



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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Tuesday, 27 February 2007

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

Dear Sir/Ms,

RE: SHALLOW DRILLING PROGRAM STATUS. PROJECT MARGARITA, USA

Sun Resources NL ("Sun") advises the following in relation to the shallow drilling program.

1. El Viejito Well Flow Test

A coiled tubing unit has arrived on location and operations in preparation for a flow test have commenced. As reported in the Sun ASX release of February 2, 2007 there are two zones of interest in the well. The test results will be reported as results become available, this is anticipated to occur within the next 4 - 5 days.

2. Milagro Well Flow Test Timing

A workover rig is anticipated to arrive on location to commence testing operations Wednesday February 28, 2007 (US Central Time).

3. Dos Dedos Well

The rig to drill this well mobilized to location Monday February 26, 2007 (US Central Time). Dos Dedos is the third well in the proposed 6 shallow well program. After this well the rig will move to another operator for a number of wells before returning to drill the remaining 3 wells in the Margarita Shallow Well Program.

Participants in the shallow gas program wells are:

Sun Resources NL [#]	20.00%
Victoria Petroleum NL [#]	20.00%
Empyrean Energy PLC [*]	44.00%
Wandoo Energy LLC ⁺	<u>16.00%</u>
	100.00%

[#] ASX listed

^{*} AIM listed

⁺ USA Private Interest

Yours sincerely

SUN RESOURCES NL

William Ashby
MANAGING DIRECTOR

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 Mr William J Ashby, BAppSc (Geophysics), Grad Dip (Geophysics), MAAPG, MSEG, MPESA, who has had 23 years experience in the practice of petroleum, geology and geophysics.