t Au, 54.3g/t Ag, 6.3% Cu, and 1.7% Zn
- All targets drilled by Sun Peak to date have intercepted VMS style mineralization, confirming the effectiveness of the team’s exploration methodology.
- Numerous new high-quality targets are currently being developed showing strong copper and gold potential.

2025 Exploration

The exploration team has been conducting extensive detailed geological mapping and prospecting in the field as part of the Company’s preparations for the upcoming drilling program on the Shire Project, which will target the Meli Trend and Anguda North.

Ground Deep Electromagnetic Time Domain (“DTEM”) surveys on both the Meli Trend and Anguda North targets will begin in early January and drilling is planned to begin late January. The results from the DTEM work will be used to enhance targeting drill locations.

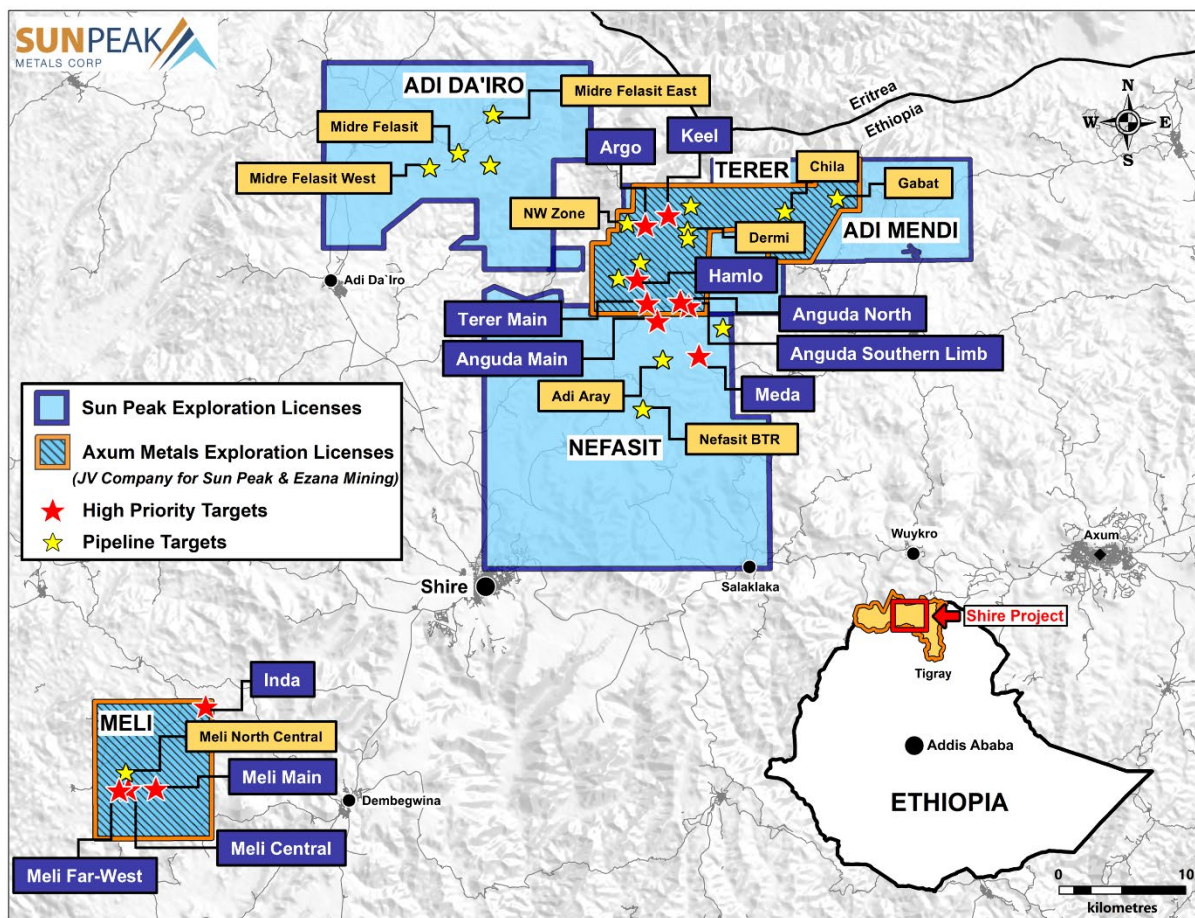


Figure 1: Map of Shire Project exploration licenses and key targets

Meli VMS Trend

Exploration work at Meli has primarily focused on a greater than 3km long, east-west oriented VMS trend, containing targets such as Meli Main, Meli Central, and Meli Far-West (Figure 2). The trend is anchored at each end by strong gold and copper drill intercepts (Meli Main and Meli Far West), which are part of an

extensive VMS system containing intermittent gossans and hydrothermally altered zones. Detailed gravity surveys have revealed strong anomalies and are largely untested by diamond drilling. These strong anomalies will be a key focus of the upcoming drill program.

