

14 September 2016

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

Dear Sir/Madam

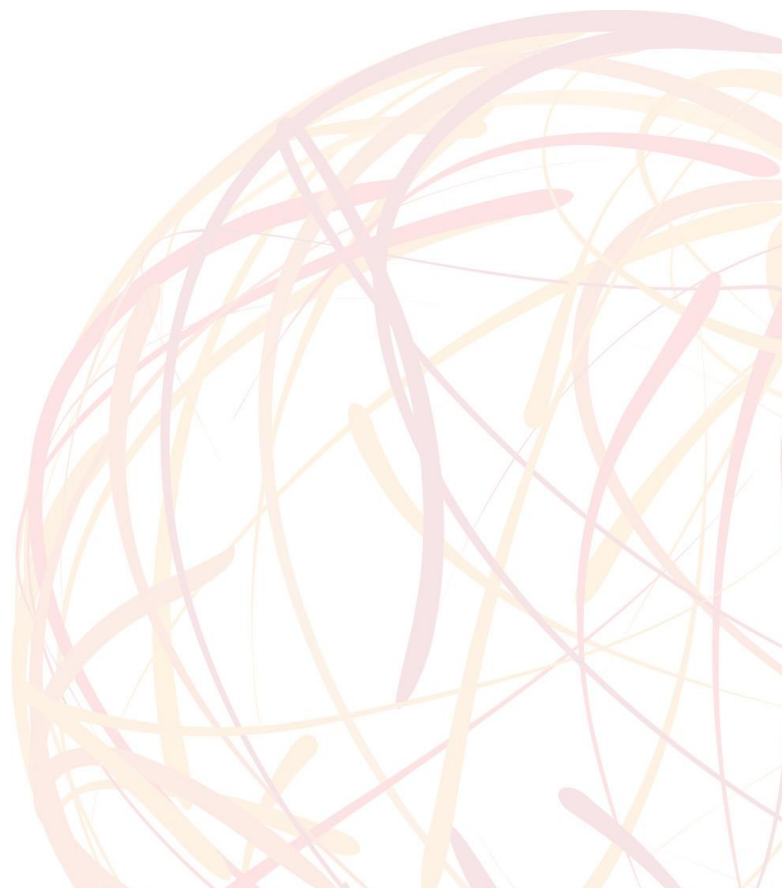
SUN RESOURCES NL – NOTICE LETTERS

Please find attached the relevant Notice Letters to be sent to Shareholders and Option Holders according to the Revised Rights Issue Timetable.

Yours faithfully
SUN RESOURCES NL



Craig Basson
Company Secretary



SUR
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

14 September 2016

Dear Shareholder

Sun Resources NL – non renounceable rights issue Notice to Shareholders

On 1 August 2016 Sun Resources NL ACN 009 196 810 (**Sun or Company**) announced a non-renounceable rights issue to Eligible Shareholders on the basis of one (1) New Share for every two (2) Shares held in the Company at the Record Date (being 16 September 2016) at an issue price of \$0.01 per New Share. In addition, one (1) free-attaching New Option will be issued for every one (1) New Share issued and allotted, exercisable at \$0.01 each on or before the date which is 4 years from the date of issue (**Offer**). Based on the number of Shares currently on issue, the Offer is expected to raise \$1,320,528.

The Offer is fully underwritten by Fast Lane Australia Pty Ltd, the largest shareholder of the Company.

Details of the Offer are summarised below and are set out in full in the Company's prospectus dated 9 September 2016 (**Prospectus**). The Prospectus has been lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) and is available on the ASX website, www.asx.com.au. A copy of the Prospectus is also available on the Company's website, www.sunres.com.au.

A hard copy of the Prospectus and an Entitlement and Acceptance Form will be despatched to Eligible Shareholders on 20 September 2016.

Purpose of the offer

The Directors intend to apply the proceeds from the Offer to:

1. the evaluation and appraisal of new oil and gas development opportunities located in the USA which, if proceeded with, may move the Company towards a sustainable business model in the current low oil price environment;
2. assessing development activities in the Company's remaining East Texas unconventional portfolio (subject to being economically viable);
3. general working capital; and
4. the costs of the Offer.

It is proposed that the funds raised under the Offer will be allocated in the following manner:

Proposed use of funds	\$
Evaluation and appraisal of new oil and gas development opportunities in the USA	200,000
Exploration and development activities	43,000
General working capital	967,817
Costs of the Offer	132,711
Total	1,343,528

Notwithstanding the allocations set out above, in the event that circumstances change or other beneficial opportunities arise, the Directors reserve the right to vary the proposed use of funds to maximise the benefit to shareholders. The Company will provide details of its actual expenditure in its periodic reports and as otherwise required by the ASX Listing Rules.

