



**CARNARVON
PETROLEUM
LIMITED**
ABN 60 002 688 851

11 June 2003

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Dear Sirs,

AWARD OF EXPLORATION LICENCE L44/43 IN THAILAND

Please find attached Carnarvon Petroleum Limited's announcement concerning the award of the new Exploration Licence area L44/43.

Yours faithfully,
CARNARVON PETROLEUM LIMITED

Trevor Irwin
Company Secretary

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UPDATE ON EXPLORATION LICENCE L44/43 AWARD

AWARD OF EXPLORATION LICENCE L44/43 IN THAILAND

The Department of Minerals and Fuels of the Government of Thailand has announced the impending award of Exploration Block L44/43 in central Thailand to Carnarvon Petroleum Limited and its Joint Venture partner, Pacific Tiger Energy Inc, the Operator. The formal signing ceremony by the Minister is now imminent. Carnarvon will hold a 40% interest in L44/43 and the Pacific Tiger the remaining 60%.

The Block covers 3935 sq km and encompasses all of the southern part of the Wichian Buri sub-basin portion of the Phetchabun Basin. L44/43 surrounds the 8 sq km of the existing producing areas of the Wichian Buri Oil Field in Production Licenses I and II (PL I and PL II). To date 580,000 barrels of oil has been produced from PL I and PL II.

Oil appears ubiquitous in the Wichian Buri sub-basin and, by extension, is expected throughout L44/43. The area is however under-explored and to this point in time only 19 wells have been drilled in the Wichian Buri sub-basin. Nonetheless all 15 wells drilled on valid structures have found oil or gas.

Block L44/43 has both existing oil and gas discoveries with current production as well as exploration potential. The Block has demonstrated all the elements needed for oil discoveries including source, reservoir, seal and structure.

In addition to the Wichian Buri Oil Field, L44/43 encompasses the existing oil discoveries at the producing Si Thep Oil Field and the Na Sanun Oil Field as well as the gas discovery at Bo Rang. Consideration is currently being given to develop the Bo Rang Gas Field for the local energy market and both Si Thep and Na Sanun have adjoining structures with potential for further discoveries.

There are also eight identified leads and prospects in the relatively small area of approximately 100 sq km within the Block that has been reviewed to date. Substantial additional exploration potential exists in the Block as has been demonstrated by the oil discoveries.

Upon award of Block L44/43 the Joint Venture partners will embark on the committed work program that will include seismic acquisition as a prelude to exploration and development drilling. Planning of a drilling program is underway between the JV partners. The drilling is planned to include an out-step well to the north of PL I/II which will enable the JV to apply for a new and larger production licence, PL III, encompassing the northern part of the field. This will allow extensive drilling to enable production from Wichian Buri of the entire remaining proved reserve of 10.2 MMBO.

Enquiries can be directed to:

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