

Investor Update - Field Trip

12 September 2007

Production and Exploration - Onshore Thailand



Carnarvon Petroleum Limited



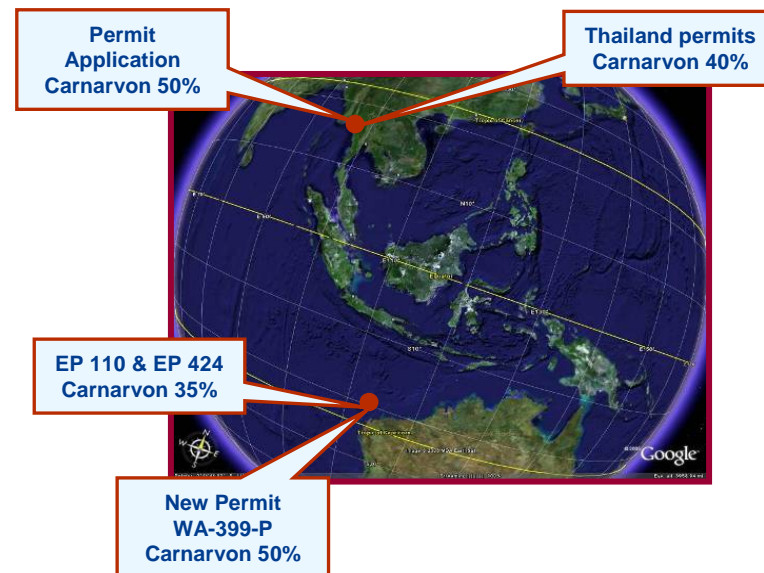
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KEY ASSETS

THAILAND

- **Net 40% interest in Phetchabun Basin**
 - 2 Large Onshore Exploration Concessions
 - 8,000 square kms total area
- **4 Producing Oil Fields**
 - Wichian Buri
 - Si Thep
 - Na Sanun East (POE-9 - 2006 new discovery)
 - Na Sanun (NS-1 – 1994 failure; NS-4 - 2007 success)
- **Significant Oil Reserves**
 - 3 mmbbls (2P) net to CVN - as at Dec 2006 - Wichian Buri field + minor amt for POE-9
 - Does not include new Na Sanun or majority of Na Sanun East fields - together producing at around 1000 bopd
 - Significant potential for reserves upside
- **Increasing Production**
 - Since start of drilling in 2006 gross production increased from 50 bopd to current ~1400 bopd
- **Up to 37 wells planned for 2007/2008 - 6 drilled so far - 2 drilling now**

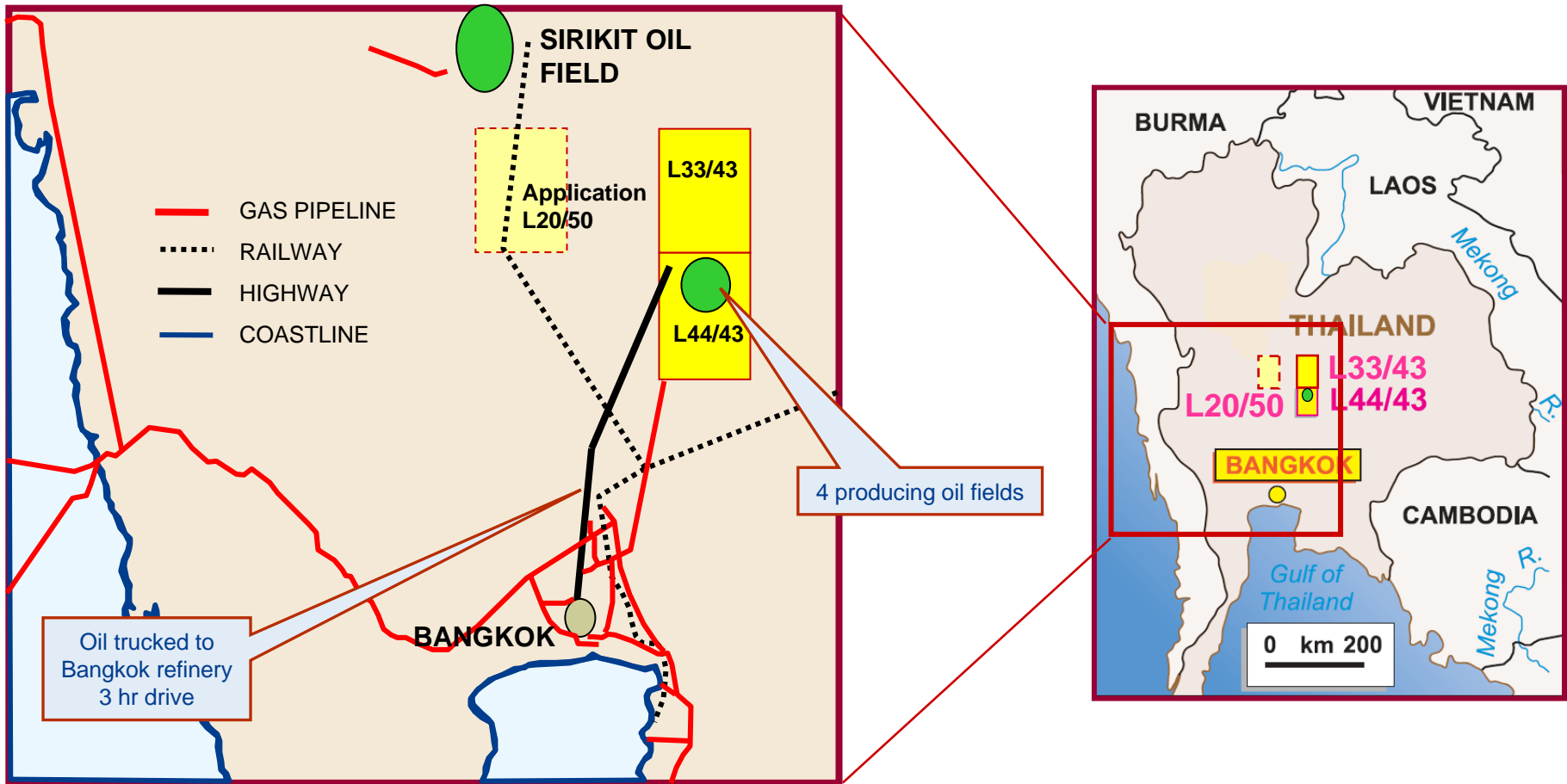


AUSTRALIA

- **3 Exploration concessions in Carnarvon Basin**
 - Baniyas Prospect in EP 424 ~ 20 mmbbls gross potential with good seismic coverage – CVN 35%
 - Black Tom Prospect in WA-399-P ~ 48 mmbbls gross potential – CVN 50%



LOCATION - THAILAND PERMITS



Supportive Government and favourable fiscal regime - Thailand needs oil discoveries

5% Royalty & 50% Company tax



STRUCTURE AND MANAGEMENT

Capital Structure

Shares on issue (ASX : CVN)	657.5 million
Options on issue (7 & 10c)	25 million
Share Price	21 cents
Market Capitalisation: (fully diluted)	\$143 million
Cash on hand (30 June 2007)	\$8.9 million

Shareholders

Directors & Management	10%
Institutions	14%
Top 20 holding	28%

Chairman

Peter Leonhardt

CEO

Ted Jacobson

Company Secretary

Bob Anderson

Non Exec Directors

Neil Fearis & Ken Judge

Technical:

