



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 ONSHORE BLOCK THAILAND - AWARD

Sun Resources NL ("Sun Resources") and Carnarvon Petroleum NL ("Carnarvon") have received official notification from the Thai Department of Mineral Fuels ("DMF") of the award of onshore block L20/50 and in turn have accepted the block award from the DMF.

It is anticipated that contractual documentation for the block between the joint venture and the Thai government will be signed latter this month in Bangkok. Following the formal signing, Carnarvon as Operator, will commence block exploration activities.

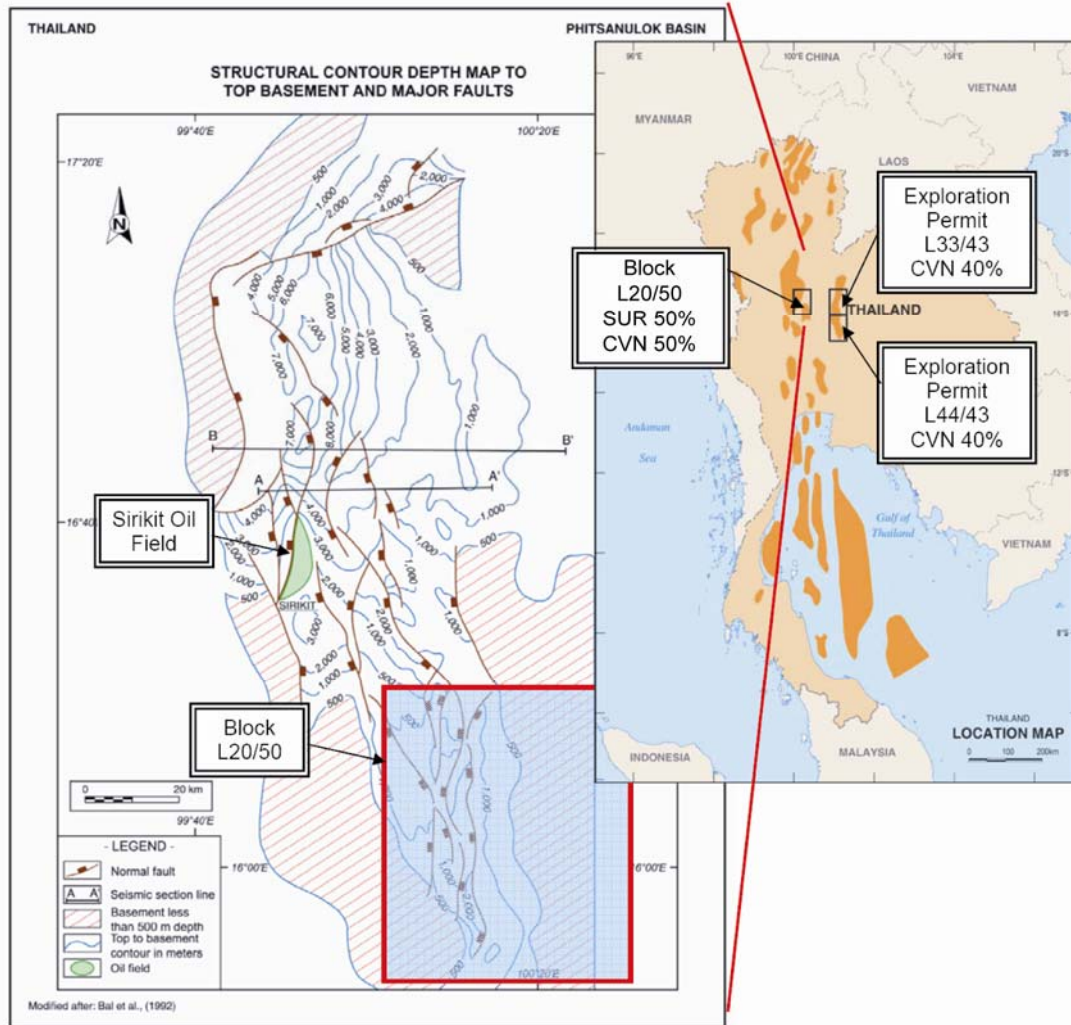
Background to Block L20/50

The L20/50 block is a 3,947 km² block area located in the southern portion of the Phitsanulok Basin, refer Figure page 2. 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 block. 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. Reserves in excess on 200 million barrels of oil remain to be produced by advanced recovery processes under the current high oil price regime.

The L20/50 block has been very lightly explored with the last effort in a time of low oil prices in the early 1980s. There is the possibility of near term cash flow from a re-drill or work over of an old shut in well in the block. This well was not brought on production at the then time of prevailing low oil prices because it required artificial lift to bring the oil to surface and this higher cost production methodology was not considered by the operator.

Carnarvon, as Operator of the L20/50 block, plans to fast track exploration to reach an early drilling decision on the block. A similar exploration philosophy will be applied to exploration on the block in a basin that is a direct geological analogue to the Phetchabun Basin lying ~50 kilometres to the east of the L20/50 block. Carnarvon and its joint venture partner Pan Orient Energy have been extremely successful in the Phetchabun Basin in the last 12 - 18 months in exploring new play concepts, particularly the fractured volcanic play in the basin. Exploration success here from new field discoveries in the environs of their Wichian Biri Field has seen production rise from less than 50 to greater than 6,000 barrels of oil per day.

2.



Dr Brad Farrell, Executive Chairman of Sun Resources commented:

“The official award of highly prospective block L20/50 has been made and accepted by the joint venture. Sun Resources looks forward to the commencement of 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.”

Yours sincerely

SUN RESOURCES NL

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.