

Carnarvon Petroleum Limited

ABN 60 002 688 851

**Notice is given that the Annual General Meeting
of Carnarvon Petroleum Limited will be held at**

Royal Perth Yacht Club

Australia II Drive, Crawley

Perth, Western Australia

at 11.00am on Thursday, 29th November 2007

Carnarvon Petroleum Limited ABN 60 002 688 851

Registered Office: Suite 3, 16 Ord Street, West Perth, WA 6005

Telephone: +61 8 9321 2665, Facsimile +61 8 9321 8867

Notice is given that the Annual General Meeting of Carnarvon Petroleum Limited ("Carnarvon" or "the Company") will be held at Royal Perth Yacht Club, Australia II Drive, Crawley, Perth, Western Australia at 11.00am on Thursday, 29th November 2007.

Ordinary Business

Financial Statements and Reports

To receive and consider the Financial Statements and the Directors' Declaration and Directors' Report for the year ended 30 June 2007, together with the Auditor's Report to the members of the Company.

Resolutions

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To re-elect Mr Peter J Leonhardt as a director:

"That Mr Peter J Leonhardt, who retires by rotation in accordance with rule 35(c) of the Company's Constitution and, being eligible offers himself for re-election, be re-elected as a director of the Company."

2. Appointment of Auditors

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

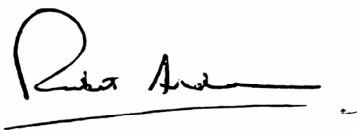
"That WHK Horwath Perth Audit Partnership be appointed as auditors of the Company."

To consider and put to a non-binding vote the following resolution:

3. Adoption of the Remuneration Report for the year ended 30 June 2007

"That the Remuneration Report required by section 300A of the Corporations Act, as contained in the Directors' Report of the Company for the year ended 30 June 2007, be adopted."

By order of the board



RA Anderson
Company Secretary
Perth, 19 October 2007

Information for Members

For the purposes of voting at the meeting, shares of the Company will be taken to be held by the holders of those shares registered as such at close of business on 27 November 2007. The entitlement of members to vote at the meeting will be determined by reference to that time.

A proxy form accompanies this Notice of Annual General Meeting.

A member who is entitled to attend and vote at this meeting is entitled to appoint not more than two proxies. A proxy need not be a member. Where the Chairman is appointed proxy, he will vote in accordance with the member's directions as specified on the proxy form or, in the absence of a direction, in favour of the resolution contained in this Notice of Annual General Meeting.

A single proxy exercises all voting rights. Where a member wishes to appoint two proxies, an additional proxy form may be obtained by contacting the Carnarvon Petroleum Limited share registry or you may copy the enclosed proxy form. A member appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints two proxies and does not specify each proxy's voting rights, the rights are deemed to be 50% each. Fractions of votes are to be disregarded.

Proxy forms should be returned to Computershare Investor Services Pty Limited

- in the enclosed reply paid envelope; or
- by facsimile to +61 8 9323 2033; or
- in person, to Computershare Investor Services Pty Limited, Level 2, 45 St Georges Terrace, Perth WA 6000; or
- by mail, to Computershare Investor Services Pty Limited, GPO Box D182, Perth WA 6840, Australia

or may alternatively be sent to the Company at its registered office:

- in person, to Carnarvon Petroleum Limited, Suite 3, 16 Ord Street, West Perth, WA 6005; or
- by mail, to Carnarvon Petroleum Limited, PO Box 99, West Perth, WA 6872, Australia; or
- by facsimile to +61 8 9321 8867

by no later than 11.00am (Perth time) on Tuesday 27 November 2007.

Voting Exclusion Statement

None of the Resolutions is subject to a voting exclusion statement.

Explanatory Notes

Financial Statements and Reports

The Financial Statements of the Company and its controlled entities for the year ended 30 June 2007, and the Declaration and Report of the Directors and the Auditor's Report are set out in the Carnarvon Petroleum Limited 2007 Annual Report.

Neither the Corporations Act 2001 nor the Company's Constitution requires a vote on the reports, however, shareholders will have an opportunity to ask questions and make comments on the reports and the Company's business and operations at the Annual General Meeting.

Resolutions

1. Resolution 1 – Election of Peter J Leonhardt as a director

Under rule 35(c) of the Company's Constitution, one-third of the directors are required to retire by rotation every year but are eligible to be re-elected.

Mr Peter J Leonhardt is the director to retire by rotation and, being eligible, offers himself for re-election as a director.

Mr Leonhardt, who was appointed a director in March 2005, is an independent company director and adviser with extensive business, financial and corporate experience. He is a Chartered Accountant and a former Senior Partner with PricewaterhouseCoopers and Managing Partner of Coopers & Lybrand in Western Australia.

