



Monday 30 July 2012

Amerril Energy to Swap the Balance of Purchase Price for Sun's 50% Working Interest in the Amerril Oil Project for Shares in Sun

- Sun Resources NL (Sun) has reached agreement with Amerril Energy LLC (Amerril) to vary the transaction for the purchase by Sun of the remaining 47.5% working interest (WI) in the Amerril Oil Project by exchanging the outstanding cash payment of US\$4,597,953 for 91,959,077 shares at a deemed price of 5 cents each.
- Sun has already purchased from Amerril an undivided 2.5% working interest (WI) and a 1.875% net revenue interest (NRI) in the Amerril Oil Project (12,293 gross acres adjacent to the Delta Oil Project) in exchange for the payment of US\$768,313.
- Subject to Sun shareholder approval, completion of this transaction will result in Sun owning an undivided 50%WI (37.5% NRI) in the Amerril Oil Project.
- When combined with Sun's existing Delta Oil Project acreage (8,347 acres with a 100%WI) and a 25%WI in the Richland Oil Project (1,360 gross acres), this purchase will deliver to Sun a gross acreage position of 22,000 acres (14,833 net acres) in the rapidly developing Woodbine tight oil play.
- These 12,293 acres of leases are currently the subject of farm-out negotiations with a number of potential oil company joint venture partners and Operators.
- Amerril Energy will become Sun's largest shareholder following completion of the purchase of a 50%WI in these 12,293 acres, having received 291,959,077 shares in Sun, all at a deemed price of 5 cents each, in exchange for this 50%WI.

The Board of Sun Resources NL (**Sun Resources, Sun** or the **Company**) (ASX:SUR) is pleased to advise that it has reached agreement with Amerril Energy LLC, the US oil subsidiary of Chinese corporate Qingdao Kingking Group (**Amerril**), to amend the binding Sale and Purchase Agreement (**SPA**) to purchase from Amerril an undivided 50%WI and 37.5%NRI in 12,293 gross acres of oil and gas leases (6,147 net acres), called the Amerril Oil Project, which are located immediately adjacent (see Figure 1 below) to Sun's existing Delta Oil Project.

Amerril has agreed to exchange the balance of the cash consideration to be paid which is US\$4,597,953 for 91,959,077 shares in Sun at a deemed price of 5 cents each. In addition, the settlement date under the SPA has been extended to 15 September 2012. This amendment to the SPA

is subject to Sun shareholder approval at a General Meeting to be held on or around 11 September 2012.

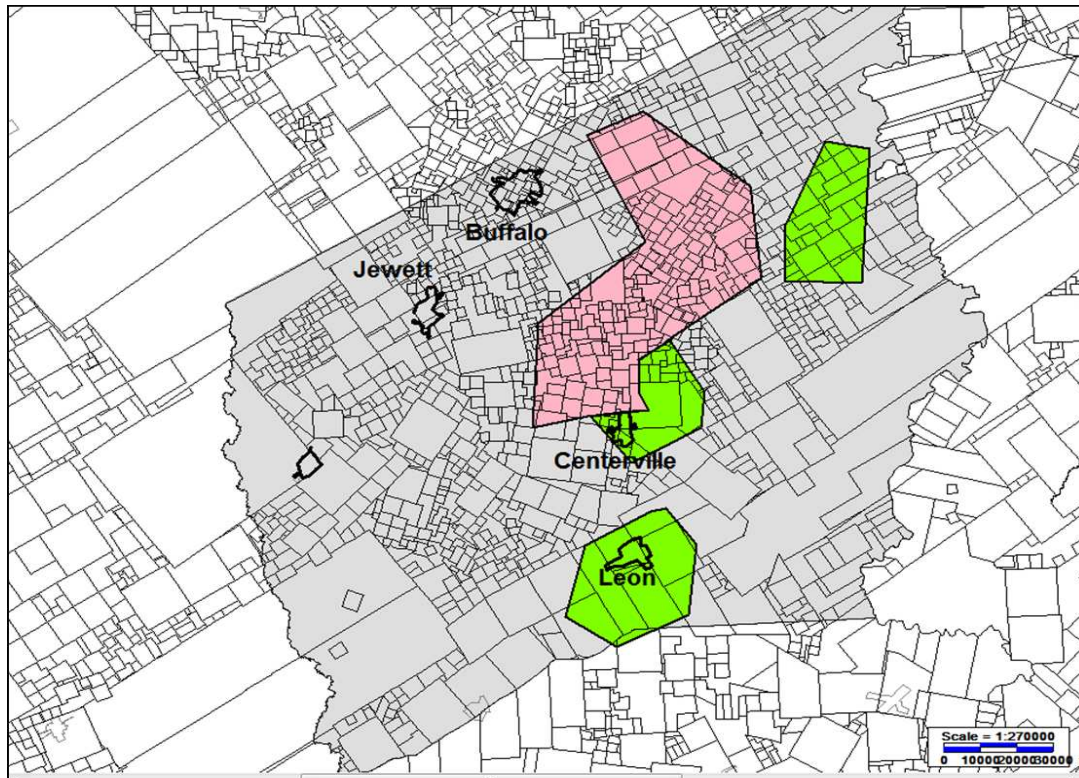


Figure 1: Location of Delta Oil Project lease areas (shaded pink) to a current total of 8,347 net acres (100%WI) and the acquisition lease areas of the Amerril Oil Project totalling approximately 12,293 gross acres (shaded green). The County limits of Leon County, Texas are shaded grey.

Complete details of the purchase were announced to the ASX on 7 May 2012. Later, on 21 May 2012, Sun announced that it had completed due diligence and made the payment to purchase an initial undivided 2.5% working interest (**WI**) and 1.875% net revenue interest (**NRI**) in the Amerril Oil Project.

When combined with Sun's existing Delta Oil Project acreage (8,347 acres with a 100%WI) and the recently announced 25%WI in the Richland Oil Project (1,360 gross acres), completion of the acquisition will deliver to Sun a gross acreage position of 22,000 acres (14,833 net acres). All these leases are within the rapidly developing Woodbine tight oil play.

Matthew Battrick, Sun's Managing Director said:

"We are very pleased that Amerril has agreed to swap its cash consideration for shares in Sun. This provides Sun with a major shareholder that has significant experience in the Woodbine tight oil play and demonstrates Amerril's strong conviction with respect of the large upside offered by the Delta, Amerril and Richland Oil Projects in which Sun has an ownership stake".

This announcement does not cease the current Trading Halt in relation to a capital raising.

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Information contained in this report was compiled by the Managing Director of Sun Resources, Matthew Batrick, 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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