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LATEST REPORT CONFIRMS CUE KIMBERLITES ARE DIAMONDIFEROUS

- **Newly Released Report Provides Information On Diamond Sampling Of Soapy Well Kimberlite**
 - **Additional Work Defined Multiple Kimberlite Drill Targets In Area Along Strike From Cue 1 And In New Area Of Kimberlite Float**
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Further to its announcement of 29 October, Sunrise Diamonds plc (“Sunrise” or “the Company”) is pleased to announce that newly released information confirms that the Cue 1 and Soapy Well kimberlites, on the Company’s new licence application area in Western Australia, are diamondiferous.

In a 2001 report, previously retained as confidential, but released to open-file yesterday by the Geological Survey of Western Australia following enquiries by the Company, De Beers reported positive diamond sampling results from the main kimberlite dyke at Soapy Well. De Beers also reported positive results from follow-up exploration at two separate additional kimberlite targets within the Company’s new licence application area.

According to De Beers, 13 diamonds were recovered for a total weight of 0.00379 carats from a 64kg sample of kimberlite taken from drill-core at Soapy Well. Whilst not providing any information on sampling of the Cue No.1 kimberlite the report states *that “two diamondiferous dykes, Cue 1 and Soapy Well 1, have been discovered so far”*.

The recently released report also provides details of further soil sampling and ground geophysics which identified multiple drill targets for kimberlite at Fennels Well, 2.5km along strike from the Cue No 1 kimberlite and in a separate area close to the Cue I kimberlite where a new area of kimberlite rock debris was found.

Commenting today, Patrick Cheetham, Chairman of Sunrise said “These newly released results validates our belief that something of real interest was found by De Beers and our belief that their decision not to continue at Cue was more due to a change in strategy rather than the results of their exploration.”

Further information – see background information below or contact:

*Patrick Cheetham, Sunrise Diamonds plc. Tel: +44 (0)1625-505947. Mobile: +44(0)7767 458751
Brett Miller/Gavin Burnell, Astaire Securities plc. Tel: +44(0)20 7448 4400*

The information in this release has been compiled and reviewed by Mr. Patrick Cheetham (MIMMM, MAusIMM) who is a qualified person for the purposes of the AIM Note for Mining and Oil & Gas Companies dated June 2009. Mr Cheetham is a Member of the Institute of Materials, Minerals & Mining and also a member of the Australasian Institute of Mining & Metallurgy.

Background Information.

The Company has applied for exploration licence (ELA20/727) covering an area of approximately 70 square km and is located 70km to the north-west of the town of Cue in the Murchison Mineral Field in the Yilgarn Craton of Western Australia.

At the "Cue 1" locality a kimberlite dyke outcrops and is reported by De Beers to be 2-3m wide. Several drill holes intersected the dyke and one vertical hole intersected kimberlite from surface to 60m depth. At Soapy Well, 7km to the west, at least three closely spaced kimberlite dykes, up to 3m wide, were encountered in two drill traverses spaced 400m apart.

Also of interest within the licence area is a sulphide-bearing gabbro dyke that was intersected in several drill holes by De Beers prior to the discovery of the Cue 1 kimberlite. Although not of interest to De Beers for diamond exploration, this gabbro dyke is now targeted by Sunrise for PGM's and gold. It is located in the same region as the Weld Range PGM deposit (reported Inferred Resource >0.5 million ounces platinum+palladium+gold) the discovery of which was initiated by Sunrise Executive Chairman, Patrick Cheetham, when Joint Managing Director of Dragon Mining NL.

The De Beers exploration licences in this area expired in 2001, shortly after De Beers failed to secure the takeover of Ashton Mining and its interest in the Argyle Diamond Mine in Australia and shortly after that De Beers ceased all exploration in Australia. De Beers' expenditure in the immediate area of the Company's licence application area exceeded Aus\$1 million.

A map showing the location of ELA20/727 is available on the Company's website under the "Projects" Tab (Cue Project).

The Cue project is the first of a number of new projects planned by the Company to broaden its geographical base and widen its commodity interests which, to-date, have been focused on diamond exploration in Finland.