

12 November 2010

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

Dear Sir/Madam

**SHARE PURCHASE PLAN – SUN RESOURCES NL**

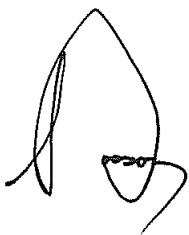
Please find attached the following Share Purchase Plan documentation:

1. Shareholder Letter
2. Share Purchase Plan Terms and Conditions

Documentation is being despatched to all Eligible Shareholders.

All information is available on the Company's website at: [www.sunres.com.au](http://www.sunres.com.au).

Yours faithfully  
**SUN RESOURCES NL**



Craig Basson  
**Company Secretary**



# SUN RESOURCES NL

ABN 69 009 196 810

12 November 2010

Dear Shareholder

## **Invitation to Participate in Shareholder Share Purchase Plan**

As announced on 10 November 2010, Sun Resources NL (**SUR** or **Company**) announced an offer to Eligible Shareholders for Shares pursuant to this Share Purchase Plan (**SPP**) at the issue price of \$0.067 per Share.

### **Eligibility to participate in the SPP**

The right to participate in the offer under the SPP is optional and is available exclusively to Shareholders who are registered as holders of Shares at 5.00pm (WST) on 9 November 2010 (**Record Date**) and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

### **Share Purchase Plan**

The SPP entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of shares at a price of \$0.067 per Share (**Offer**).

The issue price of Shares under the Offer represents a discount of 19.1% to the 5 day average trading price of the Company's Shares on the Australian Securities Exchange (**ASX**) during the 5 trading days immediately prior to the announcement of the Offer (being 10 November 2010).

The amount any Eligible Shareholder can subscribe for will be restricted to a total cumulative share value of \$15,000.

Details of this Offer are set out in this letter and the enclosed Terms and Conditions together with an Entitlement and Acceptance Form.

### **Current Projects**

Details of the Company's current activities are set out in the announcements by SUR to the ASX and are available from the ASX or from SUR's website at <http://www.sunres.com.au/>.

The funds raised under the SPP will be used in conjunction with the funds raised from the recent Placement primarily to fund the Company's upcoming exploration programmes, to strengthen the Company's balance sheet for new venture opportunities and provide working capital.

### **How much can you invest?**

Under the SPP, Eligible Shareholders may only acquire a maximum of \$15,000 worth of Shares under a share purchase plan in any 12 month period.

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## Subscription and Application Procedure

To participate in the offer pursuant to this SPP, please complete the enclosed Entitlement and Acceptance Form and send it together with your payment by Bpay or cheque made payable to 'Sun Resources NL – SPP Account', drawn in Australian currency for the correct amount and sent to the Company's share registry at Computershare Investor Services Pty Ltd, on or before the Closing Date of 5.00pm (WST) on 1 December 2010. Late applications will only be accepted at the Company's discretion.

Applicants should not forward cash and direct bank transfers are not permitted.

Eligible Shareholders may participate by selecting only one of the following options to purchase Shares under the SPP.

Offer A	Total Subscription amount of \$2,500 ( <b>minimum amount</b> )
Offer B	Total Subscription amount of \$5,000
Offer C	Total Subscription amount of \$7,500
Offer D	Total Subscription amount of \$10,000
Offer E	Total Subscription amount of \$15,000 ( <b>maximum amount</b> )

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date of 5.00pm (WST) on 1 December 2010. If the exact amount of money is not tendered with your application SUR reserves the right to either:

- a) return your Entitlement and Acceptance Form and/or payment and not allot any shares to you; or
- b) allot to you the number of shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

The maximum investment any shareholder may apply for will remain \$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

## Additional Information and Important Dates

The Offer cannot be transferred and the Directors of the Company reserve the right to reject, or scale back on an equitable basis, any application. Shares allotted under the SPP will be issued no later than 10 business days after the Closing Date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

The maximum amount proposed to be raised under the Offer is \$2 Million, being a total maximum of 29,850,746 Shares. In the event of oversubscription by the Closing Date the Directors may, in their absolute discretion, scale back applications on an equitable basis.

If the Company rejects or scales back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

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On the last day immediately prior to the announcement date of the Offer, the closing price of the Shares traded on ASX was \$0.083. The market price of the Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are allotted to you as a result of your acceptance of this Offer. This means that the subscription price you pay for your shares may exceed the market price of the Shares at the date of allotment of the Shares under this Offer. The Board recommends that you obtain independent financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.

## Shortfall Offer

In the event that less than the maximum number of Shares that are available for subscription pursuant to this Offer are applied for, the shortfall may be placed at the discretion of the Directors.

