



SUN
resources 

**GOOD OIL
CONFERENCE**

02 September 2015

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SUN RESOURCES CORPORATE SNAPSHOT



Capital Structure: Post-Cap. Raising (SPP & Placement)

ASX code	SUR
Ordinary shares on issue	4,623m
Performance options ¹	140m
Listed options (A\$0.025)	259m
Unlisted options (various prices) ²	305m
Current share price	A\$0.001
Market capitalisation (@ A\$0.001)	A\$4.6m
Net Cash ³	A\$1.3m
Enterprise Value	A\$3.3m

Top Five Shareholders

Hancock Prospecting P/L	13.4%
Amerill Energy LLC	7.1%
Fast Lane Aust. P/L	6.8%
Rojo Nero Capital P/L	3.5%
UBS Nominees P/L	2.4%
Total	33.2%

Notes:

1. Performance options convert into ordinary shares upon achievement of certain project milestones (these are detailed in Sun's Notice of General Meeting announced to ASX on 21 November 2011, and also Sun's announcement dated 27 July 2012).
2. Unlisted options award to staff and Directors of Sun Resources NL.
3. Un-audited cash balance, at 30 June 2015, following an SPP and Placement.

Share Price / Volume History



Board of Directors

Professor Ian Plimer	Non-Executive Director, Chairman
Mr. Matthew Battrick	Managing Director & CEO
Dr. Wolf Martinick	Non-Executive Director

Note: The top 20 shareholders, including Board, hold 47% of shares currently on issue.

- **Recently finalised commercial agreements position Sun for growth and cash flow generation**
 - *Resolution of Amerril Energy LLC matters delivers to Sun a 100% working interest (WI) in Normangee Oil Project, SW Leona Oil Project and Centerville AMI*
 - *Agreement reached with Ursa Resources on future development of Badger Oil Project*
 - *All existing arrangements provide for investment flexibility into Sun at the asset level*

- **Renewed focus and revised plan for Sun's flagship Normangee Oil Project**
 - *Newly consolidated lease portfolio currently within Sun's control*
 - *Sun controls 100% WI in the Jack Howe #1H (drilled, cased and ready to frack)*

- **Newly consolidated and rationalised asset portfolio is focussed on core oil fairways in highly prospective East Texas region**
 - *Primary objective of developing the Lower Woodbine target across Sun's portfolio*
 - *Lower Woodbine lateral well economics likely to be robust @ US\$40 oil price with 40% reduction in 3Q of 2014 drilling and completion ('D&C') costs*
 - *Can test the recently confirmed, second oil zone; the Buda-Georgetown "bench" in Sun's core lease areas*
 - *Investigating other self-help opportunities being developed for profitable operations in US\$40 oil price environment*

SUN'S WOODBINE OIL PROJECT AREAS

Across Leon and Madison Counties, East Texas

Sun has control of 14,173 net acres across its 5 Woodbine Oil Project areas

Project Leasehold Table (as @ 30 June 2015)

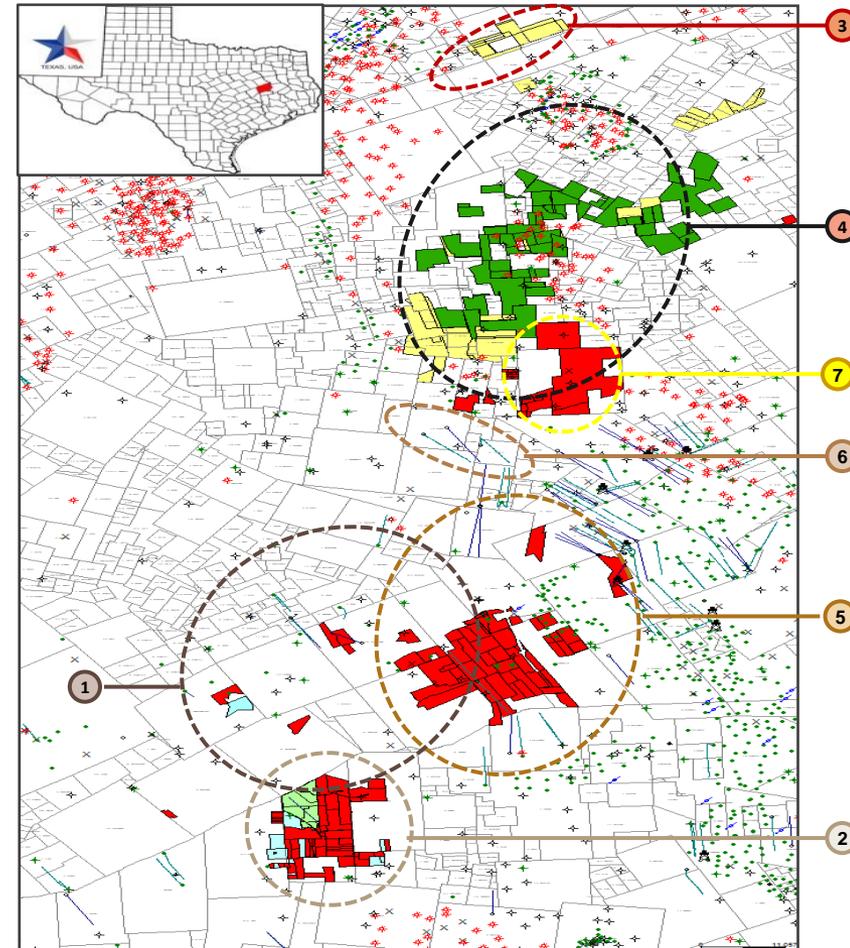
Map	Project	Working Interest (%)	Net Royalty Interest (%)	Acres
				Gross
1	Southern Woodbine	100%	77.5%	2,327
2	Normangee	100%	75%	2,282
3 4	Delta & P.H. AMI ¹	25-100%	18-75%	4,054
5 7	SW Leona AMI's ²	100%	75%	4,950
6	Beeler	16.7%	12.5%	560
Total				14,173

