

# SUNRISE RESOURCES plc

(“the Company”)

AIM Announcement

4 June 2018

## SUNRISE SECURES SECOND OFFTAKE MOU FOR FUTURE PERLITE PRODUCTION

Sunrise Resources plc, the AIM-traded company focusing on the development of its CS Pozzolan-Perlite Project in Nevada, USA, is delighted to announce that it has signed a non-binding Memorandum of Understanding (“MOU”) with a second potential customer in respect of future sales for perlite from the CS Project.

This follows on from the announcement made on 27 April 2018 and, consistent with that announcement, the identity of the counterparty to this second MOU, which is also a long-established buyer and processor of raw perlite, is being held confidential for commercial reasons.

As with the recently announced first MOU, this second MOU establishes that the parties will negotiate a definitive purchase and sales agreement (“Offtake Agreement”) under which the parties will commit to sell/buy the minimum annual quantity of raw perlite specified in the MOU over a specified period, subject to satisfactory testing results and other commercial terms.

**Executive Chairman Patrick Cheetham commented:** “We are delighted to be announcing this second MOU today. Whilst emphasising that there is no guarantee the MOU agreements will lead to binding offtake agreements, the spirit of cooperation they enshrine are important first steps in developing long-term customer relationships.”

“This second MOU is particularly important as the current value of the combined minimum annual offtake tonnages of perlite specified in the two MOUs exceeds that targeted for the start-up of perlite production in the Company’s internal concept study and so provides additional confidence as we continue with our testwork, mine planning and permitting at the CS Project.”

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

### Further information

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### About Natural Pozzolan

Pozzolan is a cementitious material that can partially replace ordinary Portland cement in cement and concrete mixes in amounts up to 35%. Natural pozzolans, therefore, have strong “green” credentials as the production of Portland cement is responsible for 5% of the global man-made carbon dioxide emissions with nearly one tonne of carbon dioxide (CO<sub>2</sub>) generated

for each tonne of cement produced. Natural pozzolans can also improve the strength and chemical resistance of concrete. Natural pozzolans can also replace industrial by-product pozzolans in cement such as coal fly ash. The availability and quality of fly ash is under threat as coal-fired power stations are phased out in favour of natural gas plants and fly ash quality becomes more variable due to increased emission control legislation.

### **About Perlite**

Perlite is a glassy raw material which, when heated in a furnace, pops like popcorn and expands by up to 20 times in volume into a white or pale coloured, low density material. Expanded perlite is used in various industrial and household applications such as insulation, paint texturing, building materials, filter aids, insulating industrial cryogenic storage vessels and as a potting medium in gardening and horticulture to aid water retention and aeration of the soil. Some perlites can also be used as a natural pozzolan.

#### Note:

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