

3 December 2010

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

Dear Sir/Madam

**LODGEMENT OF INVESTOR BRIEFING PRESENTATION - DECEMBER 2010**

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.



# INVESTOR BRIEFING

**Matthew Battrick**  
**Managing Director**

**December 2010**

# Investment Highlights

## **Drilling to commence next month at L20/50 onshore Thailand to test 90mmbo potential:**

- On trend and adjacent to Thailand's two largest producing onshore oil fields
- Program includes 2 firm wells plus 1 contingent well
- Sun & Carnarvon currently at 50% working interest each. Peak free carrying Sun in first well to earn 7.5% interest from Sun
- Three wells will test a combined speculative potential of 90 million barrels gross
- Testing potential value net to Sun of up to \$689 million (\$18/barrel NPV)
- Production easily tied into existing infrastructure to move rapidly from discovery to development
- **First well scheduled to spud in mid/late January 2011**

## **Sun farming in for 15% of 720BCF conventional gas prospect onshore N-W Europe**

- Well scheduled for 2Q 2011 spud, immediately following Thailand drilling
  - **Significant leverage to high impact drilling of up to 4 oil and gas wells in first half 2011**
  - **Significant leverage in current share price**



# Corporate Overview

## Capital Structure

Ordinary shares <sup>1</sup>	414.3 million
Market capitalisation at 7 cents	\$29 million
Options and partly paid shares (all out of the money)	10.8 million
Convertible notes <sup>2</sup>	\$3.1 million
Cash @ 30 November 2010 <sup>3</sup>	\$6.7 million
Top 20 ~38%, Directors ~13%, pre-capital raising	

<sup>1</sup> Total shares at completion of recently announced placement to raise \$5m. This figure excludes any new shares to be allotted as a result of the SPP which will raise a maximum of \$2 million (a further up to 29.8 million shares)

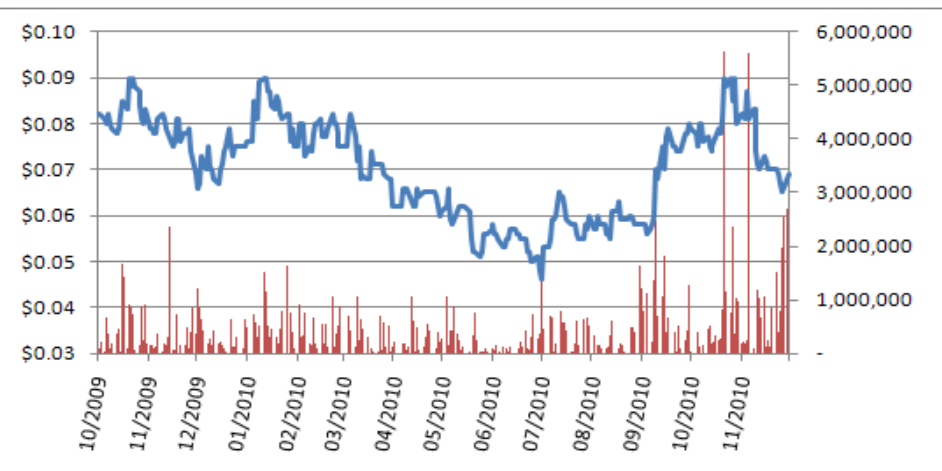
<sup>2</sup> 5.718 million notes, 12% pa, 30 June 2011, convert at a maximum of 11 cents per share and a minimum of 6 cents per share

<sup>3</sup> Includes proceeds to be received from the placement announced on 10 November 2010, but does not include SPP proceeds, and does not include refundable bonds on L20/50, Thailand of ~A\$0.8 million

