



SUNRISE RESOURCES PLC

AIM Announcement

22 October 2015

SUNRISE RESOURCES PLC ("the Company")

BAY STATE SILVER PROJECT - PHASE 1 DRILL RESULTS HIGH-GRADE SILVER INTERSECTIONS IN ALL DRILL HOLES

Sunrise Resources plc, the AIM-traded diversified mineral exploration and development company, is pleased to announce high-grade silver results from its first phase of drilling at the Bay State Silver Project in Nevada.

HIGHLIGHTS:

- High-grade silver mineralisation encountered in all three drill holes, e.g.:
 - 1,460 g/t silver (42.6 oz/ton) over 0.2m from 164.13m in Hole 15SRDD002
 - 566 g/t silver (16.5 oz/ton) over 0.5m from 70.71m in Hole 15SRDD001
 - 503 g/t silver (14.7 oz/ton) over 1.4m from 185.32m in Hole 15SRDD003
- Chihuahua vein system encountered largely as predicted from 3D modelling.
- High silver grades also intersected outside of known vein system – indicating potential for additional discoveries.
- Follow up drilling now warranted – drill permits already in place to allow rapid progression of Phase 2 drilling.

Commenting today, Executive Chairman Patrick Cheetham said: "I am pleased to be reporting success in hitting high grades of silver mineralisation in all three drill holes in our first test of the main Chihuahua Vein System. So far we have drilled at a wide spacing on only the northern section of the vein, and to a relatively shallow depth. We need to drill many more holes to get a true picture of the silver mineralisation but this is an excellent start."

Further information

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Detailed Information

This announcement gives details of drilling results for three diamond drill holes completed on behalf of the Company in late August and early September of 2015 by drilling contractor Boart Longyear.

The programme was designed to follow up high-grade and bonanza silver sampling results from historical surface and underground sampling, to provide valuable grade and geological information and pave the way for more substantial programmes of drilling aimed at resource definition.

Despite challenging drilling conditions, all three drill holes were completed to at least their planned target depth for total meterage of 600m.

All three drill holes were drilled from the west side of the vein system. All core was logged in the field and sample intervals marked up by the field geologist based on geological logging.

The mineralisation encountered in the drill holes is visually distinctive and consistent with the vein-style mineralisation seen in surface and underground exposures. The silver bearing vein zones are characterised by silicification, spotty sulphide mineralisation (galena and tetrahedrite) and staining with secondary copper minerals. Analytical results indicate that contacts between high grades and low grades of silver within the vein zone are sharp.

Samples of the drill core were taken in intervals not exceeding 5ft (1.53m). In most cases sampling was extended beyond the visually mineralised intervals and a few speculative samples were taken from other parts of the core showing different style of alteration and mineralisation.

A total of 127 samples were taken for analysis. Significant analytical results are shown in the attached table and details of individual drill holes are as follows:

Hole SRDD001 was drilled at an angle of 70 degrees from horizontal, perpendicular to the projected strike of the vein and to a down-hole depth of 185m. It was designed to intersect the Chihuahua vein below the floor of Mining Canyon and below the level of the deepest mine working just south of the Chihuahua adit.

Two narrow but high-grade intervals of silver mineralisation were encountered above the level of the predicted vein intersection. Without further drilling it is not possible to say if this represents a displaced or shallow dipping part of the main vein.

The narrow high-grade silver mineralisation encountered at 88.70-88.85m down-hole was from a speculatively selected sample and the high grade of this sample, 11.5 oz/ton silver (394 g/t), was unexpected. No samples were taken either side of this interval and further sampling around this interval is now required.

Hole SRDD002 was drilled high at the north-west end of Mining Canyon at an angle of 45 degrees from horizontal, perpendicular to the projected strike of the vein and to a down-hole depth of 183m. It was successful in demonstrating the continuity of mineralisation seen at the end of the Chihuahua adit and intersected the vein at its projected depth.

In this hole the vein system has a total thickness of 13.4m and contains narrow intervals of very high-grade mineralisation as shown in the attached table.

Hole SRDD003 was drilled from the floor of Mining Canyon approximately midway between the first two holes. It was drilled at an angle of 45 degrees from horizontal, perpendicular to the projected strike of the vein and to a down-hole depth of 232m.

