



SUNRISE  
DIAMONDS PLC

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## **SUNRISE MOVES TO 100% OWNERSHIP OF NORDIC KIMBERLITES IN FINLAND'S KARELIAN CRATON**

- **New Agreement Replaces Existing Earn-In & Joint Venture Agreement**
  - **Removes Euro 700,000 Remaining Joint Venture Earn-In Obligation**
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Sunrise Diamonds plc ("Sunrise" or "the Company") is pleased to announce that it has reached an agreement with Nordic Diamonds Ltd ("Nordic") to acquire 100% ownership of Nordic's Kaavi- Kuopio claims in Finland (subject to a royalty in favour of Nordic), where, until now, the Company has been earning up to a 75% interest through an earn-in and joint venture agreement.

The claims cover 14 of the known 25 kimberlites in the Finland's main diamondiferous area in Finland at Kaavi-Kuopio including Kimberlites 10, 14 and 17, where the Company has recently completed diamond sampling, and a number of other pipes containing diamond grades of economic interest.

The new agreement replaces and supersedes the existing earn-in and joint venture agreement with Nordic in respect of the same claims. The previous agreement allowed Sunrise to earn up to a 75% Joint Venture Interest by sole funding exploration expenditure totalling Euros(€)1,000,000 by 11 August 2010 of which a minimum of €500,000 was to be spent by 11 August 2009, after which it would have earned an initial 51% Joint Venture Interest.

Sunrise's expenditure on the claims is approximately €300,000 to date and so the new agreement effectively relieves the company of a further €700,000 of earn-in expenditure and increases its equity interest in the claims to 100% from the 75% that could previously be acquired.

The consideration for the acquisition is the issue of 100,000 new ordinary shares in the capital of the Company and the grant to Nordic of a 1% Gross Overriding Royalty on production of diamonds from the claims. The new shares will be issued after the transfer of the claims to Sunrise has been registered.

"The conversion of its earn-in rights to a 100% ownership of the Kaavi-Kuopio claims removes a major exploration expenditure obligation for the Company whilst at the same time increasing the level of its interest over that which was previously possible under the earn-in agreement.", said Sunrise chairman, Mr Patrick Cheetham. "It is a huge boost to our portfolio and a welcome relief from expenditure pressures in these difficult times" he added.

The majority of the claims covered by the agreement are currently subject to extension applications with the Finnish Ministry of Employment and Economy.

### **Further information:**

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