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31 July 2017

ASX Limited
Company Announcements
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

RE: QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2017

Please find the Quarterly Activities Report for the period ending 30 June 2017 for Sun Resources NL (ASX: SUR).

Yours faithfully
SUN RESOURCES NL

A handwritten signature in black ink, appearing to read "Craig Basson". The signature is stylized and fluid.

Craig Basson
Company Secretary



QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 30 JUNE 2017

HIGHLIGHTS

- Sun continues its review of a number of new opportunities, both exploration and development in Texas and Louisiana, targeting assets that are expected to be commercially viable in the current low oil price environment.
- Sun has signed a non-binding Memorandum of Understanding with an overseas unlisted company to share skills and knowledge in an effort to secure a material acquisition that could lead to near-term production opportunities.

UNITED STATES OF AMERICA

OIL AND GAS EXPLORATION AND DEVELOPMENT

The Sun Board (“Sun”) has been focussed on identifying oil and gas development asset opportunities that deliver near-term oil production with breakeven economics below a US\$40 per barrel benchmark price in today’s dollars. To support this strategy Sun has signed a non-binding Memorandum of Understanding with an overseas unlisted company to share skills and knowledge in an effort to secure a material acquisition that could lead to near-term production opportunities. Sun is currently evaluating a number of oil and gas prospects in the USA that target reasonable rates of return with near-term cash flow (1-2 years). Announcements will be made as and when the evaluation and assessment process is completed.

Land Status, Onshore Texas (net acres of mineral leases)

At the time of this report and subsequent to the end of the June 2017 Quarter, Sun’s total net land position in the Woodbine Tight Oil Play within Leon and Madison Counties, East Texas was approximately 930 net acres of oil and gas leases. Below is a table showing Sun’s net acres of oil and gas mineral leases in the various project areas. Total net acres recorded in the table below are approximate, based on the information provided by our vendors.

Oil Project Area	Sun’s Working Interest (%WI)	Sun’s Net Royalty Interest (%NRI)	Project area Gross Acres (1ha = 2.471ac)	Sun’s Net Acres (1ha = 2.471ac)
Normangee	50%	37.5%	217	108
Southern Woodbine	100%	77.5%	822	822
TEXAS TOTAL	-	-	1,039	930

(Total acres are approximate, as at 30 June 2017)

OIL AND GAS PRODUCTION – ONSHORE USA

There was no oil production for the June 2017 Quarter.

PRODUCTION (Sun WI% share)	June 2017 Quarter	March 2017 Quarter
Oil (bo)	0	680

Table 1: Quarterly Production (units: bo – barrels of oil)

CORPORATE

The Board's continued focus has been to reduce costs, settle outstanding legal issues and disputes, and to continue repairing relationships with various USA contacts and suppliers while evaluating new opportunities.

In addition, Sun is seeking to extract value from legacy assets owned by the Company.

CASH MANAGEMENT

Sun held net cash of A\$325,000 at the end of the June 2017 Quarter.

BY ORDER OF THE BOARD



Craig Basson,

Company Secretary

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Email: admin@sunres.com.au

This report is lodged on the Company's website, www.sunres.com.au.

Forward-looking Statements

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Sun's views and assumptions with respect to future events as at the date of the Announcement and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth due to various factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological technical and drilling results; predicted production and reserves estimates; operational delays or an unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favourable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Sun, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this Announcement sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.