

01 February 2011

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

Dear Sir/Madam

High Impact Multi-Well Oil Drill Programme Underway Onshore Thailand

Sun Resources NL (“Sun” or “the Company”) (ASX:SUR) is pleased to announce that it has been advised by Carnarvon Petroleum Limited (“Carnarvon”), the Operator of L20/50 onshore Thailand, that the first well (Tapao Kaew #1) has spud in its high impact multi-well oil drilling programme.

The Tapao Kaew Prospect is located onshore central Thailand in the Phitsanulok basin, approximately 350 km north west of Bangkok and 50km south of the prolific Sirikit Oil Field (producing ~20,000 bopd with >200 mmboc estimated ultimate recovery). The Joint Venture estimates the Tapao Kaew Prospect to have a gross speculative potential resource of approximately 21 million barrels. The proposed total depth for Tapao Kaew #1 is around 1,715 metres and it will test three separate mapped horizons.

Matthew Battrick, Sun’s Managing Director commented, “*The Board of Sun is very pleased to have commenced this high impact multi-well oil drill programme that will test up to 90 million barrels of oil (speculative potential which is a best estimate based on gross recoverable oil), and to be working in Joint Venture alongside a group that has experienced so much success in recent years producing onshore Thailand. Carnarvon has previously demonstrated that a discovery onshore Thailand can be very quickly commercialised with crude oil transported by truck to one of Thailand’s nearby oil refineries.*”

Status Update

The Operator reports that the Tapao Kaew #1 well has set surface conductor casing to 23.5m measured depth (“MD”) and as at 6:00 am on 1 February is currently drilling 17 1/2” hole according to plan at a depth of 112 metres.

Forward Plan

Operations for the next 6-7 days will be drilling and setting the 13 3/8” casing and drilling and setting the 9 5/8” casing. The Operator expects the Tapao Kaew #1 well to penetrate the first of the primary objectives in the 8 1/2” section within the next 8-10 days. The well is planned to reach total depth (“TD”) 12 days after spud.

Further updates will be issued as the well progresses.

Tapao Kaew

Tapao Kaew is targeting a 4-way anticlinal structure with stacked targets on the western edge of the basin, immediately adjacent to the interpreted hydrocarbon kitchen. The Joint Venture estimates the Tapao Kaew Prospect to have a gross speculative potential resource of approximately 21 million barrels. The Tapao Kaew #1 well will test up to three separate mapped horizons between approximately 700 - 1,715 metres.

Peak Farm-Out

As previously advised, Peak Oil and Gas Limited (“Peak”) will free-carry Sun through its share of the first well in this multi-well programme. Sun will maintain a very significant 42.5% interest in L20/50 following farm-out to Peak, providing maximum leverage to its shareholders in this multi-well drilling programme that will test up to **90 million barrels of oil** (speculative potential which is a best estimate based on gross recoverable oil).

For more information and regular updates, please visit the website: www.sunres.com.au

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 30 years experience in the practice of geology and more than 25 years experience in petroleum geology.



AD-1 Drilling Rig

About L20/50 Drilling Programme

Well #1 - the Tapao Kaew Prospect

The Tapao Kaew Prospect (figure 1), a 4-way anticlinal structure with stacked targets on the western edge of the basin, immediately adjacent to the interpreted hydrocarbon kitchen.

The Joint Venture estimates the Tapao Kaew Prospect to have a gross speculative potential resource of approximately 21 million barrels. The Tapao Kaew #1 well is testing up to three separate mapped horizons between approximately 700 - 1,715 metres.

Well #2 - the Krai Thong Prospect

The second well will be drilled into the Krai Thong Prospect (fig. 1), a faulted anticlinal structure with multiple stacked targets.

The Joint Venture estimates the Krai Thong Prospect to have a gross speculative potential resource of approximately 37 million barrels. The Krai Thong #1 well will target two separate mapped horizons between approximately 700 - 1,450 metres.

Well #3 (Contingent) - the Chalawan Prospect

If sufficient encouragement is demonstrated by the first two wells, the Joint Venture may drill a third well as part of this initial drill programme. This well would be at the Chalawan Prospect (fig. 1). This structure comprises a series of tilted fault closures on the eastern edge of the basin.

The Joint Venture estimates the Chalawan Prospect to have a gross speculative potential resource of approximately 32 million barrels. If this prospect is drilled, it is planned to be a shallow well to a total depth of 950 metres.

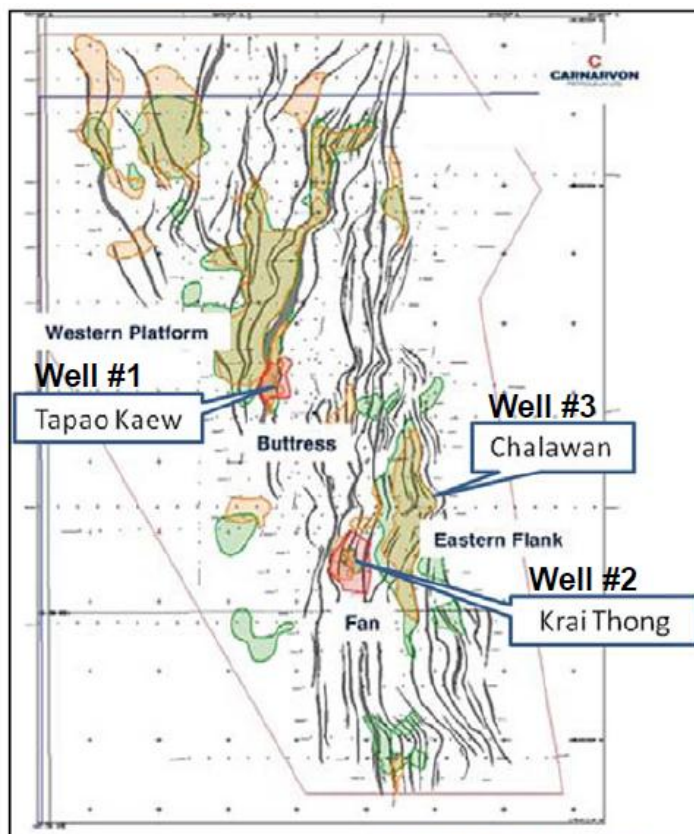


Figure 1, Prospect location map, L20/50 Permit

About the L20/50 Permit

The L20/50 permit lies on the onshore Phitsanulok Basin, located between Thailand's two largest producing onshore field complexes, being the next basin along from Carnarvon Petroleum Limited's Phetchabun Basin Oil Fields (producing up to 15,000 bopd with >60 mmbob estimated ultimate recovery) and 20 kilometres south, in the same basin as the prolific Sirikit Oil Field (producing ~20,000 bopd with >200 mmbob estimated ultimate recovery).

The L20/50 Joint Venture exploration programme is targeting a resource of similar size to that of Carnarvon and Pan Orient who are producing up to 15,000 bopd (with >60 mmbob 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 target in the wells testing the firm prospects is the traditional sandstone reservoirs that produces most of the oil from the prolific Sirikit Oil Field and is present in multiple levels in the Nong Bua #1 well within L20/50.