



sunset energy Ltd

13 December 2010

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

Triple Crown Prospect – Surface Casing Set

The Board of Sunset Energy Ltd (“Sunset” or “the Company”) is pleased to announce that surface casing has been run and cemented to a depth of 1639 ft. As of 6 am Monday 13 December the rig was running back in hole to commence drilling of the next section of the well.

Significant challenges were encountered in drilling and setting casing through the Cretaceous formation due to a combination of aquifer zones, shale’s and unconsolidated sections. These challenges were overcome by utilising the learning’s from the first well, and employing a combination of air and mud drilling techniques.

The base of the Cretaceous is estimated to be at approximately 1,485 feet based on data observed whilst drilling and offset wells and therefore given the current casing depth of 1639 ft, Sunset is confident the Cretaceous zones which have been the cause of the drilling issues up to this point are now behind casing and will not affect the drilling operations moving forward.

Sunset will drill ahead with air through the zones of interest. Sunset believes that based on the drilling performance of similar wells that the remainder of the well will be able to be drilled with minimal difficulties.

Further updates will be provided as the well progresses.

Yours faithfully,

For and on behalf of Sunset Energy Limited

Paul Bilston
Managing Director

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