SUNRISE RESOURCES PLC

INTERIM STATEMENT FOR THE SIX MONTHS ENDED 31 MARCH 2011

Chairman's Statement

I am pleased to present the unaudited interim results for the six months ended 31 March 2011.

Review of Operations

During the period under review we have made excellent progress on all three of our key mineral projects.

At **Long Lake** near Sudbury in Canada, where we are exploring primarily for gold, but also for nickel, copper and platinum group metals (PGMs), we have extended our option-to-purchase agreement for a further 12 months following the success of our first phase of exploration. Drilling to-date has demonstrated that gold mineralisation extends near surface beyond that mined in the period prior to mine closure in 1939 and confirms that mineralisation continues at depth, below the mine workings, as predicted.

A follow-up drill programme is planned in the mine area and also to test a number of geophysical anomalies including Anomaly 23, a target for massive sulphide mineralisation, which we believe was not adequately tested by the last drill programme. Whilst drilling has been delayed due to access difficulties caused by a coincidence of the spring thaw and recent heavy rain, the access track is expected to be passable in approximately 4 weeks' time under normal weather conditions and the Company hopes to engage a drill contractor to start drilling as soon as access allows.

Work is also planned to continue evaluation of the nickel-copper–PGM potential of the claim block as this covers projected extensions to the Copper Cliff dyke system which, to the north of the Company's claim block, has produced over 200million tonnes of nickel-copper-PGM ore.

At **Derryginagh**, in south-west Ireland, a recent and very welcome development was the completion of a positive Concept Study for the development of an underground mine producing white barite for the industrial filler market. The Concept Study suggests that a profitable operation could be developed at Derryginagh for an output of at least 50,000 tonnes per year of barite and, consequently, the Board has committed to a more detailed evaluation of the project and to a drilling programme to define minerals resources for the project.

Metallurgical testwork is on-going at SGS Mineral Services UK Limited in Cornwall on a large sample of barite collected from a recent trenching programme. This will generate more detailed process plant design data as well as generating further samples for market appraisal. We believe that a new source of white barite outside of China, and in particular in Europe, would be keenly supported by European consumers.

The licence application for our **Cue** diamond exploration project in Western Australia has been granted and an aboriginal heritage agreement has been signed with the local native title claimants. A significant development has been the release to open file of a number of reports which detail diamond exploration carried out in the period 2006-2008 by a previous operator, Southstar Diamonds, which was following up on the earlier discovery of diamondiferous kimberlites in the licence area by De Beers. A number of kimberlite targets were generated from this work and remain to be drill tested as do a number of undrilled anomalies generated by De Beers. The Company is planning to commence drilling, subject to the successful completion of the heritage surveys and drill rig availability.

Results

The Group is reporting a loss for the six month period of £405,112 (six months to 31 March 2010: £115,858). This loss comprises administration costs of £137,870 (which includes share based payments of £25,859); pre-licence (reconnaissance) costs totalling £843, impairments to net assets of £268,002 and interest income of £1,603. The impairments relate to certain diamond exploration claims in Finland which are no longer core to the Company's strategy.

In November 2010 the Company completed a placing of shares to raise £1.2 million and the proceeds will ensure that we can continue to advance key projects throughout 2011 and so I look forward to reporting on further advances in the coming months.

Patrick Cheetham
Executive Chairman
23 May 2011

Further information:

Sunrise Resources plc Patrick Cheetham, Executive Chairman www.sunriseresourcesplc.com	Tel: +44 (0)845 868 4590 Mobile: +44 (0)7767 458751
Northland Capital Partners Limited Gavin Burnell/Rod Venables Charles Vaughan (Broking)	Tel: +44 (0)20 7796 8800
Yellow Jersey PR Limited Dominic Barretto	Tel: +44 (0)7768 537 739

