

13 August 2008

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs,

THAILAND OPERATIONS UPDATE

NA SANUN EAST OIL FIELD DEVELOPMENT

NSE-A4 appraisal well (CVN 40% working interest and non-operator)

The NSE-A4 appraisal well was drilled to a total measured depth of 923 meters (732.6 m true vertical depth), penetrating the top of the upper volcanic target at a depth of 720.5 meters TVD at a location approximately 350 meters northeast of the NSE-A1 surface location. A 35 meter thick (measured thickness) upper volcanic section was penetrated and, as indicated by the loss of over 23,000 barrels of drilling fluid, is interpreted to be highly fractured. The well is currently being completed as a development well.

NSE-B1 horizontal appraisal well (CVN 40% working interest and non-operator)

The NSE-B1 horizontal appraisal well is currently drilling ahead at a depth of approximately 740 metres toward the top of the main volcanic reservoir objective at a subsurface location approximately 100 metres south of the new NSE-B drilling pad, within the NSE central fault compartment.

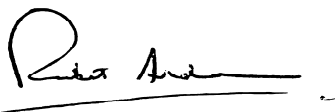
WICHIAN BURI OIL FIELD APPRAISAL

L44-C Vertical Appraisal Well (CVN 40% working interest and non-operator)

The L44-C vertical appraisal well was drilled to a depth of 1210 meters through multizone objectives within the F and G sandstones, and a deeper 210 meter thick WB-1 volcanic at a location 1.15 kilometers north of the POE-6 oil discovery and within the POE-6 fault compartment. Oil shows and elevated mud gas readings were observed at a number of stratigraphic levels while drilling and lost circulation was observed over two intervals within the WB-1 deep volcanic. Testing is currently underway over the first of four potential zones.

Yours faithfully,

Carnarvon Petroleum Limited



RA Anderson
Company Secretary

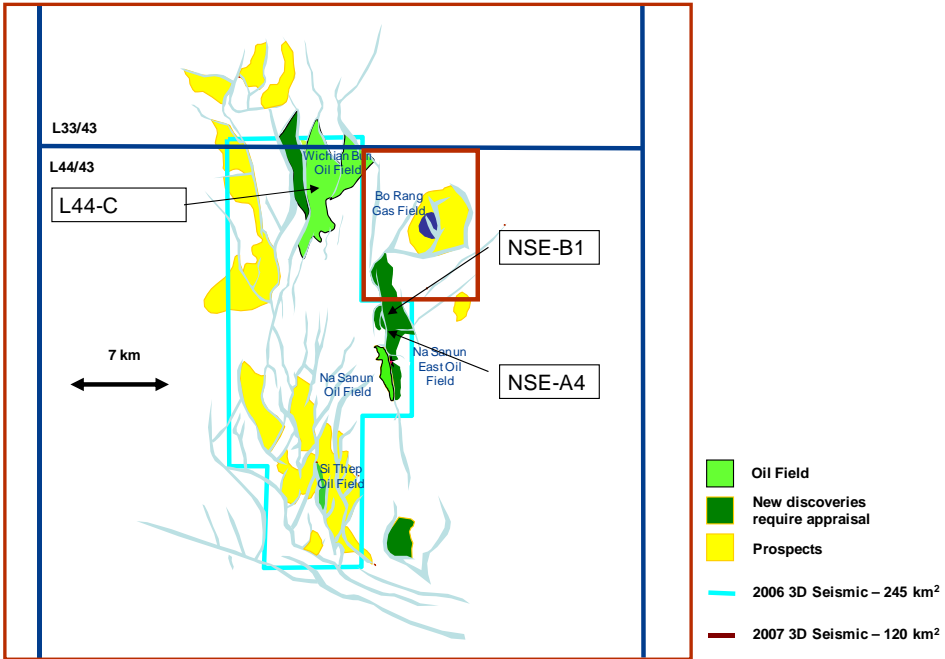


Figure 1: Approximate well locations in central onshore Thailand Phetchabun Basin permits.