

29 October 2012

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

Dear Sir/Madam

**LODGEMENT OF CORPORATE UPDATE INVESTOR BRIEFING**

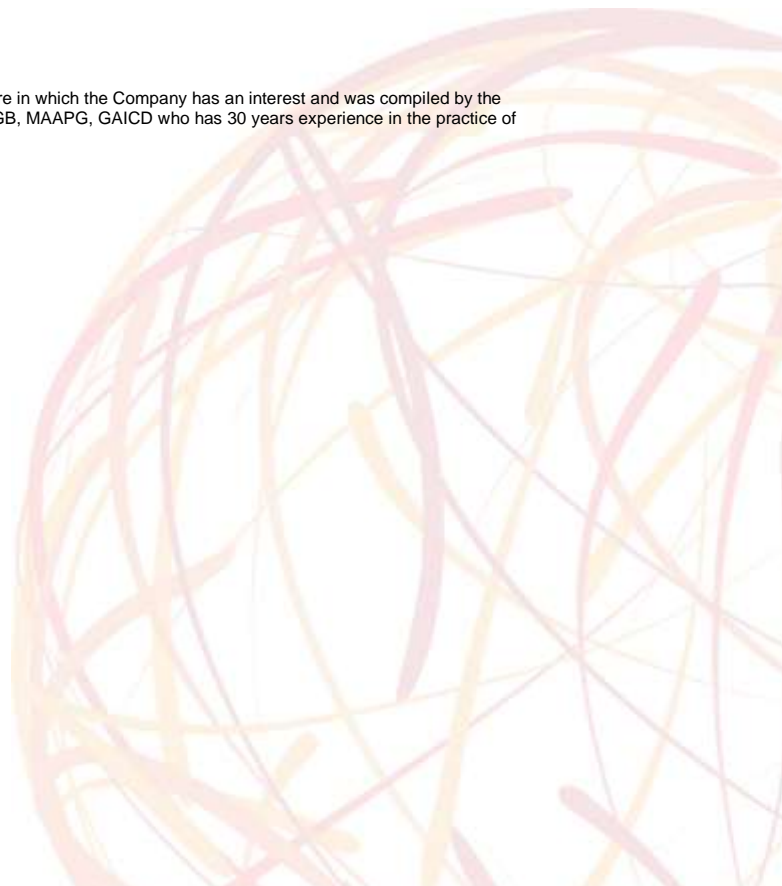
Please find attached the abovementioned presentation prepared by Sun Resources NL. This presentation is also available on our website: [www.sunres.com.au](http://www.sunres.com.au).

Yours faithfully  
**SUN RESOURCES NL**



Matthew Battrick  
**MANAGING DIRECTOR**

Information contained in this report was sourced from the Operator of the Joint Venture in which the Company has an interest and was compiled by the Managing Director of Sun Resources, Matthew Battrick, BSc (Geol), MPESA, MPESGB, MAAPG, GAICD who has 30 years experience in the practice of geology and more than 25 years experience in petroleum geology.





**SUN**  
resources

*Investor Briefing, October 2012*

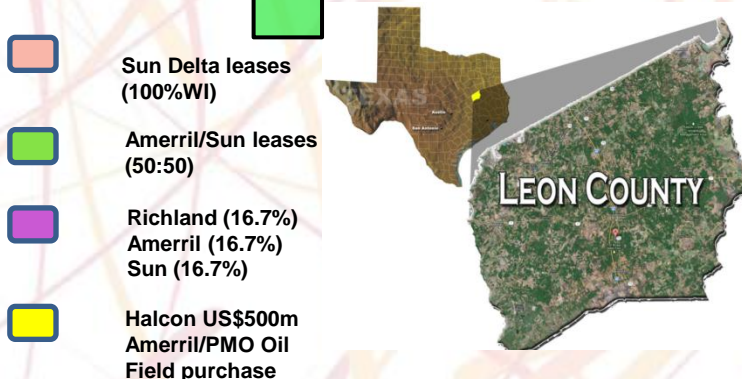
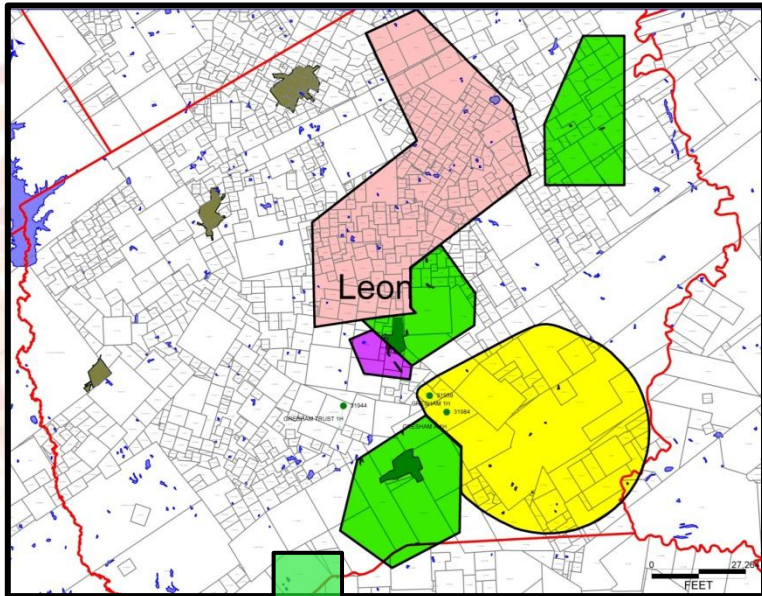
*Growing in the Woodbine Tight Oil Play*