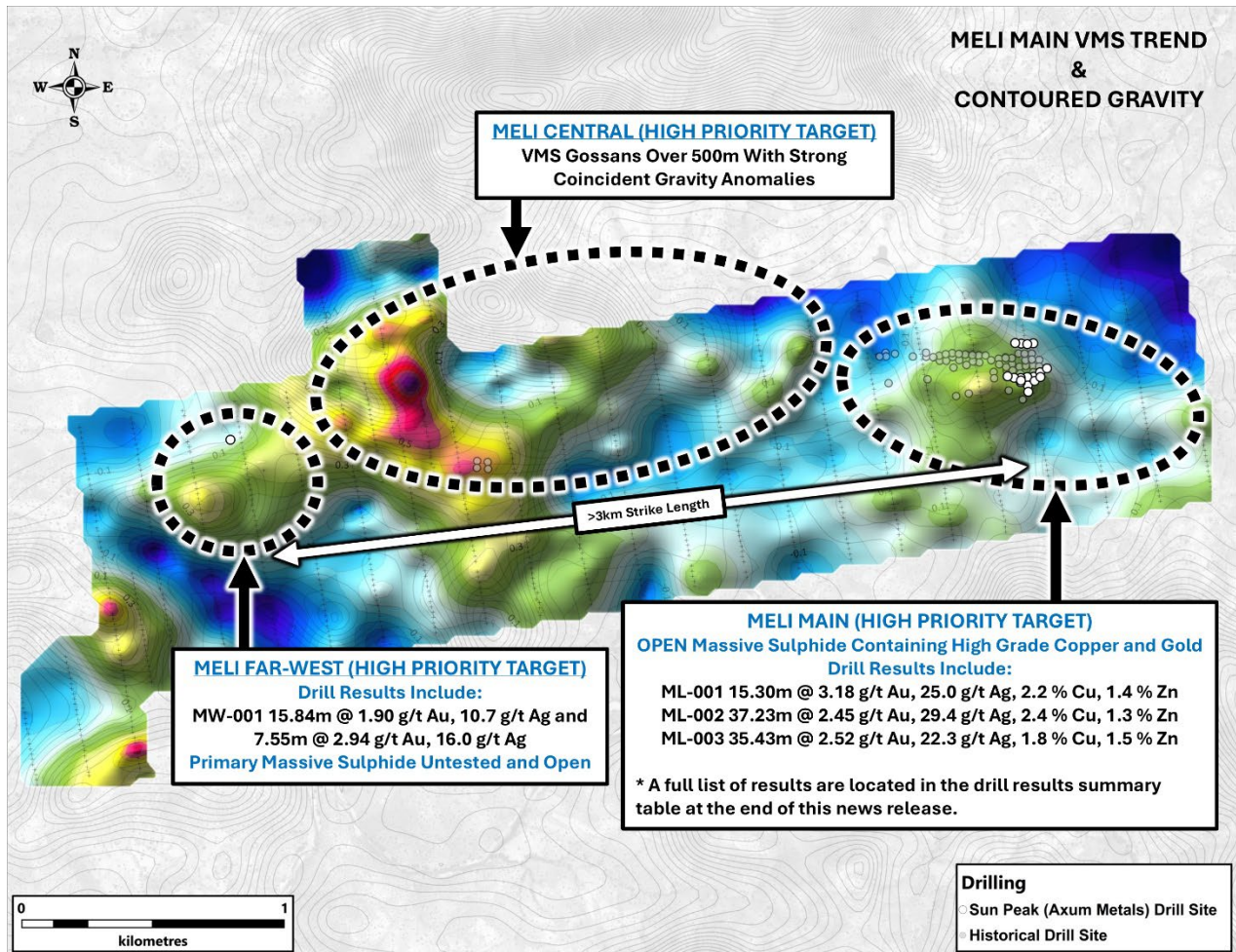


Figure 2: Key VMS Targets on the Meli License

Meli Main Target

The Meli Main Target is located at the east end of the Meli trend and has been the focus of previous successful drill programs by the Company, resulting in some of the best copper-gold VMS intercepts on the Project. The target includes an area of massive sulphides below an exposed 600m long gold-rich VMS gossan (some of which has been mined to a depth of averaging 20 meters), with additional intermittent gossans along trend to the east and west.

