Sun Valley Minerals

Sun Valley Samples up to 54.6 g/t Au and >200 g/t Ag in First Reconnaissance Program at Tarumán - Confirming Gold and Silver in NW-SE Trending Veins and Breccias

August 29, 2023

Dear Sun Valley Shareholder or Follower,

Sun Valley Minerals Inc. (**"Sun Valley"** or the **"Company"**) is pleased to provide the following updates relating to recent activities at the Company's wholly owned Tarumán Au-Ag Project in Uruguay:

- *Confirm Presence of Gold and Silver in NW-SE Trending Veins and Breccias at Tarumán*
- *Conclude Land Use Agreement for Key Portion of the Tarumán Licence Area*
- *Additional Application to Further Expand the Tarumán Land Position*

Confirm Presence of Gold and Silver in NW-SE Trending Veins and Breccias at Tarumán

A recent reconnaissance program aimed at testing mineralization and confirming structural orientations of a series of quartz veins and breccias has yielded positive results (*Table 1 & Figure 1*). A total of 26 rock chip samples were collected, with 24 samples primarily representing steeply dipping NW-SE trending veins and breccias. The remaining 2 samples were of "surface float" rock. Of the 26 samples, 10 "in-situ" samples and 1 float sample returned assays above 1 g/t gold – Refer to *Table 1.*

Table 1: Overview of significant rock chip sample results. Note that samples RC07 and RC09 reported Ag values exceeding the upper detection limit of 200 g/t. Refer to "Appendix A" for a complete list of samples.

Rock Chip Sample #	Sample Type	Au (g/t)	Ag (g/t)	Cu (%)
RC06	Float	9.74	81	0.07
RC07	In-Situ	10.55	>200	0.02
RC08	In-Situ	20.4	77	0.02
RC09	In-Situ	30.5	>200	0.19
RC10	In-Situ	1.82	10	0.00
RC15	In-Situ	17.8	64	0.04
RC16	In-Situ	36.6	28	0.02
RC17	In-Situ	2.5	19	0.01
RC18	In-Situ	9.58	38	0.59
RC19	In-Situ	54.6	9	0.25
RC27	In-Situ	6.57	9	0.12

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An additional 7 samples returned values greater than 0.1 g/t gold, confirming the presence of anomalous gold values in a variety of veins sampled during the program.

It is important to note that the program focused on a small area within the Tarumán licence and did not aim to delineate the potential strike and/or width extents of mineralized zones at surface. Subsequent work programs will focus on this aspect.

