



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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Thursday, 10 January 2008

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

Dear Sir/Ms,

RE: YEGUA TESTING & COMPLETION STATUS, RAUN #1, BONDI PROSPECT, ONSHORE GULF COAST, SOUTH TEXAS, USA

As advised on 10 December 2007, the Raun #1 well on the Bondi Prospect was plugged back to the base of the 7" liner to suspend the well to complete the technical evaluation of two Yegua gas sand pays totaling ~50 feet (15.2 metres) in thickness indicated on electric logs between 7,050 and 7,250 feet (2,149 to 2,210 metres) depth. It was proposed a smaller rig would either complete these sand pays or P & A the well in early January.

The Operator has advised completion operations will now commence in the next week as the results of the evaluation confirms the existence of two possible Yegua gas sand pay zones of interest; a 9 feet zone (7,194 to 7,203 feet) designated the 7,200 zone, and a 46 feet zone (7,047 to 7,093 feet) designated the 7,050 zone. The lower, smaller 7,200 zone (~0.45 bcfg potential) will be tested first and if positive, the upper, larger 7,050 zone (~1 bcfg potential) will wait until production depletes the 7,200 zone. If neither zone is successful the well will be plugged and abandoned.

The Operator has come to an arrangement with the owners of a recently depleted shallow well within 850 feet of Raun #1, whereby the joint venture can take over the production facilities at minimal cost if the test is successful. This will result in a low cost, immediate hook-up to sales.

Participants with interests in the Bondi Prospect are;

	% Interest
## Sun Resources NL	15.00
## Texon Petroleum Ltd (Project Operator)	65.00
** Empyrean Energy PLC	<u>20.00</u>
	100.00

ASX listed; ** AIM listed

Yours sincerely
SUN RESOURCES NL

Dr Brad L Farrell
EXECUTIVE CHAIRMAN

This report is lodged on the Company's website, www.sunres.com.au. Information contained in this report was sourced from information provided by Texon E & P, Inc. and compiled by Dr B. L. Farrell, PhD, MSc, BSc (Hons Eco.Geol), FAIMM, MICA, CPGeol, MIMM, MPESA, who has had 38 years experience in the practice of geology and more than 5 years experience in petroleum geology.