

17 October 2011

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

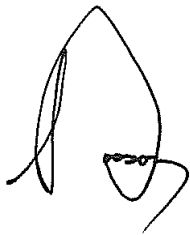
Dear Sir/Madam

NOTICE OF ANNUAL GENERAL MEETING, EXPLANATORY STATEMENT & PROXY FORM

We advise that the Company's Notice of Annual General Meeting, Explanatory Statement and Proxy Form were dispatched to Shareholders today.

We attach a copy of the Notice of Annual General Meeting, Explanatory Statement and Proxy Form.

Yours faithfully
SUN RESOURCES NL



Craig Basson
Company Secretary



NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT AND PROXY FORM

Wednesday, 16 November 2011 at 11.00am

TO BE HELD AT

The offices of BDO

38 Station Street, Subiaco, Western Australia

CONTENTS

- A. Notice of Annual General Meeting
- B. Explanatory Statement
- C. Proxy Form

IMPORTANT NOTE

This booklet sets out information to assist Shareholders to assess the resolutions to be considered at the Annual General Meeting.

You should read this information carefully and in its entirety before making a decision as to how to vote at the Meeting. No responsibility is taken for the contents of this booklet by ASIC, ASX or any of their officers.

If you do not fully understand the contents of this information you should consult your financial or legal adviser for assistance.

A Notice of Annual General Meeting, Explanatory Statement, Proxy Form and Appointment of Corporate Representative Form are included in this booklet. Shareholders are urged to complete and return the enclosed Proxy Form as soon as possible, irrespective of whether or not they intend to attend the Meeting.

QUESTIONS

If you have any queries regarding the contents of this booklet or in relation to the Annual General Meeting, please contact the Company Secretary, Mr Craig Basson, on (08) 9345 4100.

ELECTRONIC COPIES OF COMPANY REPORT

The Company Annual Report is now available on the Sun Resources NL website www.sunres.com.au.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Sun Resources NL will be held on:

Wednesday, 16 November 2011 commencing at 11:00am WST

at:

BDO
38 Station Street
Subiaco, Western Australia

HOW TO VOTE

You may vote by attending the Meeting in person, by proxy or authorised representative.

VOTING IN PERSON

To vote in person, attend the meeting on the date and at the place set out above. The meeting will commence at 11:00am WST.

VOTING BY PROXY

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the proxy by facsimile to the Company Secretary, Mr Craig Basson on facsimile number (08) 9345 4541 (International: + 618 9345 4541); or
- deliver to the Company Secretary, at 5 Bendsten Place, Balcatta, WA, 6021; or
- post to PO Box 332, Greenwood, WA, 6924,

so that it is received not later than 11.00am WST on Monday, 14 November 2011.

Your Proxy Form is enclosed

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Sun Resources NL will be held on Wednesday, 16 November 2011 at 11.00am WST, at the office of BDO, 38 Station Street, Subiaco, Western Australia.

The following matters are to be considered at the meeting and Resolutions 1 to 7 inclusive are discussed in the Explanatory Statement to Shareholders which forms part of this notice.

AGENDA

ORDINARY BUSINESS

1. Financial Statements

To receive and consider the Annual Financial Statements, together with the Directors' and Auditor's reports, for the financial year ended 30 June 2011.

2. Resolution 1 - Re-election of Director – Dr Wolf Gerhard Martinick

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

That, for all purposes, Dr Wolf Gerhard Martinick, who retires from the office of Director by rotation in accordance with ASX Listing Rule 14.4 and Article 16.3 of the Company's Constitution, and being eligible, is re-elected as a Director of the Company.

3. Resolution 2 - Remuneration Report

To consider and, if thought fit, pass the following Resolution as an Advisory Resolution:

That, for all purposes, the Directors' and Executives' Remuneration Report that forms part of the Directors' Report for the financial year ended 30 June 2011, be approved.

