



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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Tuesday, 19 September 2006

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

Dear Sir/Ms,

RE: RESUMPTION OF TESTING OPERATIONS, EAGLE NORTH 1, CALIFORNIA, USA

Sun Resources NL ("Sun Resources") wishes to update shareholders on resumption of testing operations on Eagle North 1, San Joaquin Basin, California, USA.

The deep work over rig over has arrived on location and commenced operations on Monday 18th September, Californian time (Tuesday 19th September Perth time).

Prior to its arrival a coil tubing rig carried out some work over a 36 hour period and established that the perforating guns appeared not to have been fired.

The operations planned for the work over rig, on a day time only basis over the next 14 days, is to retrieve the production valve and tubing conveyed guns in the horizontal well bore and clean out the well bore in preparation of running new casing perforating guns to retest the as yet untested oil pay in the lower Gatchell sand behind casing and in the open hole.

A small further hiatus in operations is expected before actual testing operations can occur as the reason why the perforating guns did not fire needs to be ascertained before a new completion (inclusive of casing guns) is run down the hole.

Sun Resources is pleased operations have resumed on Eagle North 1 which should hopefully lead to the testing of the good oil shows seen in the 177 metres of horizontal well in the lower Gatchell sand; ie the 72 metres behind the to be perforated 4½" liner from 4,209 to 4,281 metres measured depth and barefoot completing out of the base of the 4½" liner at 4,281 metres measured depth the 105 metres of open hole oil sand from 4,281 to 4,386 metres measured depth.

An ASX release on the results of the work over will be made on completion of the operations.

Participants interests in the Eagle Oil Pool Development Project on completion of Eagle North #1 are:

# Sun Resources NL	10.0%
# Victoria Petroleum NL (Operator)	20.0%
# First Australian Resources Ltd	15.0%
# Lakes Oil NL	15.0%
Empyrean Energy PLC	38.5%
USA Private Interest	<u>1.5%</u>
	100.0%

ASX 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 the various project operators and compiled by Dr B. L. Farrell, PhD, MSc, BSc (Hons Eco.Geol), FAIMM, MICA, CPGeol, MIMM, MPESA, who has had 35 years experience in the practice of geology and more than 5 years experience in petroleum geology.