

Good Oil Conference

September 2006

WICHIAN BURI OIL FIELD UPSIDE



Carnarvon Petroleum Limited - CVN



OVERVIEW OF CARNARVON

THAILAND

- Wichian Buri oil field in Thailand (40% CVN):
 - 14.2 MMBO gross recoverable oil – **Carnarvon net 5.68 MMBO.**
 - Current gross production of 75 BOPD – 9 wells producing
- Phase 1 drilling underway – 7 wells – 2 drilled ready for testing
- Phase 2 drilling in planning – up to 20 wells – startup December 2006
- **Opportunity** : Wichian Buri has been neglected – an opportunity for Carnarvon



AUSTRALIA

- 2 Exploration Permits in Carnarvon Basin

Carnarvon has net oil reserves of 5.68MMBO

Current Phase 1 drilling programme to re-develop Wichian Buri Field



STRUCTURE AND PERSONNEL

| | | |
|---------------------------|-------------------------------|----------------|
| Capital Structure: | Shares on issue (ASX : CVN) : | 482 million |
| | Options on issue (7 & 10c) : | 22 million |
| Market Cap: | at 5.5c / share : | \$26.5 million |
| Cash on hand: | 30 August 2006 : | \$4.2 million* |
| Shareholders: | Directors & Management : | 9% |
| | Top 20 holding : | 32% |

* Includes recent capital raise and SPP

Doesn't include \$350,000 refund of Govt bond

Chairman: Peter Leonhardt

- Chairman of Voyager Energy
- Chartered Accountant, held position as Managing Partner of Coopers and Lybrand, Perth

Non Exec Neil Fearis

Directors: Ken Judge

CEO: Ted Jacobson

- Petroleum geologist/geophysicist with 36 yrs experience
- Co-founder of Discovery Petroleum Ltd
- Co-founder and past technical director of Tap Oil Ltd

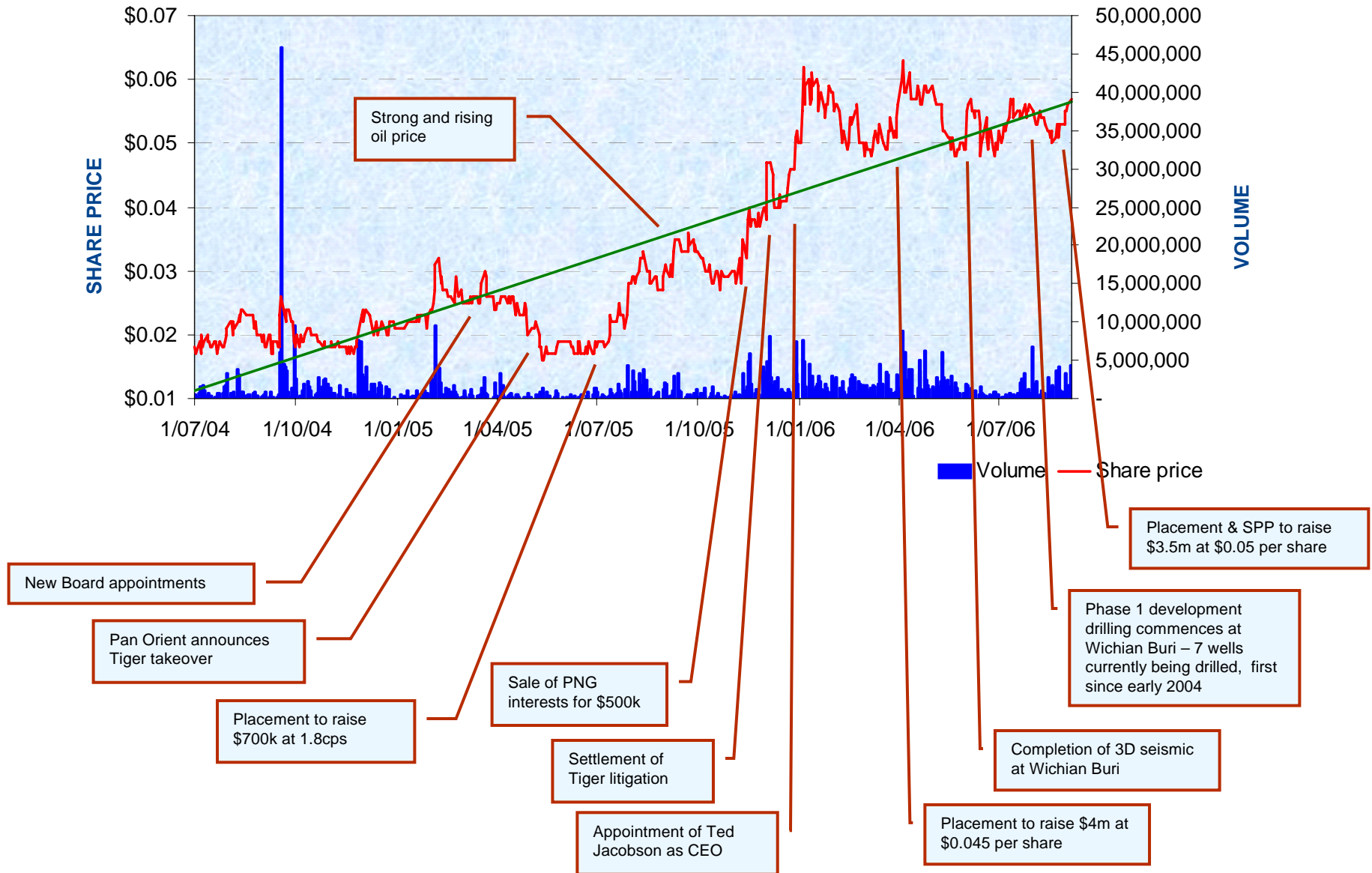
Technical Management

- Ted Jacobson - geophysics
- Ian McClure - geology



SHARE PRICE PERFORMANCE

CVN Share Price and Volume





Primary focus: Thailand

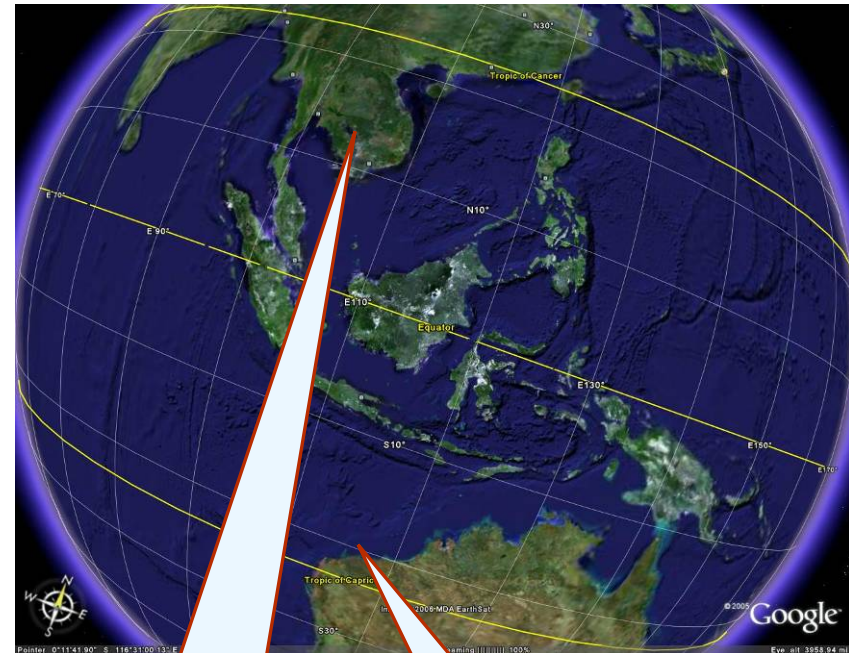
- Supportive Thailand Government.
- Good deal flow.
- Favourable fiscal regime.
- Thailand needs oil discoveries.

Secondary focus: Australia

- Stable Government.
- Good fiscal regime.

Looking for appropriate new ventures

- Won't overlook opportunities outside stated focus.
- Industry contacts important.
- Building Carnarvon's technical strengths.



