

8 June 2016

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

Dear Sir/Madam

CORPORATE UPDATE

Sun Resources NL ("**Sun**" or "**Company**") (ASX: SUR) has been deemed by the Australian Securities Exchange ("ASX") to have breached ASX Listing Rule 10.11.

On the 26 May 2016 the Company issued shares to settle outstanding Directors' Fees owed to two former Non-Executive Directors of the Company, Prof. Ian Plimer (A\$11,011) and Dr Wolf Martinick (A\$6,694). The Company considered this issue to be consistent with Listing Rule 10.12, Exception 9 and did not obtain explicit shareholder approval prior to the issue. The ASX however considers that prior approval was necessary as the two Directors were related parties of Sun at the time of the issue having retired during the past six months.

With ASX approval, Sun intends to remedy the breach by:

1. Obtaining shareholder approval to cancel the 17,704,918 shares issued to the former Directors at a General Meeting to be held before the 26 August 2016; and
2. Obtaining shareholder approval to re-issue the shares to the two Directors as part of their remuneration per Listing Rule 10.11.

The breach of Listing Rule 10.11 was inadvertent and Sun has taken steps to ensure that such a breach is not repeated in the future.

Yours faithfully
SUN RESOURCES NL



Craig Basson
Company Secretary