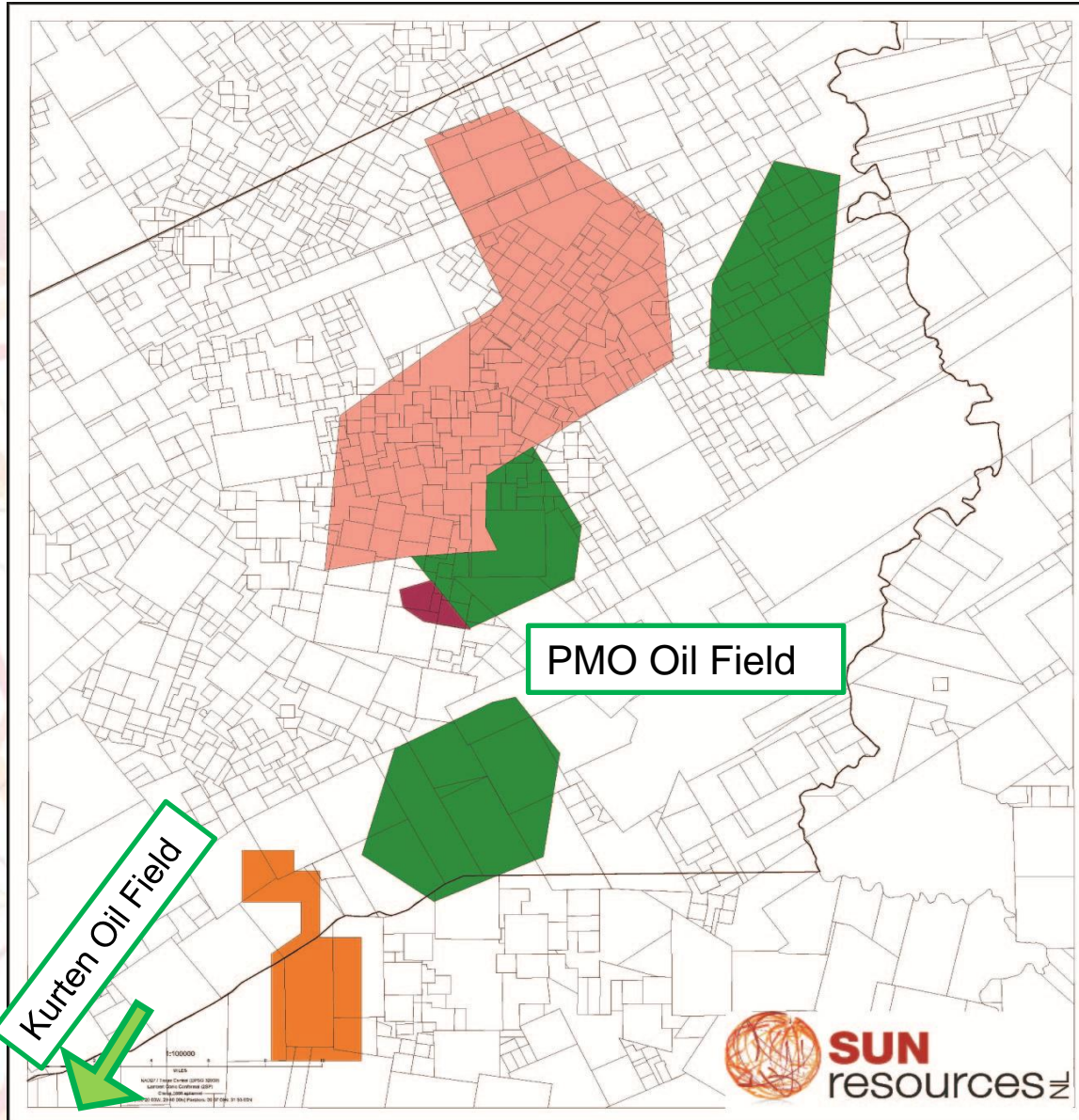
*Matthew Battrick, Managing Director*

## Four Transformational Deals in 15 Months & Drilling Underway

- **Material working interest in 27,900 acres (18,836 net)**
  - 100% working interest (75% NRI) in 10,636 acres (Delta Oil Project), and growing this position;
  - 50% working interest (37.5% NRI) in additional 12,293 acres next to Delta Oil Project from Amerril Energy LLC
  - Farmin to Beeler #1H drilling opportunity with Richland Resources Corporation and Amerril, delivering a 13.45%WI in the well and a 16.7%WI in the remainder of the 1,360 acres, now four wells
  - 50% working interest (37.5% NRI) in additional 3,652 acres in Normangee Oil Project with Amerril Energy LLC
- **Vendors of acres are shareholders of Sun, and well incentivised to grow and add value to Sun's Woodbine acreage**
- **Currently in advanced discussions with a number of potential farmin partners to drill on Delta Oil Project and Amerril Oil Project leases**
- **26 stage fracking program underway on Sun's 1<sup>st</sup> Woodbine horizontal well – Beeler #1H - on 'Richland Oil Project'**
- **Richland Oil Project is now completing a further three back-to-back wells: John Beeler #1H, John Beeler #2 & Ellis #1H**

### SUN'S FOOTPRINT IN LEON COUNTY, TEXAS





**Lease Areas:**

-  Delta Oil Project
-  Amerril Oil Project
-  Richland Oil Project
-  Normangee Oil Project
-  Leon County Border

