



SUN RESOURCES NL

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(INCORPORATED IN WESTERN AUSTRALIA)

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

RE: CONCLUSION OF PLANNED SHALLOW WELL PROGRAM - PROJECT MARGARITA, ONSHORE GULF COAST SOUTH TEXAS

Sun Resources NL ("Sun Resources") advises that the drilling operations on the three programmed wells within the shallow program of the Margarita Project have concluded.

Drilling of these three wells resulted in 2 gas discoveries, which have been or are currently awaiting connection to gas sales lines. The discovery wells were Dona Carlota and Agavero. The Climaco well was plugged and abandoned after penetrating the objective section and encountering gas shows, however the gas shows were determined to be non commercial after running wireline logs. The table below summarizes flow rates and the status of the wells.

Prospect	Total Well Depth metres	Current Flow Rate mscfd	Status
Dona Carlota	1,524	500 (on sales)	Gas discovery , well currently producing to sales. Plan to increase sales rate to approx. 1 million standard cubic feet per day after treatment to the well bore scheduled within one week
Agavero	1,341	647 (on flow test)	Gas discovery flow tested 647 mscfd, awaiting tie into sales line. Gas sales are expected to commence within one to two weeks.
Climaco	1,858	No Flow Test	Plugged & Abandoned

Sun, Victoria Petroleum NL and Wandoo Energy LLC have developed further shallow prospects within the Margarita Project, which will be examined for potential future drilling at a later date.

Participants and their respective working interests post farmin within the shallow gas wells drilled to date 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 the project operator and compiled by William J. Ashby who has had 23 years experience in the practice of petroleum exploration and more than 5 years experience in petroleum geology and geophysics.