

SUNRISE RESOURCES PLC

AIM Announcement

25 September 2014

SUNRISE RESOURCES PLC ("the Company")

New Project Lease & Option to Purchase Bay State Silver Project

As part of its strategy to acquire at low cost a valuable portfolio of mineral projects in Nevada USA, Sunrise Resources plc is pleased to announce a lease agreement and option to acquire a group of patented mining claims covering the historic Bay State Silver Mine in White Pine County, Nevada ("the Bay State Silver Project").

HIGHLIGHTS:

- Leased claims cover shallow silver and tungsten workings over several hundred metres of strike length with historical high grade silver production (>20 ounces/ton silver)
 - Claims patented in 1874 with favourable development status
 - 24 unpatented mining claims staked by Company to surround patented claims
- Targets include high grade silver veins and silver and tungsten stockwork mineralisation
- Three recent Company grab samples from outcrops of veins and stockworks assay 8.7 to 17.4 ounces/ton silver
- Follow up sampling to start shortly.

Commenting today, Executive Chairman Patrick Cheetham said "We have been negotiating this lease and purchase option for several months now and so I am very pleased it is now agreed. The mine has been tied up in patents since 1874 and within the same family interests for the past seventy years and does not appear to have had the same level of exploration seen on similar silver prospects in Nevada. We are delighted to lease this exciting silver prospect where associated tungsten mineralisation adds an intriguing extra dimension."

Further information

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DETAILED INFORMATION

Nevada, also known as “The Silver State” has been, and continues to be, a prolific producer of silver. The historic Bay State Silver Mine is located in the Newark Mining District, 14km east of the town of Eureka in central Nevada. Eureka is on US Highway 50 and is the administrative centre for Eureka County which hosts a number of major mining operations. Access to the project claims is from the sealed Newark Valley Road which runs within 1,500m of the property boundary.

The Company has secured an extendable 10 year lease agreement, and option to purchase three patented mining claims - the Chihuahua, Buckeye State & Lincoln claims (“the Bay State Patents”) - from the joint holders whose family have controlled them for the past 72 years. A patented claim is one for which the Federal Government has issued a patent (deed) and has a status equivalent to private land. The Company has also staked 24 claims (unpatented) to surround the patents. Two further patents held by a third party (the Battery & Sanchez Patents) are excluded from the Company’s unpatented claims.

A plan showing the location of the claims and photographs showing other features described in this release will be appended to this release when placed on the Company’s website www.sunriseresourcesplc.com.

Geology, Previous Exploration and Results¹

The historical mine workings of the Bay State Silver Mine are located in an east-west striking canyon (known as Mining Canyon) cutting through the eastern slopes of the Diamond Range. The workings occur within limestones and dolomites of the Devonian Nevada Formation.

The Bay State Patents were originally located in 1863 and patented in 1874. The issue of a claim patent requires that the owner demonstrates that a commercially viable deposit has been discovered, as judged by the standards of the time. Claim patents are no longer awarded and have a more favourable development status than unpatented claims.

The mine was worked for silver in the 1870s by the Bay State Silver Mining Company and then again in the 1900s by the Newark Silver Mining Company. Mining focused on two main NW-SE striking veins sets. The largest workings are on the Chihuahua and Buckeye State Patents which together cover a strike length of some 900m and extend north and south of Mining Canyon along the Chihuahua vein system. Two shafts were sunk on the border between these two patents, near the floor of the canyon and are reported to extend to a depth of 120m with production mainly from extensive stopes above the 60m level both north and south of Mining Canyon.

A 250m long adit (“the Chihuahua Adit”) was driven north on the Chihuahua vein from the canyon floor. The vein is described as a well-defined fissure-type quartz-calcite vein varying between 0.3 and 4.6m wide which splits periodically into stockworks up to 15m wide. The vein was mined above the adit for most of its length until workings hit a zone of stockwork veining, partly replacing bedding in the host limestone which dips at 22 degrees to the north. A similar stockwork zone was found at the end of the Chihuahua Adit where it was reported to be 6m thick. Four winzes with small stopes extend 12-18m below the Chihuahua Adit.

At the entrance to the Chihuahua Adit the vein is clearly visible in the roof and an unmined stockwork of quartz veins occurs on the east side of the adit.