Drilling by the Company at Meli Main in 2020 demonstrated the potential of the Meli trend. Highlights from the 2020 drilling at Meli include (full results in table at end of this news release):

- ML-001 – 15.30m @ 3.18g/t Au, 25.0g/t Ag, 2.2% Cu, and 1.4% Zn
- ML-002 – 37.23m @ 2.45g/t Au, 29.4g/t Ag, 2.4% Cu, and 1.3% Zn
- ML-003 – 35.43m @ 2.52g/t Au, 22.3g/t Ag, 1.8% Cu, and 1.5% Zn
- ML-013 – 8.89m @ 2.76g/t Au, 31.8g/t Ag, 2.22% Cu, and 1.75% Zn
- ML-014 – 11.48m @ 3.57g/t Au, 31.2g/t Ag, 2.38% Cu, and 0.65% Zn
- ML-018 – 9.61m @ 3.18g/t Au, 32.3g/t Ag, 2.21% Cu, and 0.56% Zn

The Meli Main Target remains open to depth and along trend.

Meli Central

The large Meli Central Target has a very strong gravity anomaly located within the Meli VMS Trend. The target is untested, and the signature of the gravity anomaly has strong similarities in size and magnitude to the signatures from the Emba Derho and Bisha VMS Deposits in the same region.

The target is located only 2 kilometers west of Meli Main and the trend is defined by smaller gravity anomalies along the trend over known mineralization.

Meli Far-West Target

The Meli Far-West Target is located approximately 3 km west of Meli Main within the Meli VMS trend. In November 2020, two shallow drill holes for a total of 108 meters, were drilled at the target and designed to test the gold oxide gossan. **MW-001 intercepted 15.84 meters averaging 1.90 g/t gold.**

Drilling confirms the presence of significant gold mineralization in the gossan and demonstrates the potential for the Meli Far-West Target to host gold and copper VMS sulphide below the gossan. The mineralization is open to depth and along strike, and future drilling at the Meli Far-West target will test the massive sulfide potential beneath the gossan.

Anguda VMS System/Trend

The **Anguda VMS Trend**, situated within the Terer exploration license, is a prominent VMS system extending for over 10 kilometers. Key targets along this trend include the Anguda North Target, Anguda Main Target, Anguda Main (N), Anguda Southern Limb Target, and the Terer VMS Target (Figure 3).

Recent drilling activities at the Hamlo and Terer VMS Targets, alongside limited drilling at the Anguda Southern Limb in 2020, have revealed typical VMS metal zoning patterns – see Sun Peak news release, dated July 25, 2024. The data suggests a potential increase in precious and base metal concentrations in other VMS zones within the Anguda trend.

The drill results at the Terer Target, outlined a VMS system along the trend of the Anguda North gravity high anomaly located approximately 2 kilometers east. Final drill results from Hamlo and Terer drilling can be found in table at the end of this release.

Anguda North VMS Target: Defined by a strong soil geochemistry anomaly, detailed ground gravity high anomalies, airborne VTEM conductor, and 800 meters long gossan outcrops. The gossan outcrops were defined in recent geological mapping work which was following up on the anomalies identified by the geophysical and geochemistry surveys.

Ground DTEM survey is scheduled in Q1 2025 which will be immediately followed by drilling at Anguda North.

Anguda Main (N) VMS Target: Defined by a greater than 1.5-kilometer-long mineralized zone of gossans and hydrothermal alteration horizons, plunging and increasing in size to the east. The target is identified by a copper and zinc soil geochemistry anomaly and a gravity high coincident with VTEM conductors.

The upcoming work program in Q1 2025 will include ground DTEM surveys over the Anguda North and Anguda Main Targets, with drilling to follow.

