SUNRISE DIAMONDS PLC

Interim Statement 2009

Chairman's Statement

I am pleased to report the Company's progress and unaudited interim results for the six month period ended 31 March 2009.

Review of Activities

The Company's diamond exploration activities in Finland are focused on two geographically distinct areas – one at Kuusamo in northern Finland where we control 100% of our claims in a newly discovered kimberlite cluster, the other being the Kaavi-Kuopio area in central Finland where we have been earning a joint venture interest in claims held by Canadian company Nordic Diamonds Ltd. ("Nordic") covering a number of established diamondiferous kimberlites.

Acquisition of Nordic Claims
A major step forward in the past six months has been the non-cash purchase of a 100% interest in the Nordic Joint Venture claim group. The consideration for the acquisition was the issue of 100,000 new ordinary shares and Nordic retains a 1% Gross Overriding Royalty on production of diamonds from the claims. Prior to acquisition we were required to spend a further €700,000 to earn up to a 75% joint venture interest and so the acquisition brings a welcome relief from further expenditure pressures as well as increasing our interest in the project. The claims have now been transferred to Sunrise Diamonds and the shares issued. The majority of the claims covered by the agreement were subject to extension applications with the Finnish Ministry of Employment and Economy and these have now been granted.

Our diamond exploration field activities have been on hold during the past six months following a decision to reduce discretionary expenditures whilst the financial environment for mineral exploration companies, and diamond companies in particular, remains difficult.

Diamond Market
As might be expected, demand and prices for rough diamonds have suffered badly in the wake of the current financial crisis, partly due to reduced demand but also, it is believed, due to the reduced availability of trade finance. The reaction of diamond producers has been swift with De Beers initially cutting output by 40% around the world. Output has arguably been cut deeper than the reduction in demand so prices should recover in the medium term and there are recent reports of prices increasing from the lows seen in the first quarter of this year.

Commodity focus
The recent deterioration in diamond markets follows a long period of stagnant investor interest in diamond exploration and highlights the importance of the Company's previously stated objective to widen its commodity interests outside of diamonds. A number of new mineral projects have been evaluated during the period. Some opportunities have been rejected, whilst others remain under active evaluation and negotiation.

Results
The Company is reporting a loss for the six month period of £104,897 (six months to 31 March 2008: £99,011). This loss comprises administration costs of £72,359 (which includes share based payments of £5,117) pre-licence (reconnaissance) costs totalling £10,088, impairments to net assets of £9,103, a loss on disposal of investment in subsidiary of £21,113 and interest income of £7,766. The impairments relate to mineral projects no longer held or where no further exploration is justified.

The Company has cut administration costs as low as possible, has no debt (other than normal trade and other payables) and has sufficient cash for its current operating requirements. I look forward to reporting the progress of our new project acquisition strategy in due course

Patrick Cheetham
Executive Chairman

21 May 2009

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Income Statement

for the six months to 31 March 2009

	Company Six months to 31 March 2009 Unaudited	Company Six months to 31 March 2008 Unaudited	Company Twelve months to 30 September 2008 Audited
	£	£	£
Pre-licence exploration costs	**10,088**	8,769	13,034
Impairment of deferred exploration costs	**9,103**	-	447,627
Loss on disposal of subsidiary	**21,113**	-	-
Administrative expenses	**72,359**	103,825	194,670
Operating loss	**(112,663)**	(112,594)	(655,331)
Interest receivable	**7,766**	13,583	20,453
Loss on ordinary activities before taxation	**(104,897)**	(99,011)	(634,878)
Tax on loss on ordinary activities	**-**	-	-
Loss on ordinary activities after taxation	**(104,897)**	(99,011)	(634,878)
Minority Interests	**-**	-	-
Loss for the period	**(104,897)**	(99,011)	(634,878)
Loss per share – basic and fully diluted (pence) (note 2)	**(0.06)**	(0.07)	(0.45)

Statement of Total Recognised Income and Expense

for the six months to 31 March 2009

	Company Six months to 31 March 2009 Unaudited	Company Six months to 31 March 2008 Unaudited	Company Twelve months to 30 September 2008 Audited
	£	£	£
Loss for the period	**(104,897)**	(99,011)	(634,878)
Total recognised expense since last accounts	**(104,897)**	(99,011)	(634,878)

Balance Sheet
as at 31 March 2009

	Company As at 31 March 2009 Unaudited	Company As at 31 March 2008 Unaudited	Company As at 30 September 2008 Audited
	£	£	£
Non-current assets			
Intangible Assets	**766,349**	1,148,807	740,607
Investment in subsidiary	**-**	16,386	18,161
	766,349	1,165,193	758,768
Current assets			
Receivables	**18,568**	87,435	29,017
Cash and cash equivalents	**428,118**	316,769	510,839
	446,686	404,204	539,856
Current Liabilities			
Trade and other payables	**(80,072)**	(81,653)	(74,599)
Net current assets	**366,614**	322,551	465,257
Net Assets	**1,132,963**	1,487,744	1,224,025
Equity			
Called up share capital	**186,230**	139,222	184,395
Share premium account	**2,196,219**	1,965,580	2,189,337
Share option reserve	**44,914**	36,577	39,797
Retained losses	**(1,294,400)**	(653,635)	(1,189,504)
Shareholders' funds	**1,132,963**	1,487,744	1,224,025

