



SUN RESOURCES NL

ABN 69 009 196 810
(INCORPORATED IN WESTERN AUSTRALIA)

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Tuesday 30 October 2007

Companies Announcements Office
ASX Limited
20 Bridge Street
SYDNEY, NSW2000

RE: ENTITLEMENTS ISSUE NOTICE

Sun Resources NL (“Sun” or the “Company”) has previously announced on 18 October 2007 it is making a fully underwritten pro-rata non-renounceable entitlement issue to shareholders who are registered at 5.00pm WST on 26 October 2007 (“Record Date”) of approximately 28,459,298 shares at an issue price of \$0.07 per share to raise approximately \$1,992,151 (before expenses of the issue) (“Entitlements Issue”). The shares will be offered on the basis of 1 new share for every 6 shares held on the Record Date.

The Company is making the Entitlements Issue without a disclosure document, pursuant to the exemption granted in section 708AA of the Corporations Act 2001 (Cth) (the “Act”).

The Company gives the following information under section 708AA of the Act:-

- (a) the Company will offer the shares under the Entitlements Issue without disclosure to investors under Part 6D.2 of the Act;
- (b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Act;
- (c) as at the date of this notice, the Company has complied with:-
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (d) as at the date of this notice there is no excluded information that is required to be set out in this notice by section 708AA(7)(d) of the Act;
- (e) under the Entitlements Issue, approximately 28,459,298 shares (subject to rounding) will be issued (this number may have to be increased by up to 3,750,000 shares if existing option holders exercise their options prior to the Record Date). The shares will be issued for \$0.07 each. The Entitlements Issue is fully underwritten by Hartleys Limited for a fee of 6% of the total amount to be raised. In addition all of the Directors have agreed to take up their full

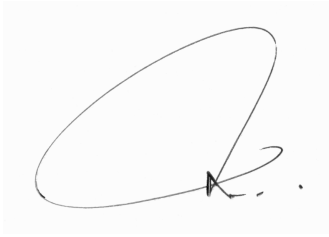
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entitlement under the Entitlements Issue and Dr B L Farrell and Mr A P Woods have agreed to sub-underwrite a further 220,536 and 1,000,000 shares respectively of any Entitlements Issue shortfall for a fee of 1% of their respective firm and sub-underwritten amounts;

- (f) upon completion of the Entitlements Issue, and assuming no existing option holders exercise their options, the issued capital of the Company will comprise approximately 199,215,083 shares. If all shareholders take up their entitlements under the Entitlements Issue, the Entitlements Issue will have no effect on the control of the Company. If no shareholders take up their entitlements under the Entitlements Issue, the underwriter Hartleys Limited together with its sub-underwriters would acquire up to 28,459,298 shares, representing up to approximately 14.3% of the Company's voting shares; and
- (g) there are no material consequences of the effect of item (f) above.

Signed for and on behalf of the Issuer

SUN RESOURCES NL

A handwritten signature in black ink, appearing to be 'A P Woods', written over a light grey rectangular background.

A P Woods

Company Secretary