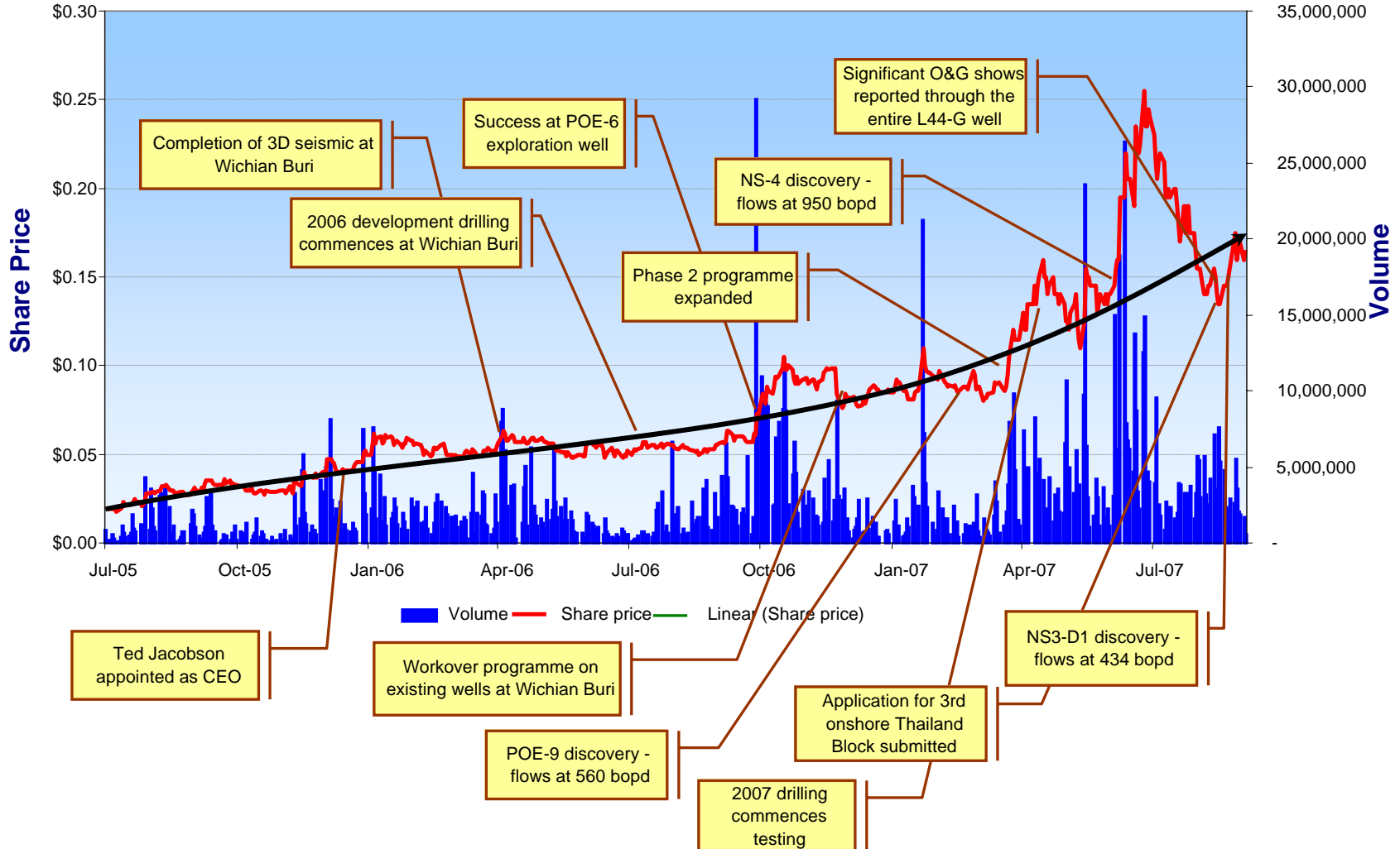
- Technical managers
 - Ted Jacobson - Geophysics
 - Ian McClure - Geology
 - Tara Reilly – Geology + Geophysics
 - Philip Huizenga - Engineering

Good people are a company's major asset
Carnarvon is assembling an exemplary team



