

20 April 2021

## Acquisition of Hylea Project

**MELBOURNE, Australia – Sunrise Energy Metals Limited ('Sunrise Energy Metals' or 'Company') (ASX: SRL) CEO, Mr Sam Riggall, is pleased to announce that Sunrise Energy Metals has reached agreement to acquire the Hylea Project, located in New South Wales, from Lotus Resources Limited ('Lotus') (ASX:LOT) to expand the Company's footprint in the highly prospective Lachlan Fold Belt.**

The Hylea Project is located approximately 50 kilometres north of the Sunrise Project on the western side of the Lachlan Orogen. Its geology exhibits late stage post-orogenic zoned Alaskan-Ural style intrusives covering an area of some 25 square kilometres and exhibits similar structural geology to the Sunrise Project, where the weathered surface expression of the intrusive hosts nickel, cobalt and scandium mineralisation.

In 2018 Lotus completed a 54 hole drill program for 3,624 metres that intersected a well-developed at or near surface laterite and in-situ clay profile developed over ultramafic rock types including dunites, pyroxenites and peridotites. While the drilling covered approximately 600 metres of lateral extent, the aeromagnetic signature of the Hylea prospect extends, like Sunrise, over 5 kilometres.

Sunrise Energy Metals will acquire a 100% interest in Exploration Licences EL8520, EL8641 and EL8801 for \$2.5 million, with \$1.0 million payable in cash and \$1.5 million payable in cash and/or SRL shares, at the Company's election, at completion. If settled in shares, the number of SRL shares issued will be determined based on the volume weighted average price for the five trading days preceding completion. Completion is subject to receipt of Ministerial Approval for the transfer of the above Exploration Licences.

Sunrise Energy Metals CEO, Sam Riggall, stated: "Acquisition of the Hylea Project is consistent with our strategy to expand our footprint in the highly prospective Lachlan Fold Belt by adding to our already sizeable inventory of nickel and cobalt. We believe that demand for these metals in coming years will be enormous. With enough nickel and cobalt in our current Sunrise resource to support approximately 1.5TWh of cathode capacity, our objective is to continue adding to this resource base in a region that provides safe, sustainable, low-cost supply."

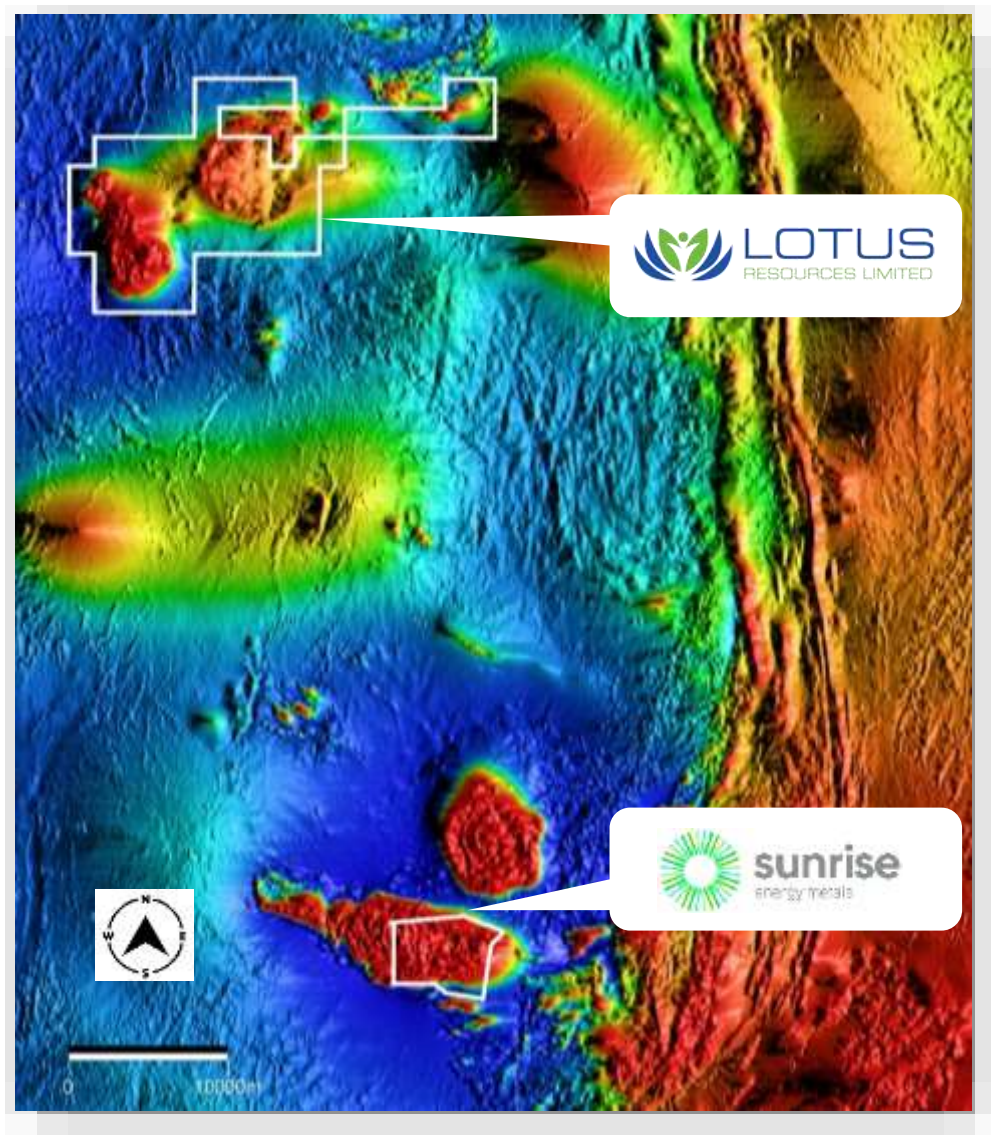
**For more information, please contact:**

Ben Stockdale

CFO and Investor Relations

+61 3 9797 6700

This announcement is authorised for release to the market by the Board of Directors of Sunrise Energy Metals Limited.



### Location of the Hylea Project

About Sunrise Energy Metals Limited (ASX:SRL) – Based in Melbourne, Australia, Sunrise Energy Metals is a global leader in metals recovery and industrial water treatment through the application of its proprietary Clean-iX® continuous ion exchange technology. For more information about Sunrise Energy Metals please visit the Company’s website [www.sunriseem.com](http://www.sunriseem.com)

About the Sunrise Project – Sunrise Energy Metals is the 100% owner of the Sunrise Project, located in New South Wales. The Sunrise Project is one of the largest cobalt deposits outside of Africa, and one of the largest and highest-grade accumulations of scandium ever discovered.

About Clean TeQ Water – Through its wholly owned subsidiary Clean TeQ Water, Sunrise Energy Metals is also providing innovative wastewater treatment solutions for removing hardness, desalination, nutrient removal and zero liquid discharge. The sectors of focus include municipal wastewater, surface water, industrial waste water and mining waste water. For more information about Clean TeQ Water please visit [www.cleanteqwater.com](http://www.cleanteqwater.com).