

30 April 2013

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

Dear Sir/Madam

RE: QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2013

Please find attached the Quarterly Activity Report for the period ended 31 March 2013 for Sun Resources NL (ASX:SUR).

Yours faithfully
SUN RESOURCES NL



Govert van Ek
MANAGING DIRECTOR



QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 31 MARCH 2013

HIGHLIGHTS

Richland Oil Project (Sun: 13.54-16.67%WI)

- Sun Resources NL (Sun) (ASX:SUR) and its joint venture partners continued with clean-up and flow back operations at its three horizontal Woodbine wells at the Richland Oil Project, with oil production ongoing under the new operatorship of Amerril Energy LLC (Amerril).
- All three horizontal Woodbine wells at the Richland Oil Project continued to produce oil and frac water at the time of this report, with John Beeler #1H back in production after the installation of a jet pump and showing a measurable increase in oil rate. The Beeler (CW Brown) #1H well is currently awaiting the installation of a jet pump to improve oil rates.
- A 19-stage fracing operation was completed in the Ellis #1H horizontal well during the Quarter with 100% success on the 7,000 foot section of Woodbine Formation. This well delivered the best daily oil rates of the three wells in this project area during its flow back period.
- Jet pumps have now been installed on the Ellis #1H and John Beeler #1H wells with demonstrable improvement in oil flow rates. Ellis has achieved daily oil rates above 250 bopd.

Amerril Oil Project (Sun: 50%WI)

- Sun and its joint venture partner and Operator, Amerril, completed a three well drilling program in the "SW Leona Area" of the Amerril Oil Project.
- The Seale #1H horizontal well was spudded on 19 January 2013 and drilling of the lateral in the side-track completed, delivering a horizontal section of approximately 7,100 feet.
- Subsequent to the end of the Quarter, a planned multi-stage fracing programme was completed on the Seale#1H horizontal well. A total of 23 successful stages were successfully performed on 6,800 feet section of the lateral.
- The T. Keeling #1H horizontal well was drilled and cased to a depth of 14,400 feet, delivering almost 6,400 feet of lateral in the lower section of the Middle Woodbine Formation, at a true vertical depth (TVD) of approximately 7,660 feet, where very strong oil shows were recorded in the Seale #1 vertical well.
- Given the very strong oil shows seen in all 3 Amerril Oil Project wells, Amerril plans to conduct a multi-stage fracing operation on the horizontal section of the T. Keeling #1H horizontal well immediately after the fracing and initial clean-up of the Seale #1H well.

Corporate

- Dr. Govert van Ek was appointed the new Managing Director of Sun and Mr Matthew Battrick assumed the position of Executive Director, Technical, with both appointments effective on 20 March 2013.

1. UNITED STATES OF AMERICA

1.1. OIL AND GAS EXPLORATION:

During the Quarter, Sun delivered on its commitment to drill and complete multiple horizontal wells in the Woodbine Tight Oil Play. At the time of this report, five horizontal wells had been drilled and completed. In addition, two vertical wells were successfully drilled and completed.

The first three horizontal wells: Beeler #1H, John Beeler #1H and Ellis #1H (Richland Oil Project) have all produced oil to surface from multi-stage fraccing of the laterals, confirming the oil potential and the stacked pay potential in the Woodbine formation. Also, the high quality oil and gas shows seen in the Seale and T. Keeling wells (Amerril Oil Project) continue to be cause for optimism that there may be further oil potential deeper in the Woodbine.

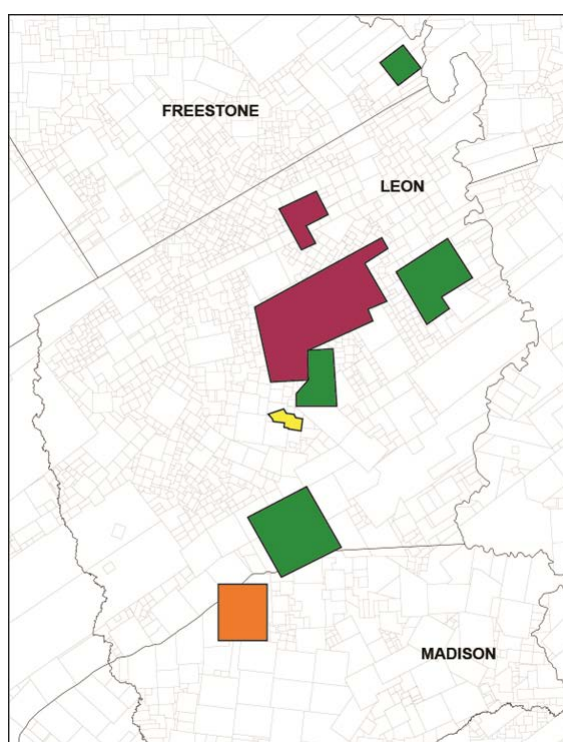


Figure 1: Woodbine Oil Project Location Map.

