



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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Thursday, 5 July 2007

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

RE: DRILLING UPDATE - LAKE LONG, HOLLYWOOD PROSPECT, LOUISIANA, USA

Since the last report of Thursday 28 June 2007, the SL328 # 9 well on the Hollywood Prospect, Lake Long, Louisiana, has drilled ahead from third casing point at 12,489 feet measured depth, through the Lower Hollywood Sands objective at 12,966 feet measured depth, where a drilling break with a coincident gas show on the mud log was evident, to revised final total well measured depth of 13,284 feet measured depth (13,223 feet true vertical depth) based on LWD observations.

Prior to encountering the objective other gas shows with drilling breaks in sands were also evident. The significance of all the shows and LWD observations will not be known until they are fully evaluated by electric logs.

Current activity is preparing hole to run electric logs following which a decision will be made to run pipe over the drilled section from last casing point.

Results to Date

Electric logs have confirmed the presence of previously reported hydrocarbons in the Upper and Middle Hollywood Sands objectives. From the analysis of electric logs;

- 13 feet of net log pay has been calculated for the Upper Hollywood Sands objective;
- 29 feet of net log pay has been calculated for the Middle Hollywood Sands objective.

The above pay is now behind 7 5/8" casing and is awaiting testing on completion of current operations.

Background

The SL328 # 9 well on the Hollywood Prospect has targeted multi-pay Hollywood Sands objectives, lying between 11,800 feet measured depth (11,700 feet true vertical depth) and the total well measured depth of 13,284 feet, which have a cumulative target potential of 21.7 billion cubic feet of gas ("bcf") and 760,000 barrels of condensate ("boc"). The prospect was considered to be relatively low risk as there is good 3D seismic amplitude support of the multi-pay targets which are interpreted as indicating gas and the well is updip on structure to the nearby producing (Hollywood Sands) Palace (SL 328) #1 well.

Participants' interests on completion of the first well are;

	<u>% Interest</u>
* Sun Resources NL	10.00000%
* First Australian Resources Limited	10.18750%
* Amadeus Energy Limited	21.90625%
Kriti Exploration, Inc	55.90625% (Operator)
Parker Fannin Properties Ltd	1.00000%
JVR Petroleum, Inc	1.00000%
	<u>100.00000%</u>

* Participants are subsidiaries of ASX listed companies

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 the project operator and compiled by Dr B. L. Farrell, PhD, MSc, BSc (Hons Eco.Geol), FAIMM, MICA, CPGeol, MIMM, MPESA, who has had 37 years experience in the practice of geology and more than 5 years experience in petroleum geology.