Consolidated Income Statement
for the six months to 31 March 2011

	Six months to 31 March 2011 Unaudited	Six months to 31 March 2010 Unaudited	Twelve months to 30 September 2010 Audited
	£	£	£
Pre-licence exploration costs	**843**	16,706	27,398
Impairment of deferred exploration cost	**268,002**	-	-
Administrative expenses	**137,870**	99,523	188,633
Operating loss	**(406,715)**	(116,229)	(216,031)
Interest receivable	**1,603**	371	1,201
Loss on ordinary activities before taxation	**(405,112)**	(115,858)	(214,830)
Tax on loss on ordinary activities	**-**	-	-
Loss on ordinary activities after taxation	**(405,112)**	(115,858)	(214,830)
Loss for the period attributable to equity holders of the parent	**(405,112)**	(115,858)	(214,830)
Loss per share – basic and fully diluted (pence) (note 2)	**(0.14)**	(0.06)	(0.10)

Consolidated Statement of Comprehensive Income

for the six months to 31 March 2011

	Six months to 31 March 2011 Unaudited	Six months to 31 March 2010 Unaudited	Twelve months to 30 September 2010 Audited
	£	£	£
Loss for the period	**(405,112)**	(115,858)	(214,830)
Foreign exchange translation differences on foreign currency net investments in subsidiaries	**2,188**	-	-
Total recognised expense since last accounts	**(402,924)**	(115,858)	(214,830)

Company Registration Number: 05363956

Consolidated Statement of Financial Position

as at 31 March 2011

	As at 31 March 2011 Unaudited	As at 31 March 2010 Unaudited	As at 30 September 2010 Audited
	£	£	£
Non-current assets			
Intangible assets	**923,359**	810,910	931,173
	923,359	810,910	931,173
Current assets			
Receivables	**53,280**	16,990	22,807
Cash and cash equivalents	**1,105,257**	511,439	340,512
	1,158,537	528,429	363,319
Current Liabilities			
Trade and other payables	**(107,535)**	(61,278)	(75,799)
Net current assets	**1,051,002**	467,151	287,520
Net assets	**1,974,361**	1,278,061	1,218,693
Equity			
Called up share capital	**311,203**	247,205	248,866
Share premium account	**3,507,332**	2,503,110	2,420,203
Share option reserve	**190,647**	60,671	181,521
Foreign currency reserve	**2,188**	-	-
Accumulated losses	**(2,037,009)**	(1,532,925)	(1,631,897)
Shareholders' funds	**1,974,361**	1,278,061	1,218,693

Consolidated Statement of Changes in Equity

	Share Capital £	Share Premium account £	Share Option reserve £	Foreign Currency reserve £	Accumulated losses £	Total £
At 30 September 2009	**187,783**	**2,203,812**	**51,571**	**-**	**(1,417,067)**	**1,026,099**
Loss for the period/ Total comprehensive loss for the period	-	-	-	-	(115,858)	(115,858)
Share issue	59,422	299,298	-	-	-	358,720
Share based payments	-	-	9,100	-	-	9,100
At 31 March 2010	**247,205**	**2,503,110**	**60,671**	**-**	**(1,532,925)**	**1,278,061**
Loss for the period/Total comprehensive loss for the period	-	-	-	-	(98,972)	(98,972)
Share issues	1,661	(82,907)	91,617	-	-	10,371
Share based payments	-	-	29,233	-	-	29,233
At 30 September 2010	**248,866**	**2,420,203**	**181,521**	**-**	**(1,631,897)**	**1,218,693**
Loss for the period	-	-	-	-	(405,112)	(405,112)
Exchange differences	-	-	-	2,188	-	2,188
Total comprehensive loss for the period	**-**	**-**	**-**	**2,188**	**(405,112)**	**(402,924)**
Share issues	62,337	1,087,129	-	-	-	1,149,466
Share based payments	-	-	9,126	-	-	9,126
At 31 March 2011	**311,203**	**3,507,332**	**190,647**	**2,188**	**(2,037,009)**	**1,974,361**