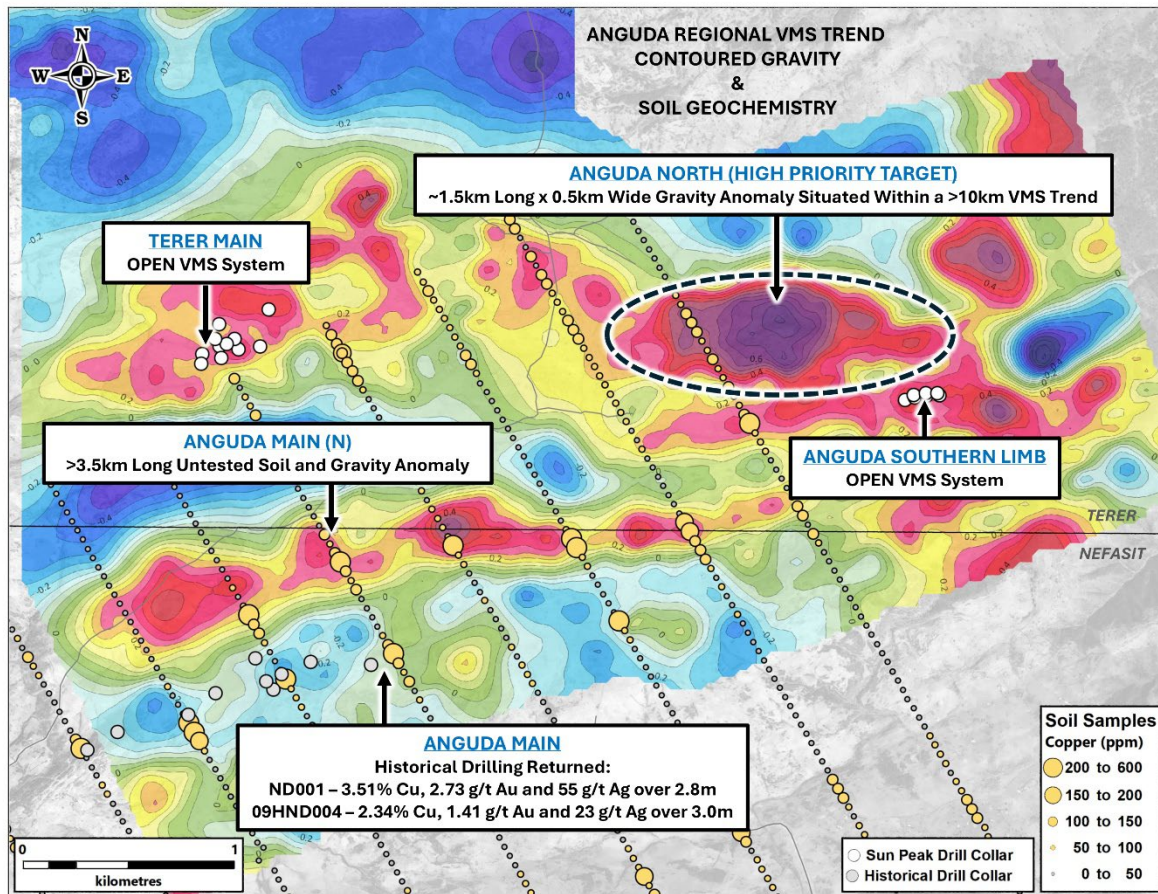


Figure 3: Anguda regional VMS trends underlain by gravity surveys and soil geochemistry

High Priority Targets

The main focus of the upcoming drill program in early 2025 will begin with the Meli Trend and the Anguda North Target, however exploration work will also include other high priority targets throughout the year. A summary of these other key targets is as follows.

Keel and Argo VMS Trend

The Keel and Argo Targets are part of a significant VMS system that extends over 6 kilometers and includes several other highly prospective targets such as the Northwest Zone (Figure 4).

During the Company’s initial drill program in 2020, Sun Peak drilled 12 holes and intercepted high-grade copper-gold VMS mineralization at both Keel and Argo targets. The VMS zones remain open in all directions with untested gossans and gravity anomalies directly on strike from Keel and Argo.

Future work will focus on extending these zones laterally and testing new zones along the trend.

