



SUNRISE RESOURCES PLC

(FORMERLY SUNRISE DIAMONDS PLC)

Interim Statement 2010

Chairman's Statement

I am delighted to present the unaudited interim results for the six months ended 31 March 2010 and to report on recent exciting developments.

Review of Operations

Twelve months ago the Board made a strategic decision to expand and diversify its mineral exploration and development interests and in the past six months the Company has acquired three new projects.

In September last year the Company established an Australian subsidiary and applied for an exploration licence in the Murchison Goldfields of Western Australia. This covers a discovery of kimberlite made by De Beers some 10 years ago prior to its withdrawal from Australia. We expect the licence to be issued later this summer and plan a follow up drilling programme to evaluate the diamond grade of the known diamond bearing kimberlites and to test a number of kimberlite targets developed by DeBeers.

The Company's second acquisition was an exploration licence in south-west Ireland, at Derryginagh near Bantry, Co.Cork over a historic producer of the industrial mineral barite. Whilst such minerals are below the radar of many investors, industrial minerals operations can be highly profitable and at Derryginagh we are evaluating the potential for a modest sized barite mining operation to produce high value white filler grades. The project has the potential to produce a valuable cash flow for the Company at modest capital cost. Initial testwork on samples from the property has been very positive and further work is underway that should lead to a preliminary economic evaluation.

One of the key strategic objectives in the reporting period has been the acquisition of a drill stage gold project for the Company. This has been no easy task in a competitive environment - but one recently realised with an option agreement to acquire the Long Lake gold project near Sudbury, Ontario, Canada. A significant past producer (57,000 ounces gold), the Long Lake gold mine has a number of immediate drill targets for gold which will be tested this summer season. Sudbury is best known as the most productive nickel mining region in the world with over 1.7 billion tonnes of past production, reserves and resources. The Long Lake claims also contain a number of targets for nickel-copper-PGM's along potential strike extension to the Copper Cliff offset dyke system which, north-west of the claims, has produced over 200 million tonnes of nickel ore.

Name Change

On 14 May 2010 the Company announced a change of name to Sunrise Resources plc to better reflect its broader commodity interests. Our shares continue to be traded on AIM and Plus Markets under the ticker symbol "SRES".

Notice of General Meeting

Your Board is calling a General Meeting of shareholders for 22 June 2010 to renew certain resolutions approved at the last Annual General Meeting. The Notice, Proxy Form and instructions will be sent to shareholders shortly. These proposed resolutions will facilitate the issue of the further 2,500,000 share warrants to maintain the Long Lake option agreement beyond 12 months and will allow, for example, the Directors to make further issues of shares or share warrants by way of placing when it is appropriate to accelerate the planned exploration programmes.

Results

The Company is reporting a loss for the six month period of £115,858 (six months to 31 March 2009: £104,897). This loss comprises administration costs of £99,523 (which includes share based payments of £9,100), pre-licence (reconnaissance) costs totalling £16,706 and interest income of £371.

I am pleased to say that this stage of the planned expansion of the Company's mineral interests is now complete and we have high expectations for our summer exploration campaigns on a number of our new and existing projects. I look forward to reporting results to you as they come in.

Patrick Cheetham
Executive Chairman
24 May 2010

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Consolidated Income Statement

for the six months to 31 March 2010

	Six months to 31 March 2010 Unaudited	Six months to 31 March 2009 Unaudited	Twelve months to 30 September 2009 Audited
	£	£	£
Pre-licence exploration costs	16,706	10,088	53,025
Impairment of deferred exploration costs	-	9,103	9,104
Loss on disposal of subsidiary	-	21,113	21,113
Administrative expenses	99,523	72,359	161,652
Operating loss	(116,229)	(112,663)	(244,894)
Interest receivable	371	7,766	8,572
Foreign exchange gains	-	-	8,759
Loss on ordinary activities before taxation	(115,858)	(104,897)	(227,563)
Tax on loss on ordinary activities	-	-	-
Loss on ordinary activities after taxation	(115,858)	(104,897)	(227,563)
Loss for the period attributable to equity holders of the parent	(115,858)	(104,897)	(227,563)
Loss per share – basic and fully diluted (pence) (note 2)	(0.06)	(0.06)	(0.12)

Consolidated Statement of Comprehensive Income and Expense

for the six months to 31 March 2010

	Six months to 31 March 2010 Unaudited	Six months to 31 March 2009 Unaudited	Twelve months to 30 September 2009 Audited
	£	£	£
Loss for the period	(115,858)	(104,897)	(227,563)
Total recognised expense since last accounts	(115,858)	(104,897)	(227,563)

Company Registration Number: 05363956
Consolidated Statement of Financial Position
as at 31 March 2010

