



CARNARVON  
PETROLEUM  
LIMITED  
ABN 60 002 688 851

11 September 2007

Company Announcements Office  
Australian Stock Exchange Limited

Via ASX Online

Dear Sirs

## **OPERATION UPDATE THAILAND**

### **EXPLORATION PERMIT L44/43**

The Operator of Carnarvon's Thailand assets, Pan Orient Energy ("POE"), a Calgary based company, released the following announcement to the Toronto Stock Exchange ("TSX") overnight.

"Pan Orient Energy Corp. -

#### L44-H Appraisal Well

L44-H is located approximately 3.25 kilometers north of the producing NS3-D1 well and is the first well located in the central fault compartment of the Na Sanun East ("NSE") structural closure. Success at L44-H would materially enlarge the area of defined hydrocarbons at NSE.

The main volcanic objective was penetrated at a depth of 866 meters and drilled to a total depth of 880 meters, penetrating the uppermost 14.5 meters. Lost circulation, an indicator of good reservoir quality, was encountered at 867 and 879 meters at mud loss rates of 60 barrels per hour in both instances. Free oil at the surface and elevated mud gas readings were observed immediately following the first mud losses at 867 meters.

In addition to main volcanic objective, a 7 meter thick volcanic tuff with good visible porosity and excellent oil shows was observed in combination with mud losses of approximately 60 barrels per hour at a depth of 854 meters.

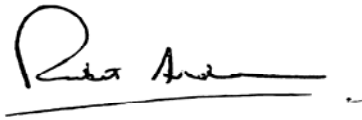
Test results are anticipated within the next 7 days.

L44G-D1 Appraisal Well

The Aztec #14 rig is currently drilling ahead at 797 meters (TVD) with total depth anticipated to be reached within the next 3 to 5 days.

L44G-D1 is located in the north fault block of the seismically defined Na Sanun East structural closure, approximately 7.4 kilometers north of the producing NS3-D1 well.”

Yours faithfully  
Carnarvon Petroleum Limited

A handwritten signature in black ink, appearing to read "RA Anderson", is written over a horizontal line. The signature is cursive and somewhat stylized.

RA Anderson  
Company Secretary