## Indicative Timetable

Record Date (5.00pm WST)	9 November 2010
Announcement Date	10 November 2010
Opening Date of SPP Offer	17 November 2010
Closing Date of SPP Offer	1 December 2010
Despatch Date for Holding Statements	9 December 2010
Quotation of Shares on ASX	10 December 2010

These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, shareholders are encouraged to submit their Entitlement and Acceptance Forms as early as possible.

Should you wish to discuss any information contained in this letter further, please do not hesitate to contact the Company Secretary, Mr Craig Basson on (08) 9345 4100 or by facsimile number (08) 9345 4541.

Yours faithfully,



Craig Basson  
**Company Secretary**

## Shareholder Share Purchase Plan – Terms and Conditions

### Purpose

The Purpose of the Shareholder Share Purchase Plan (**SPP**) is to offer shareholders of Sun Resources NL (**SUR** or **Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**SUR Shares**) up to a maximum of \$15,000 (when combined with any shares issued under any share purchase plan in the 12 months preceding the date of the Plan) at \$0.067 per share, being a 19.1% discount to the 5 day average trading price of SUR Shares during the period 5 trading days prior to the announcement of the Offer on the Australian Securities Exchange (**ASX**) without the need to pay brokerage costs and without the need for SUR to issue a prospectus, upon such terms and conditions as the Board of Directors of the Company, in its absolute discretion sees fit.

### Shareholders Eligible to Participate

Eligible Shareholders of SUR Shares that are registered within Australia or New Zealand at the relevant Record Date may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these terms and conditions. Offers made under the Plan are non-renounceable (i.e. eligible shareholders may not transfer their rights to any SUR shares offered under this Plan).

An offer may, at the discretion of the Directors or the Company, be made under the Plan once a year. The maximum amount which any shareholder may subscribe for in any consecutive 12 month period is \$15,000. The Directors of the Company may also determine in their discretion the minimum amount for participation, the multiple of SUR Shares to be offered under the Plan and the period the Offer is available to Eligible Shareholders.

### Custodians, Trustees and Nominees

If you are an eligible shareholder and hold the SUR Shares as a custodian (as defined in ASIC Class Order [CO 09/425] (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of new shares for each beneficiary for whom you act as custodian provided you annexe to your Entitlement and Acceptance Form a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held shares in the Company on behalf of one or more persons (each a **Participating Beneficiary**) at 5:00pm (WST) on 9 November 2010 who have subsequently instructed you to apply for Shares under the Plan on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of the Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for Shares applied for under the Offer for each Participating Beneficiary for whom you act plus the application price for any other SUR Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- that a copy of the written offer document was given to each beneficiary; and

- where you hold shares on behalf of a beneficially indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order [CO 09/425] you are a 'custodian' if you are a registered holder that:

- holds an Australian Financial Services Licence that allows you to perform custodian or depository services or operate IDPS accounts;
- is exempt from holding an Australian Financial Services Licence by virtue of Class Order [CO 03/184] or by relying on the Australian Financial Services Licence of your master custodian under regulation 7.1.06(k) of the Corporations Regulations 2001;
- is a trustee of a self managed superannuation fund;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the shares on account of another person.

If you hold SUR Shares as a trustee or nominee for another person or persons, but not a custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply you should contact Computershare at any time from 17 November 2010 Monday to Friday during the Offer period.

The Company reserves the right to reject any application for Shares under the SPP to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with the above requirements.

The Company reserves the right to reject any application in accordance with these Terms and Conditions

### **Price of SUR Shares**

The price of the SUR Shares to be issued under the Plan will be \$0.067 per Share.

### **Applications and Notices**

At the discretion of the Directors of the Company, the Company will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for SUR Shares under the Plan, and accompanied by these Terms and Conditions of the Plan and an Entitlement and Acceptance Form. Applications will not be accepted after the closing date of an offer, unless the Directors, in their discretion decide otherwise. Over subscriptions to an offer may be refunded without interest.

### **Placement of Shortfall**

Any Shortfall from the Offer may be placed at the discretion of the Directors.

### **Issue of SUR Shares**

SUR Shares to be issued under the Plan will be issued as soon as reasonably practicable after the Closing Date specified by the Directors of the company in the relevant offer.

SUR Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHES notification will be issued in respect of all SUR Shares issued under the Plan. The Company will, promptly after the issue of SUR Shares under the Plan, make application for those SUR Shares to be listed for quotation on the official list of the ASX.

### **Modification and Termination of the Plan**

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice

of any modifications to, or termination or, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer SUR Shares than the person applied for under the Plan if the issue of the SUR Shares applied for would contravene any applicable law or the Listing Rules of the ASX.

### **Dispute Resolution**

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or SUR Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the Directors of the Company or any delegate of the Directors of the Company.

### **Questions and Contact Details**

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stock broker or professional adviser.