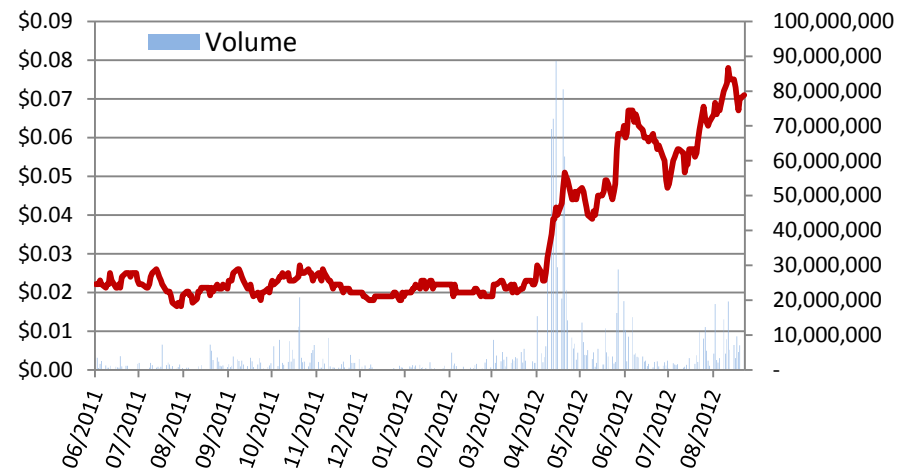
- **Farmin Agreement to earn a 16.7%WI in the Richland Oil Project**
- ***Agreement with the Vendor to grow the Delta Oil Project***
  - ***Increase acreage from 10,636 to 15,000 net acres @ 100%WI***
- **Agreement with Amerril to swap cash for shares in consideration for Amerril Oil Project acquisition**
  - ***Saves Sun ~US\$4.6 million in capital***
  - ***Secures major shareholder with significant success/experience in the Woodbine Tight Oil Play***
  - ***Received shareholder approval on 12 September 2012***
- ***Successful capital raising of A\$20 million to sophisticated investors and institutions (received shareholder approval on 12 September 2012)***
- **Beeler #1H and John Beeler #1H wells @ total depth – first two wells in Richland Oil Project**
  - ***Wireline logging confirms three hydrocarbon pay zones (two in the Woodbine sands)***
  - ***Fracture stimulation of multiple stages underway this week***
- **JV to drill two additional wells in Richland Oil Project: John Beeler #2 & Ellis #1H**
- **Normangee Acreage added to Portfolio**

## CAPITAL STRUCTURE

<b>Ordinary shares</b> <sup>1, 2, 3</sup>	1.87 billion
<b>Performance Options</b> <sup>1, 4</sup>	370 million
<b>Unlisted Options</b> (various prices) <sup>1, 5</sup>	130 million
<b>Market capitalisation</b> (at 7.6 cents (undiluted))	\$141.4 million
<b>Cash</b> <sup>6</sup>	\$ 15.4 million
<b>Enterprise Value</b>	\$126 million

- The numbers throughout this presentation are based on the acquisition of 10,000 acres pursuant to the Delta Oil Project acquisition. The number of securities to be issued to the vendor will be up to 58.8 million shares, 50 million options and 510 million performance options (all included in table above) however this number of securities will reduce proportionately to the number of acres acquired by Sun as part of the acquisition of the Delta Oil Project if less than 10,000 acres is acquired. 115 million of these performance options lapsed on 31 August 2012.
- Includes the 291m shares issued to Amerril Energy LLC in respect of the acquisition announced to the ASX on 7 May 2012 and as varied and announced to ASX on 30 July 2012. This issue received shareholder approval on 12 September 2012.
- Includes 400 million shares issued as a result of the \$20 million capital raising announced on 31 July 2012.
- Performance options convert into ordinary shares upon achievement of certain project milestones (these are detailed in Sun's Notice of General Meeting announced to ASX on 21 November 2011, and also Sun's announcement dated 27 July 2012).
- Inclusive of 50 million options each having an exercise price of 2.5 cents and an expiry date of 31 March 2014 issued to the vendor of the Delta Oil Project.
- Unaudited cash balance at 30 September 2012 has been adjusted to include the \$20 million capital raising announced on 31 July 2012 (of which tranche 2 received shareholder approval on 12 September 2012). Excludes refundable bonds on L20/50, Thailand of ~\$A0.3 million.

## SHARE PRICE HISTORY

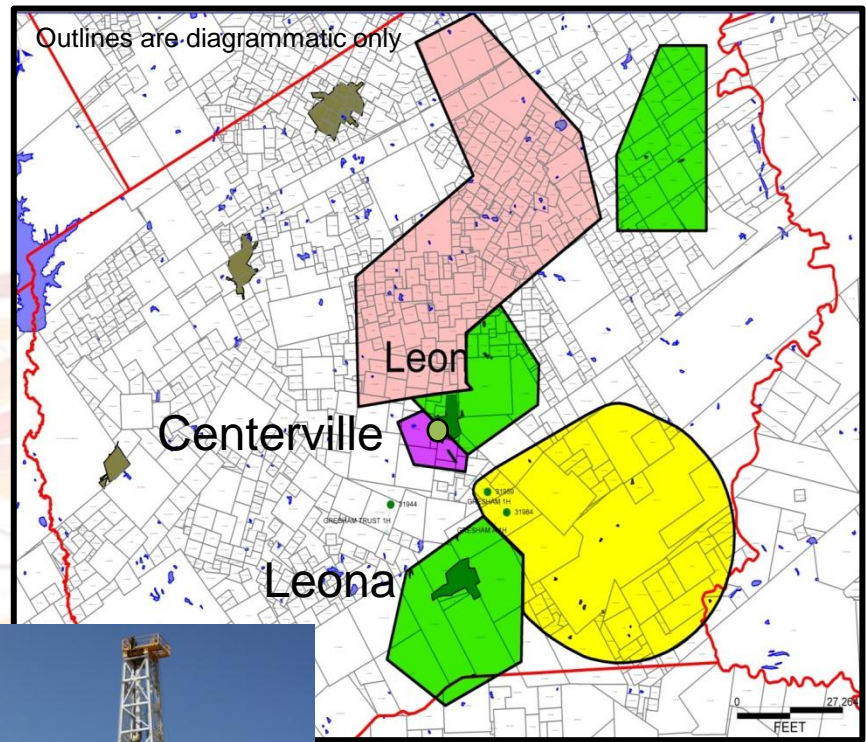


## BOARD OF DIRECTORS

<b>Wolf Martinick</b>	Non-Executive Chairman
<b>Matthew Battrick</b>	Managing Director
<b>Damian Kestel</b>	Non-Executive Director
<b>John Kenny</b>	Non-Executive Director
<b>Phil Linsley</b>	Non-Executive Director

