

SUNRISE RESOURCES plc (“the Company”)

AIM Announcement

20 September 2019

CS Project - Update

Sunrise Resources is pleased to provide the following positive updates on progress at its CS Pozzolan-Perlite Project in Nevada, USA.

Permitting

The Company advises that good progress has been made since the last mine permitting update on 31 July when the remaining permitting steps were set out.

All of the Supplemental Environmental Reports (“SERs”) previously in preparation have now been completed and submitted to the lead regulator, the Bureau of Land Management (“BLM”). The SERs analyse the impact of the CS Project on various natural resources (e.g. water, air quality, wildlife, soils, land use, vegetation, geology, etc.) on a 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 information from the SERs, the Company’s baseline studies and Plan of Operations are now being combined into the Environmental Assessment (“EA”) document. The preparation of the EA is nearly complete and on approval of the SERs by the BLM this document will be submitted and put forward by the BLM for public comment as a part of the final permit approval process which is now an expedited process under recent government directives.

Since the last permitting update, the BLM has introduced a hydrological baseline study as a new permitting requirement for mining projects. Whilst completing the SERs and drafting the EA, the Company has completed and submitted this baseline study to the BLM for approval so as not to delay the permitting process.

The Company’s permitting timeline remains on track.

Mine Planning

The Company has been advancing its plans for the initial production of perlite and pozzolan using mobile processing equipment typically used in the quarry industry. The Company has been working with equipment suppliers to cost and source the required process plant and has received cost proposals for the rental of the various plant items in line with the Company’s objective to develop the project at minimal capital cost. This development option aims to produce a horticultural grade perlite and a finely crushed natural pozzolan for direct feed to customers’ grinding facilities.

Marketing

Following the reporting of further successful commercial scale perlite expansion tests the Company has received strong enquiries from a number of potential new perlite customers. The Company now plans a series of larger commercial scale tests and intends to process the 100-ton perlite bulk sample currently located on site to produce additional supplies of crushed and screened horticultural grade raw perlite for supply to these new customers. Consideration

is also being given to processing a bulk sample from the Company's NewPerl Project at the same time, for which a permit has already been granted.

Commenting today Sunrise Executive Chairman Patrick Cheetham said: *"I am pleased to be reporting that our mine permitting process remains on track for completion towards the end of the next quarter. Our project has generated further strong interest amongst the attendees of the Perlite Institute Annual Meeting held last week where customer discussions continue to reinforce the opportunity for a new supplier of raw perlite. The latest United States Geological Survey commodity summary shows a growing market for perlite with a 12% annual rise in US consumption in 2018 and a 22% rise over 2015, driven in part by increased use of perlite in the expanding cannabis market in North America."*

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

Further information

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