The hole intersected a strong high-grade section of vein material at the depth predicted from 3D modelling of the vein from surface and underground workings and as shown in the attached table.

Overall this first small drill programme has been successful in demonstrating the continuity of silver mineralisation below and beyond the level of historical workings over a tested strike length of 320m.

To date only 3 of the 17 drill holes which have been permitted to date have been completed and such limited drilling over a significant strike length is unlikely to present an accurate picture of a vein system that is likely to pinch and swell along its length and where the higher grades and thicknesses are likely to occur in defined ore shoots along the vein system. However the results are considered to be highly encouraging and justify additional drilling. Phase 2 drilling is now being planned.

A schematic diagram showing the location of drill holes and drill intercepts, together with some core photographs, will shortly be posted on the Bay State Silver Project page of the Company's website.

Notes:

1. Reporting Units. The silver grade of samples is being reported in the units grammes/tonne (g/t) or kg/tonne (kg/t) and also in Troy ounces/short ton (oz/ton).

2. Drilling Method & Core Recovery. Drilling was completed using a track mounted LF70 drill rig collecting HQ sized drill core in a triple tube core barrel. Core recovery was high in both solid rock and mineralised intervals. Where solid core was recovered it was oriented with a down-hole Reflex core orientation tool to allow for detailed structural analysis at a later date.

3. Analytical Methods & QA/QC. All drill core was submitted to ALS Minerals in Reno, Nevada for sampling and analysis. All samples selected for analysis were cut in half using a diamond saw and half core was submitted for sample preparation and analysis. The remaining half core was returned to the core box for storage except in the case of a number of check samples where the half core was cut again into two quarters with one quarter ("field duplicate") being submitted for check analysis. All cut core samples were crushed and pulverised and assayed for silver and base metals using a four acid ore grade digest and ICP-AES analysis for silver and base metals and other trace elements (ALS method ME-ICP61a). Over-range silver values were determined using a different four acid/analytical method (ALS method Ag-OG62). Samples were also assayed for gold by 30g fire-assay (ALS Method Au-ICP21). No significant gold values were returned consistent with previous surface and underground sampling. ALS internal QA/QC data for the analytical data was examined and found to be acceptable. Analytical results for field duplicate samples show acceptable agreement.

3. True thicknesses. All thicknesses of mineralisation reported in this announcement refer to the down-hole thicknesses of mineralisation in the drill hole. The boundaries of the silver mineralised zone are sometimes diffuse and fracture orientations within the vein zone can vary. More detailed core logging is required to optimise the structural information that can be taken from the core and this structural information will add to knowledge of the variation of vein orientations in future. In Holes SRDD002 and 003 the vein zones were intersected largely in the positions expected based on projecting the veins from the underground workings at an 85 degrees dip towards these drill holes and on this basis true thicknesses are estimated for these two holes at 80% of intersected thicknesses. The mineralised intersections in hole SRDD001 cannot be estimated without further core logging and evaluation and drilling.

4. 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. Mr Cheetham is a Member of the Institute of Materials, Minerals & Mining and also a member of the Australasian Institute of Mining & Metallurgy.

Table of Significant Assay Results from 1st Round Sampling, Phase 1 drilling.

(All assay values greater than 1 oz/t (34.3 ppm) silver reported as significant).

Drill Hole No.	Down-hole Intersection		Sample Width (cm)	Silver	Silver	Copper	Lead	Zinc
	From (m)	To (m)		(oz/ton)	(g/t)	%	%	%
15SRDD001	58.37	59.13	76	1.7	57	0.01	0.09	0.13
and	70.71	71.17	46	16.5	566	0.27	0.04	0.02
and	88.70	88.85	15	11.5	394	0.03	6.48	0.22
15SRDD002	164.13	164.29	16	42.6	1,460	0.48	0.72	1.49
and	166.12	176.63	1051	1.4	48	0.03	0.08	0.13
inc.	166.12	166.42	30	5.5	187	0.07	0.43	0.48
inc.	170.69	172.21	152	5.3	182	0.11	0.19	0.41
inc.	171.66	172.21	55	20.4	699	0.25	0.34	1.01
inc.	175.26	176.63	137	2.1	72	0.03	0.13	0.12
15SRDD003	163.37	163.83	46	2.7	93	0.13	0.25	0.07
and	185.32	186.75	143	14.7	503	0.21	2.14	0.70