## Net Daily US Production – 2009/2010 Fiscal year

- Net oil & gas production 99 boepd

## 12 Month Share Price Performance

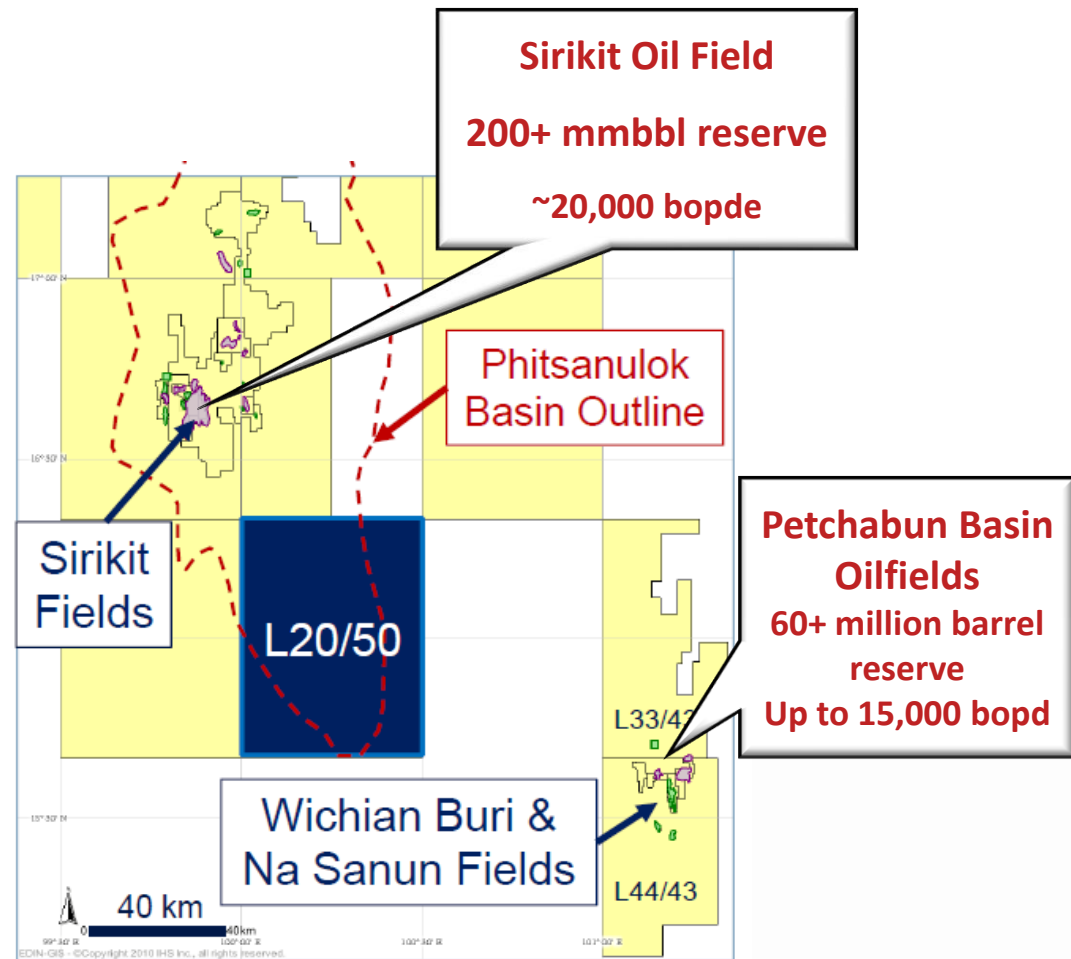


## Board of Directors

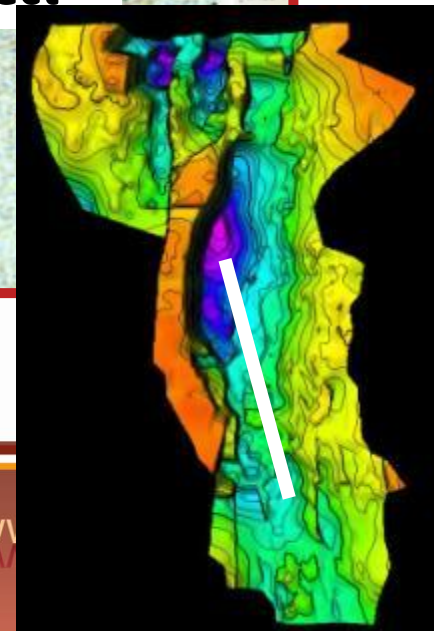
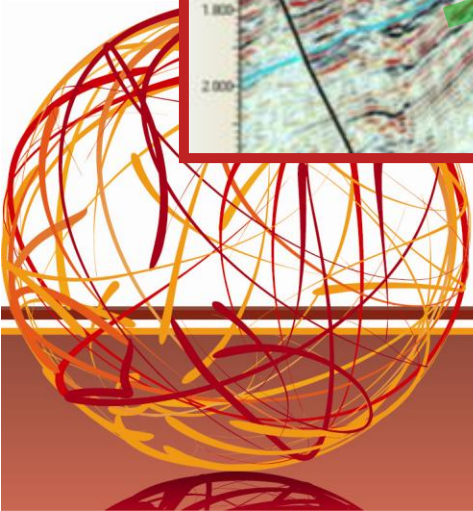
