

SUNRISE RESOURCES plc

("the Company")

AIM Announcement

14 August 2019

SUCCESSFUL MINERAL PROCESSING & PERLITE EXPANSION TRIALS

Sunrise Resources plc (ticker symbol 'SRES'), the AIM-traded company focusing on the development of its CS Pozzolan-Perlite Project in Nevada, USA, is pleased to announce successful proof of concept perlite processing trials and expansion of horticultural grade perlite in further customer trials.

HIGHLIGHTS:

- Company is progressing a low capital cost concept to produce a horticultural grade raw perlite and by-product finely crushed natural pozzolan using mobile processing equipment.
 - Work completed with equipment suppliers to trial mobile primary and secondary crushers and high frequency screens to prove the concept.
 - 7-ton bulk sample of perlite processed to produce a horticultural grade raw perlite and a finely crushed perlite for sale as natural pozzolan.
 - Horticultural grade raw perlite product expanded successfully in customer's commercial scale plant.
 - Process flowsheet now being optimised.
 - Larger trial planned for 100-ton bulk sample already collected to produce larger amounts of horticultural grade perlite for supply to a wider range of potential customers.
 - Horticultural grade raw perlite is a higher price perlite product and typically sells for around US\$100/t.
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Commenting today Sunrise Executive Chairman Patrick Cheetham said: This is an important step in proving the concept for a low capital cost start for perlite and natural pozzolan production at the CS Project. We have demonstrated that the perlite can be crushed and screened to the sizes required for expanding to horticultural grades of perlite using mobile processing equipment commonly used in the quarry industry. This equipment is widely available for rent, lease or purchase, new or second-hand, which is consistent with our low capital cost concept. This should allow us to get into production quite quickly once permitting is completed later this year. The test was primarily designed to provide operating data for the raw perlite processing rather than samples for expansion testing so it is a bonus that we have now been able to complete a further successful commercial scale expansion trial with a second customer."

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

Further information

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Additional Information.

The Company's strategy is to develop the CS Pozzolan-Perlite Project at a low capital cost.

The Company's concept is to sell run-of mine-natural pozzolan where possible and to produce a coarse horticultural grade raw perlite and a by-product finely crushed perlite for sale as natural pozzolan using mobile plant of the type typically used in the quarry industry to produce rock sand.

The Company is working to prove this concept and in April 2019 the Company sent a 7-ton bulk sample of perlite to a large quarry equipment supplier in Nevada for primary crushing using a mobile Horizontal Shaft Impact crusher.

The primary crushed product was then sent to a second quarry equipment supplier in California for secondary crushing, using a Vertical Shaft Impact crusher, and screening using high frequency screens to produce a horticultural grade of raw perlite and a fine sized perlite suitable for use as a natural pozzolan once ground.

The primary objective of this work – funded by the equipment suppliers - was to provide operating data for refinement of the process flowsheet and information on operating cost parameters.

Whilst not the primary objective, the test work produced enough horticultural grade raw perlite to justify a second commercial expansion test.

The results of the first commercial expansion test at a customer facility were reported on 30th October last year and that test used a finer sized horticultural grade raw perlite produced for the Company under laboratory conditions.

The new material was sent to a second potential customer and was successfully expanded in a commercial sized furnace.

Following these successful plant trials, the Company is now working with its equipment suppliers to assemble an integrated crushing and screening plant close to the project in order to process the 100-ton sample of perlite that was extracted earlier this year. This pilot scale work will allow for additional tonnages of horticultural grade raw perlite to be produced and sent to a wider range of customers.

Shares in the Company trade on AIM under the symbol "SRES" and on the NEX Exchange (Secondary Market).