SHARE PRICE PERFORMANCE

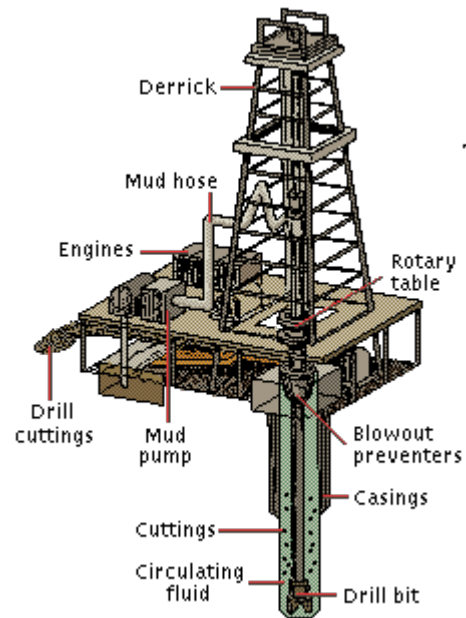
CVN Share Price from 1 July 2005



Share price re-rating as milestones are achieved



OPERATIONAL REVIEW

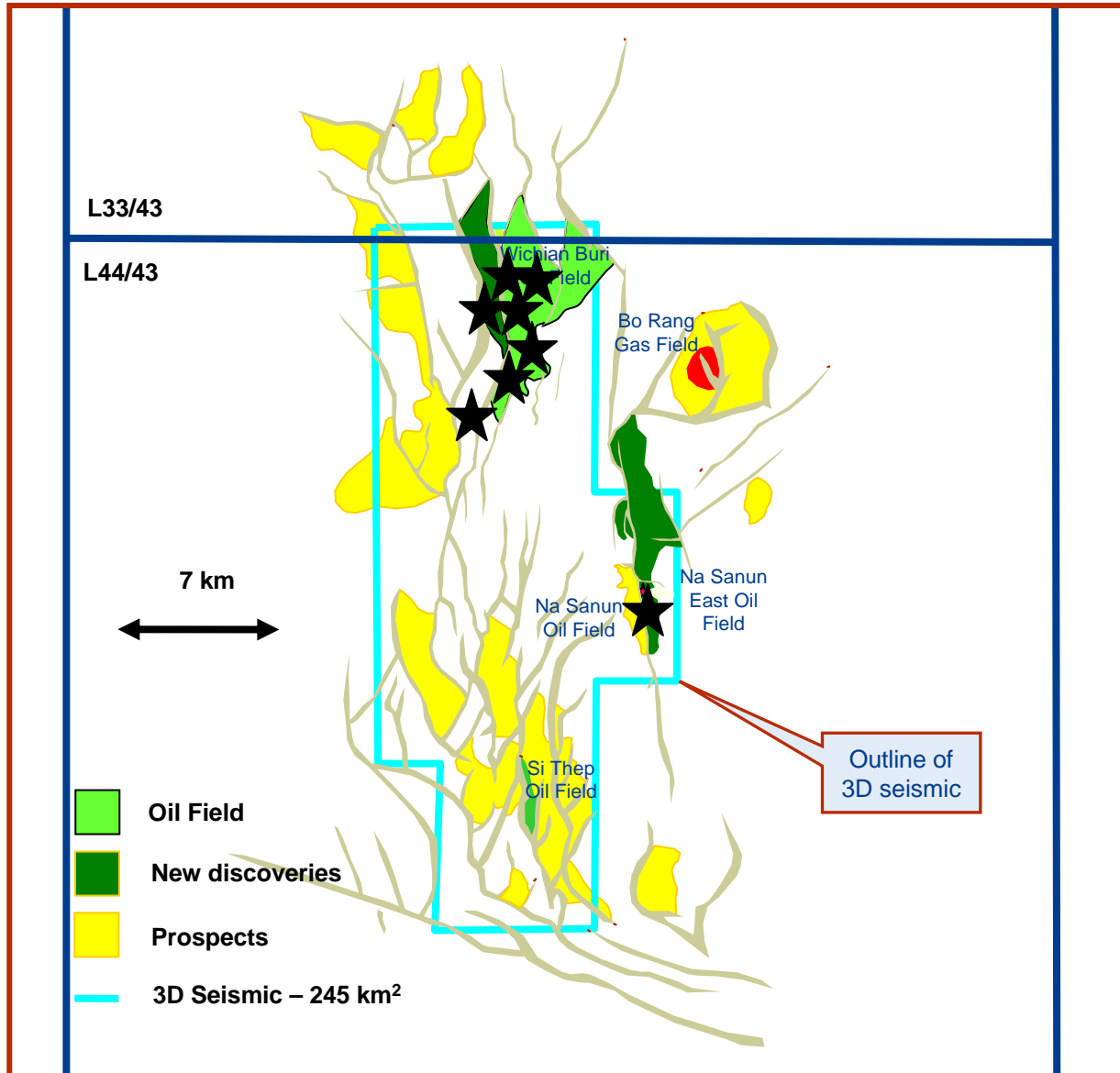




2006 PROGRAMME

Phase 1: POE Wells

Phase 1 Drilling
July 2006 - Dec 2006



Clastics

- POE-2: Producing at 30 bopd
- POE-1: P & A – Fish in hole
- POE-8: Shut-in – Low rate
- POE-6: Producing at 35 bopd
- POE-3: Producing at 50 bopd
- POE-5: Producing at 100 bopd
- POE-7: Dry Hole
- POE-1RD: Shut-in – Low rate

Volcanics

- POE-9: Producing at >300 bopd on choke from 1 of 4 intervals (peak production at 560 bopd)

Highlights

- New discovery at POE-9 - fractured volcanic play
- POE-6 extension to Wichian Buri
- Production from 4 levels - "F" "G" and "H" sandstones and fractured volcanics



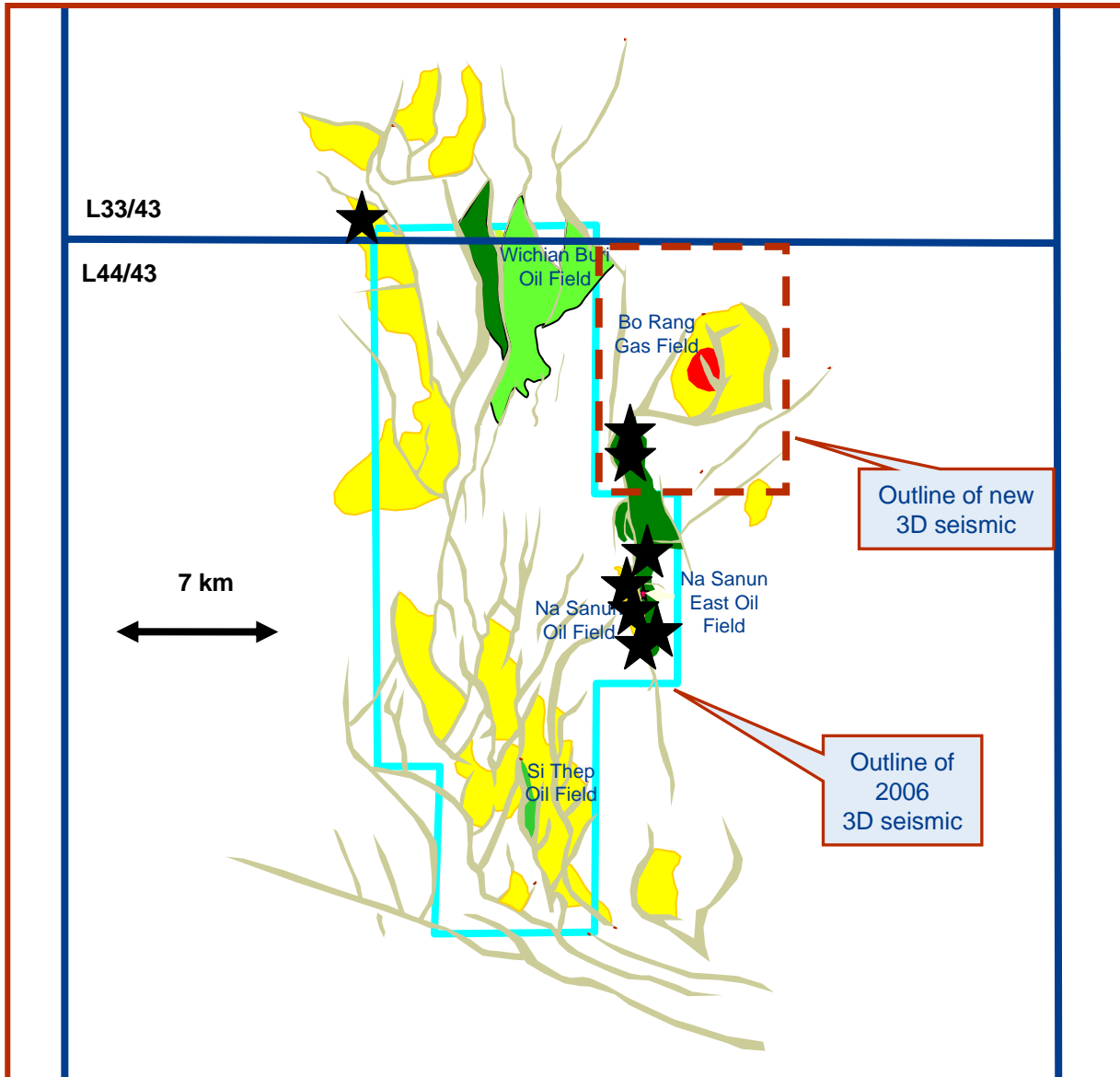
2007/8 PROGRAMME

Phase 2: Appraisal

**Phase 2 Drilling
Commenced April 2007
Currently Ongoing**

Volcanics

- L33-D: Well test failed
- NS-3: Shut-in – Low rate
- NS-4: Producing at ~300 bopd on choke from 1 of 4 intervals (peak production at 950 bopd)
- NS-1RD: Shut-in – Low rate
- NS-3D1: Testing at 434 bopd
- L44-G: Testing in 2 weeks
- L44G-D1: Drilling ahead
- L44-H: Preparing to test



- Oil Field
- New discoveries
- Prospects
- 2006 3D Seismic – 245 km²
- 2007 3D Seismic – 120 km²



