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Woodbine Oil Project: Operations Update

Amerril Oil Project (Centerville Area, Sun 18% WI)

- Sun advises that completion operations at the F. Thompson #1H well are continuing with the flow back of fracking fluids from the horizontal well bore ongoing. The first recovery of crude oil and gas has been reported.
- The Operator Amerril expects to complete construction and full commissioning of permanent production facilities and a jet pump to facilitate the continuation of flow back operations.
- A further period of flow back will be required before a proper assessment of initial oil production rate can be gauged.
- The F. Thompson #1H well has a total of approximately 5,000 feet of horizontal section completed in the target Upper Woodbine interval with oil shows recorded while drilling.

Sun Resources NL (**Sun** or the **Company**) (ASX: SUR) is pleased to update shareholders on the first of three Woodbine wells to be drilled across its lease areas that are located in Leon and Madison Counties, East Texas, onshore USA.

Amerril Oil Project (Centerville Area) (Sun 18% WI)

Sun advises that completion and flow back operations at the F. Thompson #1H well are ongoing. Flow back operations have continued over all of the 17 frac stages to recover the fracking fluids with oil flow initiated. The Company estimates that approximately 21% of the fracking fluids have currently been recovered from the well to date.

Sun anticipates providing a further update after the permanent production facilities and jet pump have been fully commissioned and after allowing for a period of flow back to stabilise and recover sufficient fluid to calculate an initial oil production rate. Sun's working interest in this well is 18% and the budgeted cost is approximately US\$1.2 million net to Sun (US\$6.7m total well cost) within a 1,855 gross acres AML area agreed between the joint venture parties. The cost of drilling and completing the well were within budget and on time.

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Geological information contained in this report was compiled by the General Manager(Technical) of Sun Resources, Matthew Battrick, BSc (Geol), MPESA, MPESGB, MAAPG, GAICD who has more than 32 years' experience in the practice of petroleum geology.

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