

7 January 2008

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs

CARNARVON GRANTED OPERATORSHIP OF L20/50 ONSHORE BLOCK THAILAND

Carnarvon Petroleum Limited (“Carnarvon”) is pleased to announce that it has been awarded the concession rights in petroleum exploration and production for the area known as Block L20/50 (“the Concession”) onshore Thailand in the Phitsanulok Basin on behalf of a joint venture comprising Carnarvon and Sun Resources NL (“Sun Resources”) from the Department of Mineral Fuels (“DMF”) in Thailand.

Carnarvon and Sun Resources (“the Joint Venture”) have each been awarded a 50% participating interest in the Concession and Carnarvon has been approved as the Operator.

The Concession covers an area of 3,947 km² and is located approximately 50 km west of Carnarvon’s current permits onshore Thailand. The Concession is also around 30km southeast and on trend with the large onshore Sirikit oil and gas fields which have produced over 150 million barrels of oil to date and are still producing at 20,000 barrels of oil per day (bopd). (refer attached map).

Official signing of the new concession is anticipated in late January, and the Joint Venture expects to commence work on the Concession early in 2008.

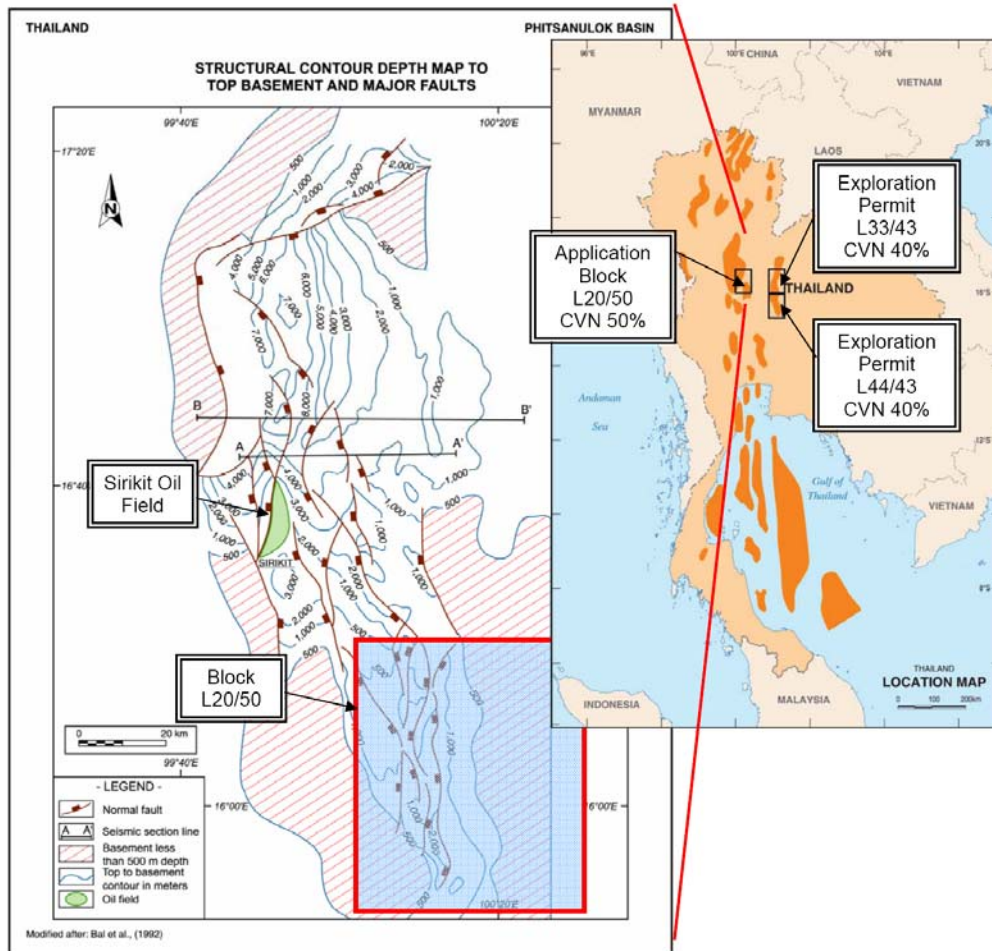
The work programme consists of seismic acquisition, reprocessing and drilling over a six year period, with a 50% compulsory relinquishment after the first three years.

Carnarvon’s Managing Director, Mr Ted Jacobson, commented:

“Carnarvon is very excited by its first Operator opportunity onshore Thailand and intends to accelerate its exploration programme in this block to the greatest extent possible.

Operating the L20/50 Concession will complement Carnarvon’s non-Operating position in the producing Wichian Buri permits nearby.

The award of this Concession to Carnarvon Petroleum is further indication of both Carnarvon’s commitment to developing Thailand’s significant oil and gas potential and also the belief in Carnarvon’s abilities from the DMF.”



Yours faithfully
Carnarvon Petroleum Limited

RA Anderson

RA Anderson
Company Secretary