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## Acquisition of Fourth Woodbine Tight Oil Project

- Sun Resources has entered into a binding Sale and Purchase Agreement to acquire a 50% working interest (WI) in a new 3,652 gross acre (1,826 net acres to Sun) package of oil and gas leases located within the Woodbine Tight Oil Play (Normangee Oil Project).
- The other 50% WI in the Normangee Oil Project has been purchased by Amerril Energy LLC (Amerril).
- The vendor, an unrelated party to both Sun and Amerril, has been paid a total of US\$6.6 million for the 3,652 acres (US\$3.3 million from both Sun and Amerril).
- The purchase of the Normangee Oil Project increases Sun's footprint in the Woodbine Tight Oil Play to 18,836 net acres (27,900 gross acres) across four project areas (Delta, Amerril, Richland and Normangee Oil Projects).
- Sun continues to pursue the growth of its Woodbine Tight Oil Projects towards a target of 20,000 - 25,000 net acres of oil and gas leases (35,000 gross acres).

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The Board of Sun Resources NL ("Sun Resources", "Sun" or "Company") (ASX:SUR) is pleased to announce that, pursuant to a binding Sale and Purchase Agreement with an unrelated third party vendor, it has purchased a 50% working interest in a 3,652 acre package of oil and gas leases within the Woodbine Tight Oil Play, located on the Leon County-Madison County border, Texas, USA (**Normangee Oil Project**).

The other 50% WI in the Normangee Oil Project was purchased by Amerril Energy LLC (**Amerril**). The vendor, an unrelated party to both Sun and Amerril, was paid a total of US\$6.6 million for the 3,652 gross acres (US\$3.3 million from both Sun and Amerril).

This purchase has increased Sun's lease holdings in the Woodbine Tight Oil Play by a further 1,826 net acres. The majority of the Normangee Oil Project's gross acreage position of 3,652 acres is located in Madison County, Texas.

The Normangee Oil Project extends Sun's footprint in the Woodbine Tight Oil Play along the strike of the fairway which extends from Leon County west and south into Madison and Grimes Counties (see Figure 1 below). The Normangee Oil Project is on trend to the southwest of Sun's existing Delta, Amerril and Richland Oil Projects, providing additional scale to the lease position in the highly prospective Woodbine Tight Oil Play that Sun commenced building approximately 18 months ago.

There is existing oil production in both vertical and horizontal wells drilled into in the Sub-Clarksville and Woodbine formations, immediately to the east of the Normangee Oil Project. The original Woodbine Tight Oil Play discovery field, the Kurten Field, is only 10 miles (15km) to the southwest. There is evidence of oil shows in historical vertical wells located within the boundaries of the acreage that constitutes the Normangee Oil Project within the Sub-Clarksville, Woodbine and Buda Formations, again delivering the potential for stacked pay zones.

This acquisition increases Sun’s net lease area from 17,010 to 18,836 net acres, and Sun will continue to work with Carina Energy LLC to identify and acquire further high quality leases in the Woodbine Tight Oil Play. Sun is committed to growing its lease position as its project areas are drilled, and is targeting a total net lease position of between 20,000 and 25,000 net acres in the Woodbine Tight Oil Play.

The total consideration paid to the vendor by Sun and Amerril for the Normangee Oil Project was US\$6.6 million (US\$3.3 million net to Sun) for 100% WI (75% NRI) in the entire lease area. Sun’s payment of US\$3.3 million for its 50% WI was funded from Sun’s existing cash reserves.

Sun’s Managing Director, Matthew Battrick said:

*“We are pleased to have completed the purchase of a 50% WI in the Normangee Oil Project which further extends our footprint in this prolific oil and gas play, and assists in building critical mass in the play.*

*We are also very happy to be entering the Normangee Oil Project in conjunction with our major shareholder, and partner in the Amerril Oil Project, Amerril Energy LLC, as this further strengthens our working relationship, and allows us to leverage off Amerril’s significant experience in the Woodbine Tight Oil Play”.*

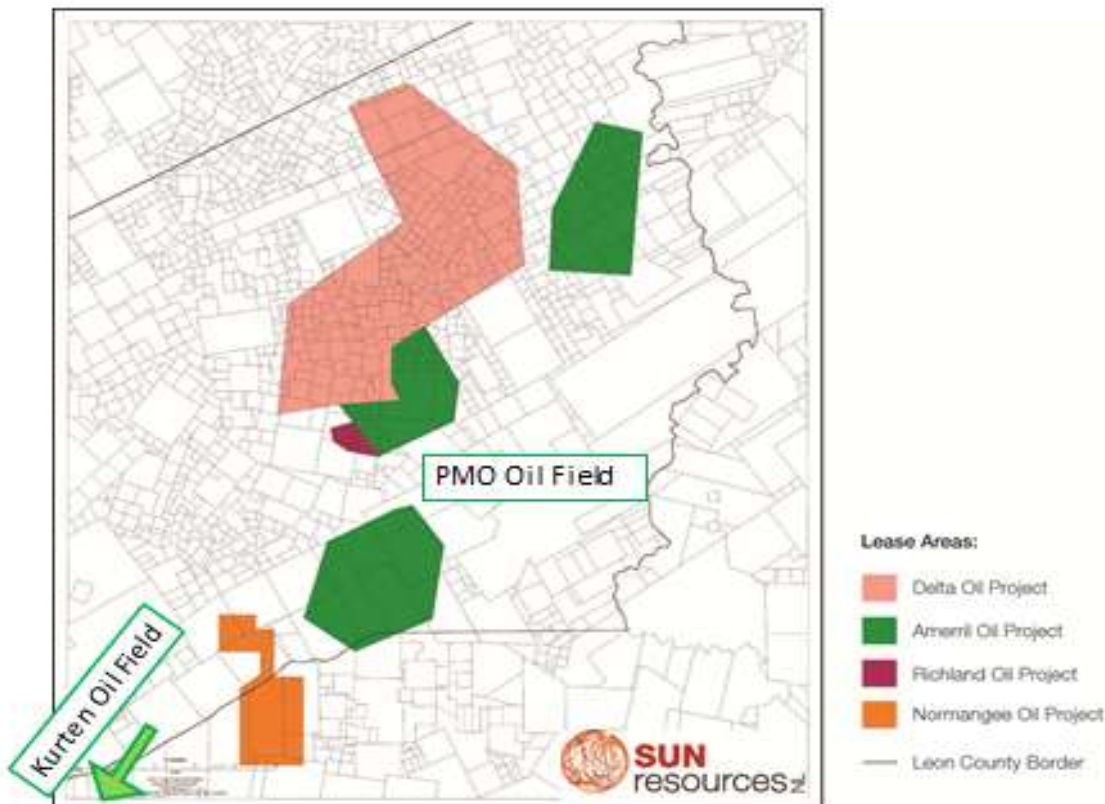
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**Figure 1: Sun’s Expanded Woodbine Lease Footprint in Leon and Madison Counties**

Information contained in this report was compiled by the Managing Director of Sun Resources, Matthew Batrick, BSc (Geol), MPESA, MPESGB, MAAPG, GAICD who has 30 years' experience in the practice of geology and more than 25 years' experience in petroleum geology.

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