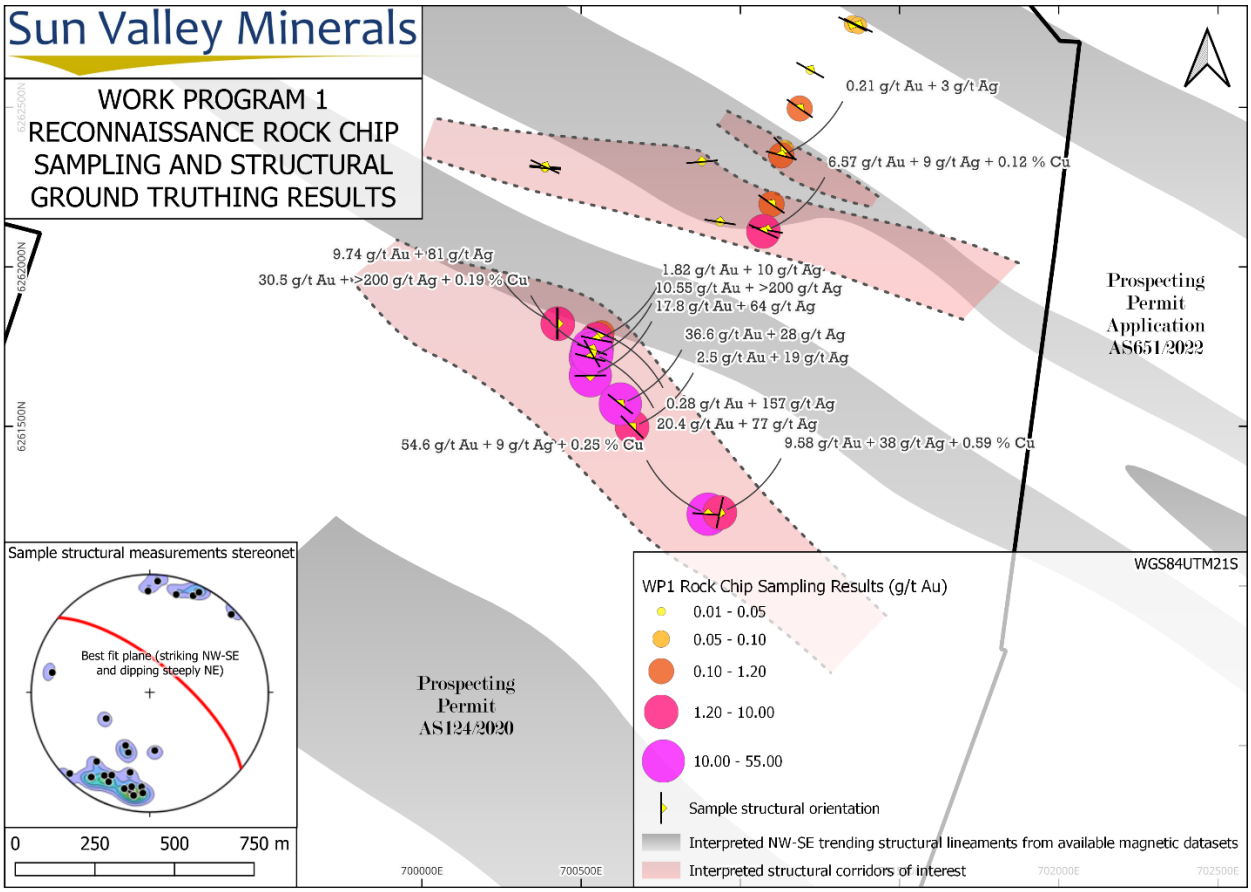


Figure 1: Work Program 1 sample locations and structural measurement.

Laubser Pepler, VP Exploration commented: *"The recent field reconnaissance program (Work Program 1) has reinforced our confidence in the Tarumán Project's potential as a significant gold-silver exploration endeavour. The primary objectives of the program were to validate historical records of significant gold and silver mineralization on surface and to investigate the hypothesized NW-SE oriented structural corridors potentially controlling the emplacement of mineralized quartz-sulphide veins and breccias. The insights gathered from the program have not only confirmed the presence of significant gold and silver grades on surface, but also the existence of prospective NW-SE structural corridors. The success of the program has heightened our enthusiasm, and we are eager to uncover the full extent of the property's potential with upcoming field programs."*

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Conclude Land Use Agreement for Key Portion of the Tarumán Licence Area

The Company recently entered into a Land Use Agreement (the **"Agreement"**) with the owners of a key portion of the Tarumán prospecting licence which includes the Work Program 1 sampling area, in addition to an area currently under prospecting licence application by Sun Valley.

The Agreement provides Sun Valley with the necessary landowner approvals to apply for an exploration licence(s), that if granted will allow the Company to conduct future exploration drilling and trenching programs on the property. In total, the Agreement covers 326 hectares of highly prospective land.

The Agreement also allows for the construction of a central exploration work camp and sample preparation facility, which is scheduled for construction in early October.

Additional Application to Further Expand the Tarumán Land Position

The Company recently applied for a fourth prospecting licence to expand the Tarumán land position with ~4,560 hectares to the north *(Appendix B)*. The new application area, referred to as *"Plumas Dorado"* aims to bring the combined project area (applications and granted licence) to ~18,700 hectares in total.

General & Forward Looking

The Company is currently planning a two-stage work program *("WP2a" and "WP2b")* at Tarumán to commence in the fourth quarter of this year, immediately following the construction of a central exploration work camp and sample preparation facility.

WP2a is intended as a regolith (stream sediment and soil) orientation program aimed at designing robust and effective soil and stream sediment sampling protocols specific to bedrock interface sampling.

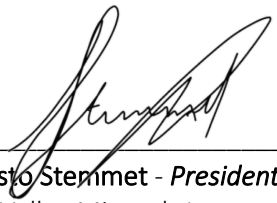
WP2b entails the execution of a larger scale soil and stream sediment sampling program based on the findings of WP2a, in addition to geological mapping, ground-based magnetic surveys, and rock chip and channel sampling.

WP2b will primarily aim to fortify, strengthen, and expand existing gold-in-soil anomalies to areas that have not been adequately explored in the past. The program will also serve as an initial phase for delineating the surface extent of the NW-SE trending quartz-sulphide veins and breccias.

In parallel, the Company continues to actively assess new prospective opportunities in Uruguay.

Please do not hesitate to contact me if you have any questions.