¹ Petro-Hunt will exit the AMI, so leases in this AMI can revert 100% to Sun

² JV partner [Furie] held up to 42% of Centerville AMI but has likely exited

^{1 2} Both will require future negotiation to secure control (100% WI)

Leasehold & Activity Map

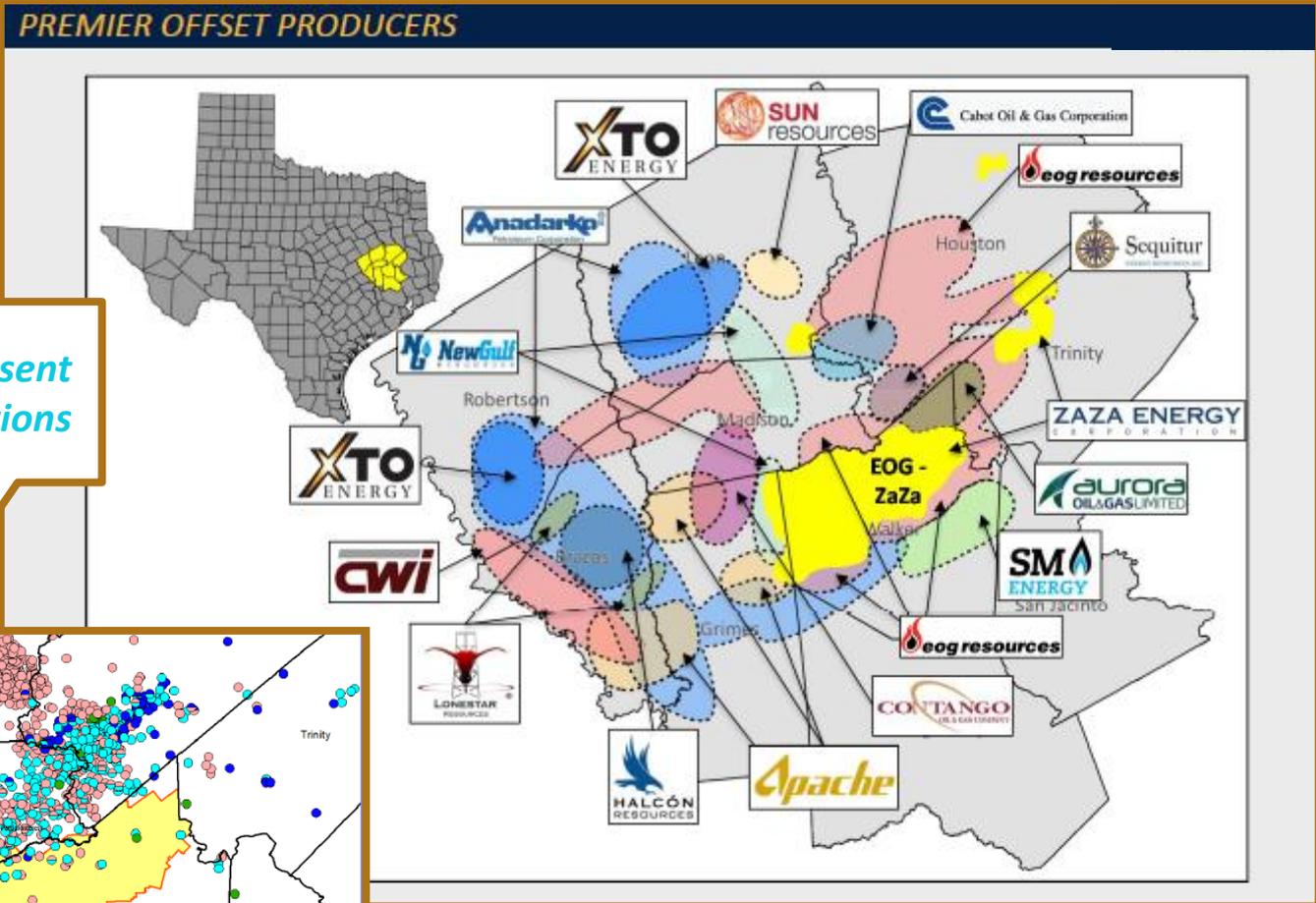


NEAR-TERM ACTIONS ACROSS PORTFOLIO

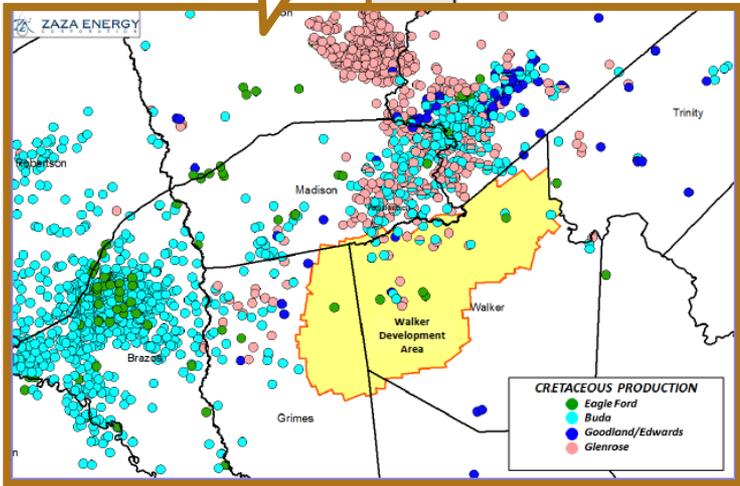


- **Seeking new investor/partner for capital investment at the asset level to fund current planned operations and future development drilling**
 - *Sun is seeking new capital to frack and complete Jack Howe #1H for early cash flow*
 - *Adjacent Operators have already de-risked play with 30-day IP's up to 600 bopd*
 - *Strong positive NPV10 from investment in Jack Howe frack @ WTI = US\$40*
- **Next operation is to frack and flow-back Jack Howe #1H**
 - *Multi-stage frack budget likely reduced from US\$4.9mm (2014) to US\$3.5-4mm gross (2015)*
 - *Generate cash flow from strong initial production (US\$2.5-3.5mm in first year @ US\$40 oil)*
 - *A number of companies currently engaged in farm-in/funding discussion*
 - *Phase 2 development programme [in 2016] contingent on 40% drop in well budget; and funding*
- **Intervention in SW Leona wells to improve production rates**
 - *Frack: Re-enter T. Keeling #1H to complete multi-stage frack*
 - *Stack-Frack: Seale #1V - deepen and test vertical 'stack-frack' of oil-rich interval*
 - *Re-Frack: Seale #1H - dislodge 'fish' in well to increase oil production (~20 bopd in July 2015)*
- **Appraisal of Buda-Georgetown potential a strong candidate for near-term value growth**
 - *Newly emerging play covers Normangee, SW Leona and Delta Oil Projects' lease positions*
 - *Delta Oil Project is key location for Buda-Georgetown oil target exploitation*

