

24 August 2010

ASX Limited
Company Announcements
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Sun Resources to be carried for up to US\$3.43 million
in L20/50 2010 drill programme, onshore Thailand

- **Peak Oil & Gas Ltd (Peak), a privately funded Australian energy company, will earn up to 20% by carrying up to US\$3.43 million of Sun Resources' share of well costs in the forthcoming drilling program at L20/50, onshore Thailand**
- **Sun Resources will retain a minimum 30% working interest in L20/50 following Peak's farm in**
- **L20/50 Operator Carnarvon Petroleum will drill up to 3 wells at L20/50 with a firm well scheduled for December quarter 2010**

Sun Resources NL ("Sun Resources") has executed a binding Term Sheet with Peak Oil & Gas Ltd ("Peak") to earn up to a 20% working interest in L20/50, onshore Thailand. Peak will free carry up to US\$3.43 million of Sun Resources' share of well costs in the drilling programme, in Joint Venture with Operator, Carnarvon Petroleum Limited ("Carnarvon") to test up to 60 million barrels of un-risked, gross speculative potential, oil resources. Subject to Government approvals and seasonal weather conditions, the first firm well is expected to commence drilling in the December quarter of 2010.

Peak will earn its interest, in three stages, subject to the number of wells ultimately drilled, as specified below:

1. Peak has committed to contribute US\$1.3 million from existing cash reserves toward Sun Resources' share of the costs of the first L20/50 well to earn a 7.5% working interest in L20/50.
2. Subject to Peak completing its initial public offering and being admitted to the ASX on or before 14 December 2010, Peak will contribute US\$0.98 million toward Sun Resources' costs of a second well to earn an additional 7.5% working interest in L20/50.
3. Peak also has an option to contribute US\$1.15 million toward Sun Resources' share of the costs of a third well to earn an additional 5% working interest in L20/50. Peak must exercise its election within 7 days of the completion of the second well.

Sun retains the option to deal with other parties in respect of wells two and three until Peak completes its initial public offer and ASX listing, and should Peak fail to contribute to the costs of wells two and three.

This transaction is subject to Joint Venture approval by 27 August 2010, due diligence by 10 September 2010, and Government approvals by 3 October 2010.

Managing Director of Sun Resources, Matthew Battrick commented, "This is an excellent deal for both Sun Resources and Peak. It secures funding for our share of a multi-well drill programme at L20/50 and it allows Sun Resources to retain a very significant interest in any discoveries made. It also secures early drilling opportunities in a prospective program for Peak. The two companies look forward to considering other business dealings together in the South East Asian region in the near future."

Yours faithfully

SUN RESOURCES NL



Matthew Battrick

MANAGING DIRECTOR

Information contained in this report was sourced from the Operator of the Joint Venture in which the Company has an interest and was compiled by the Managing Director of Sun Resources, Matthew Battrick, BSc (Geol), MPESA, MPESGB, MAAPG, GAICD who has had 30 years experience in the practice of geology and more than 25 years experience in petroleum geology.

About L20/50

L20/50 lies in the onshore Phitsanulok Basin and is 20 kilometres to the south of and adjacent to the largest onshore oil and gas accumulation in onshore Thailand, the Sirikit Field, with original reserves of 200+ million barrels of oil equivalent ("mmboe"). The L20/50 Joint Venture exploration program is targeting an oil resource of similar size to that of Carnarvon and Pan Orient who have produced up to 15,000 bopd (with > 60 mmboe estimated gross ultimate recovery) from a number of new oil pools in the "volcanic play" in the adjacent Phetchabun Basin, 50 kilometres to the east.

The primary reservoir targets at L20/50 are the "volcanic play", a previously overlooked, shallow, fractured, stacked volcanic reservoir target within fault block structures. A second, equally important target, are the traditional sandstone reservoirs that produce most of the oil from the prolific Sirikit Oil Field and which are present in multiple levels in the Nong Bua-1 well within L20/50.

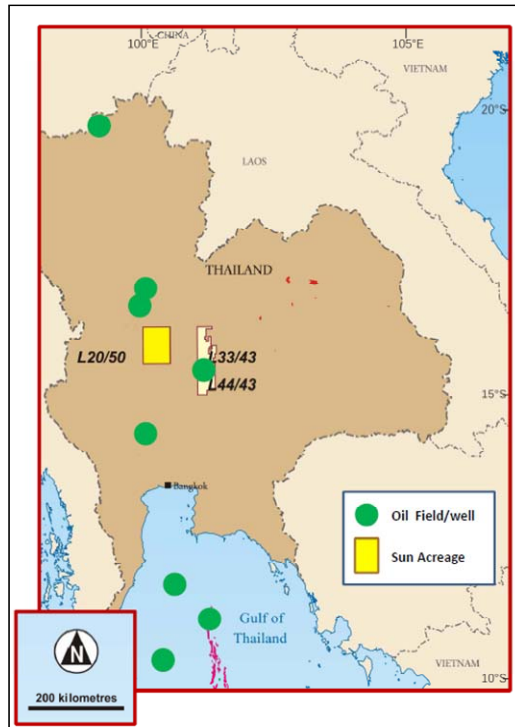


Figure 1: location map of L20/50 permit

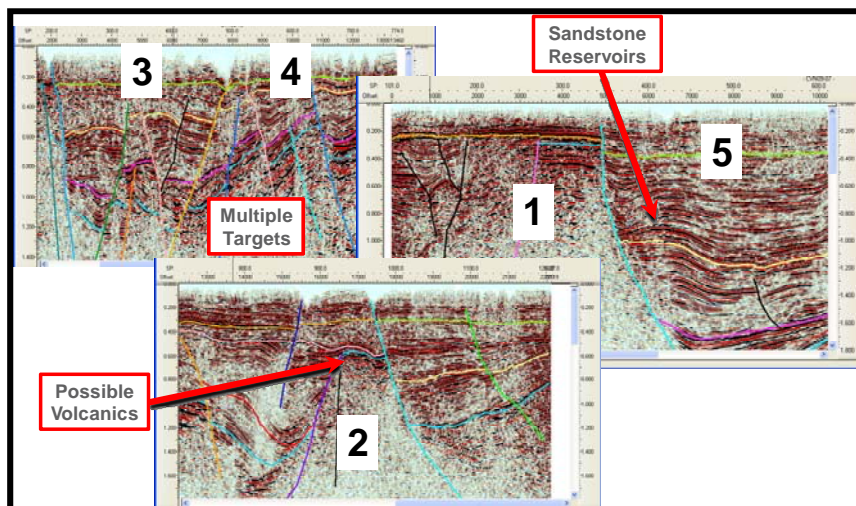


Figure 2: Seismic cross-section montage showing a selection of the structural prospects likely to be considered for testing by the forthcoming drilling campaign.

About Peak

Peak Oil & Gas Limited is a privately owned energy company headquartered in Perth, Western Australia and operating in the upstream oil and gas sector across the Asia- Pacific region. Since its formation in 2008 Peak has developed an attractive portfolio of assets including near term production and company making exploration projects. Peak is planning to conduct its IPO in the fourth quarter of 2010. More information is available at www.peakoil-gas.com.