Richland Project Onshore, East Texas (Sun Resources –13.54 – 16.67% WI)

The participants in the Richland Oil Project agreed during the Quarter to replace the original Operator. The new Operator, Amerril Energy LLC, continued with work over activities on the three horizontal and one vertical well in the Richland Oil Project. Approximately 13,000 barrels of oil (gross 100%WI) were produced during the Quarter, in parallel with work over operations requiring intermittent shut-in periods. The status of the wells at the time of this report is summarised below:

- **Ellis #1H:** oil production optimisation is continuing after installation of a jet pump with capacity improvements to surface facilities also continuing;
- **John Beeler #1H:** a jet pump has been installed and this is now being commissioned
- **Beeler #1H (CW Brown):** prepared the well for the installation of a jet pump; and
- **John Beeler #2V:** plugged off Buda formation and swabbed Woodbine formation.

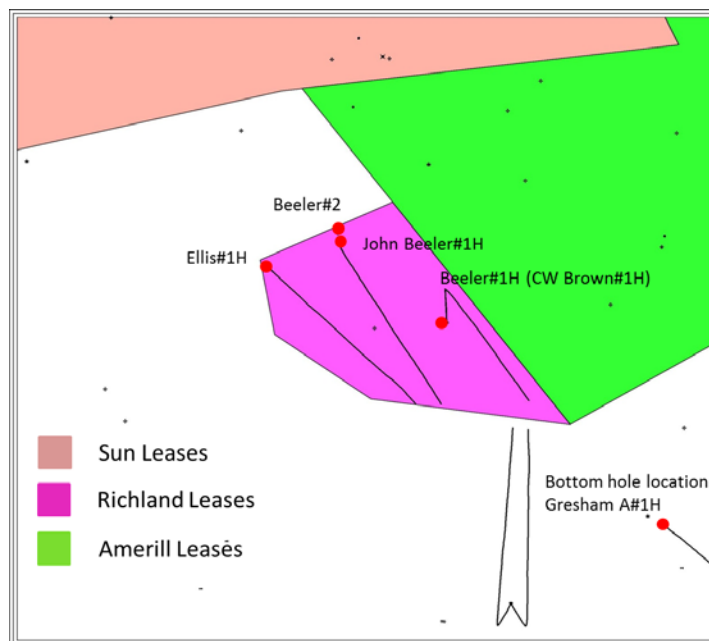


Figure 2 Horizontal Well locations Richland Oil Project

Amerill Oil Project, Onshore, East Texas (Sun Resources - 50% WI)

During the Quarter, the Operator, Amerill energy LLC, completed the drilling of the second Woodbine horizontal well, **Seale #1H**. The total lateral section drilled was 7,100 feet. Subsequent to the end of the Quarter, Amerill, completed a multi-stage fracing operation on the lateral, with 23 stages successful across a total horizontal section of 6,800 feet. One to three weeks of initial clean-up and flow back will now occur, before the well is shut in for safety reasons so the fracing of the **T. Keeling #1 H** well can occur. At the time of this report, the Operator was drilling out the frac stage plugs to commence flow back operations at Seale #1H.

The T. Keeling #1H lateral well is cased awaiting fracing immediately after the completion of the initial flow back activities in the Seale #1H horizontal well. The two wells will then be flowed back and their Initial Production rates (IP) measured. The Operator currently expects both multi-stage fracing operations to be completed in May 2013. Sun has a 50% WI in both of these wells.

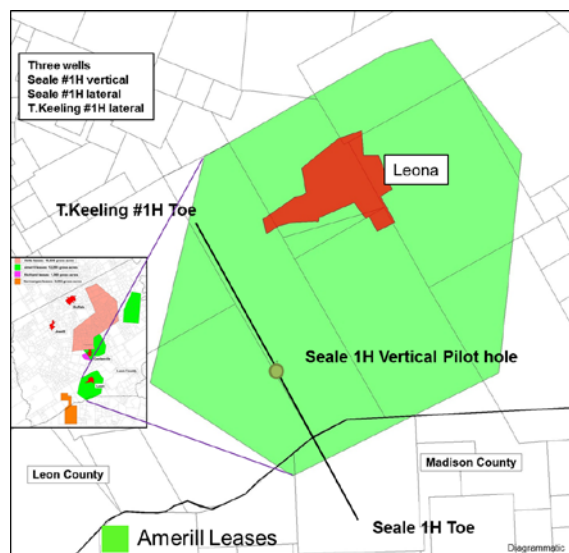


Figure 2 Well locations Amerill Oil Project

Delta Oil Project, Onshore, East Texas (Sun Resources – 100% WI)

No further activity on this project during the Quarter. A number of well locations for ‘proof-of-concept’ horizontal drilling are under early stage evaluation. Sun is continuing to evaluate additional Woodbine acres in the area to build up its lease position.

Normangee Oil Project, Onshore, East Texas (Sun Resources 50% WI)

Sun has a 50% working interest in a 3,652 gross acre package of oil and gas leases located on the Leon County-Madison County border, Texas, USA (Normangee Oil Project). The balance of the working interest (50% WI) in the Normangee Oil Project is held by the Operator, Amerril Energy LLC. Planning for the first Woodbine horizontal well in this project area was continuing as at the end of the Quarter.