EAST TEXAS IS NOW AN AREA OF E&P FOCUS



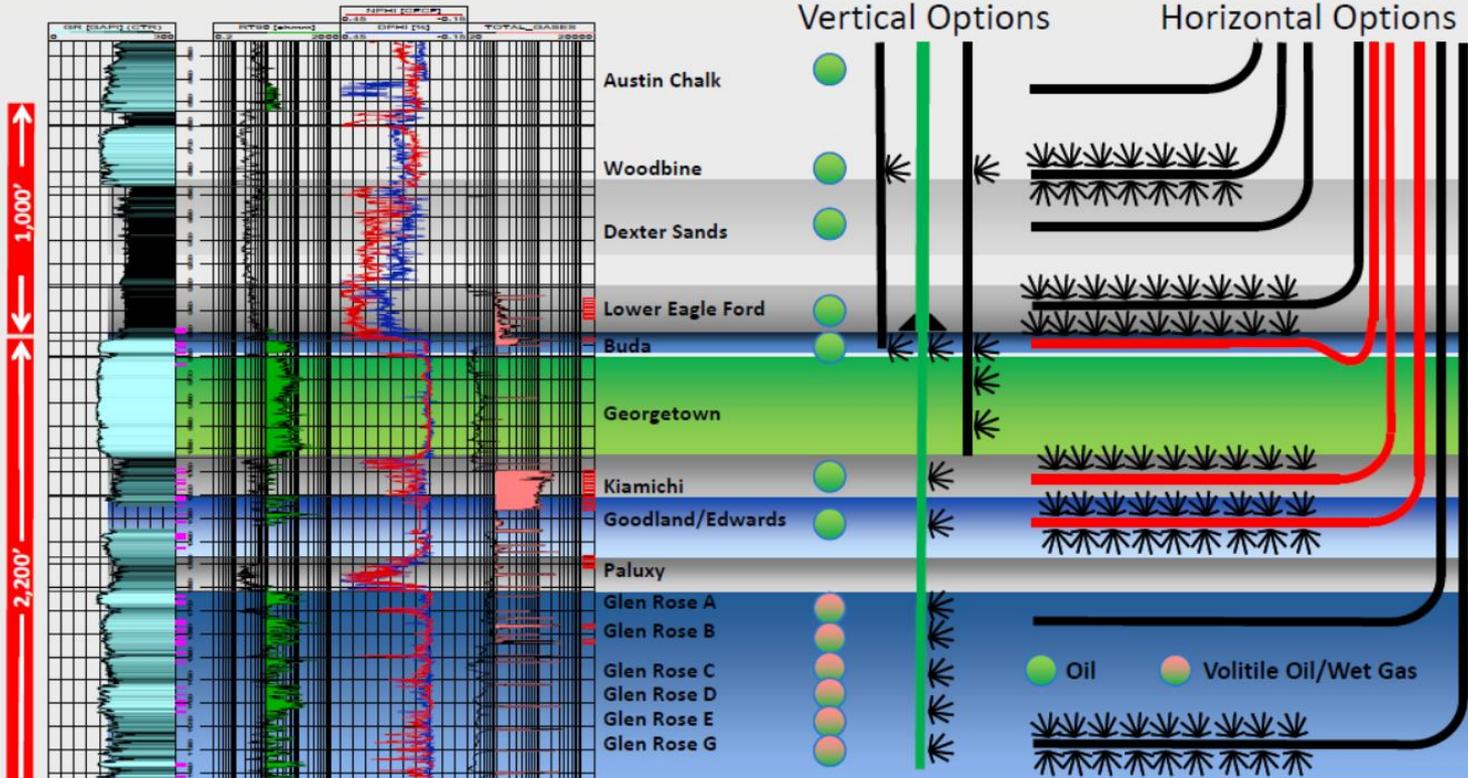
Turquoise Dots Represent Recent Buda Completions



Source: Zaza Energy Corp.

East Texas Development Targets

INITIATING BUDA ROSE VERTICAL WELL DRILLING PROGRAM



Data based on Burk Royalty Co. LTD – Etheridge #1 42-225-31198, Houston Co., TX

Planned Development - Vertical Lower Cretaceous ("Buda Rose") Wells
 Comingled 7+ stage Stack and Frac completion

Horizontal Wells
 17-25 multi-stage completion
 EOG has permitted three well pad targets:
 Horizontal Buda
 Horizontal Kiamichi
 Horizontal Goodland

Nasdaq: ZAZA

Source: Zaza Energy Corporation (2015)