**Wichian Buri Oil Field
Carnarvon 40%**

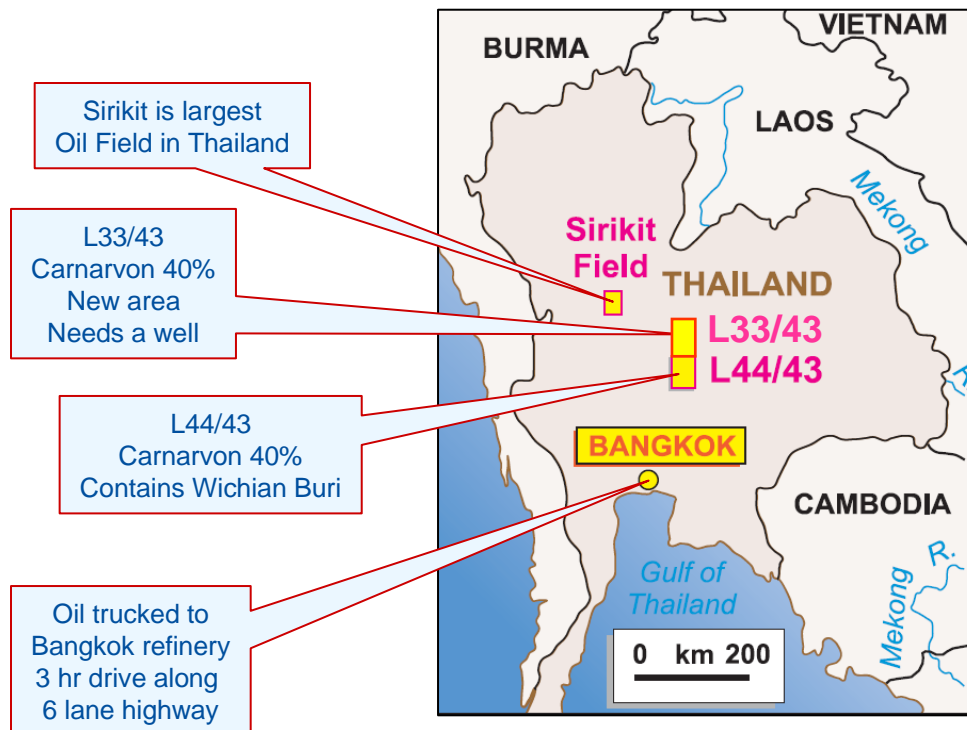
**EP 110 & EP 424
Carnarvon 35%**



THAILAND PERMITS

Wichian Buri, Thailand

- L44/43 40% Prov&prob 14.2 million barrels oil recoverable gross to JV.
- L33/43 40% Seismic reprocessing indicates good exploration potential.



- ✓ Currently producing around 75 bbls/day.
- ✓ Seismic Reprocessing completed
- ✓ 245 sq km 3D seismic survey recently completed and aggressive.
- ✓ 2 stage development drilling work commenced.
- ✓ Stage 1: drilling of 7 development/exploration wells - commenced.
- ✓ Workover of existing wells commenced
- Production testing of Phase 1 wells – commences late September
- Stage 2: drilling of up to 20 exploration wells - startup December 2006