2007/8 PROGRAMME






Forward programme

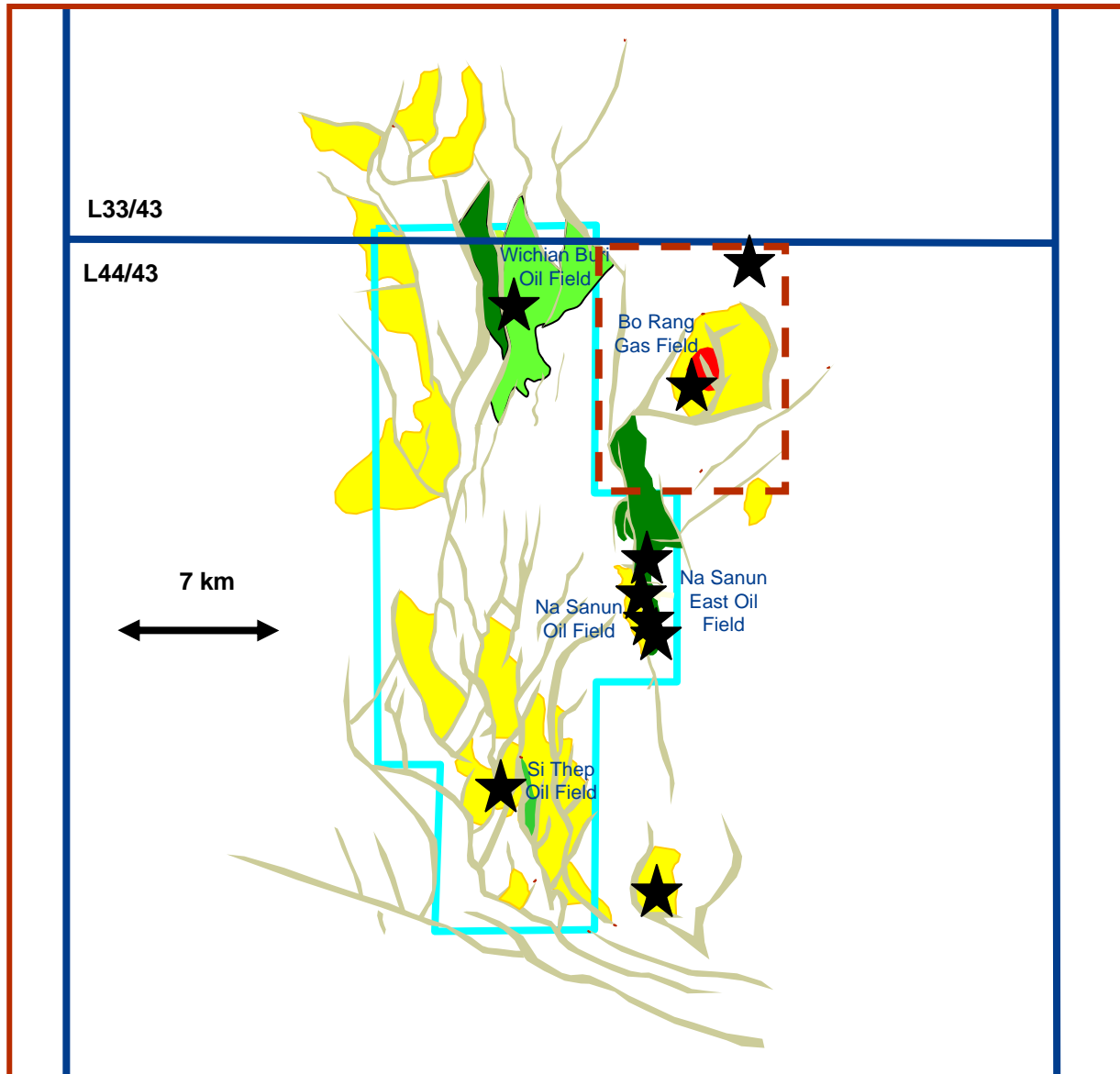
Phase 2 Drilling Upcoming wells

Volcanics

- NS5-D1: Na Sanun East Appraisal
- NS2-D1: Na Sanun East Appraisal
- NS6-D1: Na Sanun East Appraisal
- NS8-D1: Na Sanun East Appraisal
- L44-C: Wichian Buri Appraisal
- L44-V: Volcanics Exploration
- L44-W: Bo Rang Exploration
- L44-R: Volcanics Exploration
- L44-E: Si Thep Exploration

* Note approximate locations only

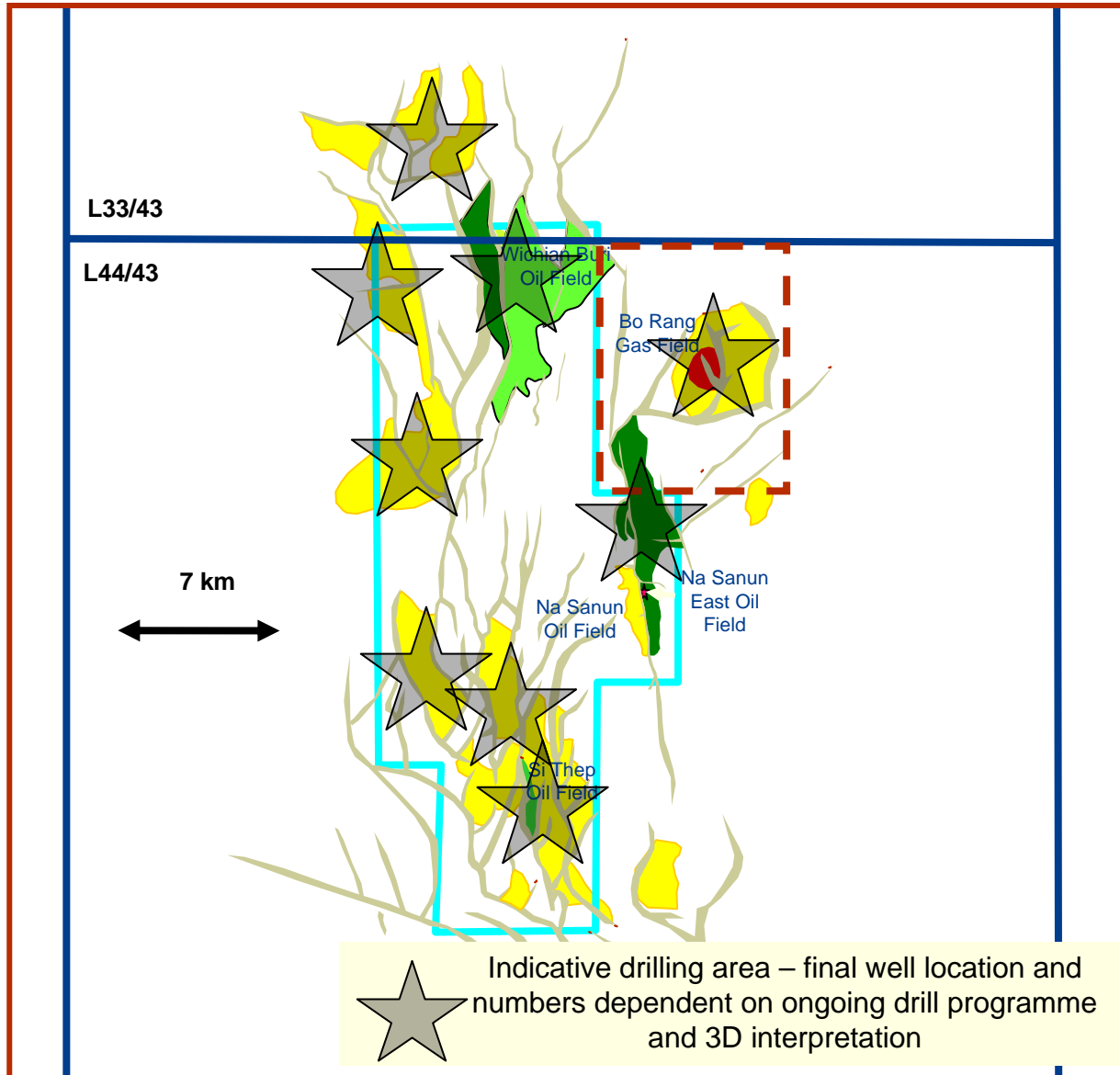
-  Oil Field
-  New discoveries
-  Prospects
-  2006 3D Seismic – 245 km²
-  2007 3D Seismic – 120 km²





