

# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/10, 01/05/2013

Name of entity

SUN RESOURCES NL

ABN

69 009 196 810

Quarter ended ("current quarter")

31 DECEMBER 2014

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	27
1.2 Payments for		
(a) exploration and evaluation	(2,188)	(6,047)
(b) development	-	-
(c) production	(25)	(50)
(d) administration	(387)	(1,095)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – sale of Margarita	76	76
<b>Net Operating Cash Flows</b>	<b>(2,524)</b>	<b>(7,080)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,524)</b>	<b>(7,080)</b>

## Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,524)	(7,080)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	711	4,652
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from convertible notes	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – funding from significant investor	-	958
	<b>Net financing cash flows</b>	711	5,610
	<b>Net increase (decrease) in cash held</b>	(1,813)	(1,470)
1.20	Cash at beginning of quarter/year to date	3,063	2,658
1.21	Exchange rate adjustments to item 1.20	21	83
1.22	<b>Cash at end of quarter</b>	1,271	1,271

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	138
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

## 1.25 Explanation necessary for an understanding of the transactions

1.23	Directors receive directors' fees for serving on the Board. Executive Directors are paid according to their contracts.
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**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A
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+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	60	10

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	-
4.3 Production	30
4.4 Administration	350
<b>Total</b>	<b>580</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,271	3,063
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,271</b>	<b>3,063</b>

### Changes in interests in mining tenements and petroleum tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Refer Attachments (A) and (B)	-	-
6.2 Interests in mining tenements and petroleum tenements acquired or increased	Refer Attachments (A) and (B)	-	-

+ See chapter 19 for defined terms.

**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	3,162,117,403	3,162,117,403	-	-
7.4 Changes during quarter				
(a) Increases through issues	118,436,518	118,436,518	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
<b>Ordinary Share Options 1:1</b>				
1,000,000	-	-	9.4 cents	08/08/2015
5,000,000	-	-	10.5 cents	12/09/2015
5,000,000	-	-	5.7 cents	03/05/2016
5,000,000	-	-	6.7 cents	03/05/2016
5,000,000	-	-	7.6 cents	03/05/2016
258,586,308	258,586,308	258,586,308	2.5 cents	30/09/2017
<b>Performance Options 1:1</b>			<i>Exercise price</i>	<i>Milestone expiry date</i>
Class E	65,000,000	-	0.1 cents	31/08/2016
Class F	75,000,000	-	0.1 cents	31/08/2016
7.8 Issued during quarter	258,586,308	258,586,308	<i>Exercise price</i> 2.5 cents	<i>Expiry date</i> 30/09/2017
7.9 Exercised during quarter	-	-	<i>Exercise price</i> -	<i>Expiry date</i> -

+ See chapter 19 for defined terms.

7.10	Expired during quarter	23,650,000	-	3.6 cents	16/11/2014
		10,000,000	-	5.7 cents	03/05/2016
		10,000,000	-	6.7 cents	03/05/2016
		10,000,000	-	7.6 cents	03/05/2016
7.11	<b>Debentures</b> <i>(totals only)</i>	-	-	-	-
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	-	-	-	-

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 30 January 2015  
 (Company Secretary)

Print name: CRAIG BASSON

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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**APPENDIX 5B - ASX LISTING RULES**  
**MINING EXPLORATION ENTITY QUARTERLY REPORT**

**ITEM 6 - Changes in Interests in Mining Tenements and Petroleum Tenements**

**SUN RESOURCES NL**  
**ABN 69 009 196 810**

**FOR THE QUARTER ENDED 31 DECEMBER 2014**

	Tenement Reference	Nature of Interest	Interest at Beginning of Quarter	Interest at End of Quarter
(A) Interests in mining tenements and petroleum tenements relinquished, reduced and/or lapsed	Badger Oil Project Margarita	Private mineral Private mineral	50% 37.5%	10% 0%
(B) Interest in mining tenements and petroleum tenements acquired and/or increased	-	-	-	-

**APPENDIX 5B - ASX LISTING RULES**  
**MINING EXPLORATION ENTITY AND OIL AND GAS EXPLORATION ENTITY**  
**QUARTERLY REPORT**

**SUN RESOURCES NL**  
**ABN 69 009 196 810**

**TENEMENT SCHEDULE**  
**31 DECEMBER 2014**

<u>Tenement Reference</u>	<u>Nature of Interest</u>
<u>Oil &amp; Gas</u>	
Badger Oil Project	Texas, USA 10%
Beeler Oil Project	Texas, USA 13.5% - 16.67%
Centerville AMI	Texas, USA 18%
Delta Oil Project	Texas, USA 100%
Petro-Hunt AMI (Delta)	Texas, USA 25%
Normangee Oil Project	Texas, USA 50%
Southern Oil Project (Amerril)	Texas, USA 50%
Southern Oil Project (New)	Texas, USA 100%