	As at 31 March 2010 Unaudited	As at 31 March 2009 Unaudited	As at 30 September 2009 Audited
	£	£	£
Non-current assets			
Intangible assets	810,910	766,349	783,050
	810,910	766,349	783,050
Current assets			
Receivables	16,990	18,568	22,197
Cash and cash equivalents	511,439	428,118	287,277
	528,429	446,686	309,474
Current Liabilities			
Trade and other payables	(61,278)	(80,072)	(66,425)
Net current assets	467,151	366,614	243,049
Net assets	1,278,061	1,132,963	1,026,099
Equity			
Called up share capital	247,205	186,230	187,783
Share premium account	2,503,110	2,196,219	2,203,812
Share option reserve	60,671	44,914	51,571
Accumulated losses	(1,532,925)	(1,294,400)	(1,417,067)
Shareholders' funds	1,278,061	1,132,963	1,026,099

Consolidated Statement of Changes in Equity

	Share Capital £	Share Premium account £	Share Option reserve £	Accumulated losses £	Total £
At 30 September 2008	184,395	2,189,337	39,797	(1,189,504)	1,224,025
Share issue	1,835	6,882			8,717
Share based payments			5,117		5,117
Loss for the period				(104,896)	(104,896)
At 31 March 2009	186,230	2,196,219	44,914	(1,294,400)	1,132,963
Share issue	1,553	7,593			9,146
Share based payments			6,657		6,657
Loss for the period				(122,667)	(122,667)
At 30 September 2009	187,783	2,203,812	51,571	(1,417,067)	1,026,099
Share issues	59,422	299,298			358,720
Share based payments			9,100		9,100
Loss for the period				(115,858)	(115,858)
At 31 March 2010	247,205	2,503,110	60,671	(1,532,925)	1,278,061

Consolidated Statement of Cash Flows

for the six months to 31 March 2010

	Six months to 31 March 2010 Unaudited	Six months to 31 March 2009 Unaudited	Twelve months to 30 September 2009 Audited
	£	£	£
Operating activities			
Operating loss	(116,229)	(112,663)	(244,894)
Share based payment charge	9,100	5,117	11,774
Shares issued in lieu of net wages	8,721	8,717	17,439
Shares issued in lieu of payment for intangible assets	-	-	425
Impairment charge	-	27,264	27,261
Decrease in accounts receivable	5,207	10,449	6,820
(Decrease)/increase in accounts payable	(5,148)	5,473	(8,171)
Net cash outflow from operating activity	(98,349)	(55,643)	(189,346)
Investing activities			
Interest received	371	7,766	8,572
Purchase of intangible fixed assets	(27,860)	(34,844)	(51,547)
Foreign exchange gains	-	-	8,759
Net cash outflow from investing activity	(27,489)	(27,078)	(34,216)
Financing activity			
Issue of share capital (net of expenses)	350,000	-	-
Net cash inflow from financing activity	350,000	-	-
Net increase/(decrease) in cash and cash equivalents	224,162	(82,721)	(223,562)
Cash and cash equivalents at start of period	287,277	510,839	510,839
Cash and cash equivalents at end of period	511,439	428,118	287,277

Notes to the Interim Statement

1. Basis of preparation

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). 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 2009, except for the adoption of IAS1, Presentation of Financial Statements (Revised 2007).

IAS1 Presentation of Financial Statements (Revised 2007)

The adoption of IAS1 (Revised 2007) does not affect the financial position or profits of the Group, but gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. The presentation of changes in equity is affected and in accordance with the new standard a "Statement of Recognised Income and Expense" is not presented, however a "Consolidated Statement of Changes in Equity" is presented.

The financial statements present information about the Company as a Group. During the period the Company formed a subsidiary (Note 4) and as a result the Company is now required to prepare consolidated financial statements.

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 and planned discretionary project expenditures necessary 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. 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 2010 Unaudited	Six months to 31 March 2009 Unaudited	Twelve months to 30 September 2009 Audited
Loss (£)	(115,858)	(104,897)	(227,563)
Weighted average shares in issue (No.)	199,052,191	184,999,656	185,959,962
Basic and fully diluted loss per share (pence)	(0.06)	(0.06)	(0.12)

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

On 29 January 2010, an issue of 1,090,176 ordinary shares of 0.1p each was made at 0.8p to the Executive Chairman and two non-executive Directors, for a total consideration of £8,721 in satisfaction of Directors Fees.

On 26 February 2010, an issue of 58,333,333 ordinary shares of 0.1p each was made at 0.6p, by way of placing, for a total consideration of £350,000 net of expenses.

4. Investment in subsidiary

On 8 October 2009, the Company acquired a 100% shareholding in Sunrise Minerals Pty Ltd.

The shareholding in Sunrise Minerals Pty Ltd. represents a subsidiary interest of the Company. Following the acquisition of this investment there is a requirement to prepare consolidated financial statements for the six month period to 31 March 2010.

5. Interim report

Copies of this interim report will be sent to all shareholders and are available from Sunrise Resources plc, Sunrise House, Hulley Road, Macclesfield, Cheshire, SK10 2LP, United Kingdom. It is also available on the Company's website at www.sunriseresourcesplc.com.