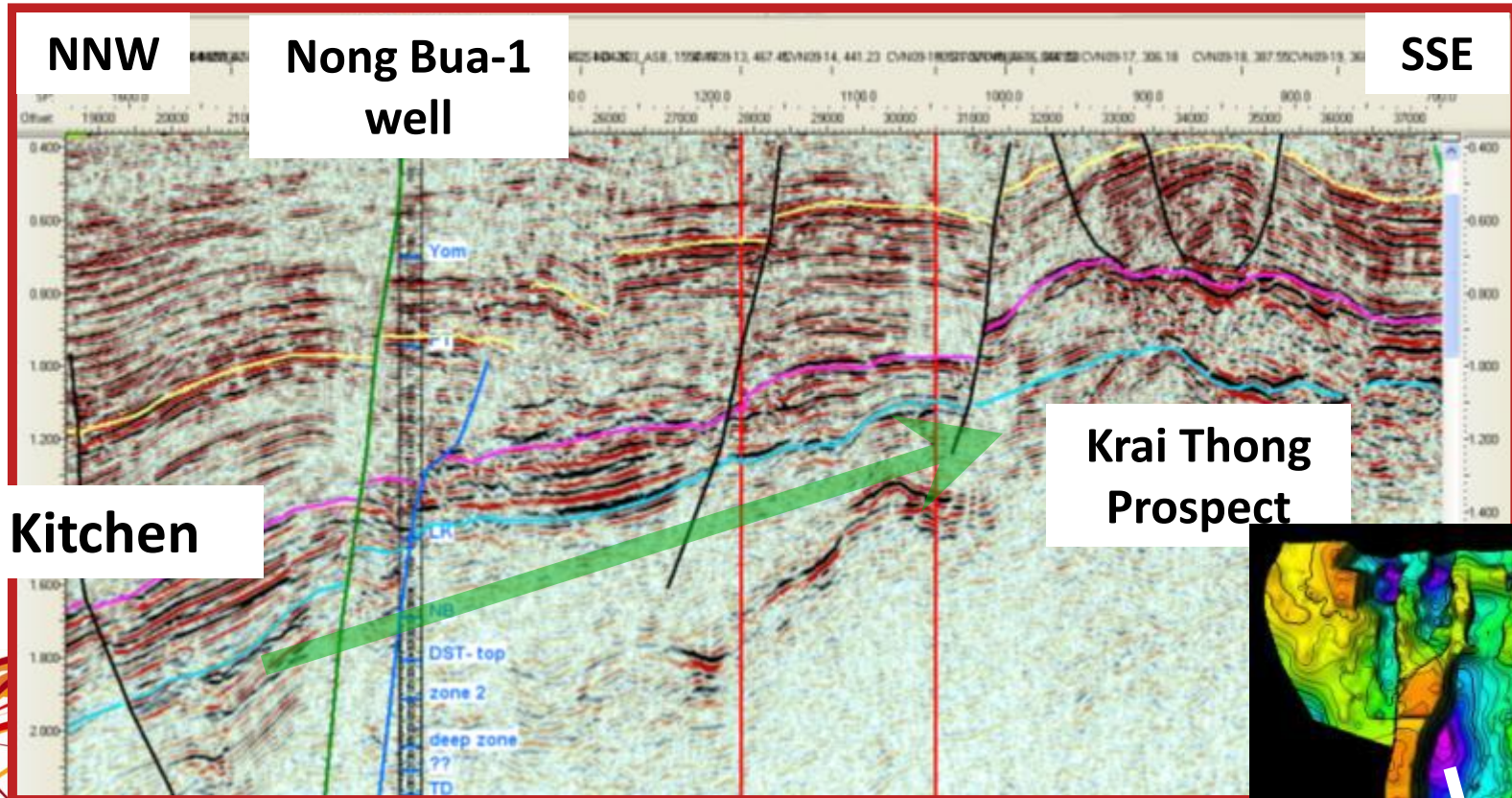
- Dr Brad Farrell Non Executive Chairman
- Matthew Battrick Managing Director
- Wolf Martinick Non Executive Director
- Phil Linsley Non Executive Director
- Peter Woods Non-Executive Director