Joint Venture currently has 2 rigs on site for Phase 1 drilling

A third rig being contracted for Phase 2 drilling



WICHIAN BURI OIL FIELD

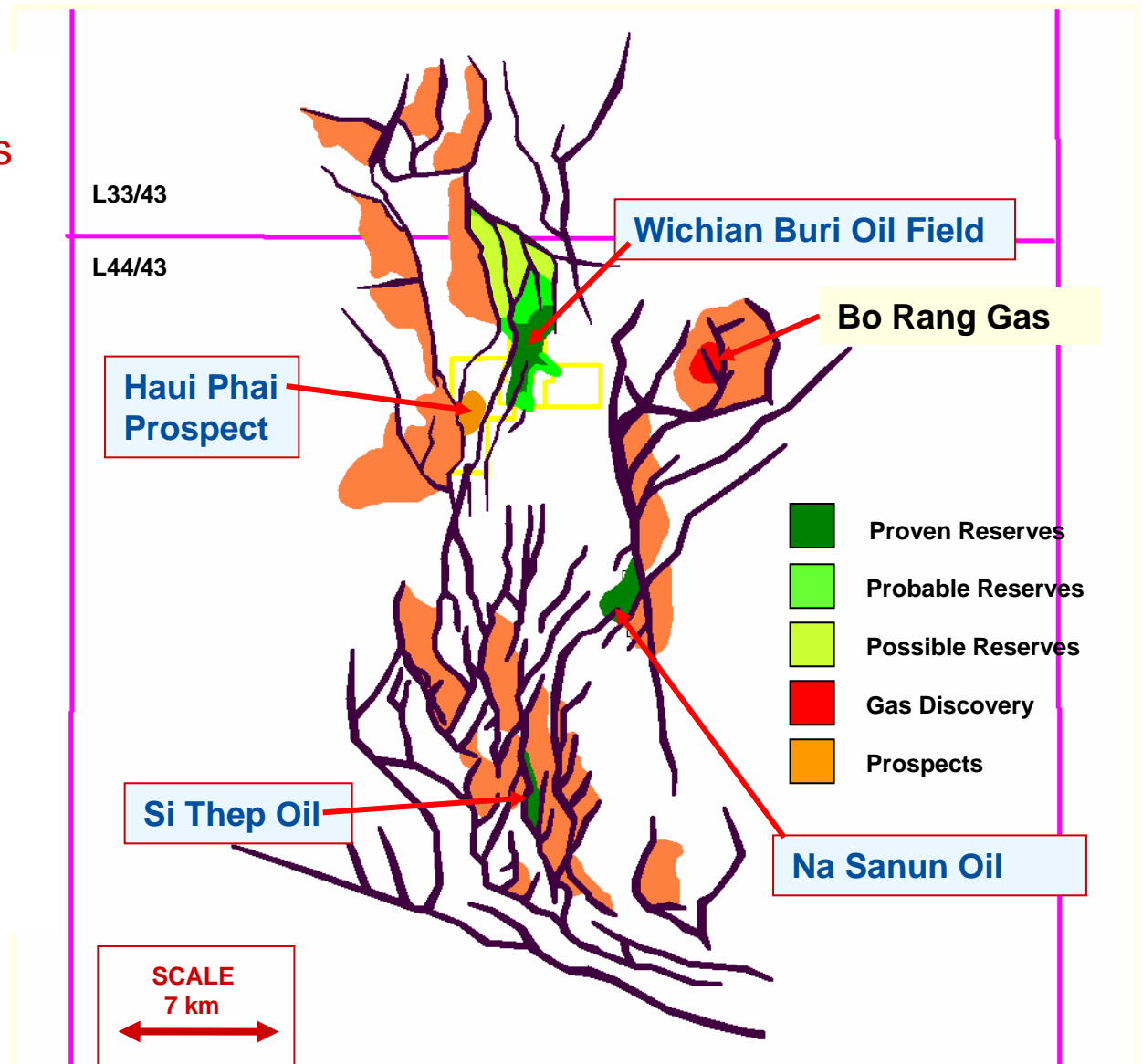
GROSS OIL RESERVES

31 December 2005

Gaffney Cline & Associates

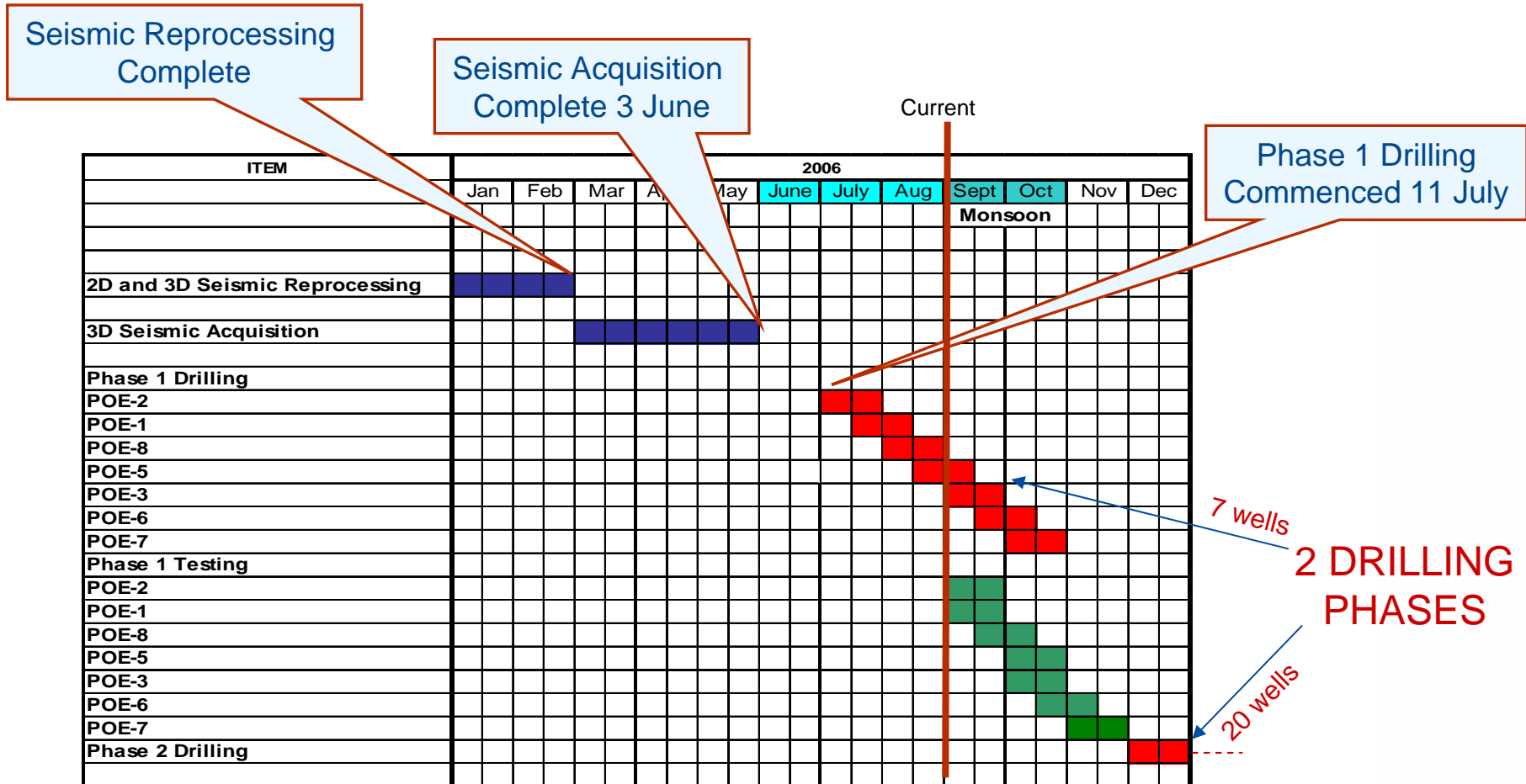
| | |
|---|---------------|
| Total Proved | 0.635 |
| Total Proved + Probable | 14.208 |
| Total Proved + Probable + Possible | 68.758 |

(1) Includes 22.5mmbb gross attributed to concession L44/43 and 7mmbb gross attributed to concession L33/34 but does not include approximately 11mmbb of additional contingent resources





2006 OPERATIONS UPDATE



Forward programme is best estimate and subject to revision due to operational delays, Govt approvals and adverse weather.



2006 OPERATIONS

2 Drilling Rigs currently operating

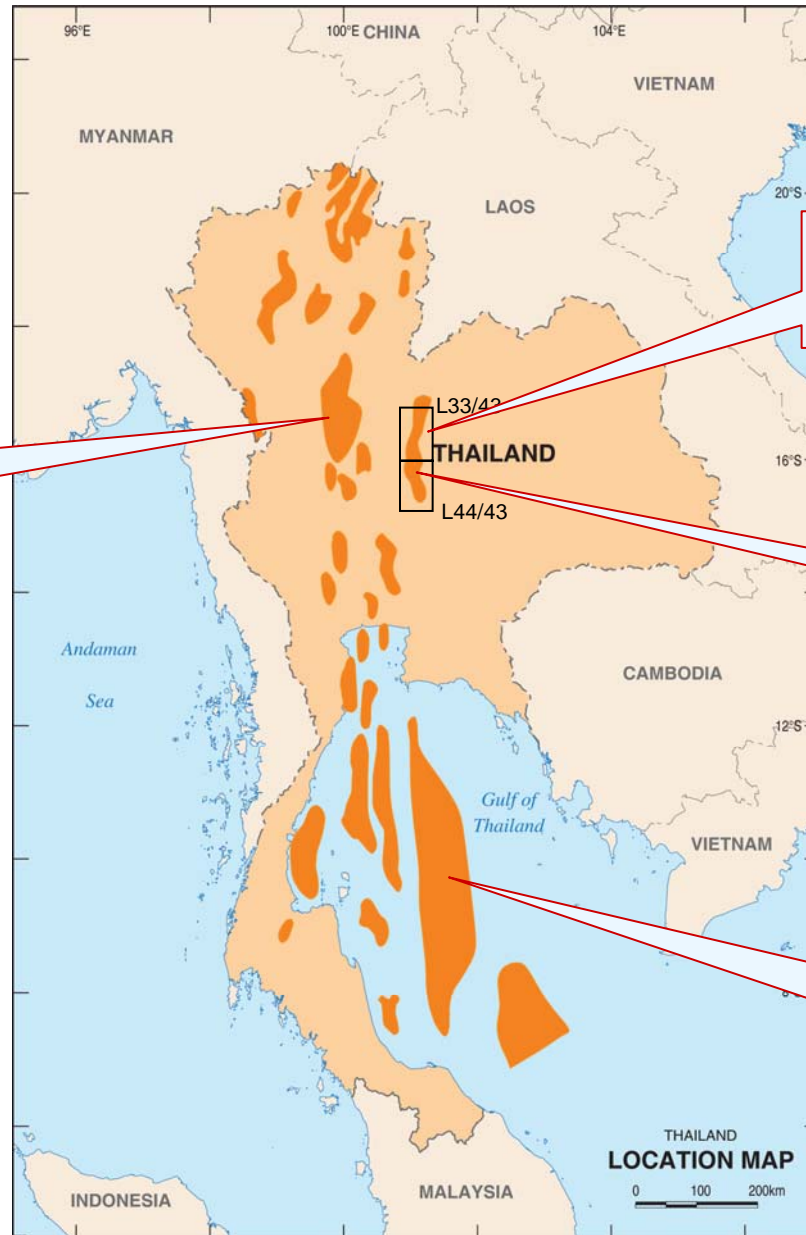
A third rig being contracted



AZTEC RIG #7 DRILLING LOCATION POE-2



THAILAND REGIONAL



Sirikit Field
550 mmbbls oil

L33/43 & L44/43 Permits
Carnarvon 40%

Wichian Buri Oil Field
Carnarvon 40%

Gulf of Thailand
13 Tcf gas
500 mmbbls oil



STRATIGRAPHY

PHETCHABUN BASIN STRATIGRAPHY

| AGE | FORMATION | MAX. DRILLED THICKNESS | LITHOLOGY | ENVIRONMENT OF DEPOSITION | HYDROCARBON INDICATIONS |
|--|------------------------|------------------------|---|----------------------------|--|
| UPPER MIOCENE - PLEIOCENE | PLIOCENE-PLEISTOCENE | 157m | Claystone, sandstone, lignite and Pleistocene basalts | Fluvial | |
| | CHALIANG LAB FORMATION | 350m | Claystone with minor sandstone and lignite | Fluvial/Lacustrine | |
| <i>MID-MIOCENE UNCONFORMITY</i> | | | | | |
| MIDDLE MIOCENE | UNIT ONE | 274m | Sandstone, claystone, siltstone and tuff | Fluvial/Lacustrine | ● SI THEP-1 |
| | UNIT TWO | 204m | Interbedded sandstone, siltstone and claystone with minor lignite SEAL UNIT | | |
| UPPER OLIGOCENE TO LOWER MIOCENE (igneous events early and Middle Miocene) | UNIT THREE | 439m | Claystone interbedded with sandstone and siltstone F sand SOURCE/RESERVOIR UNITS | Fluvial/Deltaic Lacustrine | ☀ WICHIAN BURI-1 ● SI THEP-1 ● WICHIAN BURI-2 ● WICHIAN BURI-3 ● KHAO LENG-1 |
| | INTRUSIVE | 570m | Diorite, diabase HEAT SOURCE | | ☀ BO RANG-1 ☀ WICHIAN BURI-1 ● WICHIAN BURI-1 ● KHAO LENG-1 ● BO RANG-1 |
| | UNIT FOUR | 435m | Predominantly claystone with minor interbeds of siltstone and sandstone SOURCE UNIT | Lacustrine | ● WICHIAN BURI-1 |
| OLIGOCENE? | BASAL TERTIARY | 404m | Varicoloured silty claystone with interbeds of lithic or quartzose sandstone and weathered fine grained volcanics | Fluvial Oxidising | ● SI THEP-1 |
| PERMO-TRIASSIC | BASEMENT | 232m | Metasediments and volcanics | | |

