



SUNRISE RESOURCES PLC

23 October 2012

CUE 1 KIMBERLITE CONFIRMED AS DIAMONDFEROUS

Sunrise Resources plc (“Sunrise” or “the Company”), the AIM-quoted diversified mineral exploration and development specialist, is pleased to announce positive results from diamond evaluation work on surface samples of the Cue 1 kimberlite at its wholly owned Cue diamond project in Western Australia.

Key Points:

- Cue 1 Kimberlite confirmed as significantly diamondiferous
- High microdiamond count (per kg)
- 88% of microdiamonds are white/colourless and transparent
- Mineral chemistry supports commercial potential

The results being released today are from samples taken from the outcrop of the Cue 1 kimberlite during preliminary field work in April this year.

Commenting on today’s announcement, Patrick Cheetham, Executive Chairman, said: **“These preliminary results are first-rate and vindicate our decision to take another look at the kimberlites in the Cue area and to drill test at an early stage. I am encouraged to see that the overwhelming majority of stones recovered so far are white/colourless, transparent and without inclusions.**

“The larger samples from the recent drilling are now being evaluated and diamond processing, extraction and evaluation will be ongoing over approximately the next 10 weeks and we look forward to reporting further results after that.”

Further information:

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Detailed Information

The Cue region was explored for diamonds by De Beers in the period 1994-2001 during which time De Beers discovered a number of kimberlite dykes in two separate areas within the Company's licence area – at Cue 1 and Soapy Bore.

De Beers did not report the diamond content from its limited testing of the Cue 1 kimberlite other than to record it as diamondiferous. In its early exploration at Cue 1 De Beers did not recognise the kimberlite in outcrop, or in shallow drill holes, as it is highly weathered and silicified in the top 50m from surface and largely indistinguishable from the surrounding granite.

In April this year, during an initial reconnaissance of the project area the Company was able to locate the outcrop using real time analytical results from a hand held XRF analyser.

Three samples totalling 50 kilograms (kg) were collected from separate areas of the outcrop and submitted to an independent laboratory in Saskatchewan, Canada where sub-samples totalling 36.6 kg were processed for extraction of microdiamonds.

The results are shown below:

				TOTAL
Sample	C23.1	C23.3	C23.4	/Average
Sample weight (kg)	13.9	13.6	9.1	36.6
MICRODIAMONDS				
Number of stones	9	3	29	41
No. of stones/kg	0.6	0.2	3.2	1.1

The number of microdiamonds recovered per kilogram of kimberlite from these small samples of the Cue 1 kimberlite is high, averaging over 1 microdiamond/kg, and is higher than that reported for a number of kimberlites that are in, or have been in, commercial production.

The small size of the sample so far evaluated, and consequently the number of microdiamonds recovered, is however too low to allow a statistically meaningful projection of macrodiamond grade.

It is anticipated that a larger and more meaningful population of diamonds will be recovered from processing of the recently collected, larger drill samples of the unweathered Cue 1 kimberlite. These samples are currently undergoing petrological evaluation prior to diamond extraction processing, all of which is expected to be completed in the next 10 weeks.

As part of its evaluation of the Cue 1 kimberlite outcrop samples, and prior to fusion of the samples for microdiamond extraction, the samples were processed for extraction of Kimberlite Indicator Mineral grains (so-called KIMs which include G9 & G10 garnet, chrome diopside and chrome spinel) as the chemistry of KIMs is also a guide to the prospectivity of the kimberlite for diamonds.

In highly weathered samples such as those collected from outcrop it is usual that only the most resistant of the KIMs - the chrome spinels - are preserved. Processing of the Cue 1 outcrop sample recovered a large number of chrome spinel grains with a high percentage having favourable compositions in the diamond-inclusion and diamond intergrowth fields. In addition a few grains of G9 and G10 garnet and chrome diopside were recovered. The KIM chemistry indicates that the Cue 1 kimberlite source was fertile for diamonds.

Notes:

1. The information in this release has been compiled and reviewed by Mr. Patrick Cheetham (MIMMM, MAusIMM) who is a qualified person for the purposes of the AIM Note for Mining and Oil & Gas Companies dated June 2009. Mr Cheetham is a Member of the Institute of Materials, Minerals & Mining and also a member of the Australasian Institute of Mining & Metallurgy.

2. Reference to dates or timetables for work programmes and the receipt of results are based on the Company's expectations held at the date of this release. Such timetables often depend on outside contractors and matters beyond the Company's control and are therefore subject to change.

Notes to Editors

About Sunrise Resources plc

Sunrise Resources plc is a diversified mineral exploration and development specialist.

The Company's objective is to develop profitable mining operations to sustain the Company's wider exploration efforts and create value for shareholders through the discovery of world-class deposits.

The Company is evaluating a product opportunity for white barite in south-west Ireland and diamond exploration interests in Western Australia and Finland.

Shares in the Company trade on AIM under the symbol "SRES".

<http://www.sunriseresourcesplc.com>