4. Resolution 3 - Issue of Incentive Options to Dr Wolf Gerhard Martinick

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 5,000,000 Incentive Options to Dr Wolf Gerhard Martinick (or his nominee), each exercisable within 3 years from the date of issue at an exercise price equal to 150% of the volume weighted average price of the Company's Shares in the 5 trading days preceding the date of the Annual General Meeting and otherwise on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: *The Company will disregard any votes cast on this Resolution by Dr Martinick or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

5. Resolution 4 - Issue of Incentive Options to Mr Matthew Arthur Battrick

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 5,000,000 Incentive Options to Mr Matthew Arthur Battrick (or his nominee), each exercisable within 3 years from the date of issue at an exercise price equal to 150% of the volume weighted average price of the Company's Shares in the 5 trading days preceding the date of the Annual General Meeting and otherwise on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: *The Company will disregard any votes cast on this Resolution by Mr Battrick or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

6. Resolution 5 - Issue of Incentive Options to Mr Alan Peter Woods

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 5,000,000 Incentive Options to Mr Alan Peter Woods (or his nominee), each exercisable within 3 years from the date of issue at an exercise price equal to 150% of the volume weighted average price of the Company's Shares in the 5 trading days preceding the date of the Annual General Meeting and otherwise on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: *The Company will disregard any votes cast on this Resolution by Mr Woods or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

7. Resolution 6 - Issue of Incentive Options to Dr Philip Linsley

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval is given for the issue of 5,000,000 Incentive Options to Dr Philip Linsley (or his nominee), each exercisable within 3 years from the date of issue at an exercise price equal to 150% of the volume weighted average price of the Company's Shares in the 5 trading days preceding the date of the Annual General Meeting and otherwise on the terms and conditions set out in the Explanatory Statement.

Voting Exclusion: *The Company will disregard any votes cast on this Resolution by Dr Linsley or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

8. Other Business

To transact any other business that may be brought forward in accordance with the Company's Constitution.

EXPLANATORY STATEMENT

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of Annual General Meeting.

VOTING ENTITLEMENT

Regulation 7.11.37 of the Corporations Regulations 2001 permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap shot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

For the purposes of determining voting entitlements at the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 11:00am WST on Monday, 14 November 2011. Accordingly, transactions registered after that time will be disregarded in determining entitlements to vote at the meeting in the event of a poll.

PROXIES

A Proxy Form with related information and instructions accompanies this Notice of Meeting.

CORPORATE REPRESENTATIVE

If a representative of a Shareholder corporation is to attend the meeting, the attached Appointment of Corporate Representative Form should be completed and produced prior to the meeting commencing.

Dated at Perth this 12th day of October 2011

By order of the Board of Directors



Craig Basson
Company Secretary

EXPLANATORY STATEMENT

INTRODUCTION AND BACKGROUND

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting of Sun Resources NL.

Shareholders at the Annual General Meeting will be asked to consider resolutions:

- (a) to receive the Annual Financial Statements;
- (b) to re-elect Dr Wolf Gerhard Martinick as a Director of the Company;
- (c) to adopt the Remuneration Report; and
- (d) to issue the Incentive Options to the Directors of the Company.

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting to be held at the offices of BDO, 38 Station Street, Subiaco, Western Australia on Wednesday, 16 November 2011 commencing at 11.00am WST.

The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

The Directors recommend that Shareholders read this Explanatory Statement before determining whether to support the resolutions or otherwise.

1. FINANCIAL STATEMENTS

The Company seeks approval to receive and consider the financial statements for the year ended 30 June 2011 together with the Directors' Declaration and the reports of the Directors and Auditors.

Shareholders are referred to the Annual Report and more particularly to the Independent Audit Report on pages 64 and 65 where the Independent Auditors advise that the financial report of the Company is in accordance with the Corporations Act 2001 and other mandatory financial reporting requirements in Australia.

2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – DR WOLF GERHARD MARTINICK

This Resolution seeks approval to elect as a Director, Dr Wolf Gerhard Martinick, who retires in accordance with the Company's Constitution and being eligible, offers himself for re-election.

ASX Listing Rule 14.4 and Article 16.3 (b) of the Company's Constitution provides that one-third of the Directors shall retire from office at every annual general meeting of the Company and that such Director is eligible for re-election at that Annual General Meeting.

Shareholders are referred to the Annual Report on page 16 where details of Dr Martinick may be obtained.

Each of the other Directors intends to vote in favour of Dr Martinick's re-election. If approved by Shareholders, the appointment will take effect immediately following the end of the Annual General Meeting.

The Directors (other than Dr Martinick) recommend that Shareholders vote in favour of this Resolution.

