

SUNRISE RESOURCES plc

(“the Company”)

AIM Announcement

17 June 2021

SALE OF NON-CORE PROJECTS

The Company is pleased to advise that it has reached agreement with AIM traded Power Metal Resources plc (“Power Metal”) to sell its Garfield and Stonewall Properties (“The Properties”) in Nevada, USA for the following consideration:

- £20,000 cash,
- and the issue of 2.25 million new Ordinary Shares in Power Metal (“the Shares”).

The Shares will be issued by Power Metal at a price of 2.75 pence per share imputing a value of £61,875 for the share consideration and £81,875 for the total consideration. The closing mid-market price of the Power Metal shares on 15th June was 2.4 pence per share (“Market Price”).

The Garfield Project is held by the Company’s 100% owned subsidiary SR Minerals Inc. and the Stonewall Project is held by Westgold Inc., also 100% owned by the Company. The sale will generate a combined profit of £33,329 based on the £40,671 carrying value of the two projects as at 31 May 2021 and the Market Price of the Shares.

Sunrise will retain a 2% Net Smelter Return Royalty in respect of the Properties, half of which can be purchased by Power Metal for US\$1million for each property.

In addition, 2.25 million warrants will be issued to Sunrise, each warrant entitling the holder to subscribe for one new Ordinary Share in Power Metal at a price of 3.75 pence per share (“the Warrants”). Should the volume weighted average price (“VWAP”) of Power Metal shares meet or exceed ten pence for five trading days, Power Metal may serve notice of 14 calendar days on the Company to exercise and pay for the Warrants or the Warrants will be cancelled.

Funds raised by the transaction will be used for general working capital purposes.

The Garfield and Stonewall Projects are non-core, early-stage mineral exploration projects which were acquired at low cost by Sunrise by claim staking on public lands. Limited exploration and data evaluation carried out by the Company to-date has identified targets for sediment hosted skarn and porphyry-style copper-gold mineralisation at the Garfield Project and epithermal-style gold-silver mineralisation at the Stonewall Project. The Company has spent £2,356 on the two projects in the past 12 months.

Commenting today, Executive Chairman Patrick Cheetham said: *“This disposal of these two non-core assets is in line with strategy and our continuing focus on our CS Pozzolan Perlite Project in Nevada. Nevertheless, we consider these two projects to be highly prospective and I am delighted that this agreement gives us not only a profit on sale but also exposure to the upside potential of these projects through our retained royalty interests. We intend to be a holder of the Power Metal Resources shares for the foreseeable future as we see a number of value catalysts for this company over the next few months.”*

Further information

Sunrise Resources plc Patrick Cheetham, Executive Chairman	Tel: +44 (0)1625 838 884
Beaumont Cornish Limited <i>Nominated Adviser</i> James Biddle/Roland Cornish	Tel: +44 (0)20 7628 3396
Peterhouse Capital Limited <i>Broker</i> Lucy Williams/Duncan Vasey	Tel: +44 (0)207 469 0930

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

**Shares in the Company trade on AIM. EPIC: "SRES". Website:
www.sunriseresourcesplc.com**