2007/8 PROGRAMME

Forward programme



Phase 2 Drilling

Final wells

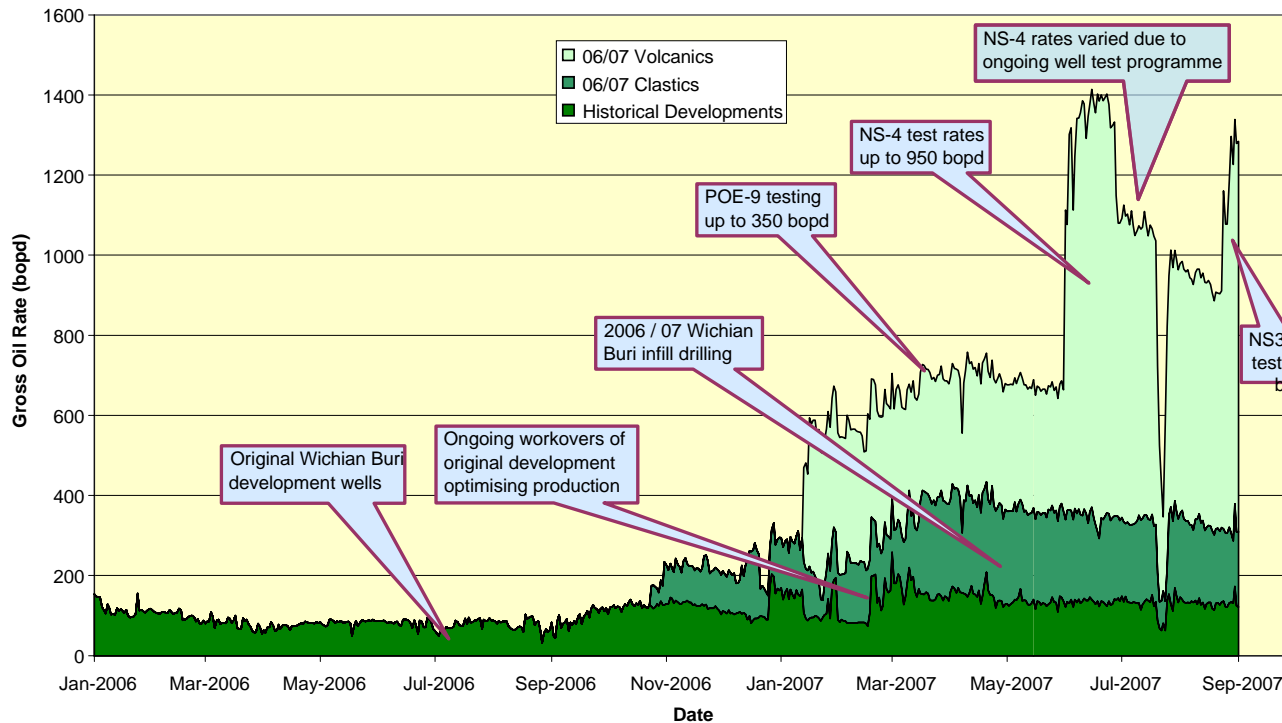
- Previous slides outline anticipated first half of programme
- Appraisal/exploration programme will go through to mid 2008
- Completion of around 16 wells envisaged
- Ongoing review of results will determine:
 - Production license extent
 - Development programme
 - Development wells
- Anticipate further 20 wells to be drilled through 2008

- Oil Field
- New discoveries
- Prospects
- 2006 3D Seismic – 245 km²
- 2007 3D Seismic – 100 km²



Gross Production Rate - Carnarvon 40%

Phetchabun Basin Production



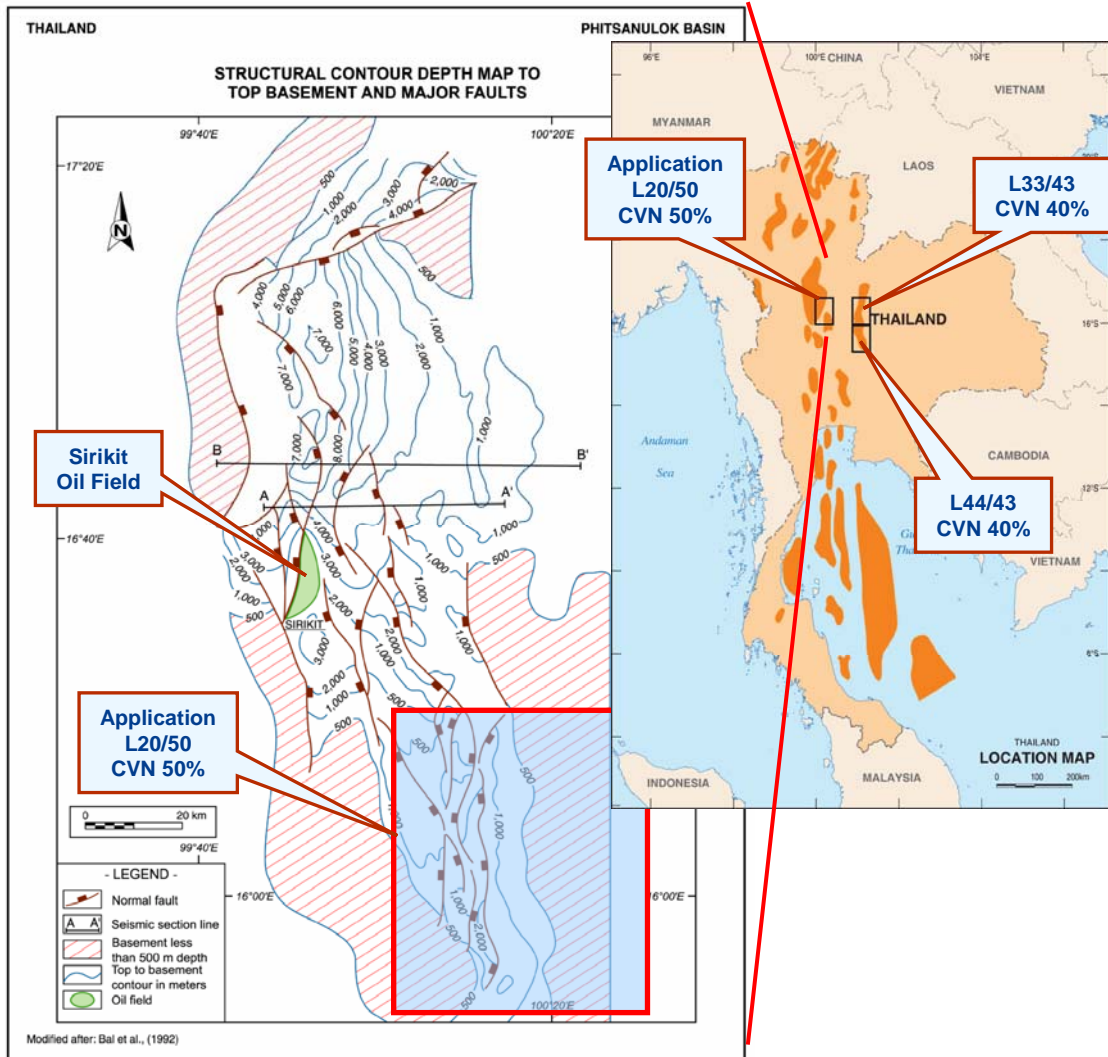
Current production rate around 1,400 bopd (560 bopd net to CVN); well test programme still ongoing; further 3 wells to be tested in next 2-3 weeks; final development depending on well test results