Kind regards,



Christo Stemmet - *President & CEO*
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APPENDIX A

Complete List of Samples

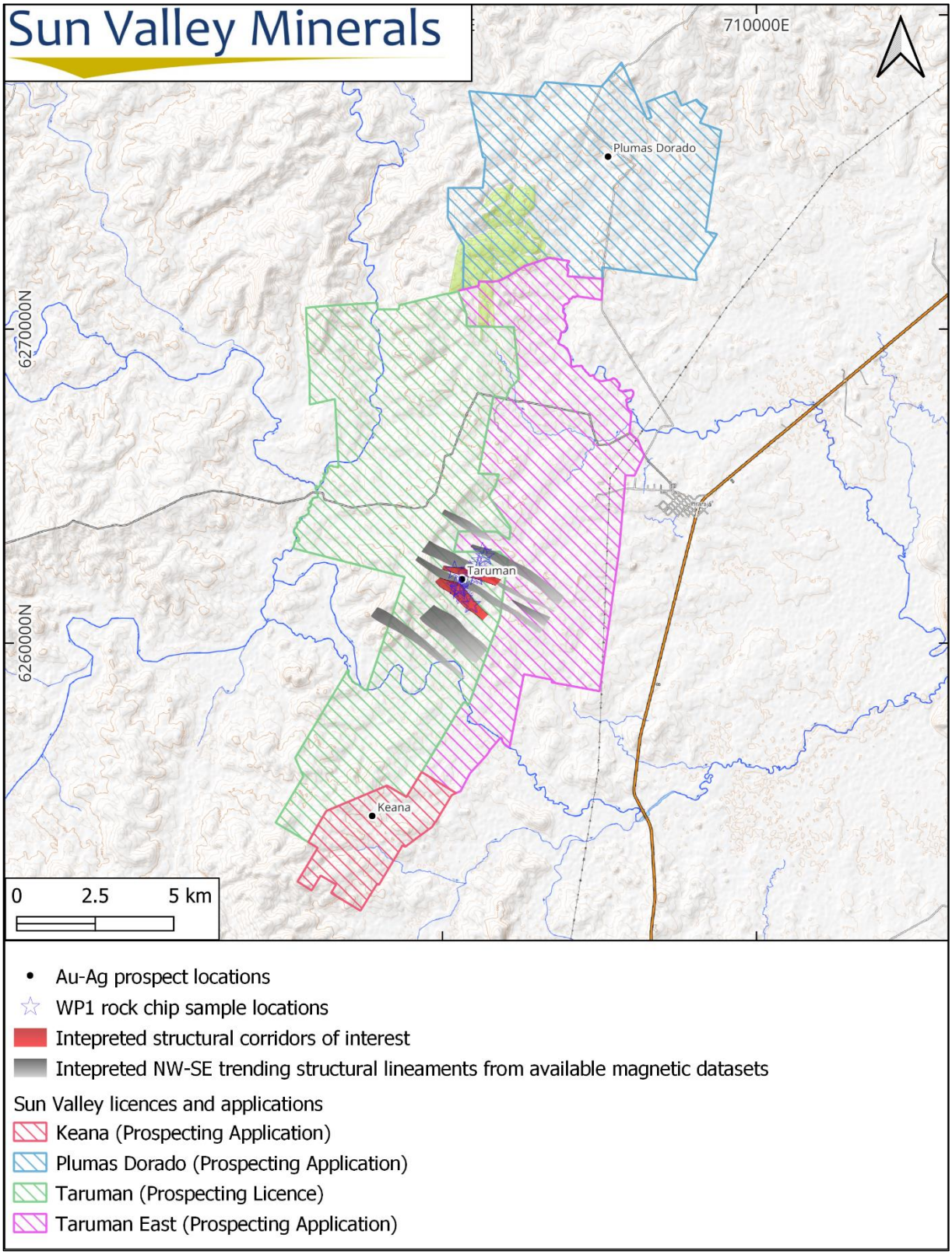
Sample ID	Sample type	Sample Min1	Sample Min2	Sample Dip	Sample Dip Direction (T)	Eastings	Northings	Weight (kg)	Au (ppm)	Ag (ppm)	Cu (%)	Pb (%)	Zn (ppm)
RC01	Rock chip / in-situ	Py[1]		71	25	700386.98	6262314.08	1.10	0.03	1	0.00	0.007	<20
RC02	Rock chip / in-situ			84	184	700387.44	6262313.96	1.24	<0.01	<1	0.00	0.002	<20
RC03	Rock chip / in-situ			68	5	700386.89	6262309.75	1.30	<0.01	<1	0.00	0.002	<20
RC05	Rock chip / Float			-	-	700424.49	6261823.55	1.56	0.11	6	0.00	0.007	<20
RC06	Rock chip / Float	FeOx[2]	Pb[3]	-	-	700426.87	6261821.94	1.39	9.74	81	0.07	0.76	890
RC07	Rock chip / in-situ	FeOx		58	14	700528.89	6261715.95	2.09	10.55	>200	0.02	0.251	180
RC08	Rock chip / in-situ	FeOx		35	60	700534.44	6261728.59	6.42	20.4	77	0.02	0.113	130
RC09	Rock chip / in-situ	FeOx	Py, Pb, Cu[4], AsPy[5]	44	20	700534.89	6261741.34	2.77	30.5	>200	0.19	0.915	940
RC10	Rock chip / in-situ	PyOx		72	11	700549.00	6261773.11	1.30	1.82	10	0.00	0.022	<20
RC11	Rock chip / in-situ		Pb	79	204	700564.22	6261791.98	1.30	0.28	157	0.03	1.25	20
RC12	Rock chip / in-situ	FeOx	Py	76	9	700936.49	6262140.53	2.72	0.05	15	0.00	0.008	<20
RC13	Rock chip / in-situ	FeOx		69	11	701084.80	6262115.77	1.93	0.14	1	0.01	0.002	<20
RC14	Rock chip / in-situ			40	355	700879.58	6262329.58	1.08	0.03	<1	0.00	0.003	<20
RC15	Rock chip / in-situ	FeOx		75	179	700529.09	6261659.13	1.83	17.8	64	0.04	0.19	100
RC16	Rock chip / in-situ	FeOx		62	38	700623.32	6261570.28	1.66	36.6	28	0.02	0.23	200
RC17	Rock chip / in-situ	PyOx		85	45	700660.16	6261498.16	1.29	2.5	19	0.01	0.047	140
RC18	Rock chip / in-situ	FeOx	Cu, Py	73	102	700935.85	6261230.06	1.98	9.58	38	0.59	0.002	170
RC19	Rock chip / in-situ	FeOx	Cu, VG[6]	73	4	700899.14	6261224.96	2.40	54.6	9	0.25	0.005	290
RC20	Rock chip / in-situ	FeOx		40	25	701370.69	6262757.05	4.13	0.08	22	0.05	0.047	30
RC21	Rock chip / in-situ	FeOx		84	206	701353.08	6262761.42	3.41	0.1	19	0.02	0.046	60
RC22	Rock chip / in-situ	FeOx		68	29	701219.72	6262616.77	7.01	0.05	1	0.01	0.121	20
RC23	Rock chip / in-situ	FeOx		75	35	701186.89	6262496.75	4.84	0.12	4	0.01	0.009	60
RC24	Rock chip / in-situ	FeOx		85	226	701140.03	6262370.80	2.04	0.08	1	0.01	0.004	20
RC25	Rock chip / in-situ	FeOx		72	15	701129.02	6262349.62	1.64	0.21	3	0.02	0.01	60
RC26	Rock chip / in-situ	FeOx		75	35	701098.18	6262196.93	2.21	0.18	<1	0.02	0.003	20
RC27	Rock chip / in-situ	FeOx		65	25	701073.03	6262111.36	3.25	6.57	9	0.12	0.002	20