3. RESOLUTION 2 - REMUNERATION REPORT

This Resolution seeks the adoption of the Remuneration Report.

Shareholders are referred to the Annual Report which incorporates the Remuneration Report. The Report sets out the remuneration details for each Director and specified executives of the Company. Further details of the Company's remuneration and performance evaluation policies are contained on pages 20 and 25 of the Company's 2011 Annual Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting. Under section 250R(2) of the Corporations Act, a resolution that the Remuneration Report be adopted must be put to the vote. This item is included for advisory purposes only and any vote taken at the Meeting does not bind the Directors or the Company.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must go up for re-election.

Any undirected proxies held by the Chairman of the Meeting, other Directors, Key Management or their closely related parties will not be voted on this Resolution 2.

The Company encourages all Shareholders to cast their vote in relation to this Resolution 2 and if Shareholders chose to appoint a proxy, Shareholders are encouraged to direct their proxy how to vote on Resolution 3 by marking either "For", "Against" or "Abstain" on the Proxy Form or, where the Chairman is appointed as proxy, by marking the applicable box in of the Proxy Form directing the Chairman to vote in accordance with the Chairman's stated voting intentions.

The Directors recommend that Shareholders vote in favour of this Resolution.

4. RESOLUTIONS 3, 4, 5 AND 6 - ISSUE OF INCENTIVE OPTIONS TO DIRECTORS

4.1 General

These Resolutions seek Shareholder approval for the issue of 20,000,000 Incentive Options to the Directors of the Company.

The Company seeks to issue the Incentive Options to the Directors in recognition of their efforts to date and as an incentive to help drive the future value of the Company.

4.2 ASX Listing Rule 10.11 and Chapter 2E of the Corporations Act

The Company seeks Shareholder approval for the purpose of Listing Rule 10.11 and under Chapter 2E of the Corporations Act to enable the Company to issue the Incentive Options.

Subject to certain exceptions, Listing Rule 10.11 restricts a company from issuing or agreeing to issue equity securities to a related party without shareholder approval. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies or shareholder approval is obtained.

A "financial benefit" is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. Section 208 of the Corporations Act provides that for a public company to give a financial benefit to a related party of that company, the public company must:

- (a) obtain the approval of members in the way set out in sections 217 to 227; and
- (b) give the benefit within 15 months after the approval.

For the purpose of this Meeting and in accordance with section 228 of the Corporations Act a related party of the Company includes:

- (a) a Director; and
- (b) an entity controlled by a Director.

Accordingly, Resolutions 3, 4, 5 and 6 also seek Shareholder approval for the grant of the Incentive Options to the Directors (or their nominees) for the purposes of Chapter 2E of the Corporations Act.

4.3 Information required by ASX Listing Rule 10.13 and section 219 of the Corporations Act

In accordance with the requirements of Listing Rule 10.13 and Chapter 2E of the Corporations Act, the following information is provided to Shareholders to allow them to assess the issue of the Incentive Options to the Directors pursuant to Resolutions 3, 4, 5 and 6:

- (a) the Incentive Options are to be issued to Dr Wolf Gerhard Martinick, Mr Matthew Arthur Battrick, Mr Alan Peter Woods and Dr Philip Linsley, being all of the Directors of the Company, (or their respective nominees);
- (b) the total number of Incentive Options to be issued and allotted is 20,000,000, which will be allocated between the Directors as follows:
 - (i) Dr Martinick, 5,000,000 Incentive Options;
 - (ii) Mr Battrick, 5,000,000 Incentive Options;
 - (iii) Mr Woods, 5,000,000 Incentive Options; and
 - (iv) Dr Philip Linsley, 5,000,000 Incentive Options;
- (c) the Company will issue and allot the Incentive Options no later than 1 month after the date of the Meeting (or such longer period as ASX may, in its discretion, allow);
- (d) the Incentive Options will be issued for nil consideration and as such no funds will be raised from the grant of the Incentive Options. Shareholders should note that the Company will receive subscription monies if the Incentive Options are exercised;