- Top 20 shareholders, including Board and Vendors, currently own ~ 43% of shares on issue

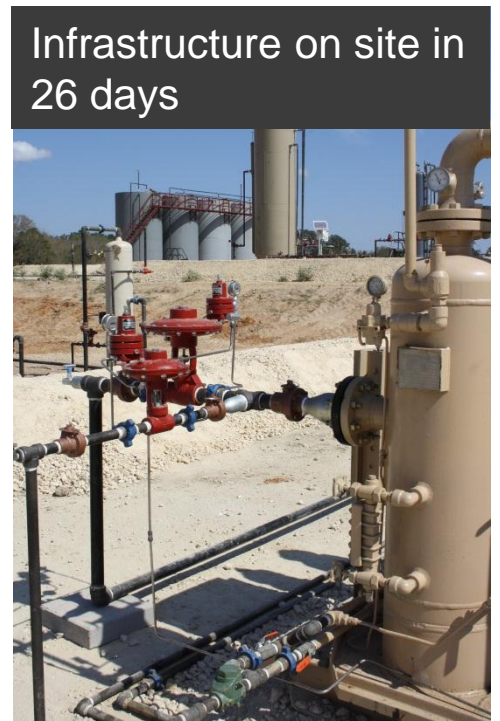
# DELTA OIL PROJECT – LOCAL INFRASTRUCTURE



- Sun Delta (100% WI)
- Amerril/Sun leases (50%)
- Richland/Amerril/Sun (16.7%)
- Halcon US\$500m Amerril/PMO Oil Field purchase



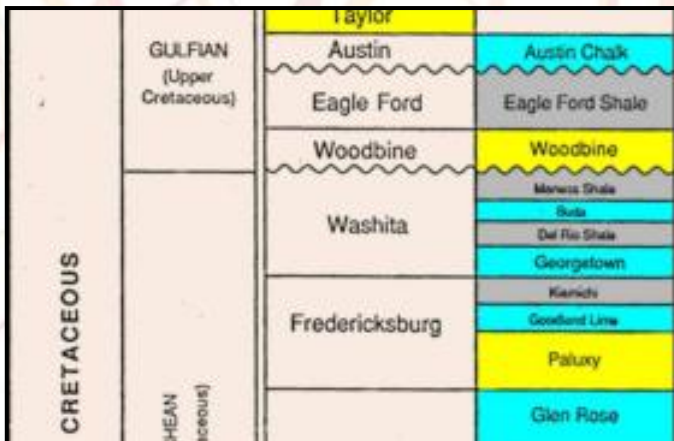
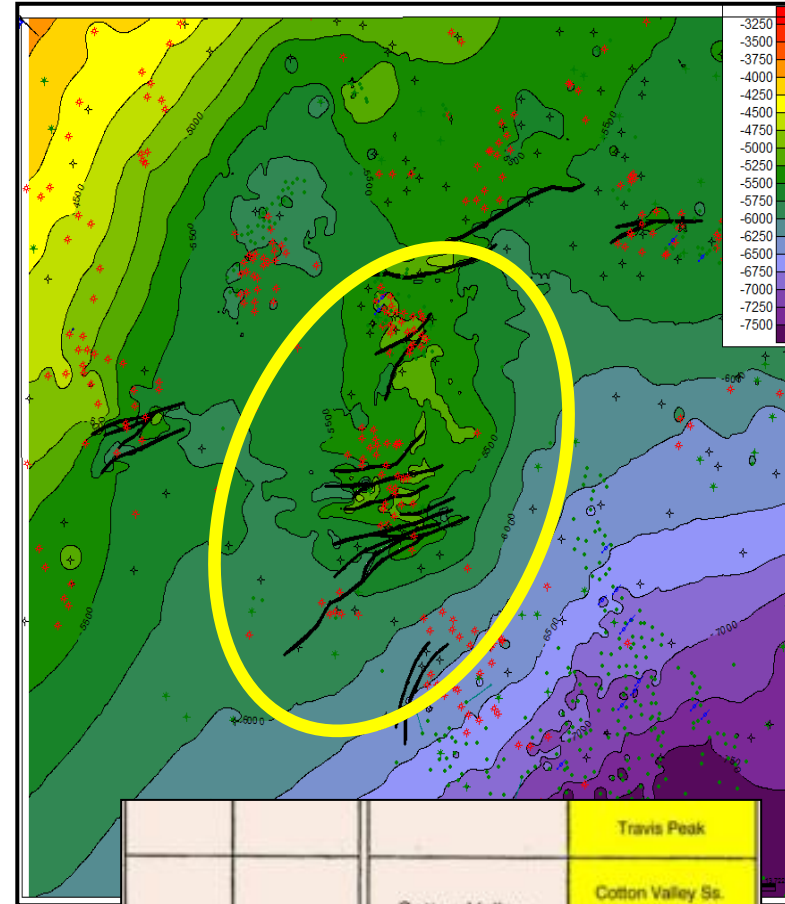
Existing vertical oil production



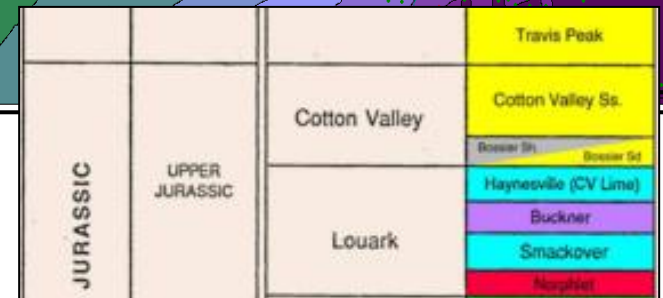
## Potential in Multiple Stacked Horizons