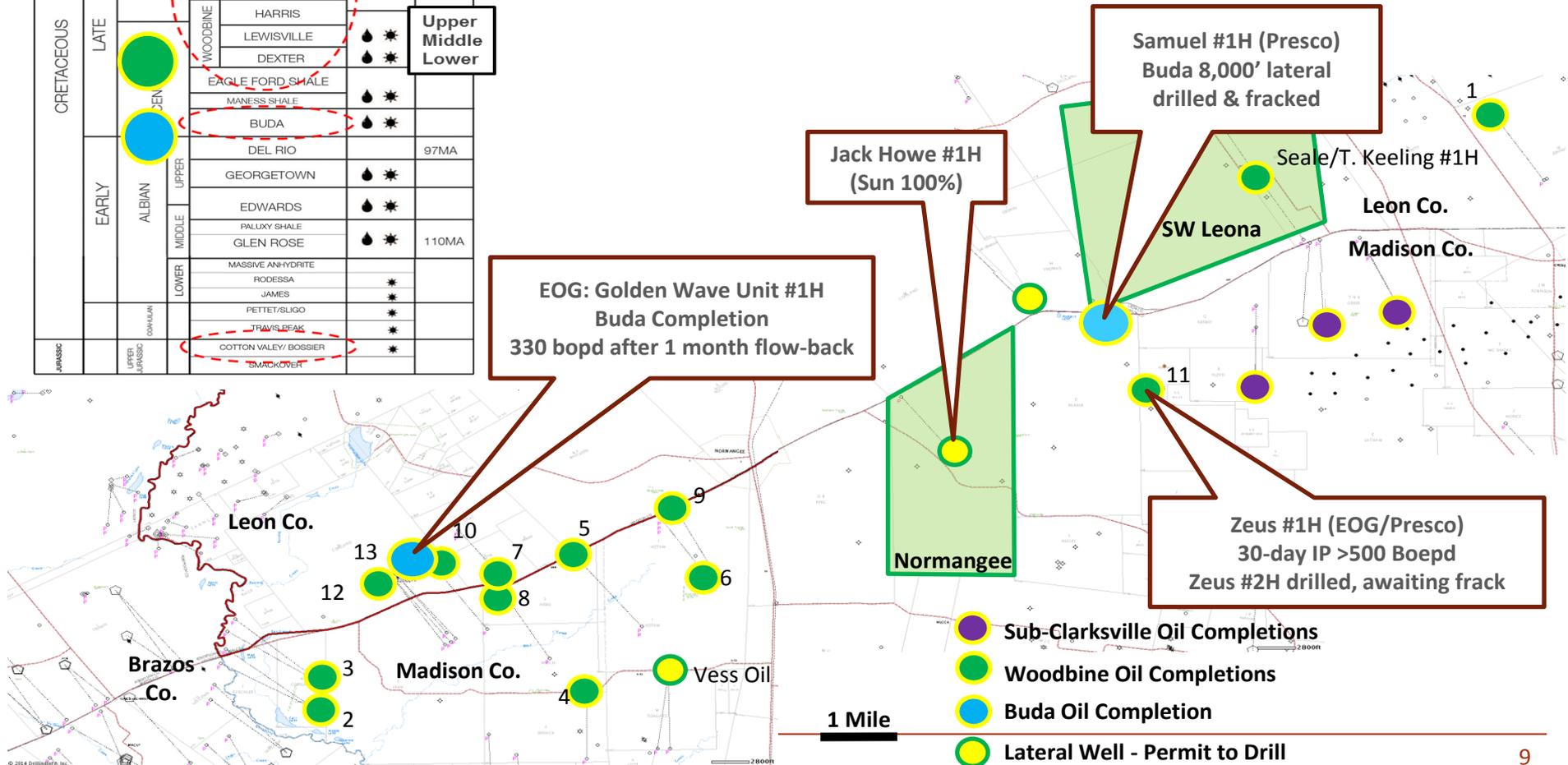
BUDA-GEORGETOWN – NEW “BENCH” DOUBLES RESERVES



Stratigraphic Column				PRODUCTIVE INTERVALS		
SYSTEM	SERIES	STAGE	EAST TEXAS (SUBSURFACE)	Oil Gas	Age	
CRETACEOUS	LATE	SANITONIAN	AUSTIN CHALK	Oil	88MA	
		TURONIAN	SUBCLARKSVILLE	Oil, Gas		
			EAGLE FORD SHALE	Oil, Gas		
			WOODBINE	HARRIS	Oil, Gas	Upper Middle Lower
		LEWISVILLE	Oil, Gas			
		DEXTER	Oil, Gas			
		EARLY	ALBIAN	EAGLE FORD SHALE	Oil, Gas	
				MANESS SHALE	Oil, Gas	
				BUDA	Oil, Gas	
	UPPER		DEL RIO			97MA
			GEORGETOWN	Oil, Gas		
			EDWARDS	Oil, Gas		
			MIDDLE	PALUXY SHALE	Oil, Gas	
				GLEN ROSE	Oil, Gas	110MA
				LOWER	MASSIVE ANHYDRITE	
	UPPER JURASSIC	RODESSA				
		JAMES				
		PETTET/SLIGO				
TRAVIS PEAK						
COTTON VALEY/ BOSSIER						
JURASSIC		SMACKOVER				

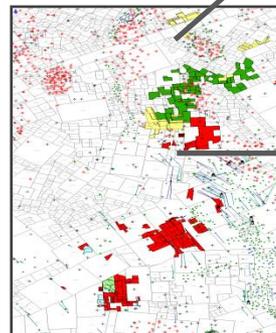
Multiple oil targets – Minimum 2 Benches

- *Sub Clarksville Sandstone* – Producing in area
- *Eagle Ford Shale* – Lower Woodbine oil confirmed
- *Buda* – First local oil completions confirmed



