

# SUNRISE RESOURCES plc

(“the Company”)

AIM Announcement

15 May 2020

## CS PROJECT – RELEASE OF ENVIRONMENTAL ASSESSMENT

Sunrise Resources plc is pleased to advise, further to its announcement of 26 March 2020, that the Environmental Assessment (EA) and Supplemental Environmental Reports (SERs) for its CS Pozzolan-Perlite Project in Nevada, USA has been released for public comment.

The public release of these documents represents the culmination of over 2 years solid work involving the preparation of a detailed Mine Plan of Operations/Reclamation Permit application (Mine Plan), extensive baseline field and desk environmental studies and the submission and approval of 14 separate SERs which form the basis for the EA. These documents have been prepared through extensive consultation with the BLM and, for the Mine Plan, with the Nevada Division of Environmental Protection’s Bureau of Mining Regulation and Reclamation (BMRR).

More detailed information is given below.

**Commenting today Sunrise Executive Chairman Patrick Cheetham said:** “We are delighted to have reached this final stage in the permitting process and, whilst there have been a number of delays to the process, the end result is a robust environmental assessment. A highlight of the EA is the contribution of our Project to a reduction in carbon emissions. This comes from the replacement of Portland cement with CS natural pozzolan and which, at the maximum planned production rate of 500,000 tons per year, gives an annual CO<sub>2</sub> reduction equivalent to the average annual CO<sub>2</sub> emissions from over 10,400 US households or the carbon sequestered by over 8.2 million tree seedlings grown for ten years.”

“We will move to initiate first production of perlite and natural pozzolan for larger scale customer trials as soon as possible after we receive a positive permitting decision with the expectation that this will transition to commercial production in due course on the commitment of potential customers to sales contracts.”

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

### Further information

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### Detailed Information

The EA is an environmental assessment of the Company’s Mine Plan which sets out in detail how the mine will be developed over time and how the mine will be reclaimed over its lifetime and on closure. The EA also covers the Company’s Plan of Development for Rights of Way (ROWs) to develop an existing access road and water well that will be used to supply water for dust control around the mine site, process plant and haulage roads.

These EA and SERS can be viewed and downloaded from the e-planning website of the lead regulatory authority, the US Bureau of Land Management (BLM) at the following url:

<https://eplanning.blm.gov/epl-front-office/eplanning/planAndProjectSite.do?methodName=dispatchToPatternPage&currentPageId=200017069>

The Mine Plan envisages a 27-year mine life where both perlite and natural pozzolan are mined from the Main Zone in Phases 1-3 (years 1-15) with pozzolan continuing to be mined in the Tuff Zone in a new Phase 4 (years 16-27). During this 27-year period the Company proposes to mine approximately 1,656,000 tons of perlite (years 1-15 only), 14,523,000 tons of pozzolan, and 2,617,000 tons of waste rock. Both ore and waste will be extracted from the open pits using open pit mining methods of dozer excavating, loading, and hauling. Given the semi-consolidated or fractured nature of the material, it is not anticipated that drilling and blasting will be required. The Company will use front-end loaders to load the ore and waste into the haul trucks. The haul trucks will transport the waste rock to the storage areas near the open pits and transport the perlite and pozzolan to the crushing and screening areas to be processed at the respective on-site processing facilities. The acreage of proposed surface disturbance associated with the Project is 264.9 acres. An additional five acres of surface disturbance is associated with the widening of the existing access road and development of a well pad site for the existing well.

Up to 22.9 acres of surface disturbance related to exploration activities will occur within the Project Area and will include programmes of drilling and bulk sampling which will allow extraction of much larger samples than have been permitted to date. These samples are required to secure sales contracts and generate initial cash flow. These exploration programmes will also test for extensions of perlite and natural pozzolan which are open ended and project beyond the current pit limits. This includes evaluation of the extensive Northeast Zone which so far has been tested by a single drill hole which intersected 40m of high quality natural pozzolan from surface. Previous exploration suggests that the Northeast Zone target extends over an area at least as large as the Main Zone and is an exciting target for further evaluation.

The EA and the SERs have been prepared at the direction of the BLM by the Company's environmental consultants EM Strategies, Inc., under a contract with the Company. These documents set out the impact of the Project on various resources (e.g. water, air quality, wildlife, soils and vegetation etc.) on a project-specific and cumulative basis taken with other existing or proposed developments in the Project's wider area. These impacts are considered by the Company's environmental consultants to be minor or negligible in most cases, except in respect of the mine area itself where there is a moderate but localised impact on soils and geology as would be expected for any mining operation.

The Company has also submitted an Eagle Conservation Plan (ECP) to mitigate the impact of the project on the Golden Eagle population should recently unoccupied eagle nests in proximity to the Project become occupied in future. This plan has been accepted by the BLM and the US Fish and Wildlife Service which is a cooperating agency with the BLM for this purpose. Under the EMP mining activities will be suspended each year from the start of the breeding season, 1st January, until it is determined that any such nests are unoccupied or no longer occupied. This is not expected to materially impact the Project in the early years of the Project and the Company can apply for the nests to be removed should this become a limiting factor for the Project in future.

The public will be given 30 calendar days to comment on the EA starting in the next few days with the exact start date to be advised shortly by the BLM on the eplanning website referenced above. The BLM will then address any substantive comments received and amend the EA if necessary and then issue its permitting decision. The Company anticipates a Finding of No Significant Impact (FONSI) which will allow mining to proceed subject to the issue of the State Reclamation Permit and the lodgement of the appropriate reclamation bond. The State

Reclamation Permit is expected to be issued by the BMRR at or around the same time as the BLM decision.

Following the issue of the BLM's Decision of Record and FONSI the Company is required to submit a reclamation bond within 60 days and before mining can commence. The Company's Plan of Operations is phased, allowing the amount of the initial bond to be minimised. Initially only the drilling/bulk sampling will be bonded and the bonding for mining phases can be bonded very quickly thereafter, as required. A separate bond will be required for the access road and water well ROWs.

Note:

*The news release may contain certain statements and expressions of belief, expectation or opinion which are forward-looking statements, and which relate, inter alia, to the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's directors. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of the Company that could cause the actual performance or achievements of the Company to be materially different from such forward-looking statements. Accordingly, you should not rely unduly on any forward-looking statements and save as required by the AIM Rules for Companies or by law, the Company does not accept any obligation to disseminate any updates or revisions to such forward-looking statements.*

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