

# SUNRISE RESOURCES plc

("the Company")

AIM Announcement

13 August 2024

## Exploration Update – Pioche Sepiolite Project

Further to the Company's announcement of 12 July 2024, Sunrise Resources plc is pleased to advise that the Phase 2 drilling and pitting programme at its Pioche Sepiolite Project in Nevada, USA has been successfully completed.

### HIGHLIGHTS:

- Drilling was carried out using the sonic drilling method<sup>1</sup> by drilling contractor Harris Exploration.
- Drilling focussed on the central and eastern area of the claim block (2022 drilling focussed on the central and western areas).
- 12 vertical holes completed for a total of 460m over an area of 160 ha.
- 6 pits were dug using an excavator to sample well defined sepiolite beds at surface over a strike length 2.7km.
- 107 separate drill samples and 6 pit samples have been sent to Tolsa's lab in Spain for sepiolite characterisation.

The drill programme was 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.

### Further information

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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.

## **Nominated Adviser**

Beaumont Cornish Limited ("Beaumont Cornish") is the Company's Nominated Adviser and is authorised and regulated by the FCA. Beaumont Cornish's responsibilities as the Company's Nominated Adviser, including a responsibility to advise and guide the Company on its responsibilities under the AIM Rules for Companies and AIM Rules for Nominated Advisers, are owed solely to the London Stock Exchange. Beaumont Cornish is not acting for and will not be responsible to any other persons for providing protections afforded to customers of Beaumont Cornish nor for advising them in relation to the proposed arrangements described in this announcement or any matter referred to in it.

## **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.

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 can be found on the Company's website at:

<https://www.sunriseresourcesplc.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:

**Notes:**

**1. Sonic drilling** is an advanced form of drilling which employs the use of high-frequency, resonant energy generated inside the Sonic head to advance a core barrel or casing into subsurface formations. During drilling, the resonant energy is transferred down the drill string to the bit face at various sonic frequencies. Simultaneously rotating the drill string evenly distributes the energy and impact at the bit face. Sonic drilling is best suited to drill sampling of soft and unconsolidated materials.

**2. Qualified Person Information:**

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. Mr. Cheetham is a Member of the Institute of Materials, Minerals & Mining and also a member of the Australasian Institute of Mining & Metallurgy.

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

**Website:** [www.sunriseresourcesplc.com](http://www.sunriseresourcesplc.com)