



12 July 2024

SUNRISE RESOURCES PLC
("Sunrise" or the "Company")

Drill Start - Pioche Sepiolite Project

Further to the Company's announcement of 29 May 2024, Sunrise Resources plc is pleased to advise that the United States Bureau of Land Management has now given its approval to the Phase 2 drilling and trenching programme at the Company's Pioche Sepiolite Project in Nevada, USA.

A drill rig is being mobilised to site this weekend and will commence drilling immediately with the objective to extend the known deposits of sepiolite, which are already extensive, and collect additional samples for characterisation.

The drill programme is being managed and funded by Tolsa USA, Inc. ("Tolsa"), a subsidiary of Spanish sepiolite producer, Tolsa S.A., the world's largest sepiolite producer.

Tolsa holds an option to purchase the Pioche project for US\$1.4 million exercisable by 28 December 2024 with future payments to Sunrise of a 3% revenue-based royalty on production.

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Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

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About Sepiolite

Sepiolite is a very uncommon clay because of both its peculiar characteristics and scarce occurrence. It is non-swelling, lightweight and highly porous. There are very few commercial deposits in the world.

It is used extensively in pet litter, in agriculture as a slow-release absorbent and adsorbent, as a carrier for chemicals

and pesticides and in animal feeds as a binder and carrier for nutrients and growth promoter. It is also a valuable gelling agent and viscosity modifier in several industrial products.

Sepiolite, unlike other clays, is not affected by salt water and so sepiolite drilling muds are used in oil field wells where brine formations are a problem. It is also the only clay that is stable at high temperatures and so is used in drilling muds for geothermal wells. Sepiolite is usually mined by open pit methods and is processed by drying, grinding and screening and may undergo further treatments and transformations depending on the market.

About the Pioche Sepiolite Project

The Pioche Sepiolite Project (the "Project") is located close to the historic mining town of Pioche in Lincoln County, Nevada. It lies within 4km of US Highway 93, from which it can be accessed by a network of 4WD tracks, and 47km from rail at the town of Caliente, Nevada. The Project was acquired at low cost by claim staking.

In the summer of 2023, Tolsa carried out a drill programme at the Project (Phase 1). Twenty drill holes were completed for a total of 929.5 linear ft. Holes were drilled to an average depth of 47ft reflecting the shallow occurrence of sepiolite amenable to open-pit mining. The drill holes were spaced relatively evenly over an area of 2km x 1.1km. A helical drill stem was used to extract the samples and good recovery was achieved.

The Phase 1 drill programme confirmed two main levels of medium-high grade sepiolite clay over a wide area and 166 samples were collected and shipped to Tolsa's laboratories in Madrid for testing.

The approved Phase 2 drill programme will comprise 13 sonic boreholes, each to a maximum of 130ft deep. In addition, 300m of trenches will be completed in three large trenches for collection of larger sample volumes.

Tolsa may purchase the Project for US\$1.4 million at any time before 28 December 2024 and has paid US\$150,000 in option fees to date. Sunrise will retain a 3% net revenue royalty for a 25-year period from the commencement of commercial production should Tolsa exercise its option.

Further information on the Pioche Project and photographs from the Phase 1 drill programme can be found on the Company's website at:

<https://www.sunriserourcesplc.com/pioche-sepiolite-project>.

Further information on the Company's agreements with Tolsa and information on Sepiolite and Tolsa can be found in the company's news releases of 28 June 2022 and 27 December 2023 at:

<https://www.sunriserourcesplc.com/news/category/news>

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Shares in the Company trade on AIM. EPIC: "SRES".

Website: www.sunriserourcesplc.com

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