Other sands/shows un-tested throughout

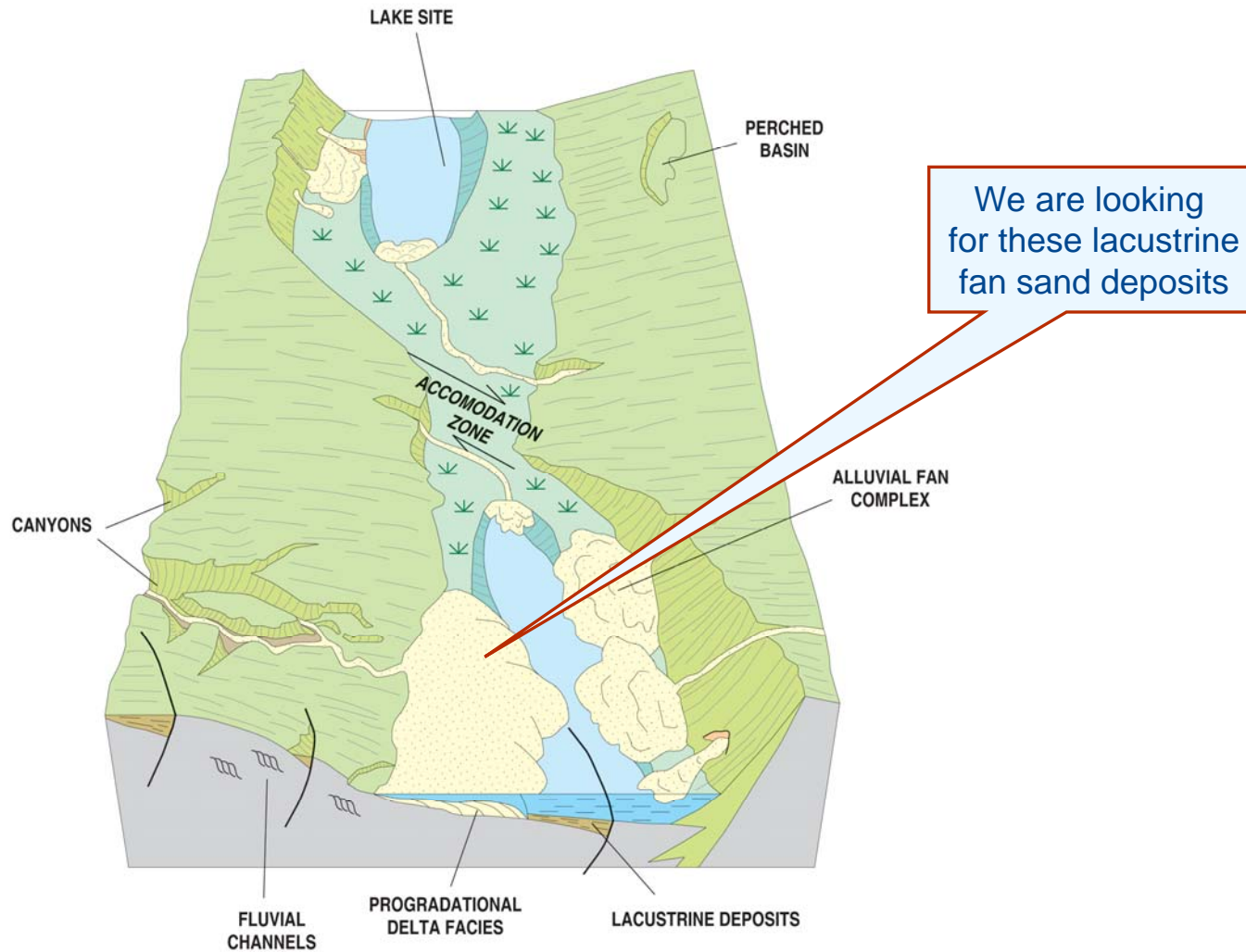
Fractured volcanics potential

Producing F Sand

G Sand potential
No long term prodn test



DEPOSITIONAL MODEL



HALF GRABEN DEPOSITIONAL MODELS



- Re establish production - Phase 1 Drilling
 - 5 new development wells – Drilling now
 - Workover existing 9 producing wells - commenced

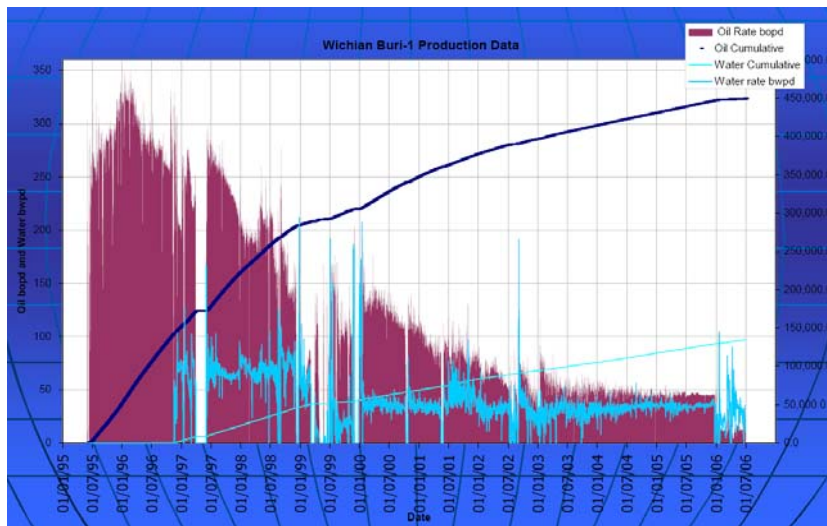
- Explore extension of Wichian Buri to north into L33/43 exploration permit

- Drill other fault blocks
 - 22 prospects identified – more prospects emerging
 - 2 exploration wells in current Phase 1
 - Up to 20 exploration and appraisal wells in Phase 2



WOKOVER PROGRAMME

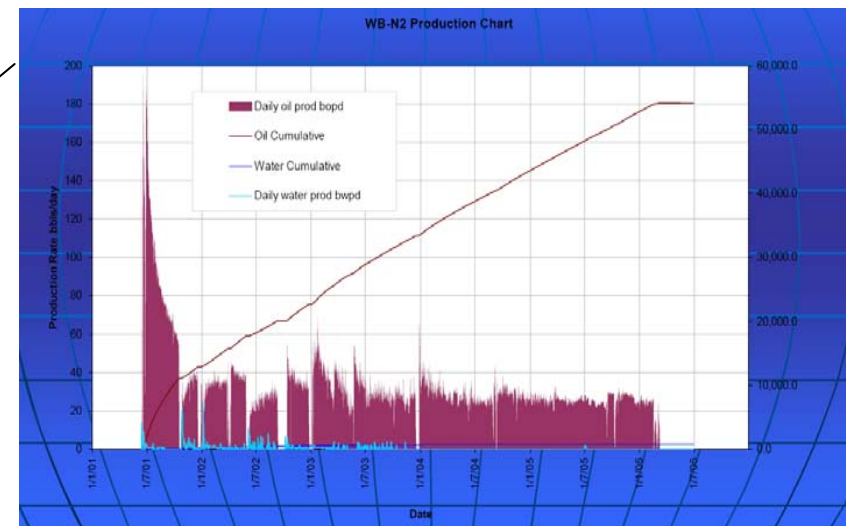
Wichian Buri 1



11 Years of production

- Wichian Buri-1 (WB-1) has been best performing well.
- Production profile looks normal.
- Commenced production at 300 bopd steadily declining.
- Is it accidental the first well found best reservoir or is it the best drilled and completed well.
- We can learn from this well.

Wichian Buri N2



5 Years of production

- Wichian Buri-N2 (WB-N2) commenced at 150 bopd rapidly declined to steady state of 30 bopd with minimal water.
- Typical of other best wells.
- Production Profile indicates something wrong.
- Workover being considered.
- POE-2 will be drilled updip of Wichian Buri-N2.

