



Monday 3 September 2012

Richland Oil Project – 2 Additional Horizontal Wells

- Following the excellent log results of the Beeler #1H well, Sun Resources and its Joint Venture (JV) partners in the Richland Oil Project have decided to drill two additional horizontal wells in the 1,360 acre lease position.
- Sun's working interest in the second and third wells will be 16.67% (each with a net revenue interest of 12.5%) and as a result, Sun's contribution to the cost of the Richland Oil Project's 2 additional horizontal wells will be a total of approximately US\$2.3 million.
- The second horizontal well will be named John Beeler #1H and is currently planned to be spudded on 7 September 2012 with a second drilling rig.
- The third horizontal well is not yet named but is currently planned to be spudded on 1 October 2012 with the same drilling rig that is currently operating on the Beeler #1H well.

Sun Resources NL (**Sun Resources, Sun** or the **Company**) (ASX:SUR) is pleased to announce that the Joint Venture partners of the Richland Oil Project (of which Sun is a partner) have agreed to immediately expand the drilling programme on the Richland Oil Project by two additional horizontal wells across the 1,360 acre lease position that constitutes the Richland Oil Project. The second and third horizontal wells will be drilled parallel to and to the west of the location of the Beeler #1H horizontal well and all three will have similar horizontal well bore lengths in the Woodbine, plus similar multi-stage frac completions.

Sun's Managing Director, Matthew Battrick said:

"We are encouraged by the decision of the Richland Oil Project's joint venture partners to immediately commit to an additional 2 horizontal wells in the Richland Oil Project leases following the excellent logging results in Beeler #1H. This decision affirms Sun's belief that the Richfield Oil Project has the potential to flow oil from multiple zones, in particular from the Woodbine. Our participation in the Beeler #1H well has been a relatively inexpensive exercise for Sun, and these additional two horizontal wells provide further confidence regarding the prospectivity of our entire Woodbine portfolio, which is now in excess of 16,260 net acres."

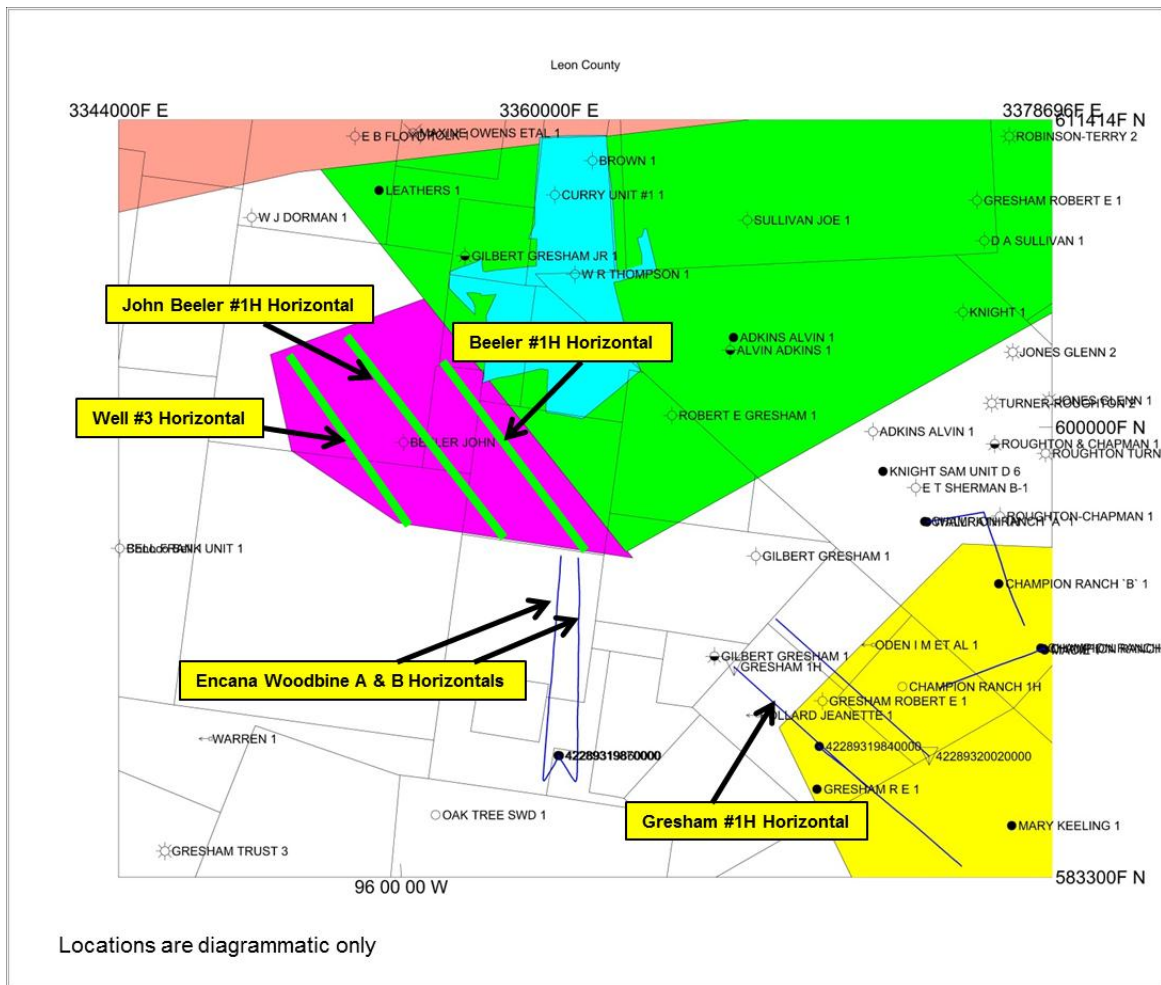


Figure 1: Richland Oil Project (purple). Well locations of Beeler #1H, John Beeler #1H and Well #3.

Sun's working interest in the second and third wells will be 16.67% and as a result, Sun's contribution to the cost of the second well, John Beeler #1H and the third well, will total to approximately US\$2.3 million. The Joint Venture parties in the Richland Oil Project will have the following respective working interests and net revenue interests in these two additional horizontal wells:

Participant	Working Interest (WI)	Net Revenue Interest (NRI)
Steadfast Resources LLC	50%	37.5%
Richland	16.66%	12.5%
Sun	16.67%	12.5%
Amerril	16.67%	12.5%
Farminors Overriding Royalty	0%	5%
Lessor Royalty	0%	20%

The second horizontal well, John Beeler #1H, is currently planned to be spudded on 7 September 2012 with a second drilling rig. The third horizontal well is currently planned to be spudded on 1 October 2012 with the same drilling rig that is currently operating on the Beeler #1H well.

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Information contained in this report was compiled by the Managing Director of Sun Resources, Matthew Battrick, BSc (Geol), MPESA, MPESGB, MAAPG, GAICD who has more than 30 years' experience in the practice of geology and 31 years' experience in petroleum geology.

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