Two samples collected by the Company in June from the Chihuahua patent returned high silver values. A grab sample of unmined quartz vein in the roof of the adit entrance assayed 598 ppm silver (17.4 troy ounces/ton) and a random composite sample of scree derived from several meters of outcropping stockwork on the adjoining steep canyon slope assayed 328 ppm silver (9.6 troy ounces/ton).

On the opposite, south side of the canyon the Chihuahua vein extends south onto the Buckeye State Patent where it has been developed above canyon level by various adits and open workings.

The Lincoln Patent, 200m to the west, covers a 2.6m wide vein system comprising veins and stockwork mineralisation which has been worked and explored by three short adits with some limited production of silver having taken place from stopes and open workings.

A random composite grab sample of quartz-veined material from the dumps on the Lincoln vein system taken by the Company in June assayed 300 ppm silver (8.7 troy ounces/ton).

In 1932 the project was bought out in a mortgagee sale and in 1942 was leased and later purchased by the now deceased relatives of the current owners after they discovered tungsten mineralisation (coarse grained scheelite) in the flat lying stockworks of the upper Chihuahua and Lincoln mine workings. In the period 1942-1944, 1,493 tonnes of high grade tungsten ore was sold to the government for wartime use but mining ceased in 1944 following the cancellation of wartime sales contracts. A further 9,000 tonnes of hand-picked tungsten ore was shipped in 1951 and there are reports of the Mining Canyon gravels having been worked for alluvial deposits of tungsten.

In the 1970s and 1980s, the project was held by interests associated with Einar Erickson, a well know mining promoter and in that period over 20,000 tonnes of surface waste was removed for silver extraction. A contemporary surface plan shows a number of drill hole locations but it is not clear if these were all drilled¹.

Records of silver production from the Bay State Mine are poor but the few existing records show a mined grade of over 20 ounces per ton of silver. It is unlikely a grade below that could have been commercially worked at the time, as evidenced by the assays of the Company’s grab samples from material left behind and the re-processing of large tonnages of waste material in the 1970s and 80s.

Project Agreement & Terms of Acquisition

The Bay State Patents are held by the Company under an extendable 10 year lease and option to purchase agreement. In order to maintain its interest in this agreement the Company must make annual payments which start at US\$5,000 and rise in annual increments of \$2,500 up to a maximum of \$20,000 per year. The initial payment has been made and the lease/option can be extended indefinitely as long as the annual payments are made.

The Company may purchase the Bay State Patents at any time after making a decision to proceed with commercial scale mining by payment of the sum of \$250,000. The Lessors will jointly retain a 2% Net Smelter Return Royalty with all previous annual payments being credited towards this royalty. Annual payments will cease on commencement of commercial mining operations.

The Company can withdraw from the lease/option agreement at any time. The Company has carried out a preliminary title due diligence on the Bay State Patents sufficient to justify entering into the agreement and to make the initial payment. Further title due diligence will now be carried out.

The Company has located 24 unpatented claims giving it exploration rights to areas surrounding the patents. A follow up sampling programme will start shortly.

Ends

Foot Notes

1. *In the USA and in Nevada there is no requirement for individuals or companies to release the results of their mineral exploration to open-file. Consequently the exploration history of a project is sometimes unknown or incompletely known and field evidence of exploration can be eroded over time.*