- **Sept 2006 around 100 bopd**
- Workover original wells
 - Add 50 bopd
- Phase 1 drilling success
 - 200 bopd from sandstone
 - 300 bopd volcanics (POE-9)
- Phase 2 success to date has added two volcanic production well
 - NS-4 at 300 bopd
 - NS-3D1 at 434 bopd
- **Sept 2007 around 1400 bopd**
- Phase 2 has potential to add further production this year:
 - L44-H lost circulation in volcanics - test imminent
 - L44G-D1 and L44-G tests in 2-3 weeks
- **2008 potential ?**
 - Continuous drilling through 2007/2008



NEW PERMIT APPLICATION

GROWTH POTENTIAL IN THAILAND



- Applied for a new concession 50% onshore Thailand
- Sole bidding group
- CVN Operator
- Southeast and on trend of large Sirikit Oil Field
- Sirikit produced over 150 million barrels and still producing 20,000bopd
- West of existing concessions
- Existing infrastructure allows quick tie-in
- Potential to add more oil reserves in 2-3 yrs
- Very similar geology to the Phetchabun Basin



WHY THE EXCITEMENT?



THAILAND - LARGE PERMITS compared to NWS Western Australia



NORTH WEST SHELF OIL & GAS

JANUARY 2007

Thailand concessions very large compared to NWS

L33/43 & L44/43 Thailand

HYDROCARBON DISCOVERIES

- Gas
- Oil
- Oil & Gas

PRODUCTION FACILITIES

- Conventional platform
- Mini platform
- Jack-up rig
- Monopod/Minipod
- Subsea completion, well
- Navigation, Command, and Control Buoy
- Floating Production Storage and Offloading vessel
- LNG carrier
- Oil carrier
- Pipeline, Proposed pipeline
- LNG storage tanks
- Oil storage tanks
- Onshore production facility
- Under construction
- Proposed development
- Abandoned field

Application

PRODUCTION FACILITIES

FACILITY	START-UP YEAR	DISCOVERY YEAR	OPERATOR	* FIELD	WATER DEPTH (m)
Griffin Venture	1994	1990	BHP	Griffin, Scindian	130
Griffin Venture	1994	1989	BHP	Chinook	130
Roler A, B, C	1994	1990	Chevron	T Roler	11
Skate	1994	1991	Chevron	T Skate	9
Skate	1994	1994	Chevron	T Crest	NA
Alimos	1994	1994	Apache	V Alimos	NA
Goodwyn A	1995	1971	Woodside	Goodwyn	131
Cossack Pioneer	1995	1989, 1990	Woodside	Wanaea, Cossack	80
East Spar	1996	1993	Apache	East Spar	100
Wandoo B	1997	1991	Vermilion	Wandoo	54
Aghcourt	1997	1996	Apache	V Aghcourt	8
Cossack Pioneer	1997	1974	Woodside	Lambert, Hermes	126
Stag	1998	1993	Apache	Stag	49
Worlich	1998	1995	Apache	Worlich	30
Gipsy/North Gipsy	2001	1996, 1999	Apache	V Gipsy, North Gipsy	28
Legendre	2001	1968, 1998	Woodside	Legendre, Legendre South	52
Simpson A, B	2001	2001	Apache	V Simpson	8
Simpson	2002	2002	Apache	V South Simpson	8
Victoria	2002	2002	Apache	V Victoria, Little Sandy, Pedina	8
Goodwyn A	2002	1986, 1990	Woodside	Echo, Yodet	140
Stag/South Plato	2002	2002	Apache	V Stagsouth Plato	9
Sirbad	2002	2002	Apache	V Enderbyton	40
Victoria	2003	2002, 2003	Apache	V Hoover, North Pedina	11, 7
Double Island	2003	2002	Apache	V Double Island	8
Simpson	2003	2003	Apache	V West Simpson	100
Four Vanguard	2003	1997	ENI	Woolybutt	100
Linda	2004	2000	Apache	V Linda	34
Simpson B	2004	2004	Apache	V Worlich	9
Mutheer/Exeter	2005	1997, 2002	Santos	Mutheer, Exeter	168, 147
John Brookes	2005	1998	Apache	John Brookes	71
John Brookes	2005	2005	Apache	V Mohave, Albert	8
Harriet A	2005	2000	Apache	V North Alimos	8
Sirbad	2005	2005	Apache	V Sirbad	8
Aghcourt	2005	1999	Woodside	Enfield	54

PRODUCTION FACILITIES

FACILITY	START-UP YEAR	DISCOVERY YEAR	OPERATOR	* FIELD	WATER DEPTH (m)
Barrow Island	1967	1964	Chevron	Barrow Island	NA
North Rankin A	1984	1971	Woodside	North Rankin	125
Harriet A, B, C	1986	1983	Apache	V Harriet	23
Cheruil	1989	1983	Apache	Cheruil	14
Saladin A, B, C Onshore	1989	1985	Chevron	T Saladin	6-16, NA
Yamrededy	1991	1988	Chevron	T Yamrededy	9
Cowie	1991	1989	Chevron	T Cowie	12
North Rankin A	1991	1972	Woodside	Pensus	125
Tubridgi	1991	1981	Origin	Tubridgi	NA
Tanamri	1991	1991	Apache	V Tanamri	NA
Campbell	1992	1986	Apache	V Campbell	38
Sirbad	1992	1990	Apache	V Sirbad	37
Wandoo A	1993	1991	Vermilion	Wandoo	56