# L20/50, Thailand – Located Close to Production

- Carnarvon Petroleum Ltd is Operator & has excellent local expertise
- Carnarvon has had multiple onshore discoveries in the last two years
- Sun & Carnarvon currently at 50% WI
- On trend with largest onshore oil field complexes
- Active petroleum system proven on the permit
- 23 leads & prospects across 5 play types
- Proximity to infrastructure will mean development can take place quickly after discovery, and relatively cheaply



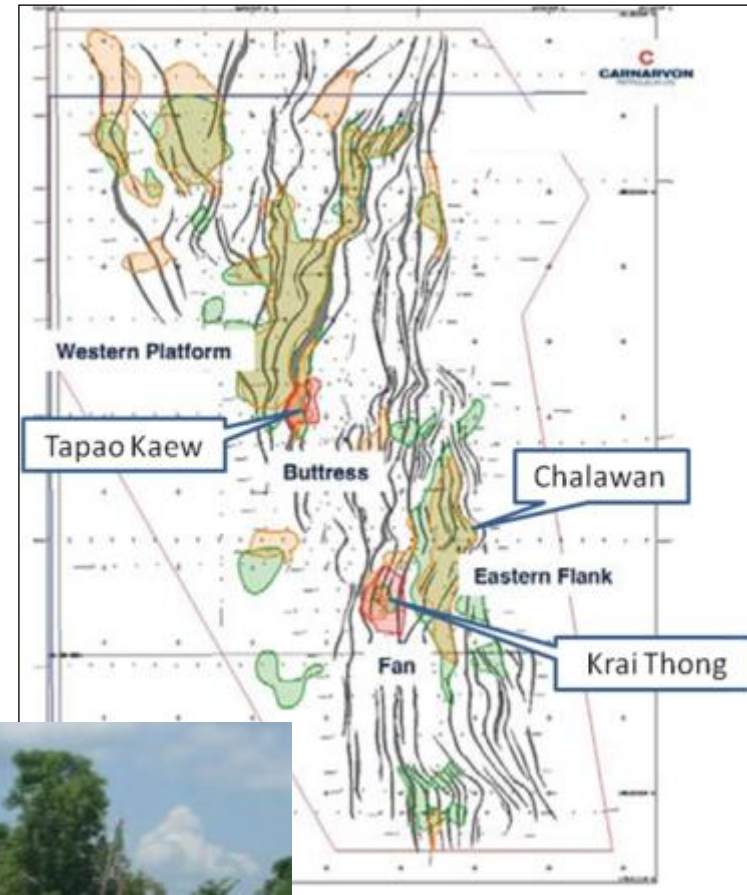
# L20/50 - Previous Wells Missed Source Kitchen & Traps



