



SUN RESOURCES NL

ABN 69 009 196 810
(INCORPORATED IN WESTERN AUSTRALIA)

25 Prowse Street
WEST PERTH, WA 6005, Australia
PO Box 1786, WEST PERTH, WA 6872, Australia

Email: admin@sunres.com.au
Telephone: 61 8 9481 3638
Facsimile: 61 8 9481 3528

Tuesday, 12 June 2007

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

RE: USA PROJECTS DRILLING UPDATES

1. LAKE LONG – HOLLYWOOD PROSPECT, LOUISIANA (10.00% INTEREST)

The SL328 # 9 well on the Hollywood Prospect, Lake Long, Louisiana is presently at second casing point at 11,567 feet measured depth (11,500 feet true vertical depth) where 9 5/8" casing is currently being run and set. Prior to running casing, electric logs were run from first casing point at 3,500 feet measured depth to current depth to correlate with the nearby producing (Hollywood Sands) Palace (SL 328) #1 well. Drilling ahead to target will resume towards the end of the week.

The well targets deeper 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 13,567 feet, which have a cumulative potential of 21.7 billion cubic feet of gas ("bcf") and 760,000 barrels of condensate ("boc"). The prospect is 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 .

2. DONNA CARLOTA - PROJECT MARGARITA, TEXAS (20.00% INTEREST)

The Donna Carlota #1 well, Project Margarita, Texas, is currently drilling ahead after a bit trip at 3,245 feet (989 metres) to target and thence total depth of 5,000 feet (1,524 metres).

The Donna Carlota Prospect is one of the three prospects that are analogues of historic prolific Frio and Vicksburg sands production in the project area at <2,000 meters depth. The prospects with mean potential target outcomes and final well depths are summarised below.

Prospect	Potential Mean Reserves	Total Well Depth
Donna Carlota	0.8 BCF	1,524 metres
Agavero	0.7 BCF	1,341 metres
Climaco	1.6 BCF	1,981 metres

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.