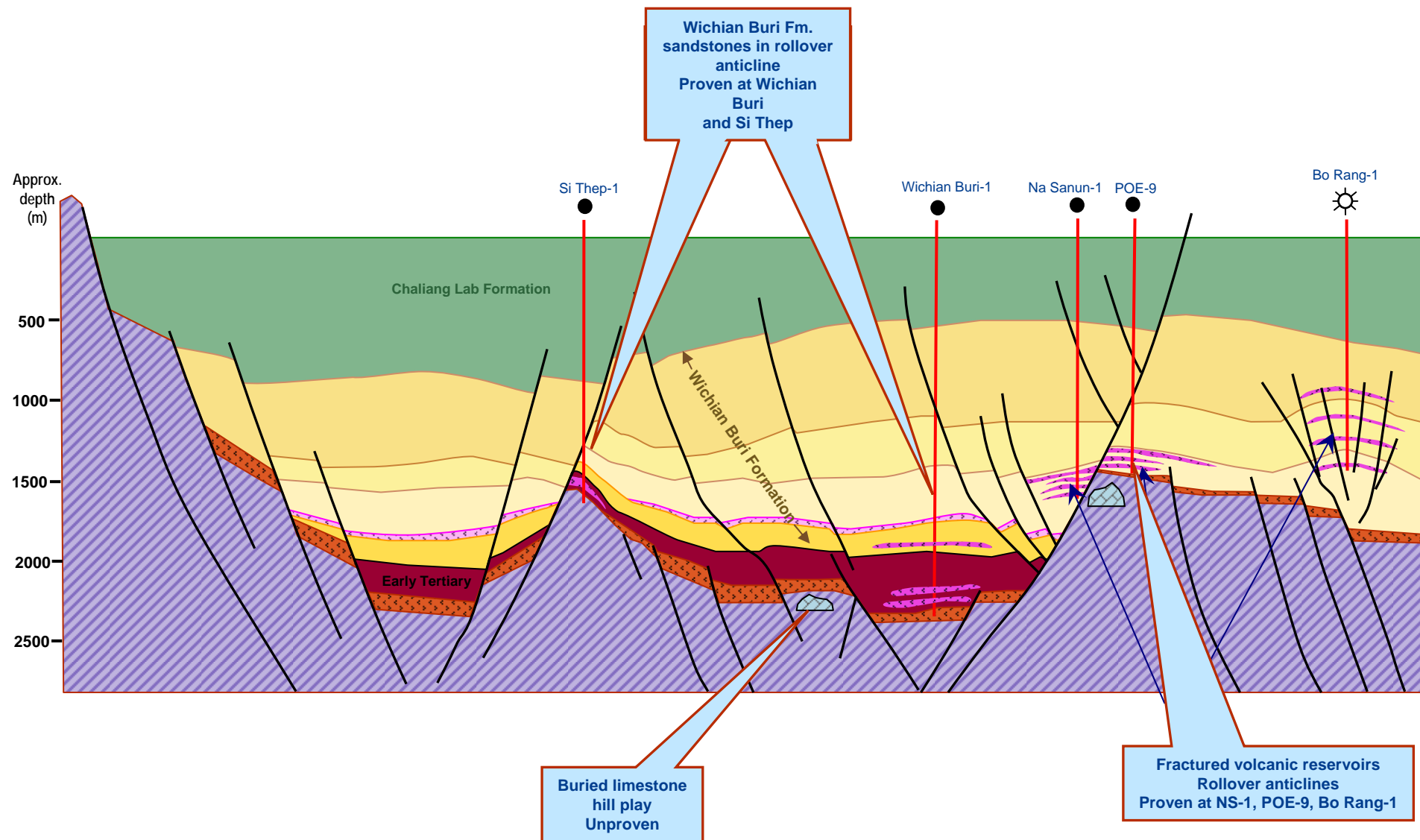


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Map produced by Petroleum and Resources Division, Department of Industry and Resources WA
Machine boundary data supplied by Geoscience Australia and in AM90 2001 data
Worlich_O&G_GDA_070106_v1.0



PHETCHABUN BASIN

Multiple play types



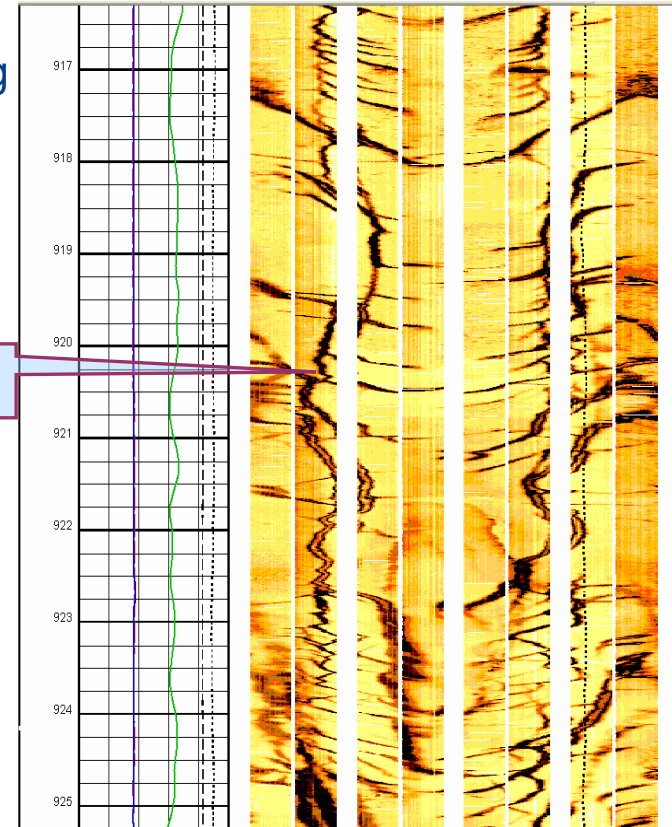


EXTENSIVE FRACTURE SYSTEMS

- Fracturing identified as lost circulation while drilling
 - Drilling fluid/mud disappears into fractures
 - Little mud returns on flow testing
 - Indicates extensive fracture system

- Very large fractures present
 - Drill bit dropped 1 metre on NS3-D1
 - Lost 132 barrels/hour on L44-G
 - Lost 138 barrels/hour on NS3-D1
 - Lost 17 barrels/hour on current well L44G-D1
 - Shallower volcanics – another play?
 - These are significant losses while drilling
 - Indicates large scale of fractures

Fractures



- Results from POE-9 & NS-4 demonstrate that these fractured volcanics can produce significant, extended flow rates, with POE-9 & NS-4 producing at a peak of 560 & 950 respectively and with continued stable production