Cash Flow Statement

for the six months to 31 March 2009

	Six months to 31 March 2009 Unaudited	Six months to 31 March 2008 Unaudited	Twelve months to 30 September 2008 Audited
	£	£	£
Operating Activities			
Operating Loss	**(112,663)**	(112,594)	(655,333)
Share based payment charge	**5,117**	4,664	7,884
Shares issued in lieu of net wages	**8,717**	6,212	11,939
Shares issued in lieu of payment to trade creditor	**-**	-	24,953
Impairment charge	**27,264**	-	447,627
Decrease/(increase) in receivables	**10,449**	(28,393)	30,025
(Decrease)/increase in payables	**5,473**	(109,203)	(116,257)
Net cash outflow from operating activity	**(55,643)**	(239,314)	(249,162)
Investing Activities			
Interest received	**7,766**	13,583	20,453
Purchase of intangible fixed assets	**(34,844)**	(162,452)	(201,879)
Purchase of investments	**-**	(978)	(2,753)
Net cash outflow from investing activity	**(27,078)**	(149,847)	(184,179)
Financing Activity			
Issue of Share Capital (net of expenses)	**-**	250,000	488,250
Net cash inflow from financing activity	**-**	250,000	488,250
Net (decrease)/increase in cash and cash equivalents	**(82,721)**	(139,161)	54,909
Cash and cash equivalents at start of period	**510,839**	455,930	455,930
Cash and cash equivalents at end of period	**428,118**	316,769	510,839

Notes to the Interim Statement

1. Basis of preparation

The interim financial statement has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and their interpretations adopted by the International Accounting Standards Board (IASB). The accounting policies used in the preparation of the interim financial information are the same as those used in the Company's audited financial statements for the year ended 30 September 2008.

The financial statements present information about the Company as an individual undertaking. During the period the Company disposed of its only subsidiary (Note 4) and as a result the Company is no longer required to prepare consolidated financial statements. All comparative information relates to the Company as an individual undertaking and not as a Group.

In common with many exploration companies, the Company raises finance for its exploration and appraisal activities in discrete tranches. Further funding is raised as and when required. When any of the Company's projects move to the development stage, specific financing will be required.

The Directors are satisfied that the Company has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the "going concern" basis for preparing the financial statements. The interim statement has been approved by the Directors and is unaudited.

2. Loss per share

Loss per share has been calculated on the attributable loss for the period and the weighted average number of shares in issue during the period.

	Company Six months to 31 March 2009 Unaudited £	Company Six months to 31 March 2008 Unaudited £	Company Twelve months to 30 September 2008 Audited £
Loss (£)	**(104,897)**	(99,011)	(634,878)
Weighted average shares in issue (No.)	**184,999,656**	139,014,229	142,169,110
Basic and fully diluted loss per share (pence)	**(0.06)**	(0.07)	(0.45)

The loss attributable to ordinary shareholders and weighted average number of ordinary shares for the purpose of calculating the diluted earnings per ordinary share are identical to those used for the basic earnings per ordinary share. This is because the exercise of share warrants would have the effect of reducing the loss per ordinary share and is therefore not dilutive under the terms of IAS33.

3. Share capital

On 30 January 2009, an issue of 1,835,114 ordinary shares of 0.1p each was made at 0.475p to the Executive Chairman and two non-executive Directors, for a total consideration of £8,717 in satisfaction of Directors Fees.

4. Investment in subsidiary

On 31 March 2009, the Company disposed of its 90% shareholding in Solane Diamond Mining Company (Pty) Ltd., by transfer of the shares to VP3 GeoServices (Pty) Ltd. Prior to the disposal, an investment totalling £21,113, in the form of deferred exploration expenditure, had been undertaken on behalf of Solane Diamond Mining Company (Pty) Ltd. by the Company and held as a Non-Current Asset on the Balance Sheet. This investment has been impaired in full through the Income Statement for the period to 31 March 2009.

The shareholding in Solane Diamond Mining Company (Pty) Ltd. represented the only subsidiary interest of the Company at 30 September 2008. Following the disposal of this investment there is no requirement to prepare consolidated financial statements for the six month period to 31 March 2009.

5. Post Balance Sheet Event

In January 2009, the Company agreed to acquire 100% ownership of 14 claims in the Kaavi-Kuopio region of Finland from Nordic Diamonds Ltd. In consideration for the transfer, the Company agreed the sum of £425, which was settled in full on 23 April 2009 by the issuance to Nordic Diamonds Ltd. of 100,000 new Ordinary Shares in the Capital of the Company, following registration of transfer of the claims to the Company.

6. Interim report

Copies of this interim report will be sent to all shareholders and are available from Sunrise Diamonds plc, Sunrise House, Hulley Road, Macclesfield, Cheshire, SK10 2LP, United Kingdom. It is also available on the Company's website at www.sunrisediamonds.com