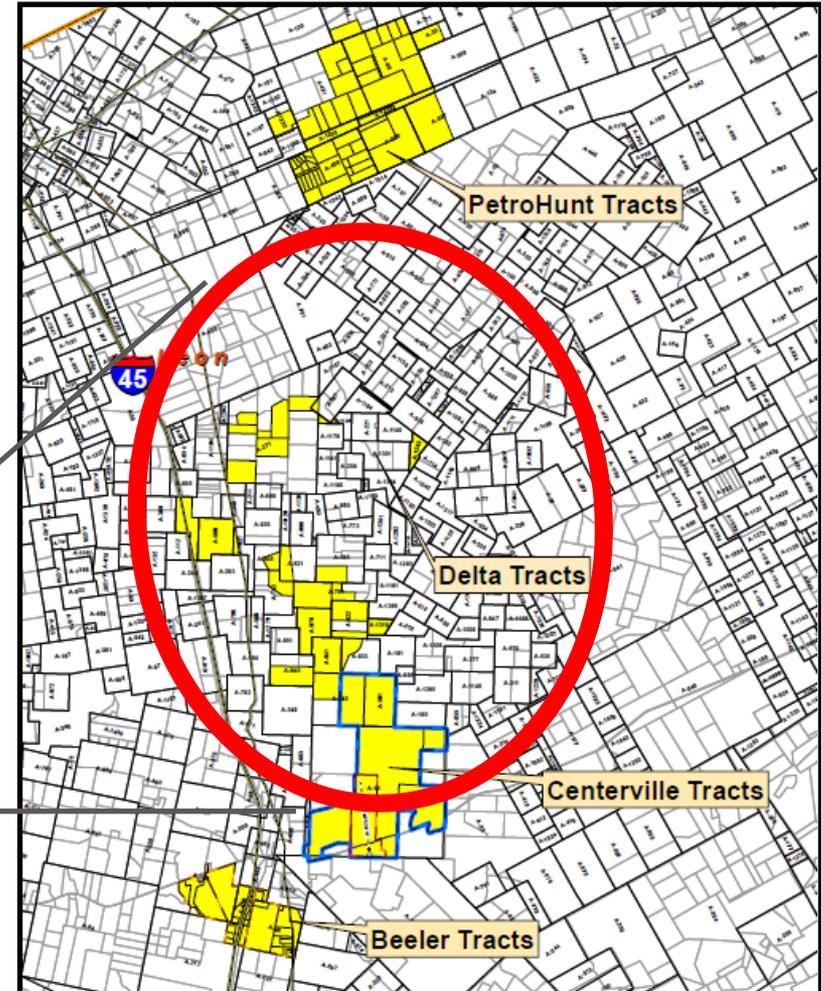
Approximate Area of Buda Prospect

- Large Buda structure mapped with 300 feet of closure
- Oil & gas column tested in old vertical well with 300 feet of log pay
- Warrants initial vertical pilot well to test column height
- Follow up with fracked lateral



Note:

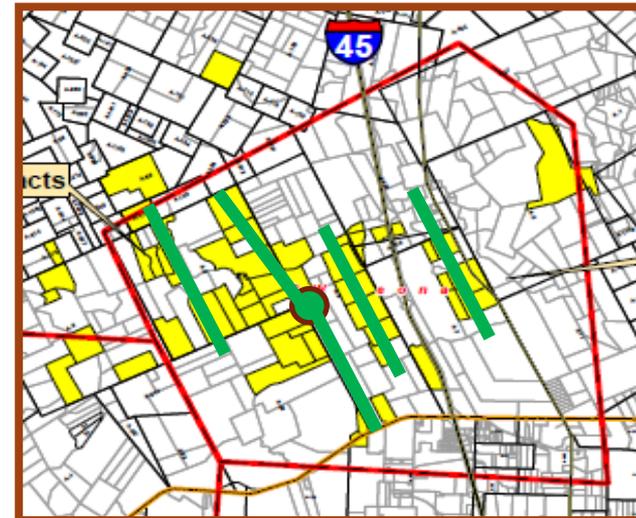
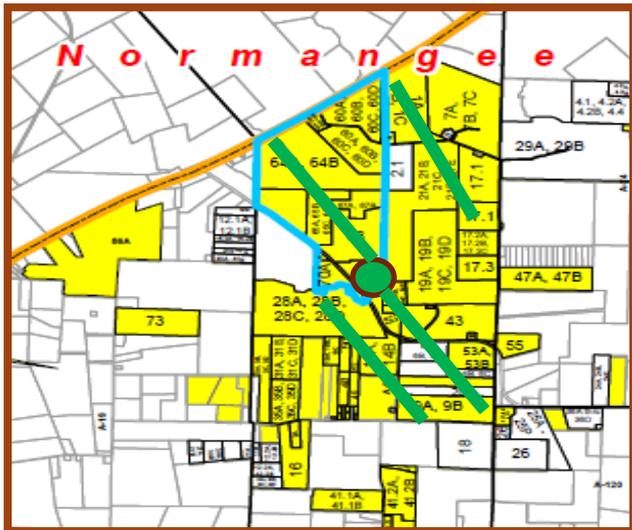
*Delta lease position (25-100% WI)
= 4,054 net acres (@ 30 June'15)*



Held-By-Production (“HBP”) allows Operators to maintain mineral leases in good standing without full development until oil prices recover.