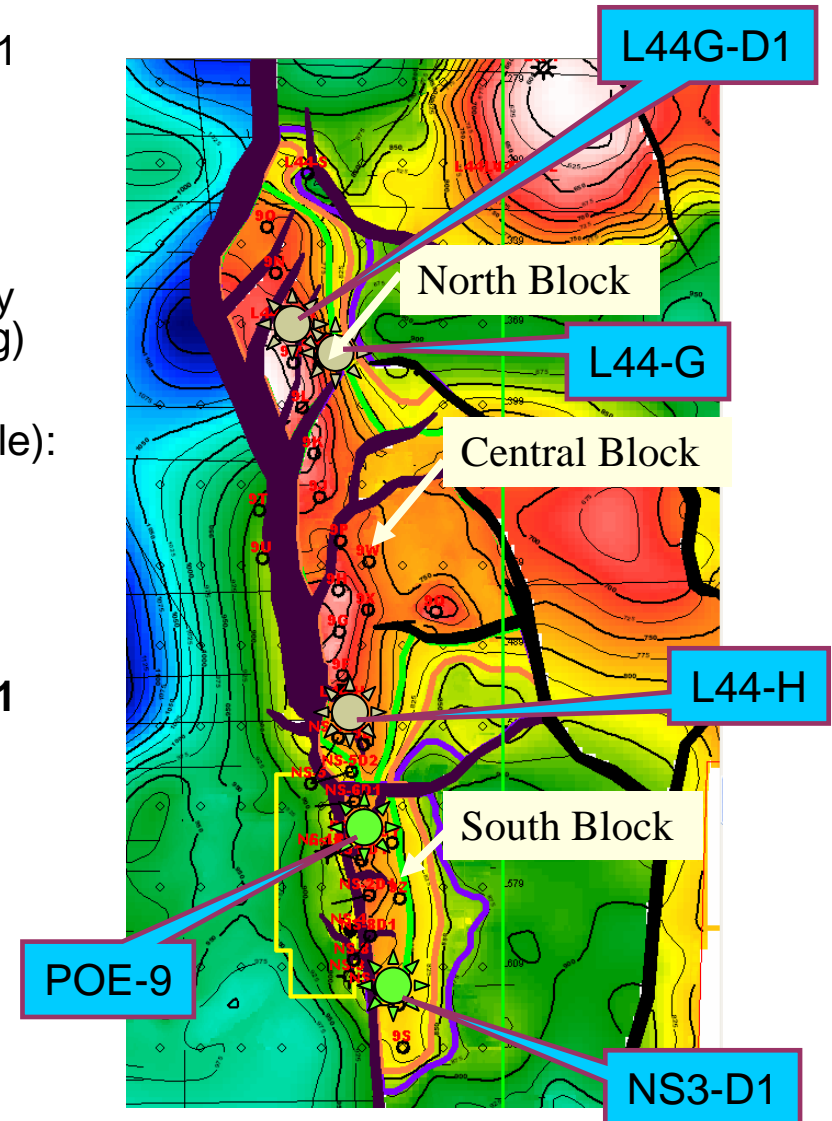
NA SANUN EAST OIL FIELD

Large Structure defined

- South fault compartment is confirmed by the drilling and testing of 2 wells POE-9 & NS3-D1
- Central fault compartment is currently being appraised by L44-H (testing in progress)
- North fault compartment is being appraised by L44-G (awaiting testing) and L44G-D1 (drilling)
- Area/Contingent Resources (gross recoverable):
 - Low: 4.34km² / 20.3MM bbls
 - Mid: 13.14km² / 29.2MM bbls
 - High: 15.87km² / 40.3MM bbls

**THESE ESTIMATES ARE FOR ONLY 1
OF 4 POTENTIAL VOLCANIC ZONES**

These are not reserve numbers but estimates of potential size of the discovered oil in the Na Sanun East structure. Reserve estimates will be calculated later this year and be available early 2008.



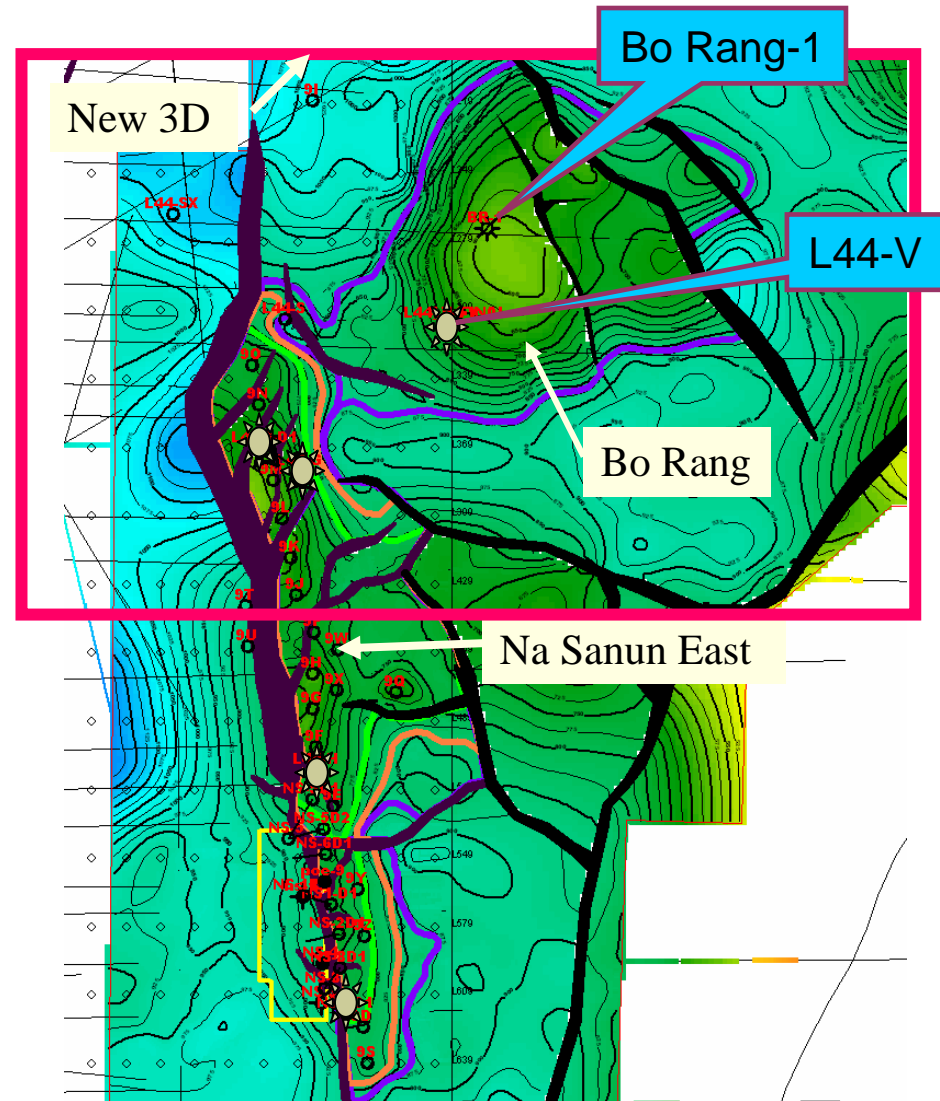


POTENTIAL UPSIDE

Bo Rang Structure

- Bo Rang-1 gas discovery was drilled in 1988 by an earlier operator
- 6 volcanic zones were encountered (337 meters total thickness)
- Severe lost circulation was encountered in all zones indicating good reservoir development
- Gas was tested in the uppermost zone at 5.6MMcf/d
- Deeper zones may be oil bearing
- Na Sanun East and Bo Rang may share a common oil water contact meaning one large structure 32.65 km² in area
- L44-V will test the down dip flank of Bo Rang in early 2008
- Area/Potential resources (gross recoverable):
 - Low: 2.58km² / 9.0MM bbls
 - Mid: 8.84km² / 17.1MM bbls
 - High: 16.26km² / 29.6MM bbls

Estimates are for only 1 of 5 Volcanic targets





POISED FOR MORE SUCCESS

- **Extensive drill programme** - 15 wells already drilled 2006/2007
- **2 rigs + workover rig on long term contracts** – at least 30 more wells planned 2007/2008
- **Lots of structures to drill** – concessions cover ~ 8,000 sq kms
- **Proven oily system**
- **Established play concepts** – Lacustrine sands + Fractured volcanics
- **Good reservoirs** – fractured volcanics
- **Large structures** – discovered and potential structures
- **Production steadily increasing** – currently ~1400 bopd
- **Moderate risk** – volcanics - 3 out of 6 successful & on production
- **Cost effective operations** – Operating cost ~US\$10/bbl - reducing with flow additions
- **Good fiscal regime** – 5% royalty + 50% tax
- **3 wells to be flow tested over next 3 weeks**
- **High oil price**