

Friday 14 March 2014

Woodbine Oil Project: Operations Update

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

- Sun advises that flow back operations to recover frac fluids at the F. Thompson #1H well are continuing after the installation of a jet pump. The total daily frac fluid flow rate is currently approximately 600 barrels per day with the percentage of 'oil cut' increasing to 8% since the first indication of oil was reported.
- The well continues to flow oil and frac water with the latest 7-day average net oil flow rate having reached 45 barrels of oil per day (gross). The percentage of frac fluids recovered at the time of this report has increased to approximately 35% of total fluids pumped.
- The Operator Amerril is progressing with the construction of permanent production installations over coming days in parallel with the continuation of flow back operations and a further period of flow back will be required before a proper assessment of the oil production potential can be confirmed.

Sun Resources NL (**Sun** or the **Company**) (ASX: SUR) is pleased to update shareholders on the first of three Woodbine wells to be drilled in the current multi-well programme, 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 continuing after the installation of a jet pump in the well. The Company estimates that approximately 35% of the fracturing fluids have been recovered from the well to date with a current total fluid rate of approximately 600 barrels per day. The percentage of oil in the frac fluid flow ('oil cut') has increased to 8%, delivering a current oil rate of approximately 45 barrels per day (bopd) on a 100% working interest basis.

Flow back operations will continue for some time and Sun anticipates providing a further update after the permanent production facilities have been commissioned, allowing the flow back process time to stabilise and recover sufficient frac fluid to formally calculate an initial oil production rate. Sun's working interest in this well is 18%, within a 1,855 gross acres AMI area agreed between the other participants. The cost of drilling and completing the well were both 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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