Consolidated Statement of Cash Flows

for the six months to 31 March 2011

	Six months to 31 March 2011 Unaudited	Six months to 31 March 2010 Unaudited	Twelve months to 30 September 2010 Audited
	£	£	£
Operating activities			
Operating loss	**(406,715)**	(116,229)	(216,031)
Share based payment charge	**25,859**	9,100	18,846
Shares issued in lieu of net wages	**9,941**	8,721	19,091
Impairment charge	**268,002**	-	-
(Increase)/decrease in accounts receivable	**(30,472)**	5,207	(610)
Increase/(decrease) in accounts payable	**31,736**	(5,148)	9,375
Net cash outflow from operating activity	**(101,649)**	(98,349)	(169,329)
Investing activities			
Interest received	**1,603**	371	1,201
Purchase of intangible fixed assets	**(276,922)**	(27,860)	(128,637)
Net cash outflow from investing activity	**(275,319)**	(27,489)	(127,436)
Financing activity			
Issue of share capital (net of expenses)	**1,139,525**	350,000	350,000
Net cash inflow from financing activity	**1,139,525**	350,000	350,000
Net increase/(decrease) in cash and cash equivalents	**762,557**	224,162	53,235
Cash and cash equivalents at start of period	**340,512**	287,277	287,277
Exchange differences	**2,188**	-	-
Cash and cash equivalents at end of period	**1,105,257**	511,439	340,512

Notes to the Interim Statement

1. Basis of preparation

The interim financial statements are unaudited and do not constitute statutory accounts as defined within the Companies Act 2006.

The interim financial statement has been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and their interpretations adopted by the International Accounting Standards Board (IASB). As is permitted by the AIM rules the directors have not adopted the requirements of IAS34 “Interim Financial Reporting” in preparing the financial statements. Accordingly the financial statements are not in full compliance with IFRS. The accounting policies used in the preparation of the interim financial information are the same as those used in the Company’s audited financial statements for the year ended 30 September 2010.

In common with many exploration companies, the Company raises finance for its exploration and appraisal activities in discrete tranches. Further funding is raised as and when required. When any of the Group’s projects move to the development stage, specific financing will be required.

The directors prepare annual budgets and cash flow projections that extend beyond 12 months from the date of this report. These projections include the proceeds of future fundraising necessary within the next 12 months to meet the Company’s and Group’s planned discretionary project expenditures and to maintain the Company and Group as a going concern. Although the Company has been successful in raising finance in the past, there is no assurance that it will obtain adequate finance in the future. This represents a material uncertainty related to events or conditions which may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the directors have a reasonable expectation that they will secure additional funding when required to continue meeting corporate overheads and exploration costs for the foreseeable future and therefore believe that the going concern basis is appropriate for the preparation of the financial statements.

2. Loss per share

Loss per share has been calculated on the attributable loss for the period and the weighted average number of shares in issue during the period.

	Six months to 31 March 2011 Unaudited	Six months to 31 March 2010 Unaudited	Twelve months to 30 September 2010 Audited
Loss (£)	**(405,112)**	(115,858)	(214,830)
Weighted average shares in issue (No.)	**290,214,297**	199,052,191	223,364,525
Basic and fully diluted loss per share (pence)	**(0.14)**	(0.06)	(0.10)

The loss attributable to ordinary shareholders and weighted average number of ordinary shares for the purpose of calculating the diluted earnings per ordinary share are identical to those used for the basic earnings per ordinary share. This is because the exercise of share warrants would have the effect of reducing the loss per ordinary share and is therefore not dilutive under the terms of IAS33.

3. Share capital

During the six months to 31 March 2011 the following share issues took place:

An issue of 60,000,000 0.1p ordinary shares at 2p per share, by way of a placing, for a total consideration of £1,130,400 net of expenses (29 November 2010).

An issue of 500,000 0.1p ordinary shares at 0.575p per share, by way of a warrant exercise, for a total consideration of £2,875 (9 December 2010).

An issue of 1,000,000 0.1p ordinary shares at 0.675p per share, by way of a warrant exercise, for a total consideration of £6,750 (13 January 2011).

An issue of 236,688 0.1p ordinary shares at 4.2p per share to the three directors for a total consideration of £9,941 (14 February 2011), in satisfaction of directors' fees.

4. Interim report

Copies of this interim report are available from Sunrise Resources plc, Silk Point, Queens Avenue, Macclesfield, Cheshire, SK10 2BB, United Kingdom. It is also available on the Company's website at www.sunriseresourcesplc.com.