

SUNRISE RESOURCES plc

(“the Company”)

AIM Announcement

27 April 2018

SUNRISE SECURES FIRST OFFTAKE MOU FOR DEVELOPMENT OF CS PROJECT

Sunrise Resources plc, the AIM-traded company focusing on the development of its CS Pozzolan-Perlite Project in Nevada, USA, is delighted to announce that it has signed a non-binding Memorandum of Understanding (“MOU”) paving the way for the first sales contract for perlite from the CS Project.

The counterparty (“the Purchaser”) is a long established buyer and processor of raw perlite. The Purchaser’s identity is being held confidential for commercial reasons.

HIGHLIGHTS:

- The MOU establishes a clear intent that:
 - The Parties will negotiate and enter into a definitive purchase and sales agreement (“Offtake Agreement”) under which the parties will commit to sell/buy a specified minimum quantity of raw perlite over a specified period.
 - The Purchaser will provide valuable commercial and logistical support and advice to Sunrise during the development of the perlite deposits on its CS and NewPerl Projects.
 - The Purchaser will make its production plant available to the projects for commercial scale testing.
- The proposed Offtake Agreement would account for a significant proportion of the production tonnage required to justify development of the Company’s perlite deposits.

Commenting today, Executive Chairman Patrick Cheetham said: “This is a significant step forward for the Company and a key value driver for the CS Project. The perlite deposits at our CS and NewPerl Projects represent new discoveries and are creating significant interest amongst consumers of raw perlite. The market for horticultural grades of perlite is particularly strong and we look forward to working with the Purchaser to bring the project into production. In the meantime our mine permitting work and pozzolan testwork is continuing apace.”

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

Further information

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About Natural Pozzolan

Pozzolan is a cementitious material that can partially replace ordinary Portland cement in cement and concrete mixes in amounts up to 35%. Natural pozzolans, therefore, have strong “green” credentials as the production of Portland cement is responsible for 5% of the global man-made carbon dioxide emissions with nearly one tonne of carbon dioxide (CO₂) generated for each tonne of cement produced. Natural pozzolans can also improve the strength and chemical resistance of concrete. Natural pozzolans can also replace industrial by-product pozzolans in cement such as coal fly ash. The availability and quality of fly ash is under threat as coal-fired power stations are phased out in favour of natural gas plants and fly ash quality becomes more variable due to increased emission control legislation.

About Perlite

Perlite is a glassy raw material which, when heated in a furnace, pops like popcorn and expands by up to 20 times in volume into a white or pale coloured, low density material. Expanded perlite is used in various industrial and household applications such as insulation, paint texturing, building materials, filter aids, insulating industrial cryogenic storage vessels and as a potting medium in gardening and horticulture to aid water retention and aeration of the soil. Some perlites can also be used as a natural pozzolan.

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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