Eligible Shareholders

Sun will only be making the Offer available to Eligible Shareholders. Eligible Shareholders are those Shareholders who:

- are the registered holder of Shares as at the Record Date;
- have a registered address in Australia or New Zealand; and
- are eligible under all applicable laws to take up their entitlements.

In particular, the Offer has not been, and will not be, registered under the United States Securities Act of 1933 and is not being made in the United States or to persons resident in the United States.

In accordance with ASX Listing Rules, Sun has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Offer to those shareholders. Accordingly, shareholders outside of Australia and New Zealand will not be entitled to participate in the Offer.

The Company will appoint a nominee who will subscribe for the entitlements on behalf of ineligible Shareholders and then sell the resultant New Shares. The nominee will remit any proceeds of the sale of the New Shares (less costs) to the Company to be distributed to ineligible Shareholders.

Timetable

The proposed timetable for the Offer is set out in the table below:

Event	Date
Announcement of Offer	1 August 2016
Lodgement of Prospectus with ASIC and Appendix 3B with ASX	9 September 2016
Notice to Optionholders	14 September 2016
Notice to Shareholders containing Appendix 3B information	14 September 2016
Shares commence trading on an ex rights basis	15 September 2016
Record Date for the Offer	16 September 2016
Prospectus despatched to Shareholders	20 September 2016
Opening Date of the Offer (9.00am Perth time)	20 September 2016
General Meeting of Shareholders	12 October 2016
Closing Date of the Offer (5.00pm Perth time)	12 October 2016
Company to advise ASX of any Shortfall	17 October 2016
Expected date of issue of New Securities	19 October 2016
Commencement of trading of New Shares on ASX	20 October 2016
Expected date of despatch of holding statements for New Securities	21 October 2016

This timetable is indicative only and may be subject to change subject to the requirements of the *Corporations Act 2001 (Cth)* (**Corporations Act**) and the ASX Listing Rules.

Shortfall Offer

A shortfall offer will be conducted in respect of any entitlements not taken up by Eligible Shareholders. The offer of any shortfall will be a separate offer made pursuant to the Prospectus and will remain open after the Closing Date for a period of up to three (3) months from the Closing Date (or such shorter date as determined by the Underwriter at its sole and absolute discretion). The shortfall will be offered at the same price and on the same terms as the New Shares and New Options offered under the Offer. The shortfall securities, once issued, will have the same rights as the New Shares and New Options issued pursuant to the Offer.

Capital Structure

The Company will issue 132,052,846 New Shares and 362,052,846 New Options under the Offer. Assuming that none of the existing Options are exercised, the capital structure of the Company immediately after completion of the Offer (excluding rounding of entitlements) will be as follows:

	Shares	Options
Securities on issue at the date of this Prospectus	264,105,691	21,743,545 ¹
New Securities to be issued under Offer	132,052,846	132,052,846
New Options to be issued under Placement Issue ¹	0	230,000,000
Total	396,158,537	383,796,391

Notes:

1. A placement issue of 230,000,000 New Options at an issue price of \$0.0001 each and exercisable at \$0.01 each on or before the date which is 4 years from the date of issue to raise \$23,000 will be conducted in conjunction with the Offer.

Trading in the New Shares is expected to commence on 20 October 2016, the first business day following the issue of the New Shares and New Options.

Prospectus and continuous disclosure

The Offer is being made in accordance with section 713 of the Corporations Act. Sun has prepared and will send the Prospectus to Shareholders, as set out in the timetable above.

The Prospectus is a "transaction specific prospectus" and has been prepared in accordance with section 713 of the Corporations Act. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities being offered. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Eligible Shareholders should carefully read the Prospectus and have regard to all publicly available information on Sun before making a decision whether or not to invest.

In particular, the Prospectus contains a business update on Sun's current activities and details of the investment and business risk factors that Eligible Shareholders should consider prior to participating in the Offer.

Further information

To accept their entitlement, Eligible Shareholders should complete the Entitlement and Acceptance Form attached to the Prospectus and return the form to the Company's Share Registry and either forward a cheque for the amount payable for the New Shares to the Share Registry or pay by electronic transfer in accordance with the instructions on the Entitlement and Acceptance Form.

If you have any queries in regard to the Offer, please contact Sun's Company Secretary and Chief Financial Officer, Craig Basson, on telephone +61 8 9321 9886.