“Deferring frack & flow-back for 12 months in low oil price environment can improve lateral well economics” (source: EOG Resources Inc., 2014).

3 additional drilling units required to cover entire lease area for both Normangee and SW Leona Oil Projects; pad drilling and shadow frack options also to be considered; infill drilling could be vertical and/or lateral wells.



USA UNCONVENTIONAL SELF-HELP: Stack-Fracks

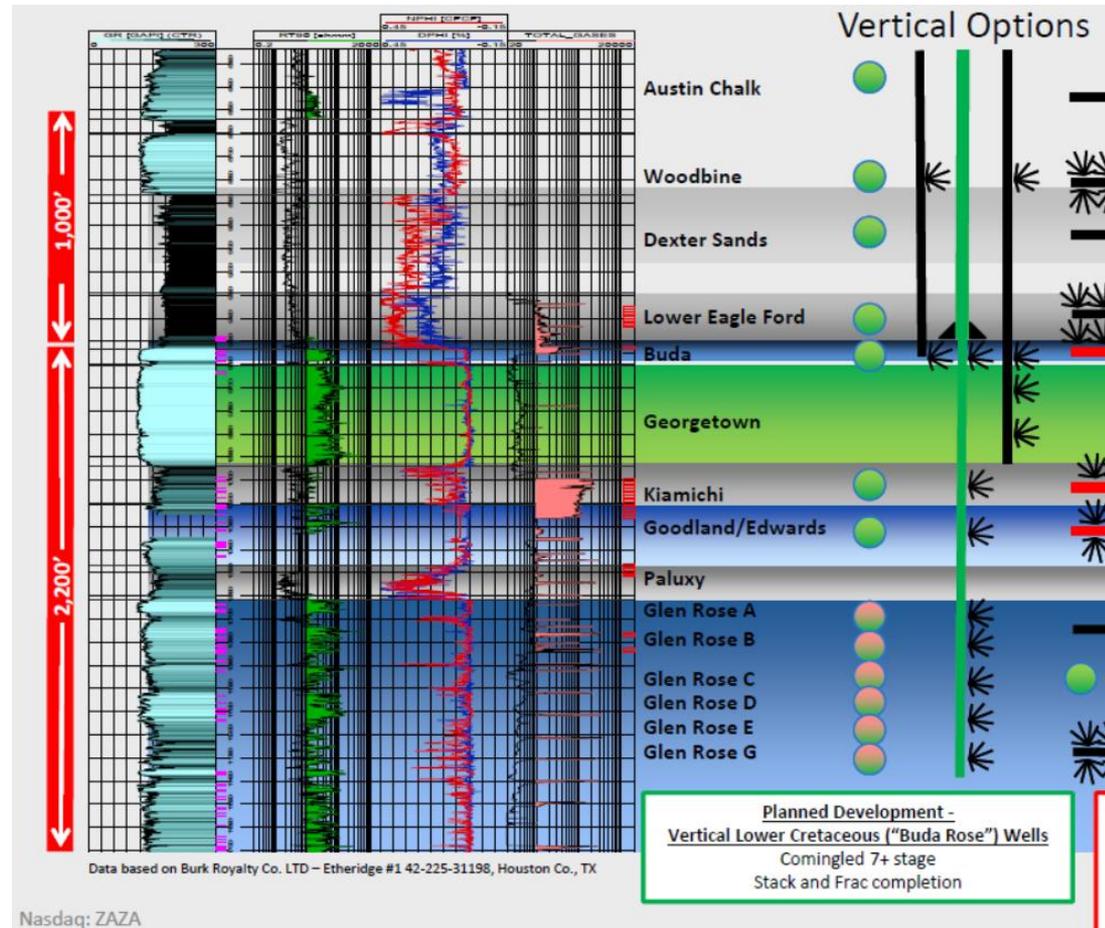
Vertical wells with multiple, vertically stacked, oil zones.

Fracked in stages, just like long horizontal wells.

AFE to D&C <50% of a lateral D&C cost.

Can deliver better returns than laterals in the current oil price environment.

Sun is investigating this for the Seale #1V well.



