



11 August 2011

## **DRILLING UPDATE - DERRYGINAGH BARITE PROJECT**

Sunrise Resources plc (“the Company”), the AIM-quoted diversified mineral exploration and development specialist, wishes to advise that drilling progress at its Derryginagh Barite Project in south-west Ireland has been unacceptably slow and that, consequently, it has today terminated the current drilling contract.

Details of the programme were advised in a news release dated 6 July when drilling commenced. The Company hopes to secure an alternative contractor shortly to complete the drilling and will make a further announcement when drilling is scheduled to recommence. The Board of the Company strives to manage costs very carefully and whilst there will be a few weeks delay to the programme the cost implications of this are nominal.

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### Notes to Editors:

#### ***About Derryginagh Barite Project***

The concept for Derryginagh is for a modest-sized underground mining operation feeding a low cost gravity separation plant producing high-value filler grade barite.

Barite is the mineral form of the chemical barium sulphate. It is an environmentally friendly, non-toxic natural product. It is chemically and physically unreactive, has a high specific gravity, and low oil adsorption. It also has good sound-deadening and radiation-shielding properties. These properties make barite suitable for use as a weighting agent in oil industry drilling muds and as higher value industrial filler in, for example, paint plastics, brake linings and acoustic panels.

The Derryginagh mine was worked in the period 1864-1922, supplying white barite to the local paint industry. The mine workings extend over a strike length of 200m and to a maximum depth of 60m. In the 1980s four holes drilled by Dresser Minerals International Inc. intersected the barite vein over an average true width of 2.4m at about 100m below surface and over a total strike length of 200m, with the vein being open along strike and at depth.

There is a significant demand for white paint-grade barite in Europe but no major mine supply outside of China and India. Consequently there is a niche opportunity for a new European supplier as China's own

internal demand limits traditional exports. The price currently quoted for white paint grade barite is £195-220/tonne delivered in the UK.

***About Sunrise Resources***

Sunrise Resources plc was formed to acquire the diamond exploration interests of Tertiary Minerals plc in 2005. Since then the Company has made a number of new kimberlite discoveries in Finland and expanded its portfolio of diamond exploration interests to include a new project near Cue in Western Australia.

In 2009 the Company made a strategic decision to diversify its project interests. It believes that the Derryginagh Project has the potential for a modest scale mining operating that could, in time, produce a valuable cash flow for the Company.

In May 2010, the Company secured an option agreement for the Long Lake Gold-Nickel-Copper-PGM project 20km south-west of the City of Sudbury, Ontario (Canada). The Long Lake Gold Mine produced 57,000 ounces of gold from over 200,000 tonnes of ore mined in the periods 1910-1916 and 1932-1939 and has considerable untested gold potential. The claims also cover potential extensions to the currently producing Copper Cliff dyke system at the heart of the world's most productive nickel-copper mining complex.

*Various maps and images illustrating some of the features discussed in this release are available on the Company's website at:*

<http://www.sunriseresourcesplc.com>