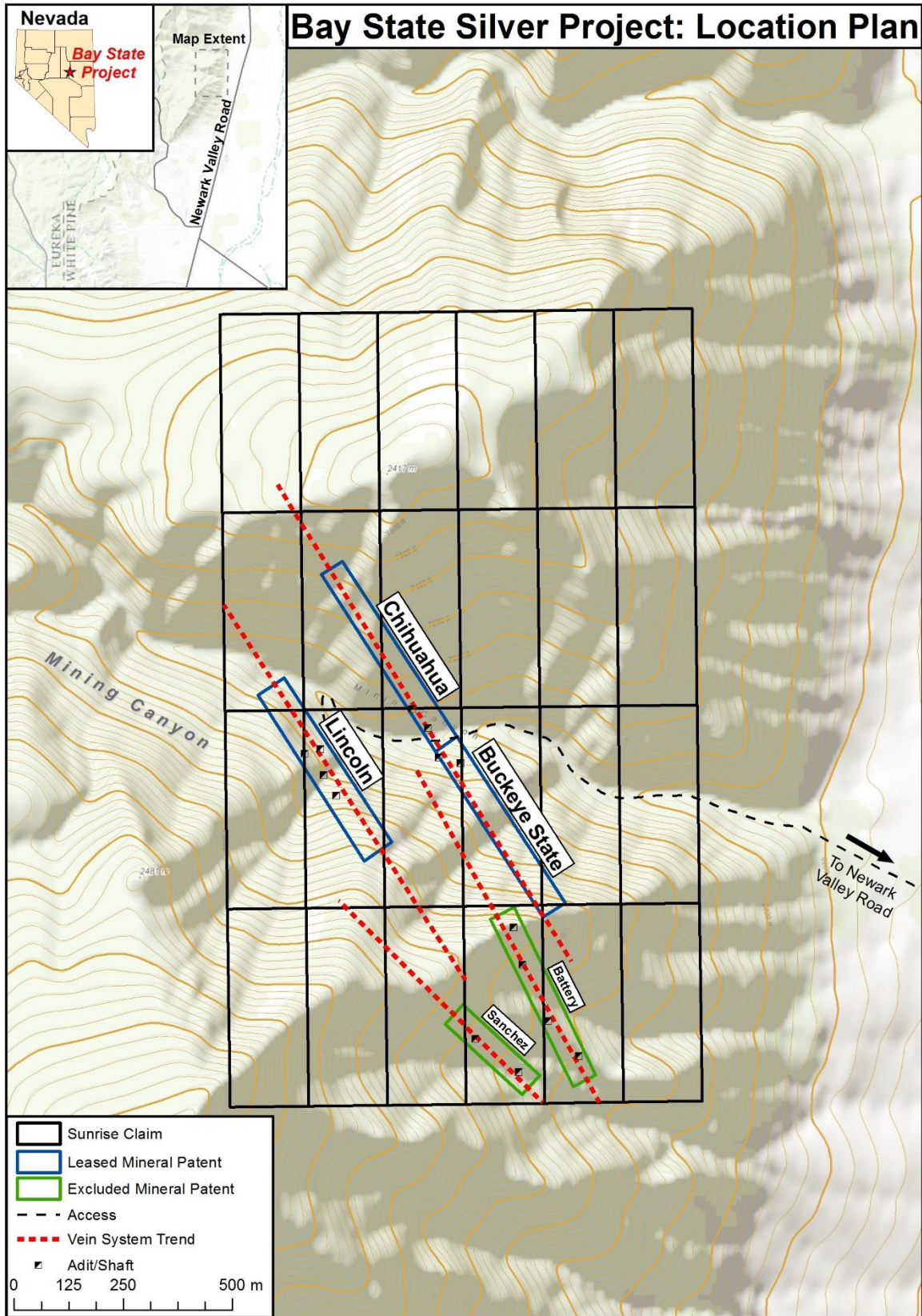
The information in this release has been compiled and reviewed by Mr. Patrick Cheetham (MIMMM, MAusIMM) who is a qualified person for the purposes of the AIM Note for Mining and Oil & Gas Companies dated June 2009. Mr Cheetham is a Member of the Institute of Materials, Minerals & Mining and also a member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

About Sunrise Resources plc

Sunrise Resources plc is a diversified mineral exploration and development company. The Company has diamond exploration interests in Western Australia and Finland and holds a white barite project in South-West Ireland. The Company has two gold exploration projects in Western Australia and has an active project programme to generate new exploration projects in Australia and Nevada, USA. It has recently staked claims over the Strike Copper Project, the County Line Diatomite Project and the Garfield Gold-Silver-Copper Project in Nevada, USA and has now acquired an interest in the Bay State Silver Project.

Shares in the Company trade on AIM. EPIC: "SRES" www.sunriseresourcesplc.com

Location Plan and photos follow:





Mine Canyon Bay State Mine



Chihuahua Adit Bay State Mine



Open workings on Lincoln Vein Bay State Mine



Stockwork adjacent to Chihuahua Adit Bay State Mine