

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

SUN RESOURCES NL (Company)

ABN

69 009 196 810

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | (a) Fully paid ordinary shares
(b) Quoted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 608,736,177 shares
(b) 304,368,089 options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Fully paid ordinary shares

(b) Options to acquire fully paid ordinary shares

One free-attaching option for every 2 shares issued exercisable at 2.5 cents each on or before the date which is 3 years from the date of issue

Issue of the options is subject to shareholder approval |

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Shares – Yes (b) Options – No. New class of quoted options exercisable at 2.5 cents each on or before the date which is 3 years form the date of issue. Not entitled to participate in dividend unless exercised.</p>
<p>5 Issue price or consideration</p>	<p>(a) 1 cent each per share (b) Free-attaching options</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds raised by the issue will be used to complete drilling, hydraulic fracturing and production facilities at the Jack How #1 Well, continued acquisition of oil & gas leases in the Southern Woodbine area and provide working capital for general corporate purposes.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No 7.1A capacity remains</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N/A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N/A</p>

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6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	N/A	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	(a) Shares - 26 September 2014 (b) Options – subject to shareholder approval	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		3,652,417,062	Fully paid ordinary shares
		503,736,178	Listed options exercisable at 2.5 cents each on or before the date which is 3 years from the date of issue
			The issue of the options is subject to shareholder approval

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	
	23,650,000	Unlisted Options at 3.6 cents each expiring 16 November 2014
	1,000,000	Unlisted Options at 9.4 cents each expiring 8 August 2015
	5,000,000	Unlisted Options at 10.5 cents each expiring 12 September 2015
	15,000,000	Unlisted Options at 5.7 cents each expiring 3 May 2016
	15,000,000	Unlisted Options at 6.7 cents each expiring 3 May 2016
	15,000,000	Unlisted Options at 7.6 cents each expiring 3 May 2016
	65,000,000	Class E Performance Options at 0.1 cents each expiring 30 April 2017 with a milestone expiry date of 31 August 2016
75,000,000	Class F Performance Options at 0.1 cents each expiring 30 April 2017 with a milestone expiry date of 31 August 2016	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	(a) Shares - No (b) Options – subject to shareholder approval
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	One new share for every five shares held
14	+Class of +securities to which the offer relates	Fully paid ordinary shares (SUR)
15	+Record date to determine entitlements	4 September 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded down
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries outside Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	19 September 2014
20	Names of any underwriters	Patersons
21	Amount of any underwriting fee or commission	6%
22	Names of any brokers to the issue	Patersons
23	Fee or commission payable to the broker to the issue	6%

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24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	None
25	If the issue is contingent on +security holders' approval, the date of the meeting	General Meeting to approve the Options is yet to be determined
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	10 September 2014
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Options - subject to shareholder approval
28	Date rights trading will begin (if applicable)	1 September 2014
29	Date rights trading will end (if applicable)	12 September 2014
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	26 September 2014

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1

+ See chapter 19 for defined terms.

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought N/A

39 Class of +securities for which quotation is sought N/A

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

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41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A
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42	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)	N/A
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Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX’s absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should not be granted ⁺quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
- Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation

⁺ See chapter 19 for defined terms.

of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 1 September 2014
(Company Secretary)

Print name: Mr Craig Basson

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