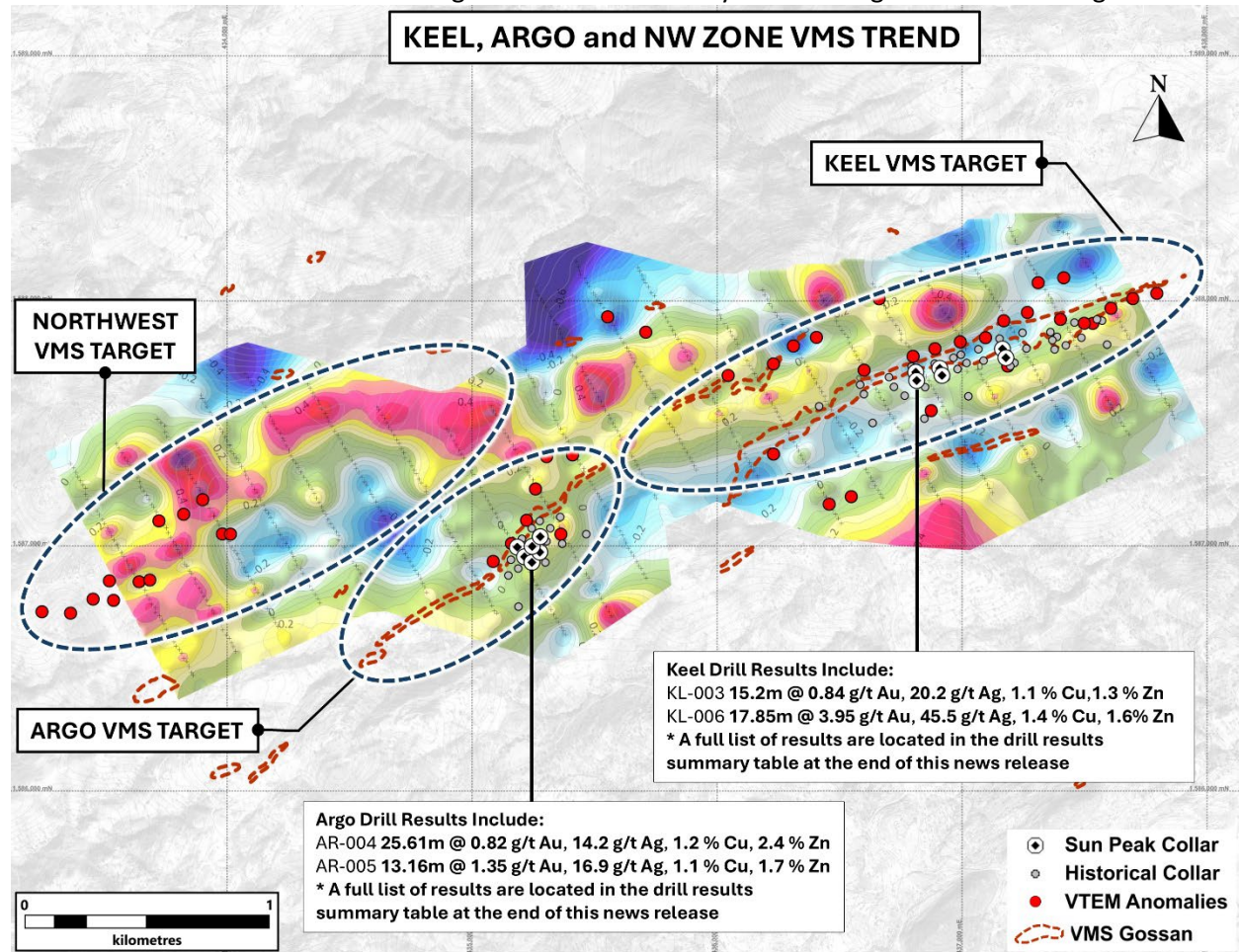


Figure 4: Keel-Argo VMS Trend

Meda VMS Target: Defined by a 1.2 kilometers long gold, silver, copper, and zinc soil geochemistry anomaly, several gossan outcrops, and a gravity high anomaly. A single historic vertical RC hole was drilled in 2004 into the gossan which assayed 18 meters of 2.77 g/t gold from surface (Figure 5).

Future drilling will attempt to define the VMS Zone laterally along strike and to depth.

