

**ASX**

AUSTRALIAN SECURITIES EXCHANGE

MARKET RELEASE

22 November 2010

Sunset Energy Limited**TRADING HALT**

The securities of Sunset Energy Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Wednesday, 24 November 2010 or when the announcement is released to the market.

Security Code: SEY
 SEYO

Jill Hewitt
Senior Adviser Listings (Perth)



sunset energy Ltd

22 November 2010

Manager Announcements
Company Announcements Office
Australian Securities Exchange
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Sirs

Request for Trading Halt

Sunset Energy Ltd (ASX: SEY) requests a trading halt of its securities from ASX for up to 2 days effective immediately pending an announcement on operations at its Triple Crown Prospect in Texas.

The Company advises that it is experiencing technical difficulties with drilling operations. As at 6.00am 22 November the company had drilled to a depth of 2 320, however during routine trip out operations the bit got stuck at a depth of 1600 ft.

The Company is currently reviewing its options for continuing operations.

The technical difficulties experienced to date have resulted in slower than expected progress and increased costs.

The Company is not aware of any reason why the trading halt should not be granted.

Yours faithfully,

For and on behalf of Sunset Energy Limited

Managing Director

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