- (e) the exercise price of the Incentive Options will be 150% of the volume weighted average price of the Company's Shares in the 5 trading days prior to the date of the Annual General Meeting. As such, the exercise price will be at a premium to the price at which the Shares are trading on ASX on the issue date;
- (f) the exercise price of the Incentive Options will be advised to Shareholders and the market on the day of the Annual General Meeting, prior to the commencement of the meeting;
- (g) upon exercise of the Incentive Options, the Director will be issued one Share in the capital of the Company for each Incentive Option exercised. The Shares will rank equally in all respects with the other Shares on issue in the Company;
- (h) the full terms of the Incentive Options are set out in Schedule 1;
- (i) each Director has a material personal interest in the outcome of the particular Resolution relating to the issue of Incentive Options to him (or his nominee). In addition, as Resolutions 3, 4, 5 and 6 relate to Directors' remuneration and each of the Resolutions is in the same terms, the Directors do not wish to provide a recommendation in respect of these Resolutions;
- (j) the current holdings (direct and indirect) of the Directors are as follows:

Name	Shares	Options
Dr Wolf Gerhard Martinick	14,272,448	Nil
Mr Matthew Arthur Battrick	Nil	6,000,000
Mr Alan Peter Woods	8,313,202	Nil
Dr Philip Linsley	1,524,383	Nil

- (k) each Director also received the following fees from the Company for the year ended 30 June 2011:
 - (i) Dr Martinick, \$53,333;
 - (ii) Mr Battrick, \$381,618;
 - (iii) Mr Woods, \$50,000; and
 - (iv) Dr Linsley, \$153,181,

and it is expected that each Director will receive a similar amount from the Company in the current financial year (excluding the value of the Incentive Options);

- (l) in the twelve months before the date of this Notice, the highest, lowest and last trading price of the Shares on ASX were as follows:

	Price	Date
Highest	\$0.110	24 January 2011 and 2 February 2011
Lowest	\$0.017	8 and 11 August 2011
Last	\$0.020	11 October 2011

- (m) the value of the Incentive Options has been calculated at \$0.01069 (1.069 cents) each using the Black-Scholes valuation method and based on the assumptions set out in section 4.4;
- (n) based on the valuation in section 4.3(m), the financial benefit to each of the Directors is as follows:
- (i) Dr Martinick \$53,435;
 - (ii) Mr Battrick \$53,435;
 - (iii) Mr Woods \$53,435; and
 - (iv) Dr Linsley \$53,435;
- (o) the exercise of all 20,000,000 Incentive Options to be issued pursuant to Resolutions 3, 4, 5 and 6 will result in a dilution of all other Shareholders' holdings in the Company of:
- (i) 3.77% based on the total number of issued Shares as at the date of this Explanatory Statement; and
 - (ii) 5.07% on a fully diluted basis;
- (p) the purpose of the issue of Incentive Options is to allow the Company to provide a cost-effective incentive for the ongoing dedication and efforts of the Directors and for recognition of the Directors efforts to date. The Directors do not consider there are any significant opportunity costs to the Company or benefits forgone by the Company in issuing the Incentive Options upon the terms proposed;
- (q) in determining the number and the terms of the Incentive Options to be issued to the Directors, the Company has considered the Directors' past performance, the current market price of the Company's Shares and current market practice, including the number and terms of the options which have been issued to the directors of other ASX listed companies in the Company's per group;
- (r) Shareholders should note that the practice of granting options to non-executive directors as a part of their remuneration package is not in accordance with the ASX Corporate Governance Council's, Principles of Good Corporate Governance and Best Practice Recommendations (Second Edition). However, the Board considers that equity participation by way of the grant of 5,000,000 Incentive Options to each of Dr Martinick, Mr Woods and Dr Linsley is appropriate for the Company at this time having regard to the role each of these Director will play in achieving the Company's goals and given the circumstances of the Company; and

- (s) other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would reasonably be required by the Shareholders to pass Resolutions 3, 4, 5 and 6.

4.4 Valuation of Incentive Options

The Incentive Options have been valued as at 11 October 2011 using the Black-Scholes valuation method.

The valuations have been based upon the following inputs and assumptions:

- (a) a spot Share price of \$0.020 (2.0 cents);
- (b) an exercise price of \$0.030 (3.0 cents);
- (c) a risk free rate of 4.89% per annum;
- (d) a volatility factor of 95% which has been determined with reference to the historical trading of the Company's Shares on ASX; and
- (e) an expiry date of 3 years from the date of issue.