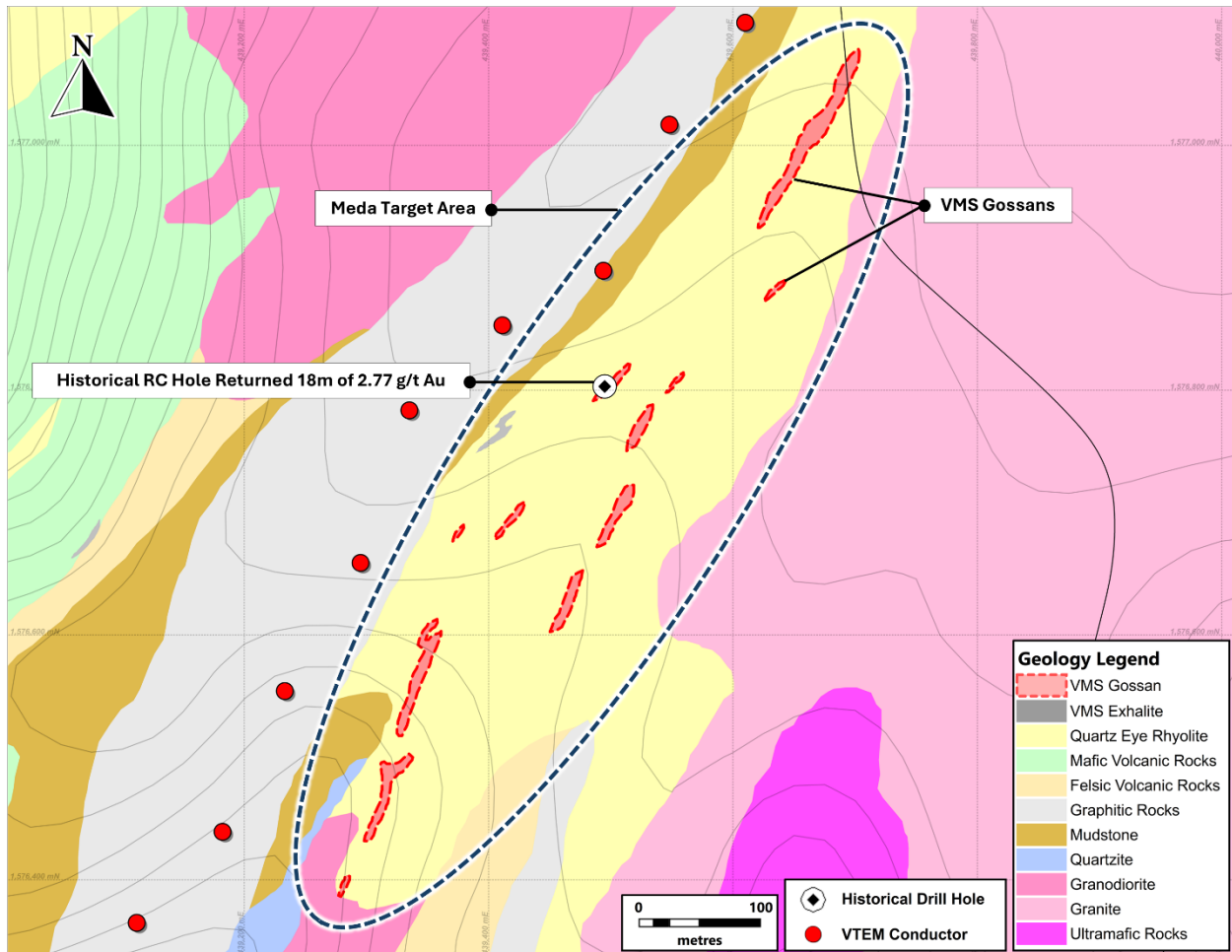


Figure 5: Meda VMS target underlain by geology

Target Development Work

Sun Peak’s Shire Project has approximately two dozen VMS and gold prospects currently being developed by the Company. The Sun Peak exploration team has been in the field in Q4 2024 to follow-up on some of these prospects including prospecting, sampling, and detailed and structural mapping. The Sun Peak team is encouraged by the findings and several of these prospects showing strong potential for VMS and gold



drill targets. The Company will provide further details of these “pipeline” targets in a subsequent news release in the new year.

Drill Results Summary

The following table summarizes all Sun Peak drill results since 2020 on the Shire Project over 7 targets.

Meli Main (2020)								Date Reported
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
ML-001	7.86	17.2	9.34	0.07	2.2	0.5	0.1	Aug 10, 2020
ML-001	55.6	70.9	15.3	3.18	25	2.2	1.4	Aug 10, 2020
ML-002	47.37	84.6	37.23	2.45	29.4	2.4	1.3	Aug 10, 2020
ML-003	87.74	123.17	35.43	2.52	22.3	1.8	1.5	Aug 10, 2020
ML-004	72.46	83.2	10.74	3.34	27.3	1.8	1	Aug 10, 2020
ML-005	90.26	101.25	10.99	3.01	26.8	1.8	0.8	Aug 10, 2020
ML-006	70.95	74.79	3.84	2.57	30.3	1.9	0.7	Aug 10, 2020
ML-007	18.05	23.3	5.25	<0.01	3.3	2.3	<0.1	Aug 10, 2020
ML-007	34.05	35.17	1.12	3.07	45.2	5.7	<0.1	Aug 10, 2020
ML-007	39.32	40.82	1.5	1.19	12.9	0.1	<0.1	Aug 10, 2020
ML-007	52.55	53.53	0.98	4.34	38.9	5.4	<0.1	Aug 10, 2020
ML-007	61.03	63.32	2.29	2.97	24.2	1.5	0.65	Aug 10, 2020
ML-009	68.8	71.16	2.36	1.6	7.4	1.42	0.74	May 28, 2024
ML-010	13.65	17.5	3.85	0.01	1.9	0.66	0.1	May 28, 2024
ML-013	142.23	151.12	8.89	2.76	31.8	2.22	1.75	May 28, 2024
ML-014	162.6	174.08	11.48	3.57	31.2	2.38	0.65	May 28, 2024
ML-018	108.64	118.25	9.61	3.18	32.3	2.21	0.56	May 28, 2024
Meli Far West (2020)								
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
MW-001	5.5	21.34	15.84	1.9	10.7	0.04	0.01	May 28, 2024
including	5.5	7	1.5	2.34	0.6	0.04	<0.01	May 28, 2024
including	11.05	21.34	10.26	2.51	15.6	0.036	0.01	May 28, 2024
including	11.05	18.6	7.55	2.94	16	0.04	0.01	May 28, 2024
Keel (2020)								
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
KL-001	52.78	58.7	5.92	5.01	176.2	<0.1	<0.1	Aug 10, 2020
KL-001	59.44	79.6	20.16	0.78	18.4	0.6	2.3	Aug 10, 2020
KL-002	100.25	133.91	33.66	0.92	22.6	0.9	2.7	Aug 10, 2020
KL-003	63.15	78.35	15.2	0.84	20.2	1.1	1.3	Aug 10, 2020
KL-004	113.13	122.05	8.9	0.58	16	0.4	<0.1	Aug 10, 2020
KL-004	132.7	134.63	1.93	0.88	10.9	0.2	0.4	Aug 10, 2020