Margarita & Redback Projects, Onshore, South Texas (Sun Resources 20-37.5% WI)

No activity during the Quarter. Sun is continuing with its efforts to divest this asset.

1.2. OIL AND GAS PRODUCTION

The table below summarises Sun’s actual net working interest (“WI%”) production for the March 2013 Quarter and compares it with the previous Quarter, with gas and oil production being derived from the Flour Bluff gas plant in Corpus Christie in South Texas and oil production from the Richland Project in Leon County, East Texas. USA gas prices improved over the March Quarter average to above \$4.00 per 1,000 cubic feet of gas (mcf) and oil prices were around US\$90 per barrel for West Texas Intermediate (WTI). A significant improvement in oil production is from the Richland Oil Project and the decline in gas production is from the Flour Bluff field.

PRODUCTION (Sun WI% share)	March 2013 Quarter	Dec 2012 Quarter
Gas (mmscfg)	2.9	8.6
Oil (bo)	1,792	426

Units: mmscfg – million cubic feet gas; bo – barrels of oil

2. THAILAND: L20/50 Block, Onshore Phitsanulok Basin (Sun Resources – 45% WI)

On 29 October 2012 it was announced that Carnarvon Petroleum Limited (Carnarvon) and Sun had farmed out 100% of the L20/50 Concession to Siam Moeco Limited (SML), retaining a production royalty and subject to commercial production a right to a cash success payment. As a result Carnarvon and Sun have no further exploration or development commitments in relation to this Concession.

3. MALTA: ESA Area 4, Block 3 and ESA Area 5, Offshore Malta (Sun Resources - 20% WI)

There was no activity during the March 2013 Quarter.

4. AUSTRALIA: WA-47-R, Offshore Carnarvon Basin, W.A. (Sun Resources - 9.25% WI)

Sun completed the sale (for an undisclosed amount) to Hydra Energy (WA) Pty Ltd, of its 9.25%WI in the WA-47-R Retention License.

5. CORPORATE

The Board of Sun announced on 20 March that it had appointed Dr Govert van Ek as the new Managing Director of Sun. The appointment of Govert van Ek came after an extensive executive search. Govert van Ek has been appointed by Sun to lead the next stage of projected growth of Sun and to allow Mr Matthew Battrick, Sun's previous Managing Director, to concentrate on all technical, exploration and production matters. Mr Battrick therefore became Executive Director (Technical) of Sun. Both these appointments were effective from 20 March.

Govert van Ek (age 45) joined Sun having most recently been Chief Executive Officer at Spyker Energy PLC, an upstream oil company based in London, which discovered oil and gas offshore Denmark in 2011. He has 17 years of upstream oil and gas and related finance experience and prior to Spyker, he was a business development executive at Genting Oil from 2008-2010. Prior to that he was regional head of reserves based lending for upstream oil and gas (Asia Pacific) at BNP Paribas in Singapore and before that he was at ANZ Investment Bank in London and later Sydney, where he was an upstream oil and gas specialist from 2001-2005 and had petroleum engineering sign off for credit committee lending decisions. He started his career in 1996 at Shell International E&P as an operations engineer.

Govert van Ek graduated with a Doctorate from The University of Manchester, U.K, in Total Technology and is a member of the American Institute of Petroleum Negotiators (AIPN), Society of Petroleum Engineers (SPE) and South East Asia Exploration Society (SEAPEX). Govert van Ek, commented: "I am very pleased that the Board of Sun has appointed me as their new Managing Director. Sun recently acquired highly prospective Woodbine tight oil assets in Texas, USA and its market capitalization has grown quickly in the last 18 months to around the \$100 million mark. I look forward to doing all that I can to continue the growth in the market capitalisation of Sun and in particular increasing its share price, for both existing and future shareholders."

Chairman, Dr Wolf Martinick stated, "We are pleased that Govert van Ek has joined the Board at this important time for Sun as the Company seeks to grow shareholder value in the Woodbine tight oil play. The Board believes the appointment of a Managing Director with a strong track record of successful oil and gas project development and oil and gas financing is an important and timely step for the Company as it evolves from an explorer to a producer. We are also delighted to retain the leadership and excellent technical skills of Mr Battrick who will continue with Sun in his new role as Executive Director (Technical). A shareholders' meeting has been called for 3 May 2013 in order to gain the approval of shareholders to the remuneration arrangements of both executives.

Sun held cash of A\$5.3 million at the end of the March 2013 Quarter. During the Quarter, Sun received approximately \$300,000 from the sale and recovery of the Thailand L20/50 Joint Venture inventory together with proceeds from the sale of Sun's interest in WA-47-R.

BY ORDER OF THE BOARD



Govert van Ek
MANAGING DIRECTOR

This report is lodged on the Company's website, www.sunres.com.au.

Information contained in this report was sourced from the Operators of various Joint Ventures in which the Company has interests and was compiled by the Executive Director, Technical of Sun Resources, Matthew Battrick, BSc (Geol), MPESA, MPESGB, MAAPG, GAICD who has had more than 30 years' experience in the practice of geology and 30 years' experience in petroleum geology.