

SUNRISE RESOURCES plc

(“the Company”)

AIM Announcement

7 October 2021

AGREEMENT WITH KINROSS GOLD – JACKSON’S WASH CLAIMS

Sunrise Resources plc is pleased to advise that, through its 100% owned Nevada subsidiary, SR Minerals Inc., it has signed an agreement (the “Agreement”) with Kinross Gold U.S.A Inc. (“Kinross”) granting Kinross a Lease and Option to purchase the Company’s 25 Jackson’s Wash mining claims in Nevada, USA (the “Claims”). Sunrise retains the right to mine perlite on the Claims during the lease/option period.

Under the terms of the Agreement Kinross has been granted:

1. a 9-year mining lease over the Claims (the “Lease”); and
2. an option (the “Option”) to purchase the Claims at any time during the term of the Lease for US\$500,000 and the grant to Sunrise of a 2.5% Net Smelter Royalty (the “Royalty”).

Kinross will make the following payments to Sunrise until the Lease expires or is terminated or the Option is exercised:

- US\$5,000 annually in advance in years 1-3;
- US\$10,000 annually in advance in years 4-6; and
- US\$15,000 annually in advance in years 7-9.

Within 30 days of signing the Agreement, Kinross will pay Sunrise the Year 1 lease payment, together with a US\$10,000 signing bonus and reimbursement of claim filing fees of US\$4,437 (total payment of US\$19,437).

All of the above mentioned payments made by Kinross will be considered as advance payments of the Royalty, should the Royalty become payable. Kinross may purchase 60% of the Royalty (1.5% of the 2.5% royalty) for a total of US\$1.5 million in increments of US\$500,000 per 0.5%.

The Claims were staked by Sunrise in 2018 for perlite and are located some 18km north of the Company’s NewPerl Project. The Company has retained the right to mine the perlite on the Claims during the Lease, subject to this not conflicting with Kinross’s exploration activities.

In addition to hosting large surface occurrences of perlite, the Claims are located adjacent to the historic Montezuma silver, gold and mercury mining centre. Kinross produces more than 2 million ounces per year gold (equivalent).

Commenting today, Executive Chairman Patrick Cheetham said: *“This agreement to lease and option the Jackson’s Wash claims continues our strategy to divest or farm-out our non-core projects whilst retaining upside exposure to those projects through retained royalties. It follows the recent sale of the Garfield and Stonewall projects in Nevada to Power Metal Resources. Importantly, we retain the rights to mine perlite at Jackson’s Wash in the meantime, as we continue our focus on our CS Natural Pozzolan and Perlite Project.”*

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.

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