Initially focused on exploiting the Woodbine horizon, however significant potential exists in seven “Fraccable” pay intervals:

	Horizon	Avg. Depth
1	Austin Chalk	5,600 feet
2	Sub-Clarksville	5,700 feet
3	Upper Eagle Ford Shale	5,800 feet
<b>4, 5, &amp; 6</b>	<b>Upper, Middle &amp; Lower Woodbine</b>	<b>6,100 feet</b>
7	Buda - Georgetown	6,800 feet

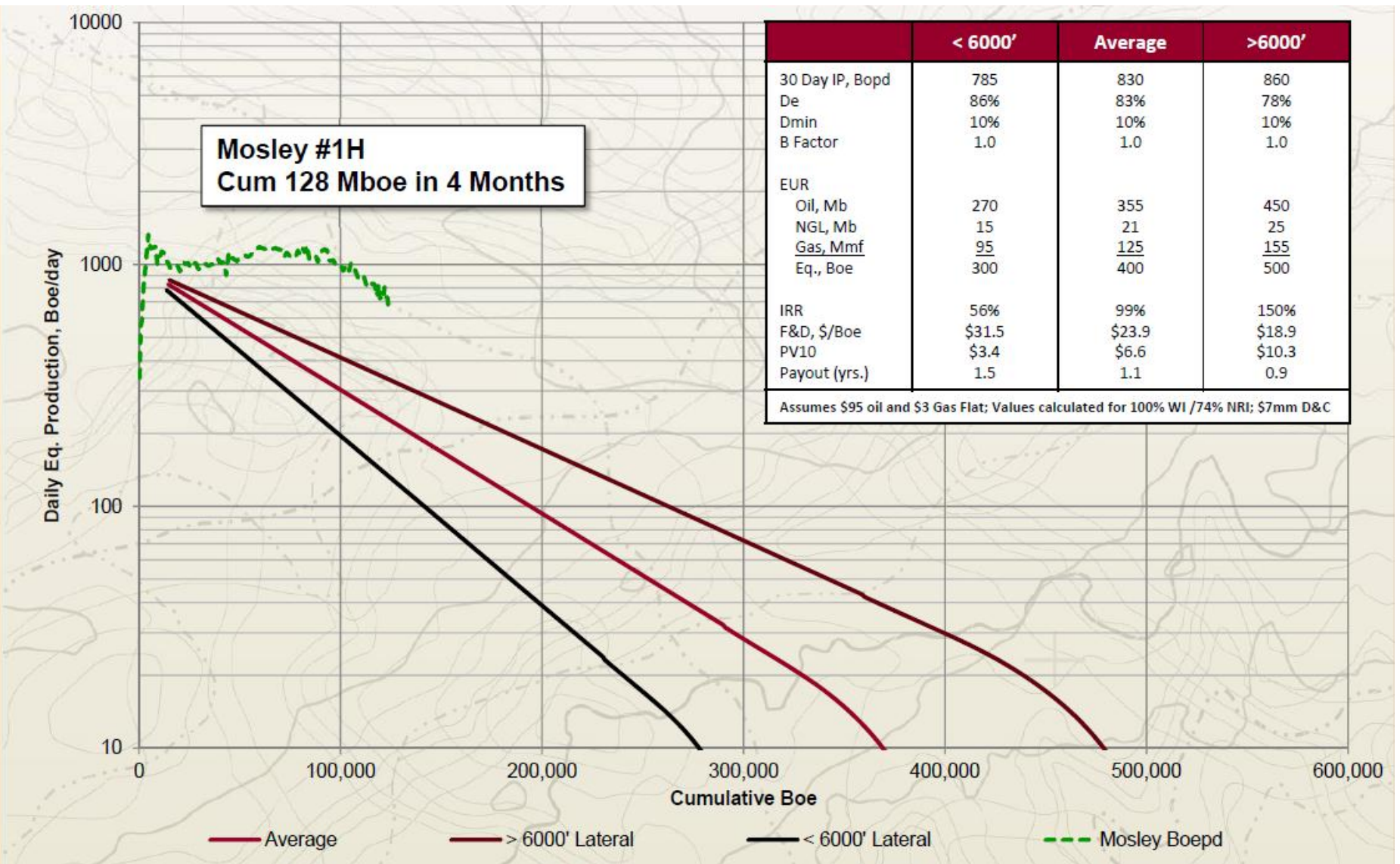


Also Deep Jurassic Gas Potential



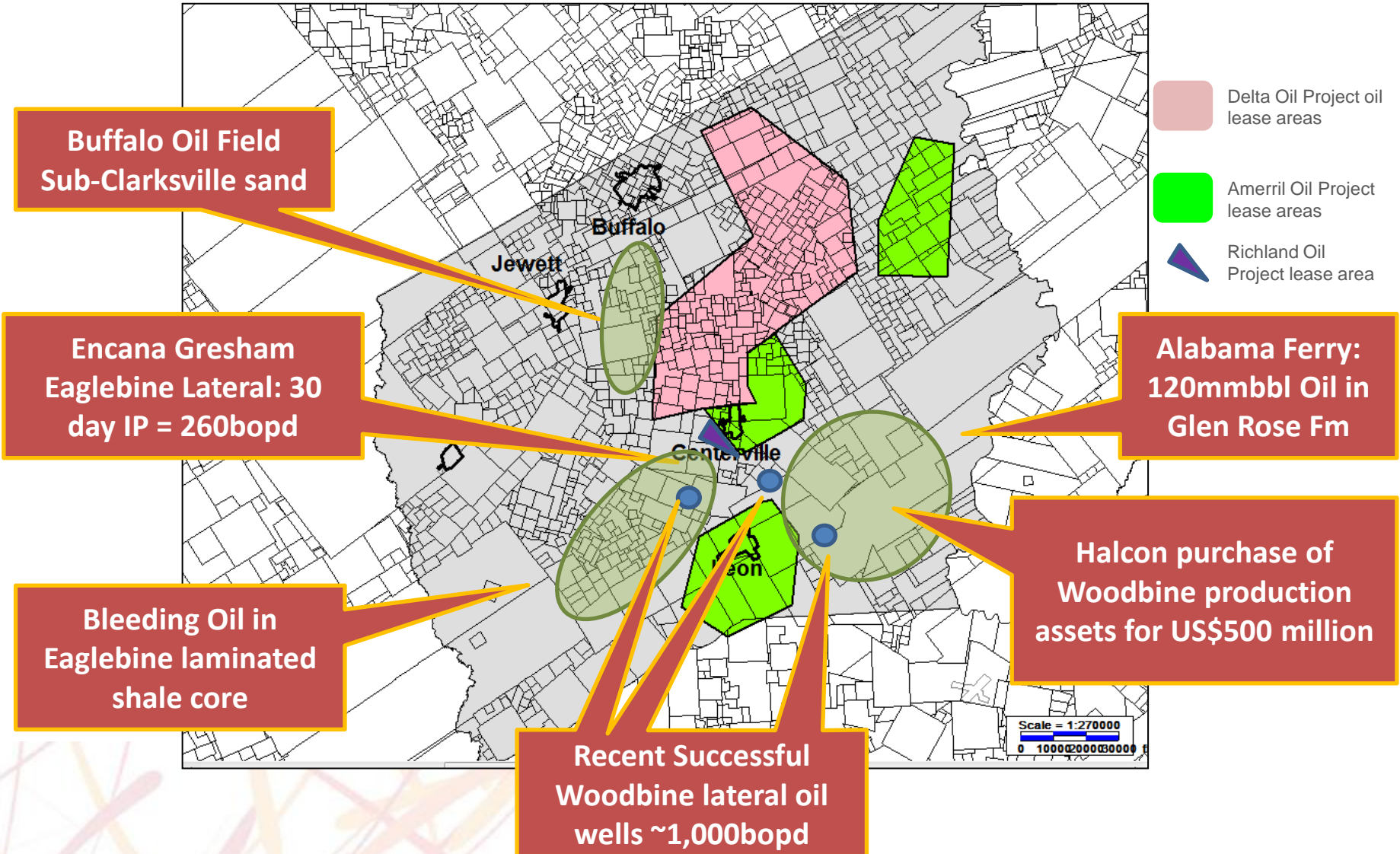


# WOODBINE PRODUCTION – SINGLE WELL TYPE CURVE



Source: Crimson Exploration Inc, Presentation at Houston Producers' Forum, 17 July 2012

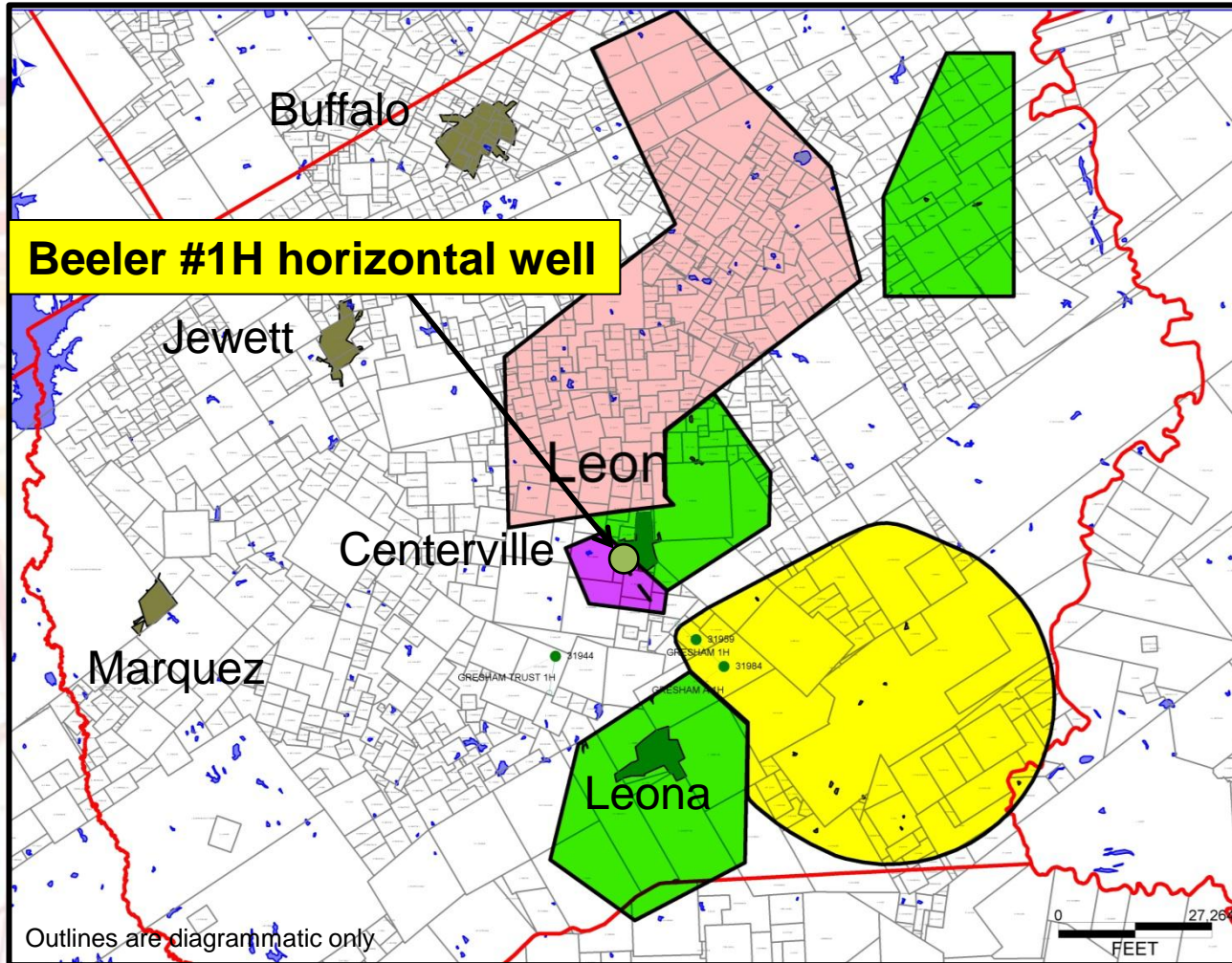
Surrounded by Significant Oil & Gas Fields