KL-005	106.71	110.36	3.65	3.11	23.2	0.6	0.8	Aug 10, 2020
KL-006	89.68	92.68	3	0.08	1.1	0.8	<0.1	Aug 10, 2020
KL-006	160.45	178.3	17.85	3.95	45.5	1.4	1.6	Aug 10, 2020
Argo (2020)								
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
AR-001	7.62	10.67	3.05	1	16.9	0.2	0.3	Aug 10, 2020
AR-001	10.67	17.24	6.57	1.34	54.3	6.3	1.7	Aug 10, 2020
AR-002	64.05	69.66	5.61	1.04	25.7	1.2	5.2	Aug 10, 2020
AR-003	95.15	129.72	34.57	0.33	3.4	0.5	0.2	Aug 10, 2020
including	101.06	114.8	13.74	0.49	7.1	1.1	0.3	Aug 10, 2020
AR-004	86.24	111.85	25.61	0.82	14.2	1.2	2.4	Aug 10, 2020
including	86.24	100.44	14.2	1.07	23.9	1.7	4.2	Aug 10, 2020
AR-005	49.08	62.24	13.16	1.35	16.9	1.1	1.7	Aug 10, 2020
including	49.08	59.9	10.82	1.55	19.8	1.3	2	Aug 10, 2020
AR-006	44.76	64.58	19.82	0.63	15.9	0.4	2.5	Aug 10, 2020
including	44.76	51.58	6.82	0.68	25.3	0.6	4.6	Aug 10, 2020
Anguda Southern Limb (2020)								
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
AN-002	25.95	29.09	3.14	0.35	4.67	0.45	0.33	May 28, 2024
AN-003	44.07	46.23	2.16	0.27	3.5	0.5	1.22	May 28, 2024
AN-004	70.9	72.35	1.45	0.25	4.12	0.46	1.25	May 28, 2024
AN-006	63.75	66.75	3	0.21	3.33	0.48	0.64	May 28, 2024
AN-007	99.9	107.35	7.45	1.29	2.95	0.42	0.81	May 28, 2024
AN-008	42.51	44.06	1.55	0.54	2.49	0.02	0.53	May 28, 2024
AN-008	47.46	54.46	7	0.2	4.15	0.33	1.76	May 28, 2024
AN-009	63.46	67.23	3.77	0.22	4.46	0.27	1.59	May 28, 2024
AN-009	69	71.61	2.61	0.2	5.6	0.64	0.99	May 28, 2024
AN-010	99.06	99.36	0.3	1.12	8.8	0.03	1.54	May 28, 2024
AN-010	107.87	116.14	8.27	0.18	4.95	0.36	0.87	May 28, 2024
including	107.87	110.75	2.88	0.2	6.29	0.28	1.17	May 28, 2024
including	111.55	116.14	4.59	0.19	4.95	0.47	0.82	May 28, 2024
Terer Main (2024)								
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
TR-001	102.65	104.22	1.57	0.349	7.3	0.05	0.25	July 25, 2024
TR-001	119.02	120.35	1.33	0.177	3.9	0.14	0.6	July 25, 2024
TR-001	126.24	132.84	6.6	0.366	6.7	0.47	1.46	July 25, 2024
TR-002	168.65	169.66	1.01	0.634	9.2	0.32	1.32	July 25, 2024
TR-002	172.14	190.6	18.46	0.316	7.2	0.47	1.85	July 25, 2024
including	172.14	181.94	9.8	0.385	10.2	0.81	3.11	July 25, 2024

