



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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Tuesday, 29 July 2003

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

Dear Sir/Ms,

RE: OFFSHORE MALTA FARMIN, SOUTHERN MEDITERRANEAN SEA

Sun Resources NL ("Sun Resources") wishes to advise Shareholders that it has farmed into the offshore Malta Project (Area 4, Block 3 ESA* and Area 5 ESA) of Afrex Limited ("Afrex") and Pancontinental Oil and Gas NL ("Pancon"). Sun Resources will pay a A\$325,000 contribution to the cost of acquiring 2D seismic over targeted Lower Cretaceous to Eocene stacked reef mounds on the Pelagian Platform of the southern Mediterranean Sea to earn its 20% interest in the project.

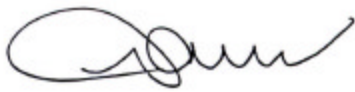
Sun Resources' participation is conditional on Afrex-Pancon negotiating and being awarded by the Government of Malta a 770 square kilometre PSC[#] within undisputed Maltese waters in Area 5. Sun Resources has agreed to contribute 20% to any additional costs in obtaining the PSC.

Sun Resources is attracted to the exploration potential of the area, particularly Area 5 as it has never been awarded for exploration by the Government of Malta because of as yet unresolved territorial sea boundaries between Malta and western adjoining Tunisia and southern adjoining Libya. Notwithstanding this, the area of the PSC lies in undisputed Maltese waters and covers highly prospective, large stacked Lower Cretaceous to Eocene reef mound structures that have been delineated by Afrex-Pancon's reconnaissance 2D seismic in the Area 5 ESA. This seismic followed up Afrex-Pancon's interpreted indications of the presence of stacked reef mounds in a single line of regional seismic which was run through the block by a large oil major several years ago as a well tie, to assist that company's interpretation of seismic data in a block to the east of the current project area. The Afrex-Pancon seismic data suggests the individual target mounds are of a large size, ie > 70 square kilometres in areal extent, with the added dimensions of considerable depth (500 to 700 metres in extent) giving large potential volume targets for accumulations of hydrocarbons.

Similar stacked reef mounds in adjacent Tunisian and Libyan waters contain large reserves (250 to 2,500 million barrels of oil recoverable range) of 35 to 40° API oil. These reef mounds are prolific producers of both oil and gas and the major fields, such as Bourri in Libya (2,500 million barrels of oil recoverable /1.9 trillion cubic feet of gas recoverable) principally supply European consumer countries, notably Italy and France.

The current aim of the joint venture on final documentation and award of the PSC is to complete the acquisition, processing and interpretation of the seismic by early 2004 so that a major target reef mound prospect can be drilled in the latter part of 2004.

Yours sincerely
SUN RESOURCES NL



Dr Brad L Farrell
MANAGING DIRECTOR

Notations:

- * "ESA" is a Exploration Study Area
- # "PSC" is a Production Sharing Contract for a six year period.

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