*Sun Is A First Mover on the ASX...*



## Beeler #1H horizontal well location and lease layout



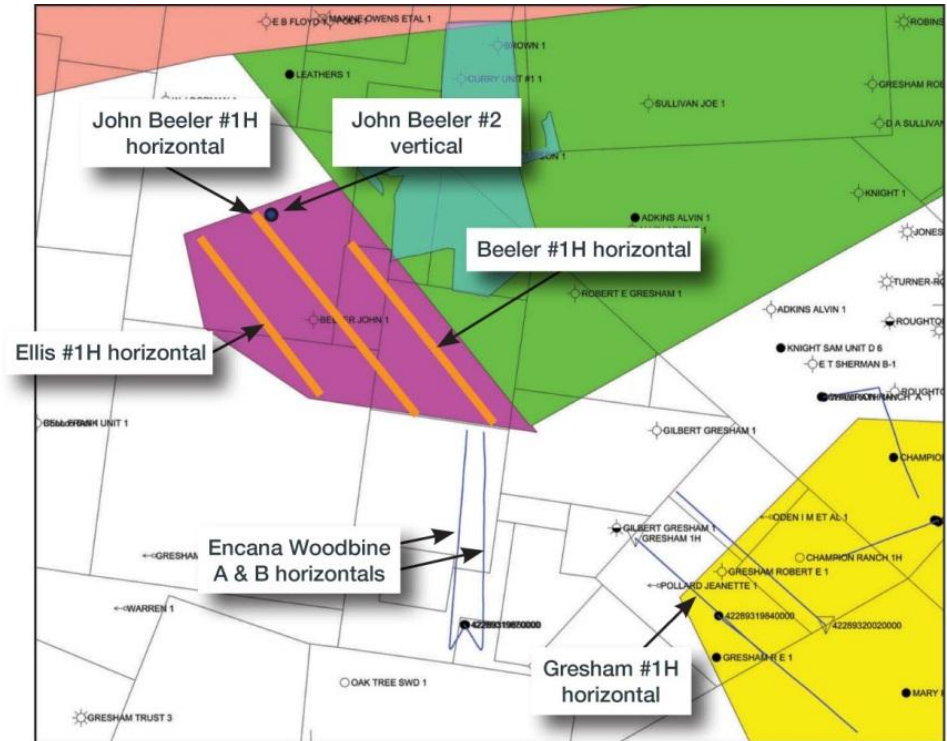
- **Beeler #1H is located immediately adjacent to one of the best performing wells in Leon County, the Gresham A#1H well**

-  Sun Delta leases (100%WI)
-  Amerri/Sun leases (50:50)
-  Richland (16.7%)  
Amerri (16.7%)  
Sun (16.7%)
-  Halcon US\$500m  
Amerri/PMO Oil Field purchase