# L20/50 - Three 'Drill-ready' Prospects Defined

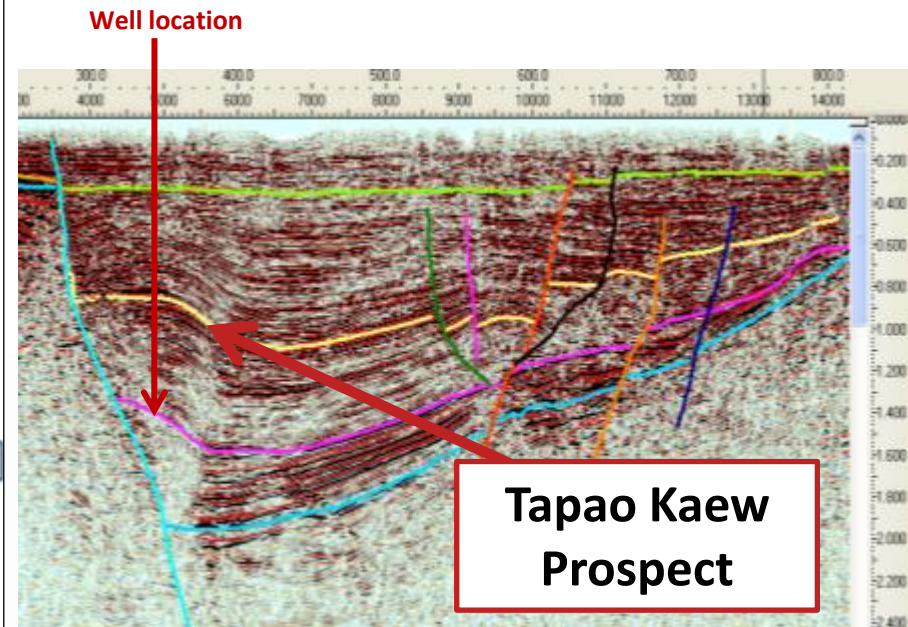
## Drilling January 2011 – Targeting Up To 90 mmbbo

- Year-2 seismic investment delivered 23 Leads & Prospects, 5 play types
  - Sun will test up to 3 separate play types in this program
- Targeting classic, stacked sandstone reservoirs with potential for fractured volcanics/basement
- Top 5 prospects have 120 million barrel resource potential, unrisks
- Government EIA approvals received for 9 loc's
- Drilling scheduled to commence mid/late Jan
- 2 firm wells + 1 contingent well targeting up to 90 million barrels gross
- 2 – 3 weeks to drill and complete each well
- Site construction underway, approvals already being progressed for production



# L20/50, Well #1 – Tapao Kaew Prospect

- 4-way anticlinal structure with stacked targets, immediately adjacent to source kitchen
- The well will test oil at 3 prospective reservoir horizons above a total depth (T.D.) of 1,715 metres
- Gross speculative potential, recoverable resources: **21 million barrels**
- **Expected to spud in mid/late January 2011**

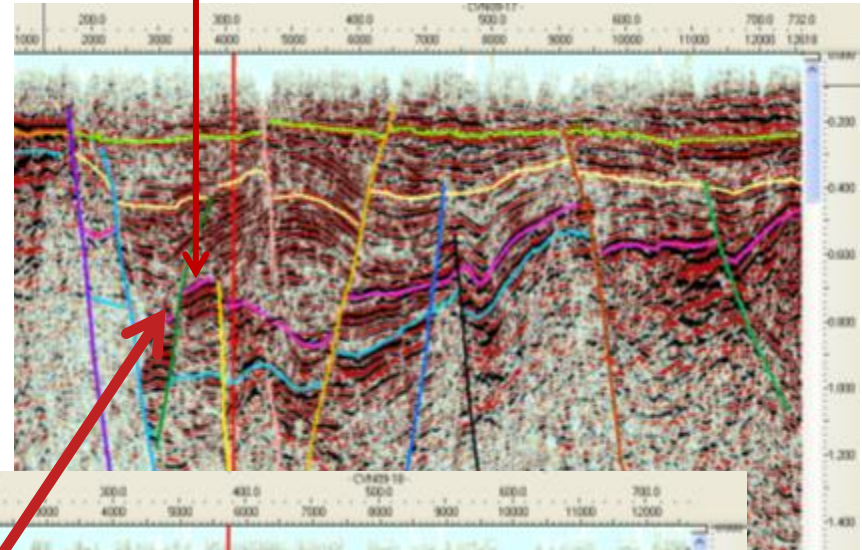




# L20/50, Well #2 – Krai Thong Prospect

- Faulted anticlinal structure with multiple targets
- Will test oil at 2 prospective reservoir targets above a T.D. of 1,450 metres
- Gross speculative potential, recoverable resources: **37 million barrels**
- Expected to spud in February 2011