Yours faithfully,
Sun Resources NL



Craig Basson
Company Secretary



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MR SAM SAMPLE
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123 SAMPLE STREET
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SAMPLEVILLE VIC 3030

14 September 2016

Dear Shareholder,

**Sun Resources NL ACN 009 196 810 – non renounceable rights issue
Notice to Ineligible Shareholders**

On 1 August 2016 Sun Resources NL ACN 009 196 810 (**Sun or Company**) announced a non-renounceable rights issue to Eligible Shareholders on the basis of one (1) New Share for every two (2) existing Shares held in the Company at the Record Date (being 16 September 2016) at an issue price of \$0.01 per New Share. In addition, one (1) free-attaching New Option will be issued for every one (1) New Share allotted, exercisable at \$0.01 each on or before the date which is 4 years from the date of issue (**Offer**). Based on the number of Shares currently on issue, the Offer is expected to raise \$1,320,528.

The Offer is fully underwritten by Fast Lane Australia Pty Ltd, the Company's largest shareholder.

Details of the Offer are set out in full in the Company's prospectus dated 9 September 2016 (**Prospectus**). The Prospectus has been lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) and is available on the ASX website, www.asx.com.au. A copy of the Prospectus is also available on the Company's website, www.sunres.com.au.

A hard copy of the Prospectus and an Entitlement and Acceptance Form will be despatched to Eligible Shareholders on 20 September 2016.

Sun will only be making the Offer available to Eligible Shareholders only. Eligible Shareholders are those Shareholders who:

- are the registered holder of Shares as at the Record Date;
- have a registered address in Australia or New Zealand; and
- are eligible under all applicable laws to take up their entitlements.

In particular, the Offer has not been, and will not be, registered under the United States Securities Act of 1933 and is not being made in the United States or to persons resident in the United States.

In accordance with ASX Listing Rules, Sun has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Offer to those shareholders. Accordingly, shareholders outside of Australia and New Zealand will not be entitled to participate in the Offer.

As Sun has determined that you do not satisfy the eligibility criteria and are therefore an ineligible Shareholder, the Company is unable to extend to you the opportunity to subscribe for New Shares under the Offer. As such, the Company will not send you a copy of the Prospectus. This letter is to inform you about the Offer and is not an offer of Shares in the Company. You are not required to do anything in response to this letter.

The Company will, however, appoint Patersons Securities Limited ABN 69 008 896 311 (AFSL 239 052) to act as nominee in respect of all ineligible Shareholders, including you (**Nominee**). The Nominee will subscribe for, and Sun will issue to the Nominee, the New Shares that would have been issued to you if you were able to participate in, and had subscribed for your full entitlement under, the Offer.

The Nominee will arrange for all New Shares issued to the Nominee in respect of ineligible Shareholders to be sold. The proceeds of the sale (if any) will be distributed to the ineligible Shareholders in proportion to their shareholdings (after deducting brokerage commission and other expenses).

The Nominee will have the absolute and sole discretion to determine the timing and the price at which New Shares may be sold and the manner of any such sale. Neither the Company nor the Nominee will be subject to any liability for failure to sell the New Shares within a particular period of time or to sell them at a particular price.

Please note that it is possible that no net proceeds will be available for distribution to ineligible Shareholders after costs, including but not limited to brokerage, fees and any applicable goods and services tax that may be paid.

If you have any queries in regard to the Offer, please contact Sun's Company Secretary and Chief Financial Officer, Craig Basson, on +61 8 9321 9886.

Yours faithfully,
Sun Resources NL



Craig Basson
Company Secretary



14 September 2016

Dear Optionholder

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Notice to Optionholders**

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Based on the number of Shares currently on issue, the Offer is expected to raise \$1,320,528 and is fully underwritten by Fast Lane Australia Pty Ltd.

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Purpose of the offer

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Participation of Optionholders in the Offer

The terms and conditions of the Options in the Company that you currently hold do not entitle you to participate in the Offer. Only Shareholders who are registered on the Record Date will be eligible to participate in the Offer.

The purpose of this letter is to give you notice of the Offer and its terms, prior to the Record Date, so that you may exercise your Options should you wish to participate in the Offer.

To participate in the Offer you must exercise your Options, pay the exercise consideration for those Options and become a registered Shareholder before the Record Date.

To ensure that any Shares are allotted and issued prior to the Record Date, your notice of exercise of Option (together with a cheque for the relevant amount) must be received by Sun no later than 5.00pm Perth time on 16 September 2016. Any Shares to be issued in relation to a notice of exercise of Options received after this time cannot be assured of being allotted and issued before the Record Date.

Should you wish to exercise your Options, you should contact the Company Secretary as soon as possible.

Eligible Shareholders

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Yours faithfully,
Sun Resources NL



Craig Basson
Company Secretary