## Four-well program, strategically adjacent to Delta & Amerril Project Areas

### BEELER #1H WELL – DRILLING OF LATERAL COMPLETED

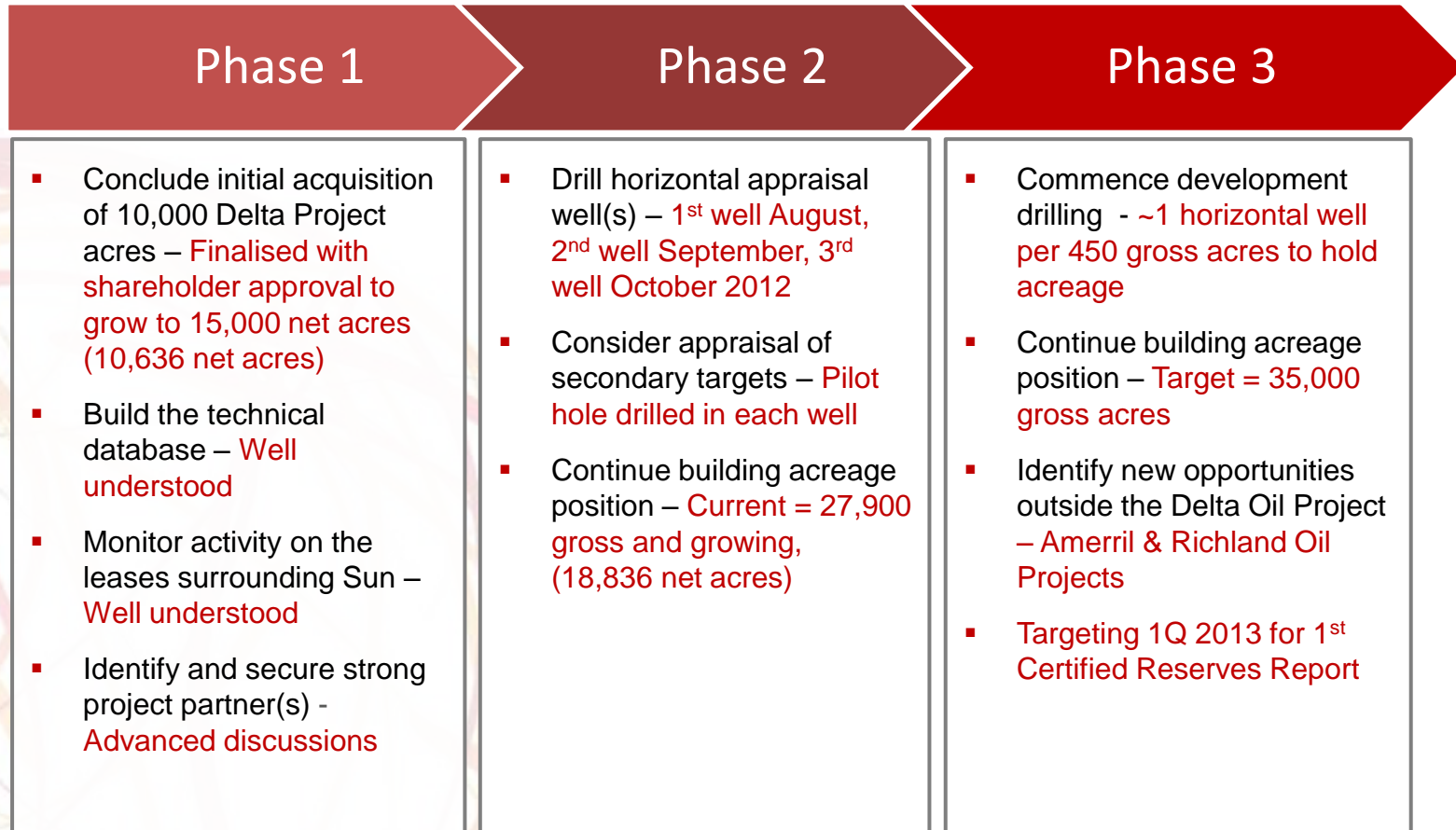
- Immediately adjacent to one of the best performing horizontal oil wells in Leon County, Texas (Gresham A #1H well)
- **Three hydrocarbon zones identified in first & second wells**
  - **Potential identified in the Woodbine 'A' and Woodbine 'B' sands**
  - **Potential identified in Sub-Clarksville**
- Fraccking of Beeler #1H commenced in October
- Avg. budgeted cost of each well is ~US\$1,200,000, net to Sun (16.7% WI)
- **Sun will have a 13.54% Working Interest (WI) and a 10.16% Net Revenue Interest (NRI) in the Beeler #1H well**
- Sun will acquire a 16.67% WI (12.5% NRI) in the 2<sup>nd</sup>, 3<sup>rd</sup> & 4<sup>th</sup> wells, plus the remainder of the lease area



# BEELER #1H – SHOTS FROM NABORS M47 RIG



## Delivering on Stated Objectives



*Plan to minimise project dilution to Sun Resources during the proof of concept phase*

- Material exposure to the Woodbine Tight Oil Play, the same play which has been recognised by Halcón Resources Corp.
- **Large > 18,836 net acres position (and growing), on trend with proven horizontal production**
  - **Peers achieving +1,000 boepd initial production (ip) with up to 800bopd, 30-day ip**
- Significant value to be added to the Delta, Ameril, Richland and Normangee Oil Projects in 2012:
  - **Farmin discussions are well advanced**
  - **Drilling of Sun's Woodbine acreage commenced in August 2012**
- **Attractive well economics – in the order of 300-500,000 barrels reserves per well, per zone**
- Proximity to infrastructure will allow fast tie-in to sales
- **Potential for multiple pay intervals within lease area**
- Strong in-country USA team – Looking to grow toward 35,000 gross acres



This document has been prepared by Sun Resources NL (“Sun”) for the purpose of providing a company and technical overview to interested analysts/ investors to enable recipients to review the business activities of Sun. This presentation is by its nature limited in scope and is not intended to provide all available information regarding Sun.

This presentation is not intended, and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in any jurisdiction, and should not be relied upon as a representation of any matter that a potential investor should consider in evaluating Sun.

Any statements, opinions, projections forecasts or other material contained in this document do not constitute any commitments, representations or warranties by Sun Resources NL or its directors, agents and employees. Except as required by law Sun Resources NL shall in no way be liable to any person or body for any loss, claim, or in connection with, the information contained in the document.

This document includes certain statements, opinions, projections, forecasts and other material, which reflect various assumptions. The assumptions may or may not prove to be correct.

Statements contained in this presentation, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, production levels or rates, oil and gas prices, reserves, potential growth of Sun Resources NL, industry growth or other projections and any estimated company earnings are or may be forward looking statements. Such statements relate to future events and expectations and as such involve known and unknown risk and uncertainties, many of which are outside the control of Sun Resources NL. Actual results, actions and developments may differ materially from those expressed or implied by the statements in this presentation.

Recipients of the document must make their own independent investigations, consideration and evaluation. By accepting this document, the recipient agrees that if it proceeds further with its investigations, consideration or evaluation of investing in the company it shall make and rely solely upon its own investigations and inquiries and will not in any way rely upon the document. None of the information in this presentation can be reproduced without the permission of the Managing Director of Sun Resources NL.

Sun Resources NL recommends that potential investors consult their professional advisor/s as an investment in the company is considered to be speculative in nature. Nothing in this presentation should be construed as financial advice, whether personal or general, for the purposes of section 766B of the Corporations Act 2001. This presentation consists purely of factual information and does not involve or imply a recommendation of a statement of opinion in respect of whether to buy, sell or hold a financial product. This presentation does not take into account the objectives, financial situation or needs of any person, and independent personal advice should be obtained.