Well location

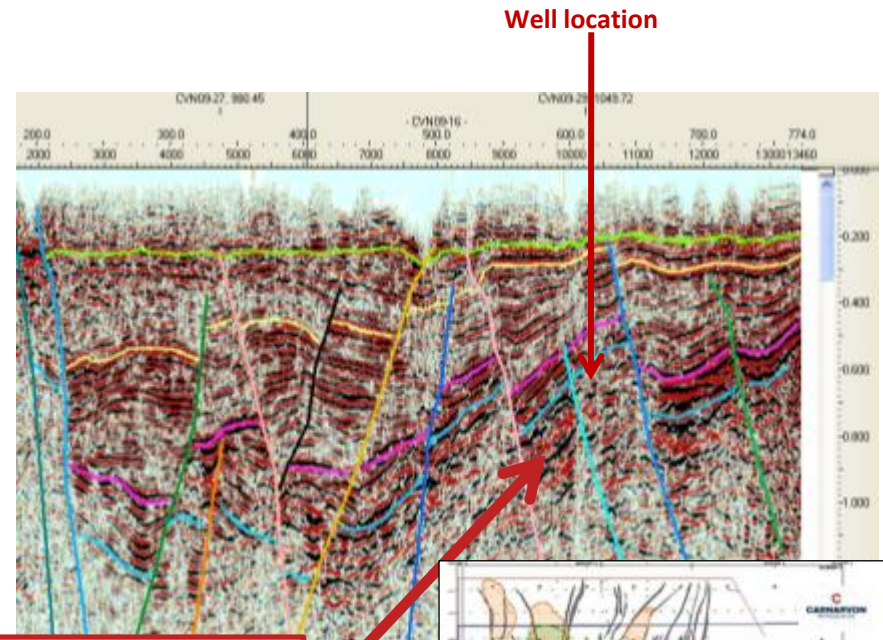


Krai Thong Prospect

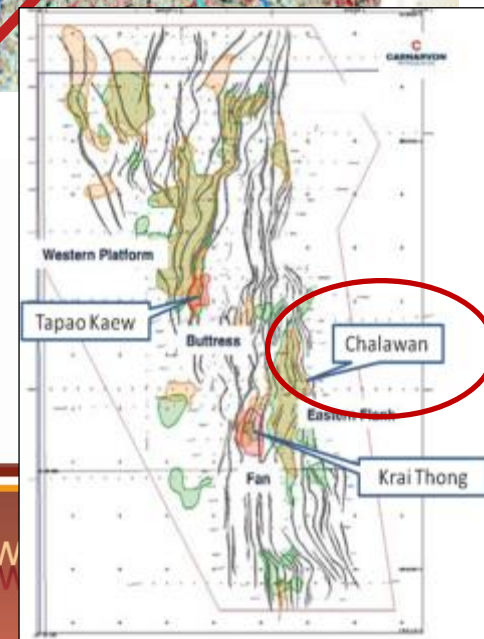


# L20/50, Well #3 – Chalawan Prospect (contingent)

- Tilted fault block structure with multiple targets, similar to Sirikit-style structure that provides significant production
- Directly up-dip from the source kitchen
- Will test oil at two targets above a T.D. of 950 metres
- Gross speculative potential, recoverable resources: **35 million barrels**
- Contingent well based on JV decision after the first 2 wells