Mr Leonhardt is Chairman of both the Board of Directors and the Audit Committee.

Recommendation

The directors (other than Mr Leonhardt) recommend that shareholders vote in favour of the resolution.

2. Resolution 2 – Appointment of Auditors

Due to the acquisition of Grant Thornton Western Australia Partnership by the WHK Group Ltd effective 1 July 2007, the directors appointed WHK Horwath Perth Audit Partnership as auditors, in accordance with section 327C(1) of the Corporations Act, to fill the casual vacancy until the Company's next Annual General Meeting. The Company is now seeking the formal appointment of WHK Horwath Perth Audit Partnership as auditors of the Company.

Recommendation

The directors recommend that shareholders vote in favour of the resolution.

3. Resolution 3 – Adoption of the Remuneration Report for the year ended 30 June 2007

The Directors' Report for the year ended 30 June 2007 contains a Remuneration Report, which sets out the policy for remuneration of directors and executives.

In accordance with section 250R of the Corporations Act, the Company submits to shareholders for consideration and adoption by way of a non-binding resolution its Remuneration Report for the year ended 30 June 2007.

At the Annual General Meeting there will be a reasonable opportunity for discussion of the report.

Recommendation

The directors recommend that shareholders vote in favour of the resolution.

21 Allerton Way
Booragoon WA 6154

8 October 2007

The Directors
Carnarvon Petroleum Limited
Suite 3
16 Ord Street
West Perth WA 6005

Dear Sirs

AUDITOR NOMINATION

In accordance with the provisions of Section 328B(1) of the Corporations Act, Ian McClure, being a member of Carnarvon Petroleum Limited, hereby nominates WHK Horwath Perth Audit Partnership, Level 6, 256 St Georges Terrace, Perth for appointment as auditor of the Company at the Annual General Meeting to be held on 29 November 2007.

Yours faithfully

A handwritten signature in black ink that reads "Ian McClure". The signature is written in a cursive style with a large initial 'I'.

Ian McClure

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Carnarvon Petroleum Ltd

ABN 60 002 688 851

TO LODGE A PROXY FORM:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Facsimile 61 8 9323 2033

FOR ALL ENQUIRIES CALL:

(within Australia) 1300 557 010
(outside Australia) 61 3 9415 4000

000001 000 CVN
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

 **FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECEIVED BY 11.00AM (WDT) ON TUESDAY, 27 NOVEMBER 2007**



YOUR ANNUAL REPORT IS AVAILABLE ONLINE, SIMPLY VISIT:
www.carnarvonpetroleum.com

- Access your annual report
- Review and update your securityholding

YOUR SECURE ONLINE ACCESS INFORMATION

SRN/HIN: 11234567890

POST CODE: 3030

! FOR SECURITY REASONS IT IS
IMPORTANT THAT YOU KEEP
YOUR SRN/HIN CONFIDENTIAL.

HOW TO COMPLETE THIS PROXY FORM Please read these notes prior to completion of the voting form.

VOTES ON ITEMS OF BUSINESS

Voting 100% of your holding. You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Voting a portion of your holding. You may indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. The sum of the votes cast on each item or the percentages for and against an item must not exceed your voting entitlement or 100%.

A proxy need not be a securityholder of the Company.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the proportion or number of votes each proxy may exercise, otherwise each proxy may exercise half of the votes. Fractions of votes will be disregarded. A separate Proxy Form should be used for each proxy. You can obtain additional forms by telephoning the company's share registry or you may copy this form. If you lodge two proxies please lodge both forms together.

SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.


If a representative of a corporate securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained by telephoning the company's share registry or at www.computershare.com.

LODGEMENT OF A PROXY FORM. This Form (and any Power of Attorney under which it is signed) must be received at an address given above no later than 48 hours before the commencement of the meeting at 11.00am (WDT), Thursday, 29th November 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

STEP 1 APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We being a member/s of Carnarvon Petroleum Ltd hereby appoint

the Chairman of the Meeting **OR**

 Please leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Carnarvon Petroleum Ltd to be held at the Royal Perth Yacht Club, Australia II Drive, Crawley, Perth, Western Australia on Thursday, 29th November 2007 at 11.00am (WDT) and at any adjournment of that meeting.

STEP 2 ITEMS OF BUSINESS

PLEASE NOTE: If you mark the **Abstain** box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

	For	Against	Abstain
Item 1 To re-elect Mr Peter J Leonhardt as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2 Appointment of Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Adoption of the Remuneration Report for the year ended 30 June 2007	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN SIGNATURE OF SECURITYHOLDER(S) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary



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IND

000001 000 CVN
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of name and/or address. If your name and/or address is incorrect, please mark this box and make the correction on this form. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes. *Please note, you cannot change ownership of your securities using this form.*