Based on the above, the Incentive Options to be issued pursuant to Resolutions 3, 4, 5 and 6 have been valued at \$0.01069 (1.069 cents) each under the Black-Scholes valuation method.

The table below analyses the impact on the value of the Incentive Options in the event of an increase in the assumptions listed above, where all other assumptions remain the same:

Assumption Increased	Effect on Value of Incentive Option
Share Price	Increase
Exercise Price	Decrease
Life of the Option	Increase
Volatility	Increase
Risk Free Interest Rate	Increase

Assuming, a variation in the spot Share price, of between, \$0.020 and \$0.025, and all other variables remaining unchanged, the variation in the value of the Incentive Options would be as follows under the Black-Scholes valuation method:

Share Price	Value of Incentive Option
\$0.020	\$0.01069
\$0.021	\$0.01122
\$0.022	\$0.01176
\$0.023	\$0.01229
\$0.024	\$0.01282
\$0.025	\$0.01336

5. GLOSSARY

In the Notice of Meeting and this Explanatory Statement:-

- (a) "Annual General Meeting" or "Meeting" means the Annual General Meeting of the Company the subject of the Notice of Meeting
- (b) "ASIC" means Australian Securities & Investments Commission.
- (c) "ASX" means ASX Limited or the Australian Securities Exchange, as the context requires.
- (d) "Board" means the Directors of the Company as at the date of this Notice of Meeting.
- (e) "Company" means Sun Resources NL ABN 69 009 196 810.
- (f) "Corporations Act" means the Corporations Act 2001 (Cth).
- (g) "Director" means a director of the Company.
- (h) "Explanatory Statement" means the explanatory statement to the Notice of Meeting.
- (i) "Incentive Options" means the options to be issued to the Directors pursuant to Resolutions 3, 4, 5 and 6, the terms of which are set out in Schedule 1 of this Explanatory Statement.
- (j) "Key Management" means the key management personnel of the Company being the Directors of the Company and those other persons having authority for planning, directing and controlling the activities of the Company, either directly or indirectly.
- (k) "Listing Rules" means the Listing Rules of the ASX.
- (l) "Notice" or "Notice of Meeting" means this notice of general meeting
- (m) "Proxy Form" means the proxy form attached to the Notice of Meeting.
- (n) "Resolution" means a resolution contained in this Notice of Meeting.
- (o) "Share" means fully paid ordinary share in the capital of the Company.
- (p) "Shareholder" means a shareholder of the Company.
- (q) "WST" means the time in Perth, Western Australia.

SCHEDULE 1

TERMS OF INCENTIVE OPTIONS

The terms of the issue of the Incentive Options are as follows:

- (a) each Option is exercisable on or before the date which is 3 years from its date of issue;
- (b) the Options held by the holder can be exercised in whole or in part;
- (c) the exercise price is 150% of the volume weighted average the Share in the Company in the 5 trading days preceding the date of the Annual General Meeting (in cash);
- (d) each Option is exercisable into one Share in the Company which shall rank pari passu with existing Shares;
- (e) the Options will not be quoted on the ASX;
- (f) the Company will make an application to the ASX for the quotation of Shares issued on exercise of Options. The Company will not be under any obligation to ensure that such Shares will be quoted;
- (g) the Options shall be exercisable by the option holder by notice in writing to the Company together with a payment of the exercise price of the Options;
- (h) Any notice of exercise of an Option received by the Company shall be deemed to be a notice of the exercise of the Option on the first business day after the date of receipt of the notice;
- (i) the Optionholder will be permitted to participate in any pro-rata issue of securities of the Company on prior exercise of the Options, in which case the Optionholder will be afforded the period of at least 7 business days prior to and inclusive of the record date to determine entitlements to the issue to exercise the Options;
- (j) the Options do not confer on the holder any right to participate in dividends until Shares are allotted pursuant to the exercise of the Options;
- (k) the Options are non-transferrable;
- (l) in the event of a reorganisation of the issued capital of the Company, the Options will be reorganised in accordance with the Listing Rules (if applicable) and in any case in a manner which will not result in any benefits being conferred on Optionholders which are not conferred on Shareholders and for such purpose the Company may vary the number, exercise price or other terms of the Options in such manner as may be necessary to comply with the ASX Listing Rules;
- (m) the number of Shares to be issued pursuant to the exercise of Options will be adjusted for bonus issues made prior to exercise of the Unlisted Options so that, upon exercise of the Options, the number of Shares received by the Optionholder will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for the bonus issues. The exercise price of the Options shall not change as a result of any such bonus issues;
- (n) Shares issued pursuant to the exercise of the Options will be granted following the receipt of all relevant documentation and payments; and
- (o) in the event of the holder dying, the right of the holder to exercise the Options shall vest in his executor and/or administrator and they shall have the same rights to exercise the Options as such deceased holder would have had during the option period but for his death.