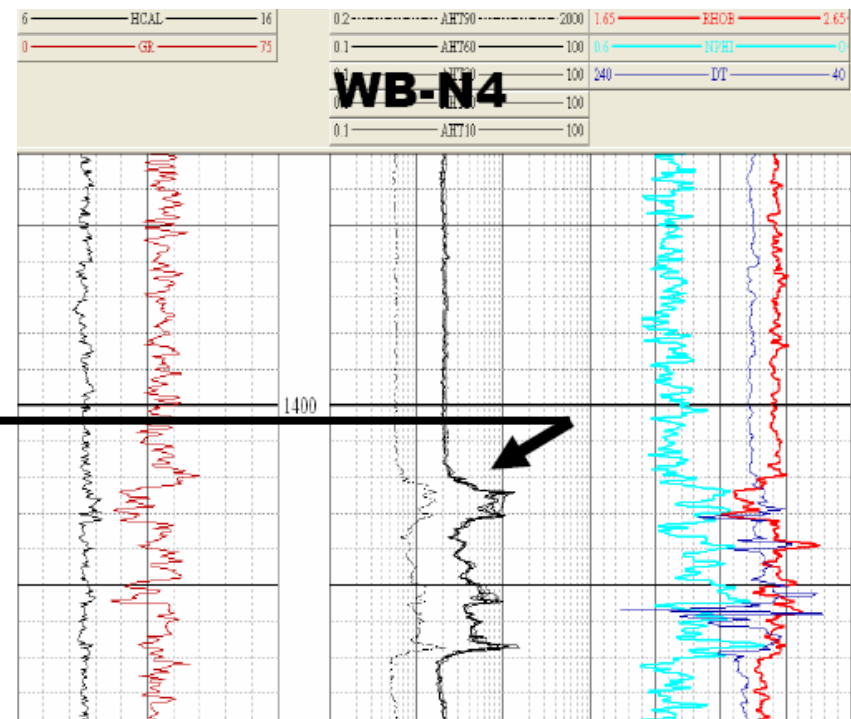
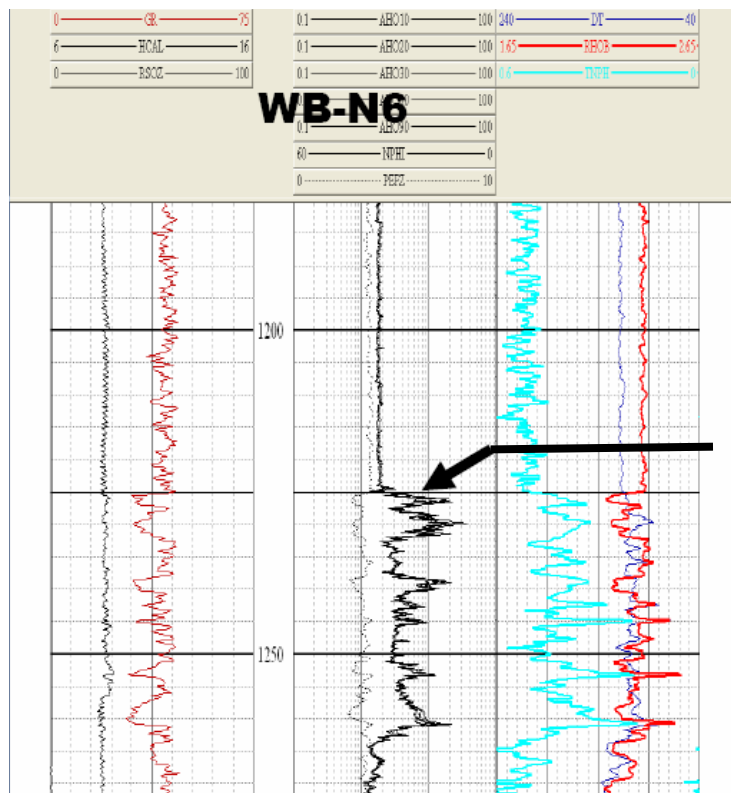
**WB-1 BEST PERFORMING WELL
LATER WELLS DISSAPOINTING?**



"G" SAND - DEEPER ADDITIONAL OIL POTENTIAL

G Sand has never been put on an extended production test. WB-N6 and WB-N4 have good log response for oil – will they flow at sustained rate?

All 6 wells of the Phase 1 programme will penetrate the G Sand and will be flow tested if potential moveable oil is indicated on logs.



