

20 May 2013

SUNKAR RESOURCES PLC
("Sunkar" or the "Company")

Chilisai Phosphate Project Ore Reserve Update

Sunkar Resources plc (AIM: SKR) is pleased to announce an ore reserve update for the Chilisai Phosphate Project in Kazakhstan (the "Project").

This ore reserve update estimate, as with the mineral resource update announced by the Company on 26 April 2013, has been prepared in accordance with the guidelines of the Australasian Code for Reporting Exploration Results, Mineral Reserves and Ore Reserves, 2004 ("JORC").

Wardell Armstrong International Limited ("WAI") has produced the ore reserve estimate, with the application of a 99.5% mining recovery and 11% grade dilution over the entire Licence Area.

Ore Reserve Estimate

Chilisai Phosphate Ore Reserve Estimate (WAI, 2013 in accordance with JORC 2004)			
6% Cut-off Grade, Overburden Thickness ≤6m, Recovery 99.5%, Dilution 11%			
Classification	Tonnage (Mt)	Grade (% P₂O₅)	P₂O₅ (Mt)
Proved	106.1	9.66	10.2
Probable	399.1	9.48	37.8
Total	505.1	9.52	48.1

HIGHLIGHTS

- Total Proved and Probable reserves of 505.1 million tonnes at a grade of 9.52% P₂O₅ (at a 6% cut-off grade), giving a total of 48.1 million tonnes contained P₂O₅.
- Tonnage of Proved and Probable reserves increased by 92% (at a 6% cut-off grade) from the previous reserves estimate which was over 40% of the Licence Area.
- Increase of 74% contained P₂O₅ in total reserves (Proved and Probable), at a 6% cut-off grade, compared to previous reserves estimate which was over 40% of the Licence Area.

- Ore density: 2.1t/m³
- Processing Recovery: 78.5%
- Mining Cost (Ore & Waste): \$1.87/t
- Processing Cost: \$7.60/t

The ore reserve update is an integral part of the Mineral Resource and Ore Reserve Update Report that has been prepared for the Company by WAI, in accordance with JORC.

The Company announced its first ore reserve estimate of 265 million tonnes for the Project in March 2011. It covered 40% of the Licence Area and was based on the digitised data for that part of the deposit only.

The 2013 Mineral Resource calculations are based on the latest database, in particular the mineral resource estimation prepared by Kazakhstan Mineral Company in 2011 and on the Detailed Feasibility Study ("DFS") prepared by SNC Lavalin and announced by the Company in February 2013 and covers 100% of the Licence Area.

Serik Utegen, CEO of Sunkar, commented:

"The reserve estimate for the entire Chilisai licence area demonstrates the true scale of the deposit. With established reserve of 48 million tonnes of recoverable P₂O₅, target output capacity of 0.87 million tonnes of P₂O₅, and DAP/MAP manufacturing technology fully endorsed by leading engineering firms, upon implementation, the Project is well positioned to become a significant player in the world phosphate fertilisers market.

The economic parameters of mining have been derived from the Company's operations in 2008-2011, so the Board believes that the reserves assessment is of very high reliability. This assessment also supports our view that Sunkar can become one of the lowest costs producers of phosphate fertilisers in the world."

Review by Qualified Person

Dr Phil Newall, Managing Director of WAI has reviewed and approved the contents of this announcement as a Qualified Person as defined in the AIM Rules. Dr Newall, BSc (ARSM), PhD (ACSM), CEng, FIMM has nearly 30 years' experience of providing consultancy services to minerals companies throughout the world.

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Notes to Editors:

1. Sunkar Resources plc

Sunkar Resources plc, through its wholly owned subsidiary Temir Service LLP, operates a phosphate rock mine in Aktobe Oblast, North West Kazakhstan. Temir Service LLP holds a Subsoil Use Contract to part of the Chilisai Phosphate Rock Deposit. The contract area is estimated to contain 1,128 million tonnes of phosphate ore.

Sunkar's strategy is to build a world class integrated ammoniated phosphate fertilizer plant with low operating costs. Sunkar's low cost base derives from its near surface phosphate rock deposit and access to sulphur from the nearby North Caspian oil and gas fields.

2. Previous resource and reserve estimates for the Chilisai phosphate deposit

1975 – The Reserves for the Chilisai Phosphate deposit were approved by the State Reserves Commission of the USSR. (*See the Competent Person's Report at http://www.sunkarresources.com/en/pages/admission_documents*).

2009 – WAI estimates mineral resource for the Chilisai Deposit's central area covering 40% of the Licence Area.

2011 – WAI provides a mineral reserve estimate for 40% of the Licence Area; the reserve on this part of the Licence Area is expected to be sufficient for 25 years of ore extraction at a rate of 10 million tonnes per annum.

3. JORC Code, Resource Definitions:

DEFINITIONS OF EXPLORATION RESULTS, RESOURCES & RESERVES EXTRACTED FROM THE JORC CODE: (December 2004) (www.jorc.org)

A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.