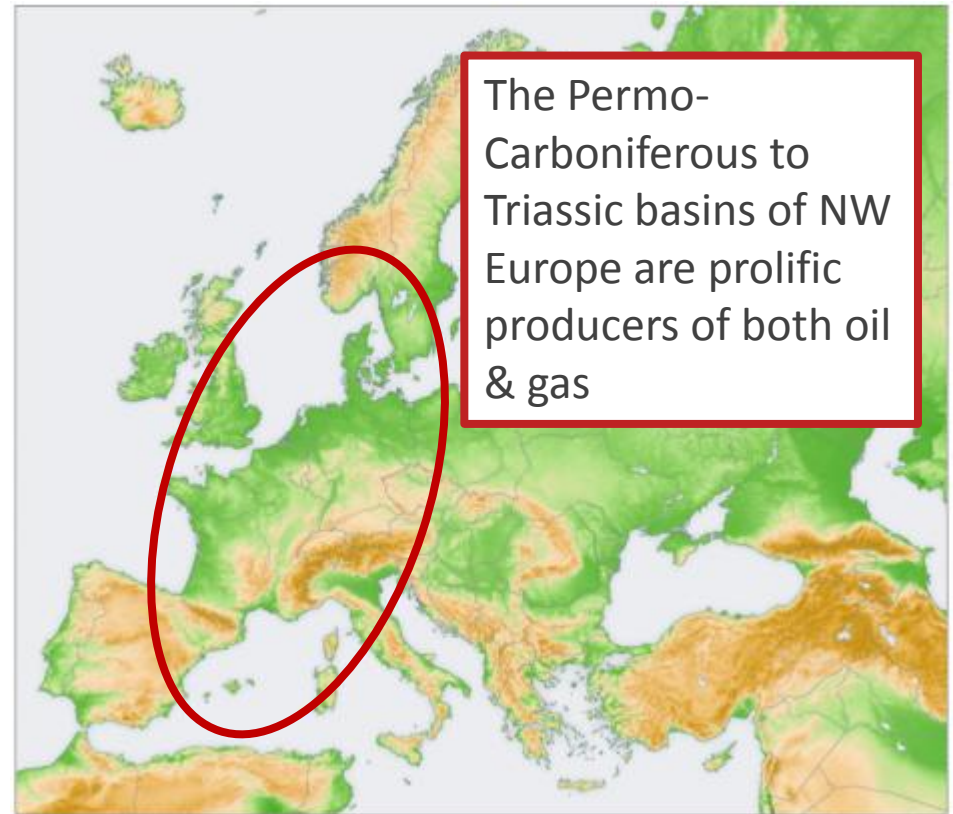


**Chalawan Prospect**



# North-West European Farm-in Opportunity

- Non-binding agreement to earn 15%WI in the concession\*
- Testing prospective conventional gas target of
  - 720 BCF (Pmean)
  - 1.4 TCF (P10 Upside )
- Net cost to Sun = A\$2.3 million
- Drilling targeted for 2Q 2011
- Gross NPV<sub>10</sub> = US\$600m @ US\$7.00 gas price, dry gas case (liquids will add further value)
- On trend with numerous oil and gas fields and adjacent to old wells with numerous oil and gas shows around oil seeps
- Numerous source rock intervals allowing for potential to develop Unconventionals in Permo-Carboniferous Shale Gas plays



- *Farm-in is subject to a number of conditions precedent, including*
  - *Completion of due diligence*
  - *Execution of a Definitive Farm-in Agreement by 31 December 2010*
  - *Receipt of relevant government approvals and consents*
  - *Sun having met its share of the well costs, estimated to be approx A\$2.3 million*

# Summary Highlights

## Thailand drilling to commence next month!

- Drilling up to 3 wells; 90 million barrel spec. oil potential
- Testing potential value net to Sun of up to \$689 million (\$18/barrel NPV)
- Located between Thailand's two largest producing onshore oil fields
- Proximity to infrastructure will allow fast tie into sales
- Site construction underway, approvals already being progressed for production
- 1<sup>st</sup> well to spud in mid/late January 2011
- 2-3 weeks to drill and complete each well
- Sun free-carried in first well by Peak

## Farming into huge conventional gas prospect, onshore NW Europe

- 720 BCF gross speculative resource potential



- Significant leverage to high impact drilling of up to 4 oil and gas wells in first half 2011
- Significant leverage in current share price



**SUN**  
resources

*For more information and regular updates:*

Visit us @ **[www.sunres.com.au](http://www.sunres.com.au)**

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