We will flow test this deeper potential



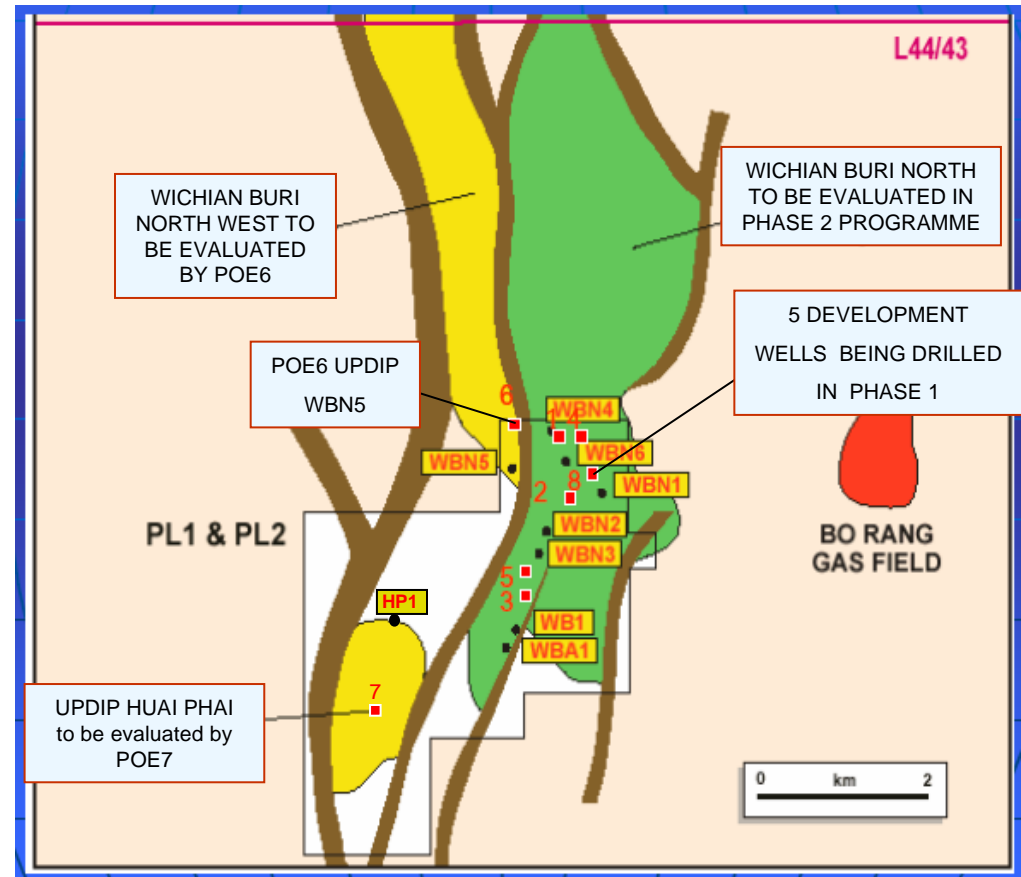
PHASE 1 DRILL TARGETS

Phase 1 Drilling

- 2 EXPLORATION WELLS
 - POE6 & POE7
- 5 DEVELOPMENT WELLS
 - POE 1-3, -5 & -8

Objective of Phase 1

- Re-establish production
- Evaluate 2 possible field extensions



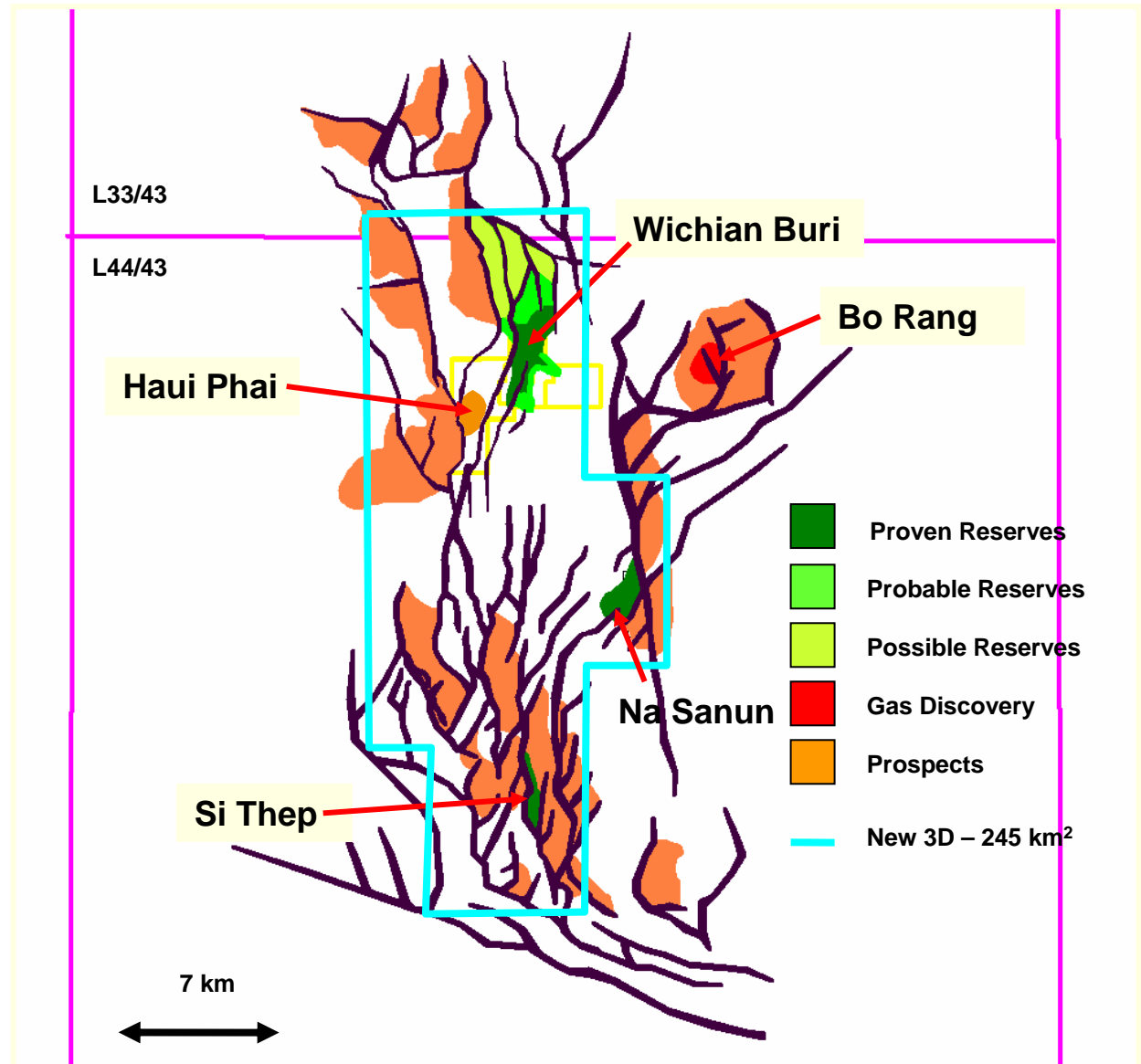
- Oil Field
- Prospective
- Gas Field

- Existing wells
- Phase 1 wells



PHASE 2 PROGRAMME - UP TO 20 WELLS

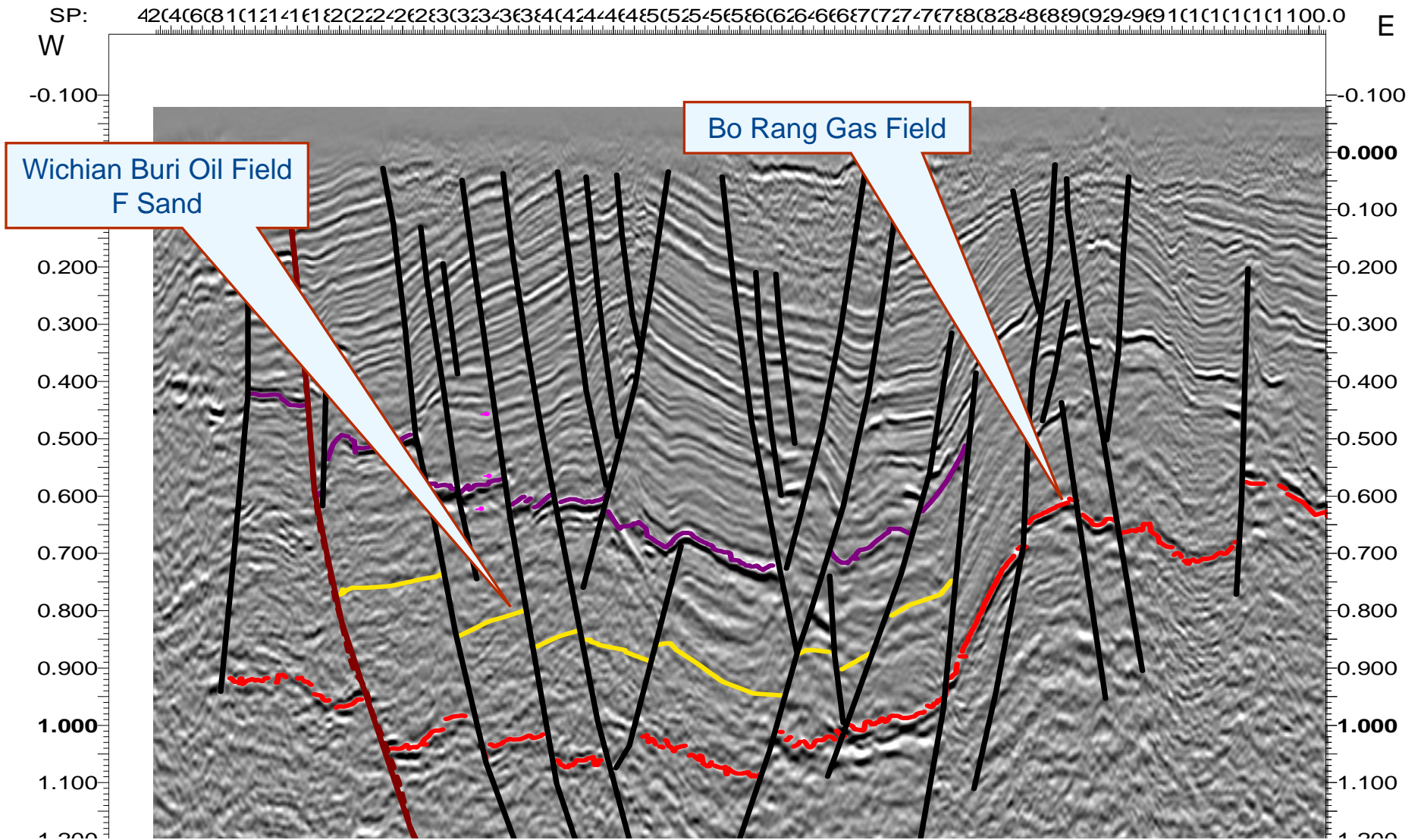
- New 3D seismic & reprocessed seismic encouraging
- Phase 2 drill programme accelerated
- Startup late in December 2006
- A third rig being contracted