[1] Py – Visual identification of pyrite
[2] FeOX – Visual identification of undifferentiated Iron oxide minerals
[3] Pb – Visual identification of galena
[4] Cu – Visual identification of secondary copper minerals
[5] AsPy – Visual identification of arsenopyrite
[6] VG – Visual identification of visible gold

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APPENDIX B

Plumas Dorado Prospecting Licence Application



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APPENDIX C

Sample Collection & Analytical Procedures

26 rock chip samples were collected from the Tarumán project area. Two samples were identified as "rock float" while the rest were "in-situ" samples. The in-situ samples were collected from selected outcropping veins and breccias using a hammer and chisel. A structural measurement, which includes dip and dip direction, was recorded at the collection site of each in-situ sample.

Every sample was photographed on-site. The photographs included a Brunton compass to show true north and a Garmin GPS displaying the sample ID and location. Each sample was labeled distinctly and had a unique ticket placed in the sample bag. The weight of the samples ranged from 1.10 kg to 7.01 kg, with an average weight of 2.45 kg per sample.

All the samples were securely packed in 50-liter PVC drums, each clearly numbered and labeled. The drums were shipped in a single batch from Montevideo, Uruguay, to ALS laboratories in Mendoza, Argentina, for initial sample preparation. Preparation involved crushing the samples to a fine consistency, with over 70% being less than 2mm in size. From this, a 1kg portion was further milled until over 85% was less than 75 microns in size. The resulting processed samples were then sent to Lima, Peru, for chemical analyses. ALS is an ISO-17025 accredited laboratory.

Chemical analyses comprised a multi-element four-acid Inductively Coupled Plasma Atomic Emission Spectroscopy (ICP-AES) and Atomic Absorption Spectrophotometry (AAS) combined with the Fire Assay (FA) method (e.g., ME-ICP61a, AG-OG62, ME-OG62 and Au-AA26 methods). Notably, two samples, RC7 and RC9, showed silver content exceeding the upper detection limit of 200 g/t and weren't further tested for this high silver content.

It's important to note that given the early-stage nature of the work program, no Certified Reference Materials (CRM's), field duplicates, or blanks were added to the sample set by the Company. Additionally, no top-cuts were applied to the sample results. Based on historical results available for the area as well as review of the laboratories' internal QAQC protocols, the sample results are accepted with confidence by the Company.

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