

SUNRISE RESOURCES plc

(“the Company”)

AIM Announcement

2 September 2022

Update - Pioche Sepiolite Project

Further to its announcement of 28 June 2022, Sunrise Resources plc is pleased to advise that Tolsa USA Inc. (“Tolsa”) has submitted a notice to the US Bureau of Land Management (“BLM”) for approval of an extensive trenching programme at the Company’s Pioche Sepiolite Project in Nevada, USA (the “Pioche Project”) as part of their ongoing due diligence.

KEY POINTS:

- A surface mapping programme completed by Tolsa in July has identified multiple sepiolite horizons throughout the project area.
- Up to 2km of excavator trenching is now planned to better expose and sample the sepiolite deposits.
- Tolsa has scheduled trenching to start around the end of this month, subject to BLM approval, and work is expected to take up to 4 weeks to complete.
- Sunrise has granted Tolsa an option to purchase the Pioche Project for \$1.25 million and an ongoing payment to Sunrise of a 3% royalty (see announcement of 28 June 2022 for detail). Tolsa is a US subsidiary of Tolsa S.A., the world’s largest producer of sepiolite.
- Sepiolite, an industrial mineral, has unique characteristics, is scarce, with very few commercial deposits in the world.

Commenting today, Executive Chairman Patrick Cheetham said:

“We are very encouraged by the rapid start Tolsa has made in its evaluation of the Pioche Project. Tolsa has hit the ground running and has already completed a thorough programme of surface mapping and evaluation, identifying multiple horizons of sepiolite below the original discovery level.

Up to 2km of excavator trenching is now proposed to excavate across these horizons which appear to extend throughout the project area. This trenching will provide further exposures of the mineralisation to enable a better evaluation of the thicknesses and quality of the Pioche sepiolite deposits.

We are pleased to see favourable results from Tolsa’s work to-date and to have assisted Tolsa in formulating its proposals to the BLM. We look forward to the results of further exploration work.”

Further information

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

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

Notes

About Sepiolite

Sepiolite is a non-swelling, lightweight, porous clay with outstanding sorption capacity. The largest market globally for sepiolite is for use in light-weight non-clumping pet litters where it has superior properties compared to other clays used in this application.

Sepiolite is also used extensively in agriculture as a slow-release absorbent and adsorbent carrier for chemicals and pesticides, in animal feeds as a binder and carrier for nutrients and growth promoter. It is also used as a suspending agent in paints, medicines, pharmaceuticals and cosmetics, and in high temperature drilling muds.

Sepiolite is a very uncommon clay because of both its peculiar characteristics and scarce occurrence. There are very few commercial deposits in the world, and, with one exception, there are no significant sepiolite deposits known in the USA, so a large potential market would exist for any new US producer of sepiolite.

About Tolsa

Tolsa S.A., founded in Spain in 1957, is a privately owned specialist clay mining and processing company that now operates in 95 countries including the USA where it has bentonite mining operations in Wyoming and processing facilities in Nevada.

It is the largest producer of sepiolite in the world, mainly from its mining operations near Madrid in Spain and it is Europe's largest producer of lightweight hygienic pet litter with 37% of the European market.

In 2021, Tolsa reported global turnover of Euros 193 million, a clay processing capacity of 1.2 million tons/year and annual production of over 1 million tons of clay products.

Qualified Person Information:

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.