USA UNCONVENTIONAL SELF-HELP: Re-Fracking

Re-fracking has the potential to enhance flow rates and estimated ultimate recovery (“EUR”) by re-entering existing, fracked, unconventional lateral and vertical wells.

Sun is investigating this option for the Seale #1H Lower Woodbine lateral.

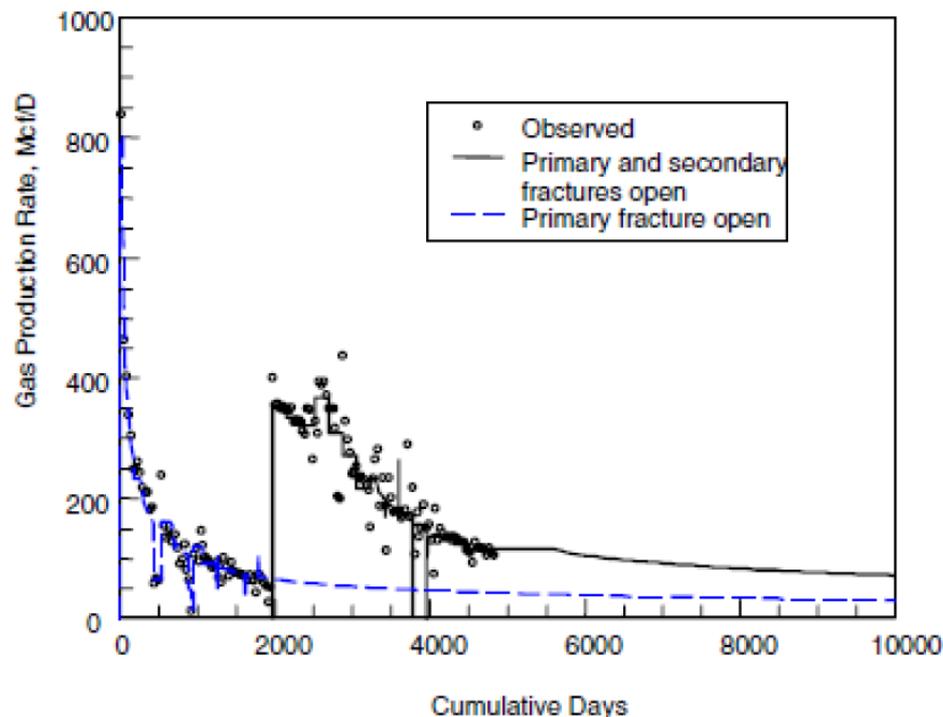
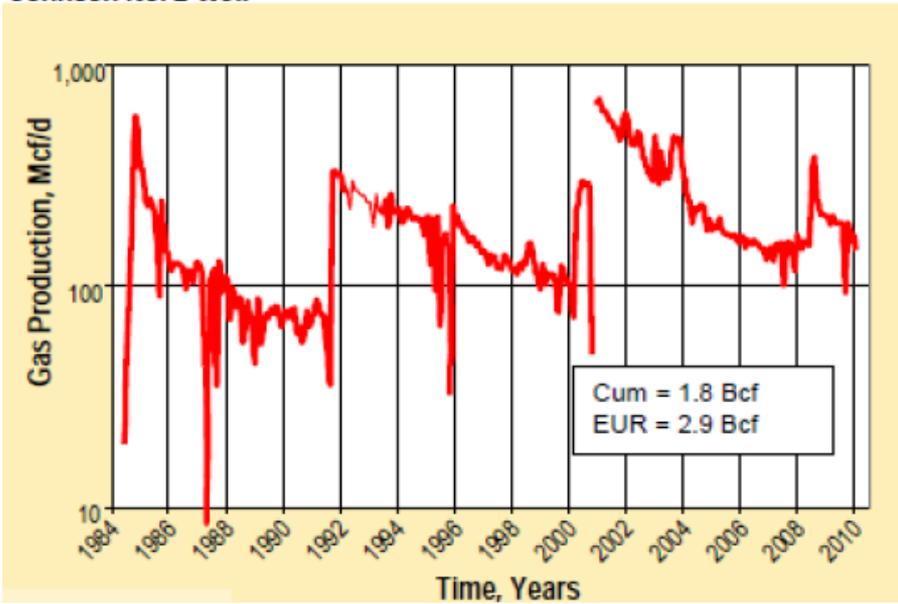


Fig. 2a-Production history of Well C before and after successful refracture treatment

Johnson No. 2 Well



The concept of “Stress Shadow Fracking” (and ‘zipper fracks’) involves fracking two parallel wells and allowing the fracture networks to ‘interfere’ with one another to access a larger productive rock volume than either well on its own.

Sun is investigating this option for future wells in Normangee and SW Leona Oil Projects.



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