Lodge your vote:



By Mail:

Sun Resources NL
PO Box 3332
GREENWOOD WA 6924

Alternatively you can fax your form to
(within Australia) 08 9345 4541
(outside Australia) + 61 8 9345 4541

For all enquiries call:

(within Australia) 08 9345 4100
(outside Australia) + 61 8 9345 4100

Proxy Form

 **For your vote to be effective it must be received by 11:00 am Monday 14 November 2011**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a security holder of the Company.

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting. I.e. no later than 11.00am WST on Monday, 14 November 2011. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at 5 Bendsten Place, Balcatta, WA, 6021 or PO Box 332, Greenwood, WA, 6924 or sent by facsimile to the registered office on (08) 9345 4541.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the security holder must sign.

Joint Holding: Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: If you have not already lodged a Power of Attorney with the Share Registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to Section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate security holder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Corporate Representative" prior to admission. A form of the certificate is attached to the back of this notice.

Comments and Questions: If you have any comments or questions for the company please write them on a separate sheet of paper and return with this form.

Please mark to indicate your directions

PROXY FORM

Shareholder Details

Name: _____

Address: _____

Contact Telephone No: _____

Contact Name (if different from above): _____

Appoint A Proxy to Vote on Your Behalf

I/We being a shareholder/s of Sun Resources NL hereby appoint

The Chairman
of the meeting

OR



PLEASE NOTE:

Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name (s).

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting Members of Sun Resources NL to be held at the office of BDO, 38 Station Street, Subiaco, Western Australia, on Wednesday the 16th day of November 2011 at 11.00am WST and at any adjournment of that meeting.

IMPORTANT INFORMATION IF APPOINTING THE CHAIRMAN AS YOUR PROXY

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote, please place a mark in this box with an 'X'. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that votes cast by him, other than as a proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called.

The Chairman of the Meeting intends to vote all undirected proxies in favour of each resolution (excluding Resolution 2).

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain*
Resolution 1 – Re -election of Director – Dr Wolf Gerhard Martinick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Issue of Incentive Options to Dr Wolf Gerhard Martinick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - Issue of Incentive Options to Mr Matthew Arthur Battrick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 - Issue of Incentive Options to Mr Alan Peter Woods	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 - Issue of Incentive Options to Dr Philip Linsley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appointment of a second proxy

If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

 %

Signature of Security holder (s) This section must be completed

Individual or Security Holder 1

Sole Director and
Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Contact

Name: _____

Contact

Daytime

Telephone: _____

Date: ____ / ____ / ____

APPOINTMENT OF CORPORATE REPRESENTATIVE FORM

Shareholder Details

This is to certify that by a resolution of the Directors of:

(Company)

(Insert name of shareholder company)

The Company has appointed:

(Authorised corporate representative)

(Insert name of corporate representative)

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that Company at the Annual General Meeting of Sun Resources NL to be held on Wednesday the 16th day of November 2011 at 11.00am WST and at any adjournments of that meeting.

DATED ____/____/____

Please sign here

Executed by the Company

in accordance with its constituent documents

Signed by authorised representative

Signed by authorised representative

Name of authorised representative (print)

Name of authorised representative (print)

Position of authorised representative (print)

Position of authorised representative (print)

Instructions for Completion

1. Insert name of appointer Company and the name or position of the appointee (e.g. "John Smith" or "each Director of the Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (e.g. Director) of each Company officer who signs this Certificate on behalf of the Company.
4. Insert the date of execution where indicated.
5. The certificate must be produced prior to admission to the Meeting. This certificate may be sent or delivered to the Company's registered office at 5 Bendsten Place, Balcatta, WA, 6021 or PO Box 332, Greenwood, WA, 6924 or sent by facsimile to the registered office on (08) 9345 4541.