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# POSITIVE TESTWORK AND GEOPHYSICAL EXPLORATION RESULTS AT DERRYGINAGH BARITE PROJECT

# HIGHLIGHTS:

- High value filler grade barite produced in latest test work;
- Results confirm saleable barite concentrate can be produced by low cost gravity processing; and
- Geophysical exploration indicates significant strike potential for barite vein system.

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Sunrise Resources, the AIM-quoted diversified mineral exploration and development specialist, is pleased to announce that it has received positive results from metallurgical testwork and colour testing for samples collected from within the old workings at the Company's 100%-owned Derryginagh barite mine (the "Mine") near Bantry in Co. Cork, South West Ireland where the Company was granted a Prospecting Licence in November 2009.

The Company is also pleased to announce the results of a programme of geophysical exploration at the mine site which has identified significant additional strike potential well beyond the limits of the existing mine workings.

The mineral processing testwork was carried out by SGS Mineral Services UK Limited, in Cornwall, on samples collected during the programme of underground sampling reported on 19 August 2010. The samples, taken from the accessible 1<sup>st</sup> level mine workings, represent vein material that was left behind during previous mining of the barite vein - on the side of existing workings and, in some cases, as supporting pillars. As might be expected this material is of slightly lower grade than the reported historic run-of-mine ore grade and the barite grade indicated by previous drilling.

Despite the testwork having been carried out on lower grade feed, a high grade barite concentrate was produced, meeting the chemical specifications for the highest value natural barite fillers. Colour testing of the concentrates, carried out in collaboration with a major European barite processing company, was also very positive with samples exceeding the colour specifications for high value off-white filler grades and approaching those of the highest value pure-white filler grades.

Results have also been received from a programme of micro-gravity surveying which was designed to test for possible strike extensions of the Derryginagh vein system. The survey, carried out by independent contractor Apex Geoservices, was initiated to follow up a record

of barite boulders found along strike from the old workings and aimed to detect small-scale density contrast between the denser barite vein and surrounding wall-rocks. Five survey lines were completed, three to the east of the mine workings; one to the west and one to the south where another boulder find suggested the possibility of an undiscovered parallel vein structure. Gravity anomalies consistent with the modelled response of the Derryginagh barite vein were located on all traverses along strike from the known workings indicating that the vein may extend over a strike length of at least 750m. A parallel vein was also indicated.

Patrick Cheetham, Chairman of the Company, commented today: "We are very pleased with the quality of barite produced so far in testwork, especially considering the lower grade of the feed material and given that process optimisation has yet to be carried out. The geophysical results are also very encouraging and require immediate follow up."

Infill gravity surveying will now be carried out to define sites for trenching and/or drilling and a concept study will be initiated to define the parameters for an economic mining operation.

### Further information:

Sunrise Resources plc Tel: +44 (0)1625-505947
Patrick Cheetham, Executive Chairman Mobile: +44 (0)7767 458751
www.sunriseresourcesplc.com

Northland Capital Partners Limited Gavin Burnell / Rod Venables Charles Vaughan (Broking)

Yellow Jersey PR
Dominic Barretto

Tel: +44 (0)20 8980 3545

Tel: +44 (0)20 7492 4750

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.

# **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 or barites (syn. baryte or barytes) 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 1970s the mine workings were de-watered and mapped by a local company and in the 1980s four holes were drilled to intersect the barite vein at 100m below surface by Dresser Minerals International Inc., which was then a major supplier of drilling-mud grade barite around the world.

All four Dresser holes intersected white barite over an average width of 2.4m 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.

A map illustrating some of the features discussed in this release will be available shortly on the Company's website at http://www.sunriseresourcesplc.com/derryginagh\_project.html

#### **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.

Most recently, 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.