

AIM Announcement

27 December 2023

Pioche Sepiolite Project

Sunrise Resources plc wishes to advise the following in connection with its agreement with Spanish sepiolite producer Tolsa USA Inc (“Tolsa”), a subsidiary of Spanish sepiolite producer Tolsa S.A.

KEY POINTS:

- Sunrise has granted Tolsa a 12-month extension to its option to purchase the Pioche Sepiolite Project.
- Tolsa to pay Sunrise an option extension fee of US\$100,000 prior to 15 January 2024.
- Option exercise price is increased from US\$1.25 million to US\$1.40 million.
- Sunrise’s right to 3% ad valorem royalty remains unchanged.

All other terms, as set out in the Company’s news announcement of 28 June 2022, remain the same.

“We are pleased to generate this additional income from the Pioche Project whilst increasing the option exercise price. This is a win-win arrangement. Tolsa has carried out a significant amount of exploration and has defined extensive and thick beds of sepiolite clay but needs more time to understand the commercial properties of the Pioche sepiolite and determine the best processing methods and range of commercial products that might be produced at Pioche. We believe that Tolsa, as the world’s largest producer of sepiolite, is best placed to maximise the development potential of the project and the value of our ongoing royalty interest and so we are happy to give them the additional time required to achieve this.”

Patrick Cheetham, Executive Chairman, Sunrise Resources plc

“We welcome the opportunity to continue our evaluation of the Pioche Deposit which we see as a potentially important development opportunity for Tolsa in the US. We look forward to working closely with Sunrise to bring about a positive result for all concerned.”

Rafael González, Chief Mining Officer Tolsa S.A.

Further information

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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.

About Sepiolite

Sepiolite is a rare form of clay with very few commercial deposits in the world. It is non-swelling, lightweight and highly porous. It is used extensively in pet litter, agriculture as a slow-release absorbent and adsorbent carrier for chemicals and pesticides and in animal feeds as a binder and carrier for nutrients and growth promoter. It is also a valuable gelling agent and viscosity modifier in several industrial products.

Further information on the Pioche Project and photographs from the drill programme can be found on the Company's website at:

<https://www.sunriseresourcesplc.com/pioche-sepiolite-project>.

Further information on the Company's agreement with Tolsa and information on Sepiolite and Tolsa can be found in the company's news release of 28 June 2022 at:

<https://www.sunriseresourcesplc.com/news/category/news>

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

Website: www.sunriseresourcesplc.com