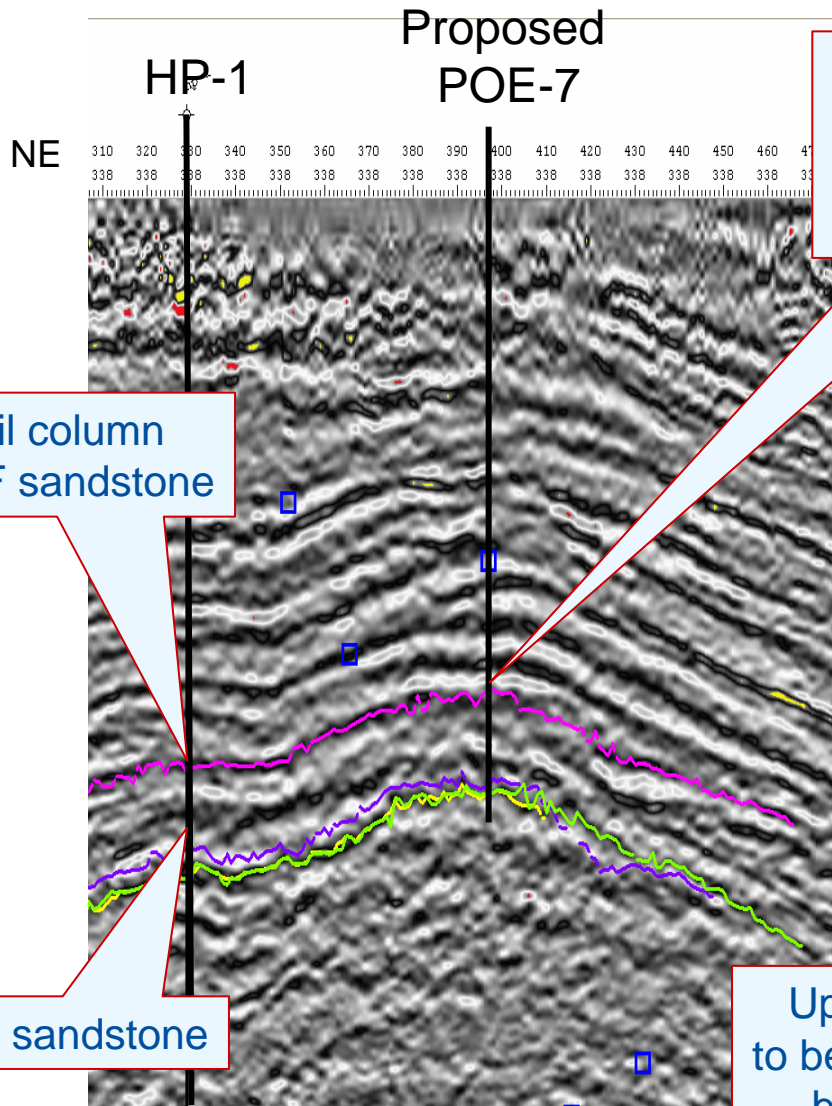
MUCH EXPLORATION POTENTIAL

Significant potential in other fault compartments - untested





PROSPECT UPDIP OF HAU1 PHAI-1



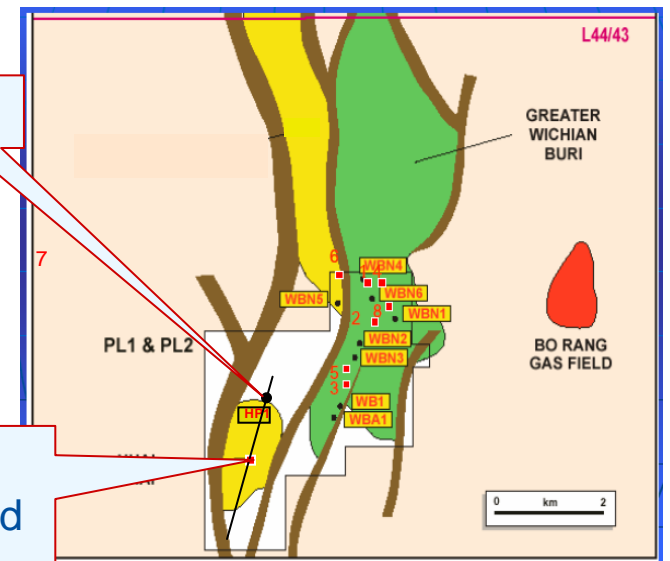
Thin oil column
in good F sandstone

High seismic
amplitudes-
Possible gas cap?
Oil leg??

Good G sandstone

Updip HP-1
to be evaluated
by POE-7

HP-1



PL1 & PL2

GREATER
WICHIAN
BURI

BO RANG
GAS FIELD

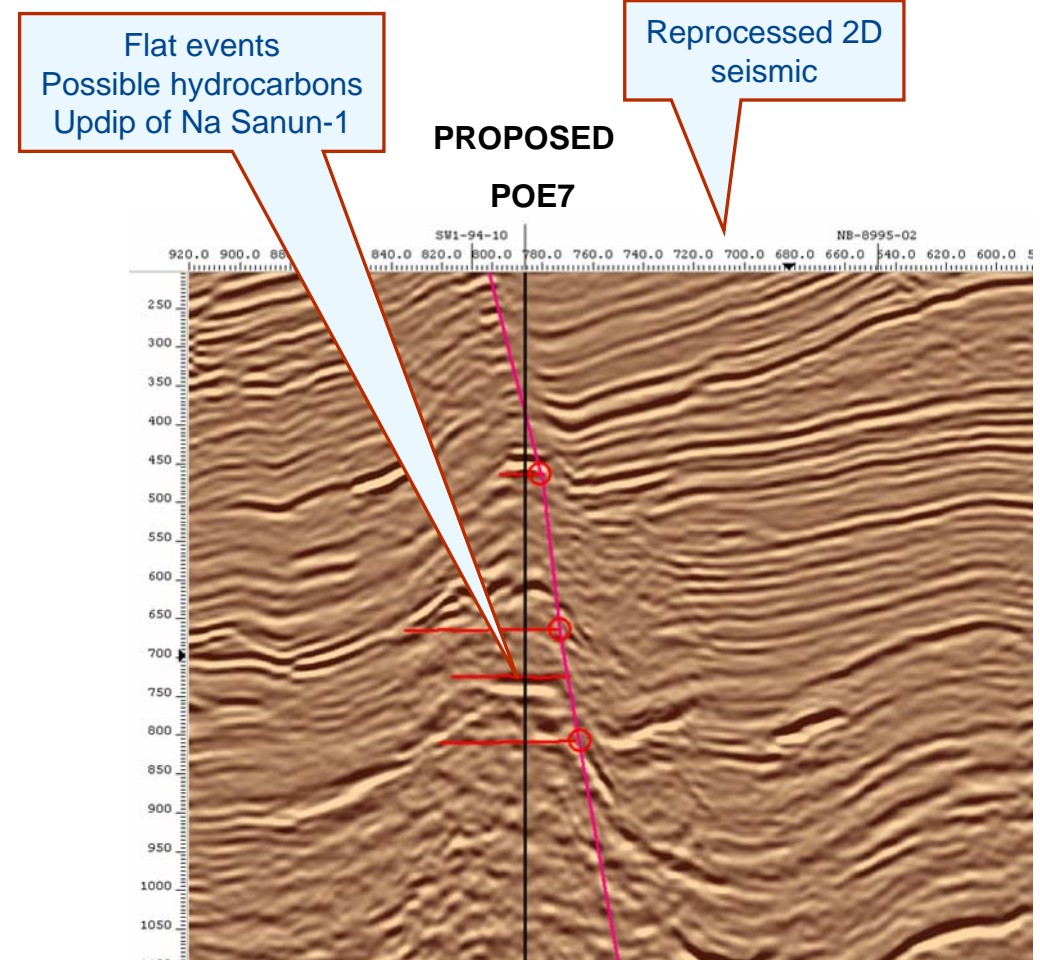
0 km 2



REPROCESSING 3D SUCCESSFUL NA SANUN-1 UPDIP PROSPECT

AN EXCITING PROSPECT UPDIP OF PRODUCED OIL

- Na Sanun-1 briefly flowed 1,375 BOPD from fractured volcanics.
- Seismic reprocessing has defined several possible hydrocarbon indicators on trend and updip of Na Sanun-1.
- New 3D seismic extended to cover this area.
- Other similar seismic features are present elsewhere on the reprocessed seismic.

