



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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ASX Announcements
Australian Stock Exchange
Level 4, 20 Bridge Street
SYDNEY, NSW 2000

RE: L20/50 CONCESSION ONSHORE THAILAND, EXPLORATION UPDATE

Following on from the L20/50 concession block official signing in Bangkok with the Minister of Energy on 21 January 2008, Operator Carnarvon Petroleum Ltd ("Carnarvon") has advised Sun Resources NL ("Sun Resources") that exploration activities are about to commence on the concession block.

The L20/50 concession is a 3,947 km² block area located in the southern portion of the Phitsanulok Basin which has been very lightly explored with the last effort in a time of low oil prices in the early 1980s. The Phitsanulok Basin contains the largest onshore oil and gas accumulation in onshore Thailand, the Sirikit Field, which is on trend with the southern adjacent L20/50 concession. The field was brought onto production in 1981 and to date has produced ~180 million barrels of oil. Current daily production approximates 20,000 barrels of oil, 50-55 million cubic feet of gas and 275 tonnes of LPG.

A high resolution aeromagnetic survey with DTM is proposed to be flown over the block in April 2008 subject to gaining necessary approvals. These data with reprocessed seismic data should provide a 3 dimensional view of the subsurface. This will help define areas for the recording of new seismic in the most prospective part of the concession to target drilling.

The possibility of a re-drill of Bong Nua #1 has been proposed by the Operator. Depending on appropriate environmental and government requirements, and a technical assessment, the timing for a re-drill of Bong Nua #1 is late 2008. Nong Bua #1 encountered positive oil shows. However, due to testing limitations a flow to surface was not achieved. The Operator considers that a re-drill together with required artificial lift may result in a commercial oil discovery.

Dr Brad Farrell, Executive Chairman of Sun Resources commented:

"Sun Resources looks forward to an aggressive exploration program under Carnarvon's operatorship on the very lightly explored, southern portion of the highly prospective and productive Phitsanulok Basin, which will hopefully lead to early drilling success in late 2008 by a re-drill of the Bong Nua discovery."

Yours sincerely

SUN RESOURCES NL

A handwritten signature in black ink, appearing to be 'A P Woods', written over a light grey horizontal line.

A P Woods

COMPANY SECRETARY

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

Information contained in this report was compiled by Dr B. L. Farrell, PhD, MSc, BSc (Hons Eco.Geol), FAIMM, MICA, CPGeol, MIMM, MPESA, who has had 39 years experience in the practice of geology and more than 5 years experience in petroleum geology.