

1 July 2021

Demerger of Clean TeQ Water Complete

MELBOURNE, Australia – Sunrise Energy Metals (ASX:SRL and OTC:SREMF) (**Sunrise Energy Metals** or **Company**) is pleased to announce that the demerger of Clean TeQ Water Limited was implemented today in line with the timetable detailed in the Demerger Booklet released to the ASX on 17 May 2021.

The number of Clean TeQ Water shares on issue is 44,666,174. Holding statements will be dispatched to Clean TeQ Water shareholders today.

The ASX has advised the Company that all requirements for listing have been met and that Clean TeQ Water's first day of trading will be Friday 2 July 2021.

Both the Sunrise Energy Metals and Clean TeQ Water share registers are managed by Computershare Investor Services Pty Limited (**Computershare**). Shareholders can contact Computershare with any questions regarding their shareholding on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Derivative contracts of Sunrise Energy Metals shares are traded on non-Australian 'over the counter' markets including the OTCQX market in the USA. On the OTC market the Company's derivative contracts trade under the code 'SREMF'. Those derivative contracts are 'backed' by ASX listed Sunrise Energy Metals shares which are held by a custodian/nominee share broker who is the registered holder of record. The Company has no visibility over who the beneficial holders (the SREMF contract holders) are. Those custodian/nominee share brokers who were registered Eligible Shareholders at the Record Date have been issued new Shares in Clean TeQ Water.

The Company continues to liaise with OTC and the US securities regulator FINRA to establish a new derivative contract for Clean TeQ Water to trade on OTC. Clean TeQ Water will update the market with further information regarding this in due course. In the meantime, SREMF contract holders should contact their custodian/nominee share broker to ensure the share broker has a mechanism in place to register the interest each SREMF contract holder may have in the new shares of Clean TeQ Water.

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.

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

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.

Forward Looking Statements

Certain statements in this news release may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this new release. Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.