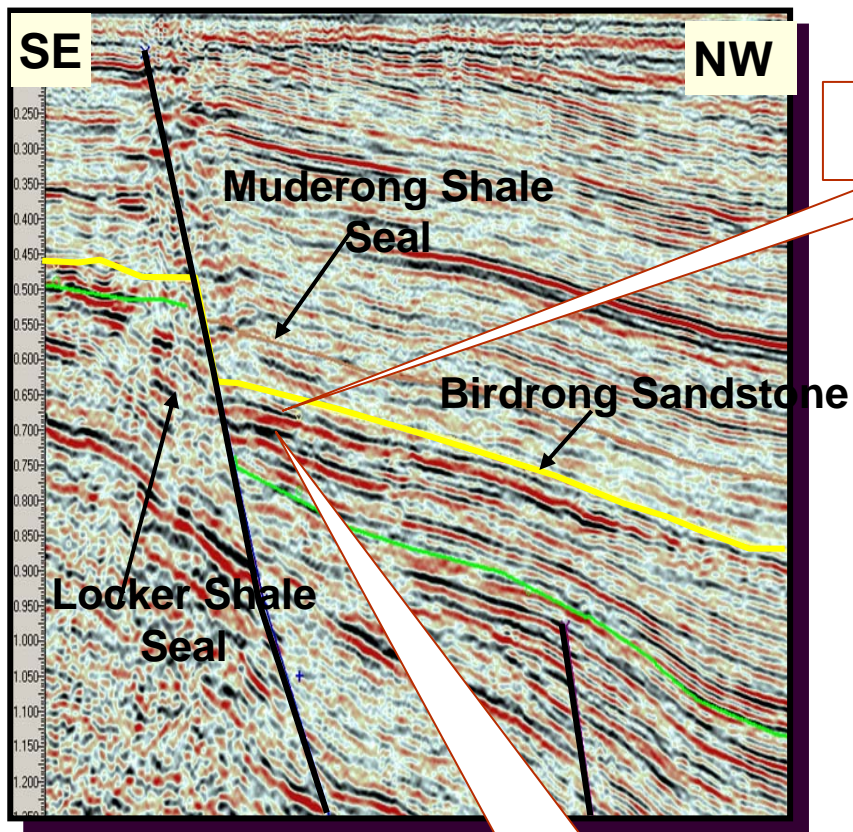




CARNARVON BASIN

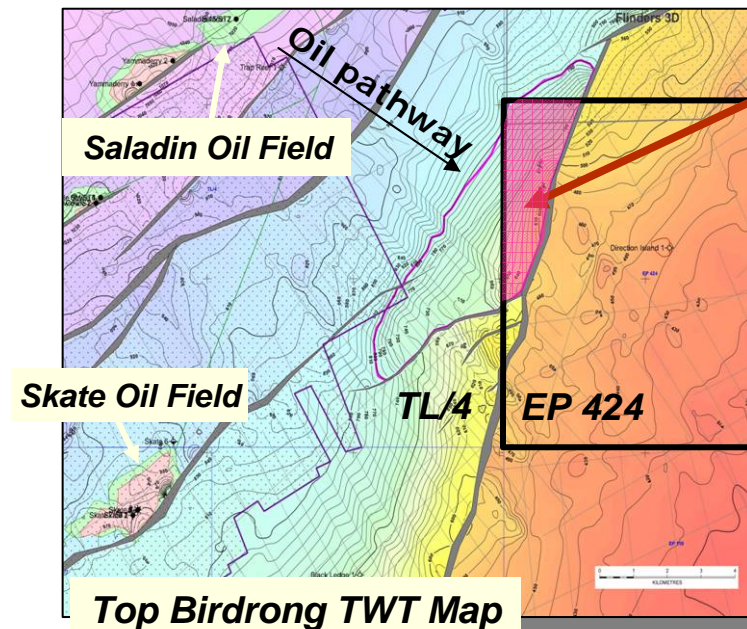
EP 424

BANIYAS PROSPECT
Large – Carnarvon 35%
Approximately 30% in EP 424
Rest in Chevron Block TL/4
Updip of Saladin Oil Field



BANIYAS
PROSPECT

Bright amplitudes-
may indicate
hydrocarbons



Baniyas

Top Birdrong TWT Map



DELIVERED ON RESULTS

Delivered on company structure

- Brought Carnarvon back to Perth
- Reformed Board

Delivering on Thailand programme

- Reprocessed all 2D and 3D seismic
- Recorded new 3D seismic survey
 - Preliminary interpretation identifies 22 prospects for drilling
- Phase 1 drilling of 7 wells underway
 - Extra exploration well put into programme
- Planning for Phase 2 drilling up to 20 wells is well underway
 - Long lead items ordered
 - 3rd rig being contracted
- Workover rig commenced



CONCLUSION – TIGER BY THE TAIL

The next 12 months will be a year of consolidation and growth for Carnarvon. Key success drivers will be:

Exciting work program

- Planned drilling of 27 wells (Phase 1 plus Phase 2).
- 245km² of 3D seismic completed. Preliminary version being interpreted
- 2 rigs under contract
- 3rd rig being contracted

New JV is different

- Strong management, exploration and development teams working together to ensure the success of Wichian Buri.

Exciting upside potential from field

- Currently producing around 75 BOPD.
- Workover program of current producing wells to improve their production profiles and significant upside from current development drilling.
- Production from other sands.
- Success in other fault blocks.

Strong operating environment

- Oil prices currently around US\$70 barrel. We are in a bull market for energy.
- World is now using 27 billion barrels of oil, 9 times more than we are finding (3 billion) on an annual basis.

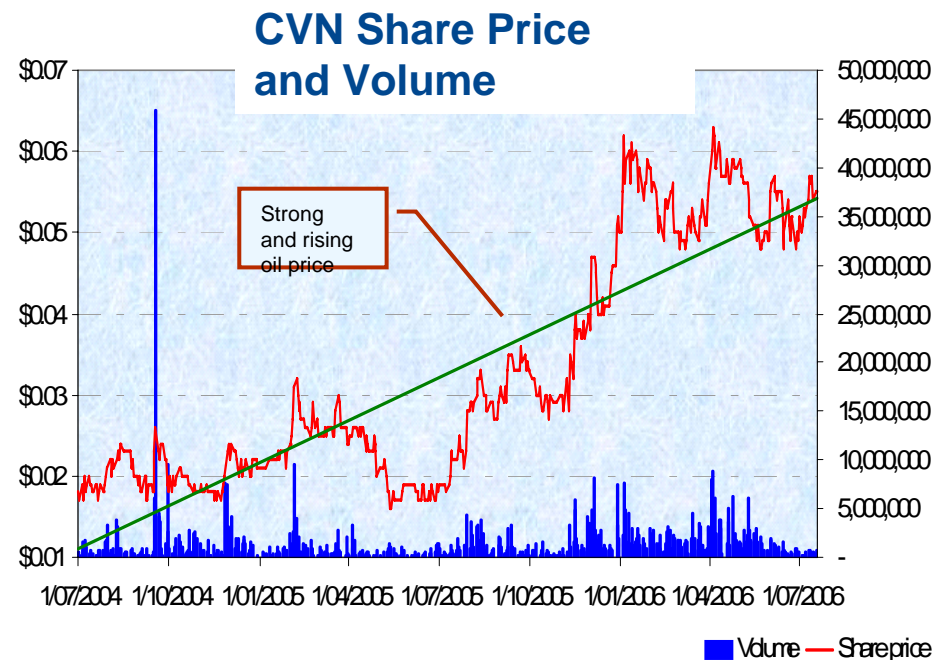
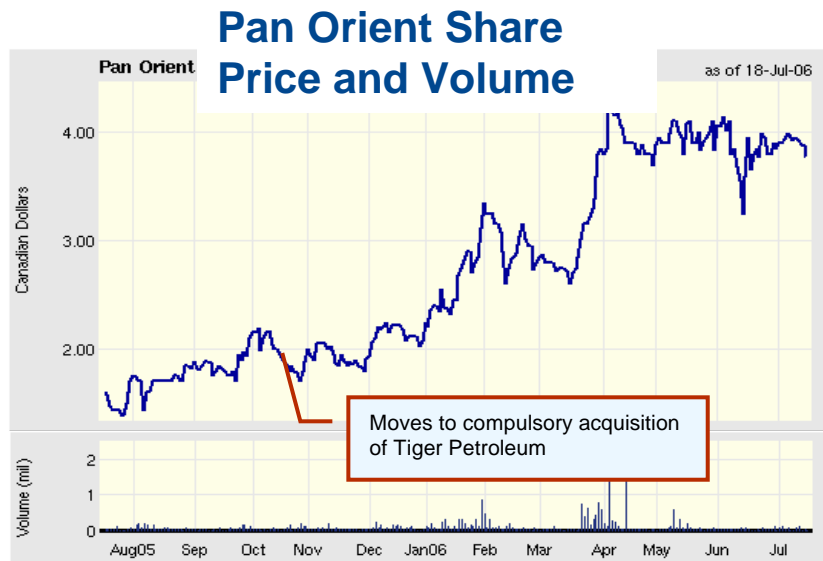
Corporate Growth

- Asset opportunities and partnerships being evaluated – these take time to fully consider.
- Carnarvon has a very large technical database spanning 21 years.



CARNARVON UNDERVALUED COMPARED TO PAN ORIENT

- Pan Orient is listed on TSX-V (POE) with 35.8 million shares on issue – Market Cap A\$190 million.
- Well funded with approximately A\$30million cash and zero debt.
- Market Cap
 - Pan Orient Cn\$161m = A\$190m
 - Carnarvon A\$27m
- Value of Wichian Buri
 - Pan Orient value 60% WB at Cn\$121m = A\$143m
 - Carnarvon 40% equivalent A\$95m = share price equivalent 19 cents
 - Current Carnarvon share price 5.5 cents
 - Carnarvon undervalued ???!!!!





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