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369 Draw Down of Funds for Phase 2

11/9/2002

CARNARVON PETROLEUM ACCESSES FUNDING FOR PHASE 2 DEVELOPMENT OF WICHIAN BURI OIL FIELD IN THAILAND

Carnarvon Petroleum NL ("Carnarvon") is pleased to announce that in conjunction with its Venture ("JV") partner it has drawn down the US\$2 million facility to finance the Phase 2 development of the Wichian Buri Oil Field in the SW1A Concession, onshore in Central Thailand. The funding has been provided by Gemini Oil & Gas Limited, an international special purpose finance group.

The funds will enable the hydraulic fracturing of the oil wells WB-N2 and WB-N3 as well as the drilling of 3 development wells to exploit the oil producing F Sandstone. The fracturing operations are scheduled for completion next week. The development wells will be drilled in Phase 2 commencing early October pending the mobilisation of the rig from elsewhere in Thailand. The drilling of the development wells is planned to take 15 to 20 days with oil production from the wells expected to come on-stream within a further ten days.

Proved oil reserves have been discovered by wells WB-1, WB-A1, WB-N1, WB-N2 and recently, WB-N3. Most likely (proved plus probable) technical reserves for the Wichian Buri field are calculated as 23 million barrels of oil based on an independent expert report. The Wichian Buri field represents approximately 2 square km within the 37 square km SW1A Concession.

In line with the increase in reserves, Carnarvon has negotiated a reduction in the loan interest rate from the original 8% to 7.5%. The reduction in rate is in exchange for an increase in the loan rate from 10% to 12.5% to be applied until Gemini recoups Carnarvon's portion of its investment (US\$0.8 million). Effectively, Carnarvon has negotiated a lower overall return on investment for Gemini receiving a shorter payback period. The amending documentation has been finalised.

The US\$2 million funding has been provided to the SW1A JV partners in proportion to their respective participating interests. Carnarvon's share is US\$0.8 million. Under the funding arrangement, each JV partner will pay a percentage of the sales proceeds of oil production from the F Sandstone in the Production Licences, PL I and PL II. Carnarvon's percentages are set out in the above.

Carnarvon Petroleum NL is a listed junior oil and gas exploration and production company. Carnarvon has a 40% interest in the SW1A Concession in Thailand, and reserves in Guinea and the North West Shelf of Australia. Carnarvon's JV partner in the SW1A Concession is Pacific Tiger Energy Inc.

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