including	172.14	173.98	1.84	0.497	12.3	0.87	9.24	July 25, 2024
including	175.17	176.86	1.69	0.254	5.2	0.17	6.97	July 25, 2024
including	178.53	181.94	3.41	0.573	17.7	1.65	0.32	July 25, 2024
including	185	190.6	5.6	0.356	5.8	0.14	0.63	July 25, 2024
and	196.44	205.15	8.71	0.29	5.1	0.56	0.65	July 25, 2024
including	196.44	202.12	5.68	0.429	7.1	0.84	0.98	July 25, 2024
including	202.12	205.15	3.03	0.031	1.4	0.03	0.03	July 25, 2024
*TR-003	208.19	210.27	2.08	0.154	2.4	0.08	1.45	Dec 19, 2024
including	209.77	210.27	0.5	0.264	4.9	0.21	5.65	Dec 19, 2024
and	228.6	231.44	2.84	0.459	8.7	0.98	0.24	Dec 19, 2024
*TR-004	162.48	167.93	5.45	0.28	5	1.06	0.25	Dec 19, 2024
and	198	201.36	3.36	0.184	3.8	0.41	0.43	Dec 19, 2024
*TR-005	188.52	192.56	4.04	0.447	3.3	0.276	0.094	Dec 19, 2024
*TR-006	97.57	102.39	4.82	0.38	5.72	1.37	0.47	Dec 19, 2024
including	99.49	100.45	0.96	0.254	4.3	1.31	1.36	Dec 19, 2024
*TR-008	72.87	73.93	0.96	0.185	6.6	1.6	0.22	Dec 19, 2024
*TR-010	264.48	271	6.52	0.263	4.3	0.42	0.92	Dec 19, 2024
including	264.48	266.97	2.49	0.439	6.7	0.6	1.77	Dec 19, 2024
and	288.36	295.53	7.17	0.38	6.14	1.4	0.25	Dec 19, 2024
including	291.85	295.53	3.68	0.51	7.6	1.85	0.26	Dec 19, 2024
*TR-012	149.78	152.32	2.54	0.587	7.6	0.98	4	Dec 19, 2024
and	155.68	162.7	7.02	0.167	2.5	0.33	0.99	Dec 19, 2024
including	155.68	159.25	3.57	0.273	4.2	0.44	1.36	Dec 19, 2024
and	169.6	178.9	9.3	0.24	4.88	0.86	0.94	Dec 19, 2024
including	176.38	178.9	2.52	0.27	5.9	1.25	0.97	Dec 19, 2024
Hamlo (2024)								
Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	
HM-002	0	23.3	23.3	0.137	1	0.029	<0.01	July 25, 2024
HM-002	104.54	108.45	3.91	0.085	1.1	0.023	1.15	July 25, 2024
HM-003	197.11	209.86	12.75	0.155	0.9	0.13	0.41	July 25, 2024
HM-006	288.3	303.05	14.75	0.228	3.3	0.035	1.01	July 25, 2024
*HM-009	118.5	125.08	6.58	0.18	1.3	0.049	<0.01	Dec 19, 2024
*HM-010	158.74	165.75	7.01	0.15	4.7	0.047	1.08	Dec 19, 2024
including	161.64	165.75	4.11	0.18	6.6	0.054	1.54	Dec 19, 2024
*HM-011	345.25	346.75	1.5	6.32	4.5	0.012	0.014	Dec 19, 2024
*HM-012	181.5	186	4.5	0.21	4.3	0.011	0.36	Dec 19, 2024
* New drill results from Terer and Hamlo Targets in this news release								



No significant intercepts in the following holes:

Meli – ML-008, ML-011, ML-012, ML-015, ML-016, and ML-017, reported May 28, 2024

Meli Far West – MW-002, reported May 28, 2024

Anguda Southern Limb – AN-001 and AN-005, reported May 28, 2024

Terer – TR-007, TR-009, TR-011, new drill results reported in this news release

Hamlo – HM-001, reported July 25, 2024 and HM-008, new drill result reported in this news release

QUALIFIED PERSON'S STATEMENT

David K. Daoud, P. Geo, Vice President Exploration is the Qualified Person overseeing Sun Peak's exploration projects in Ethiopia and has reviewed and approved this press release.

All drill holes reported are diamond drill core holes.

A Quality Assurance/Quality Control program was part of the sampling program on the Hamlo and Terer prospects. This program includes the systematic submittals of standards, duplicates, and blank samples into the flow of samples produced by the sampling.

Samples were prepared at ALS Laboratory in Addis Ababa, Ethiopia and analyzed at ALS Laboratory in Dublin, Ireland. Gold is assayed using a 50-gram of -75 micron-size pulp is fire assayed and finished by ICP-AES analysis to detect content between 0.01 and 10.0 ppm. Gold returning over limit values are re-assayed with higher detection limits using a gravimetric finish. As well, a 0.5 gram cut from the pulp of each rock sample is dissolved by aqua regia acid digestion and analyzed by mass spectrometry for a suite of 51 additional elements. Analytical values for silver, copper, zinc, and lead over detection limits are re-assayed with higher detection limits, using aqua regia digestion. Drilling intercept lengths and estimated true thicknesses are reported in the tabulations.

ABOUT SUN PEAK METALS CORP.

Sun Peak is exploring the district-scale Shire VMS Project in the Tigray Region of northern Ethiopia. The Shire Project is comprised of six exploration licenses and covers approximately 1,450 square kilometers in the prospective Arabian Nubian Shield. The licenses are in the same geological environment as both the Bisha Mine and the Asmara Projects. The Meli and Terer Licenses are part of a joint-venture agreement with Ezana Mining, a private Ethiopian Company and the other four are 100% owned by Sun Peak. The Sun Peak team have worked in East Africa for more than two decades and the Company's strategy is to apply exploration techniques that have worked successfully in the region before, to build assets through major copper-gold VMS discoveries.

ON BEHALF OF THE BOARD OF DIRECTORS OF SUN PEAK METALS CORP.

Greg Davis,
President, CEO & Director



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