



SUN RESOURCES NL

ABN 69 009 196 810
(INCORPORATED IN WESTERN AUSTRALIA)

25 Prowse Street
WEST PERTH WA 6005 Australia
PO Box 1786, WEST PERTH WA 6872 Australia

Email: admin@sunres.com.au
Telephone: 61 8 9481 3638
Facsimile: 61 8 9481 3528

Tuesday, 29 June 2004

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

Dear Sir/Madam

RE: MUGGLES 1 DRILLING UPDATE WA-254-P, OFFSHORE CARNARVON BASIN, WA

Operator of WA-254-P, Apache Northwest Pty Ltd ("Apache") has advised Sun Resources NL ("Sun Resources") that the rig arrived on location as scheduled. Current operations at 0600 hours WST this morning was preparing to spud well.

The Muggles Prospect is an *M australis* stratigraphic pinchout trap at ~1300 metres subsea depth within a Cretaceous channel on the Enderby Terrace. Prospect potential ranges in size from 33.5 (mean) to 83.1 (P₁₀) million barrels of oil recoverable. If drilling is successful the discovery could be tied back to the nearby Legendre Oil Field in which the Operator has a substantial interest.

Participants in Muggles are:-

* Sun Resources NL	10.3895%
Apache Northwest Pty Ltd	69.7305% (Operator)
* First Australian Resources Ltd	10.7143%
* Victoria Petroleum NL	6.1743%
* Pan Pacific Petroleum NL	2.9914%
	<u>100.0000%</u>
* ASX listed	

Yours sincerely
SUN RESOURCES NL

Dr Brad L Farrell
MANAGING DIRECTOR

This report is lodged on the Company's website, www.sunres.com.au