



# SUNRISE RESOURCES PLC

AIM Announcement

3 December 2015

## SUNRISE RESOURCES PLC ("the Company")

### LEASE AGREEMENT – COUNTY LINE DIATOMITE PROJECT

Sunrise Resources plc, the AIM-traded diversified mineral exploration and development company, is pleased to advise that its wholly owned Nevada subsidiary, SR Minerals Inc. ("Sunrise"), has reached an agreement to lease its County Line mining claims in Nevada to EP Minerals, LLC ("EP Minerals").

#### HIGHLIGHTS:

- Company to lease County Line Diatomite claims to EP Minerals for 25 years (renewable for a further two 25 year periods, subject to EP Minerals' right to withdraw at any time).
- Sunrise to retain revenue based royalty payable six monthly from the start of production.
- To maintain the Lease EP Minerals must make minimum royalty payments to Sunrise comprising:
  - Initial payment of US\$450,000 in 18 months, and
  - three years thereafter, a payment of US\$75,000 and annual payments of US\$150,000 in each subsequent year.
- Agreement consistent with Company strategy to develop cash flow from industrial mineral projects at low capital cost.

#### Commenting today:

**Sunrise Executive Chairman Patrick Cheetham said:** "We are delighted to have signed this agreement with EP Minerals. The agreement provides the Company with significant revenue potential at no further cost or risk to shareholders and provides an excellent model for other industrial minerals projects currently under consideration."

#### Further information

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## Detailed Information

The Country Line Diatomite Project is located on the border of Nye and Mineral Counties some 200km south west of Reno, Nevada, USA. The project claims cover an area in excess of 8 square kilometres the majority of which is underlain by deposits of diatomite.

The lease agreement allows EP Minerals to continue its evaluation of the Company's 109 claims for an 18 month period. Before the expiry of this period, should EP Minerals wish to continue the Lease, it must nominate no more than 60 contiguous claims to which the Lease will then apply and make an initial payment to the Company of US\$450,000. The remaining 49 claims will not then be subject to the lease agreement.

Should EP Minerals proceed to develop the leased claims, Sunrise will be entitled to receive a revenue based royalty. In order to ensure that any production is advanced in a timely manner EP Minerals must, three years after the initial payment, make further minimum royalty payments to Sunrise in the amount of US\$75,000 at the start of Year 4 and US\$150,000 at the start of Year 5 and each subsequent year for the duration of the Lease. EP Minerals has the right to withdraw from the Lease at any time.

The initial and the minimum annual royalty payments to Sunrise will be offset against actual royalty entitlements but any excess Sunrise royalty entitlement will be paid to Sunrise on a six monthly basis from the start of the Lease. The Lease term is 25 years and is renewable for two further 25 year periods.

Sunrise will be free to continue its own exploration on those 49 or more claims that do not form part of any ongoing lease agreement with EP Minerals. This will allow the Company to consider future diatomite developments outside of the leased area, whether or not competitive with EP Minerals.

### **Further information:**

For further information on the County Line Project and diatomite in particular see:

<http://www.sunriseresourcesplc.com/projects/county-line-diatomite-project>

For information on EP Minerals, LLC see:

<https://epminerals.com/>

### **About Sunrise Resources plc**

Sunrise Resources plc is an AIM-traded diversified mineral exploration and development company. The Company's objective is to develop profitable mining operations to sustain the Company's wider exploration efforts and create value for shareholders through the discovery of world-class deposits.

The Company has diamond and gold exploration interests in Western Australia and has staked claims and acquired leases over a number of base, precious metal and industrial mineral projects in Nevada, USA. The Company also holds a white barite project in South-West Ireland.

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