

24 January 2008

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs,

CARNARVON PETROLEUM SIGNS L20/50 CONCESSION ONSHORE THAILAND

Executives of Carnarvon Petroleum attended an official signing with the Minister of Energy and Government officials for the newly awarded L20/50 concession in the southern Phitsanulok Basin. This was part of an extensive bidding round for oil and gas concessions by the Thailand Government intended to significantly expand the search for oil and gas.

Thailand is a net oil importer of oil and has embarked on a programme to encourage foreign investment in oil as well as gas exploration. A total of 13 onshore and offshore oil and gas blocks were awarded at the ceremony which would see total investments in petroleum exploration and production of up to US\$118mm. These oil and gas blocks are part of 56 onshore and nine offshore blocks spanning 235,606 sq kms which have been put up for bidding over a 12 month period. Carnarvon now has substantial interests in three onshore exploration concessions being the existing blocks L33/43, L44/43 and the new L20/50. This is in addition to the production licenses at Wichian Buri, Si Thep and Na Sanun which are currently producing oil at almost 8,000 bopd gross to the joint venture (3,600 bopd net to Carnarvon).

Carnarvon believes Thailand is a very favourable country in which to explore for oil and gas and is currently reviewing other opportunities in Thailand.

The L20/50 concession is situated approximately 30 kms to the southeast and on trend with the largest onshore oil field in Thailand at Sirikit. Previous work has demonstrated that oil has been generated within the L20/50 concession. One previously drilled well at Nong Bua-1 in 1982 intersected significant oil shows which Carnarvon believes were not fully tested. Over the next 12 months, Carnarvon as operator will reprocess all seismic data within the permit and record a high resolution aeromagnetic survey which together will provide a 3 dimensional view of the subsurface. This will enable the recording of new seismic in the most prospective part of the concession and the drilling of at least one well within the first three year obligation period.

L20/50 Concession

Carnarvon Petroleum Ltd (Operator)	50%
Sun Resources NL	50%



Figure 1: Carnarvon Petroleum Ltd Chief Executive Officer Mr Ted Jacobson receiving the L20/50 Concession documentation from Dr.Piyasvasti Amranand, Minister of Energy.

Yours faithfully
Carnarvon Petroleum Limited

RA Anderson
Company Secretary