

22 April 2008

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs

THAILAND DRILLING OPERATIONS UPDATE

Phetchabun Basin Thailand

EXPLORATION PERMIT L44/43

POE-9A Appraisal Well (Carnarvon 40%)

POE-9A vertical appraisal well, located approximately 130 meters south of the NSE discovery well POE-9, was logged after reaching an intermediate casing depth of 1,134 meters. Very severe lost circulation within the main volcanic interval was encountered at 849 and 854 meters with loss rates of 264-280 bbls per hour and 200+ bbls per hour through the remainder of the 65 meter thick interval. A very intensely fractured zone, or cavern, was encountered between 871-881 meters with penetration rates greater than 200 meters per hour.

After setting intermediate casing, drilling continued to a total depth of 1,171 meters. Drilling fluid losses of approximately 90 bbls per hour were encountered at 1,158 meters within a previously untested, new volcanic objective, the top of which was penetrated at 1,143 meters. Oil shows and elevated mud gas readings in combination with the losses noted above resulted in the decision to terminate drilling and prepare to open hole test this new volcanic zone. Free oil was observed over the shale shakers at surface while circulating the well with the drill bit located near the top of the new volcanic zone. Testing of the deep volcanic objective is anticipated to be completed within 7 to 10 days.

L44H-D2 Appraisal Well (Carnarvon 40%)

L44H-D2 deviated appraisal well is currently drilling ahead at a depth of 1,456 meters true vertical depth ("TVD") towards a total depth of approximately 1,800 meters TVD after logging and setting intermediate casing at 1,043 meters TVD, just below the base of an unexpectedly thick (180 meters) main volcanic zone. Very severe lost circulation was encountered in the main volcanic and FMI well bore image logs indicated extensive fracturing in the upper 120 meters of the 180 meter thick volcanic interval. Good oil shows and free oil at surface were observed while drilling this zone.

Two deeper, never before tested volcanic intervals have been encountered at 1,072 and 1,410 meters TVD with thicknesses of 20 and 28 meters respectively and exhibiting oil shows. Drilling is anticipated to encounter a number of additional volcanic targets between the current depth and the planned total depth of 1,800 meters that will be reached at a subsurface

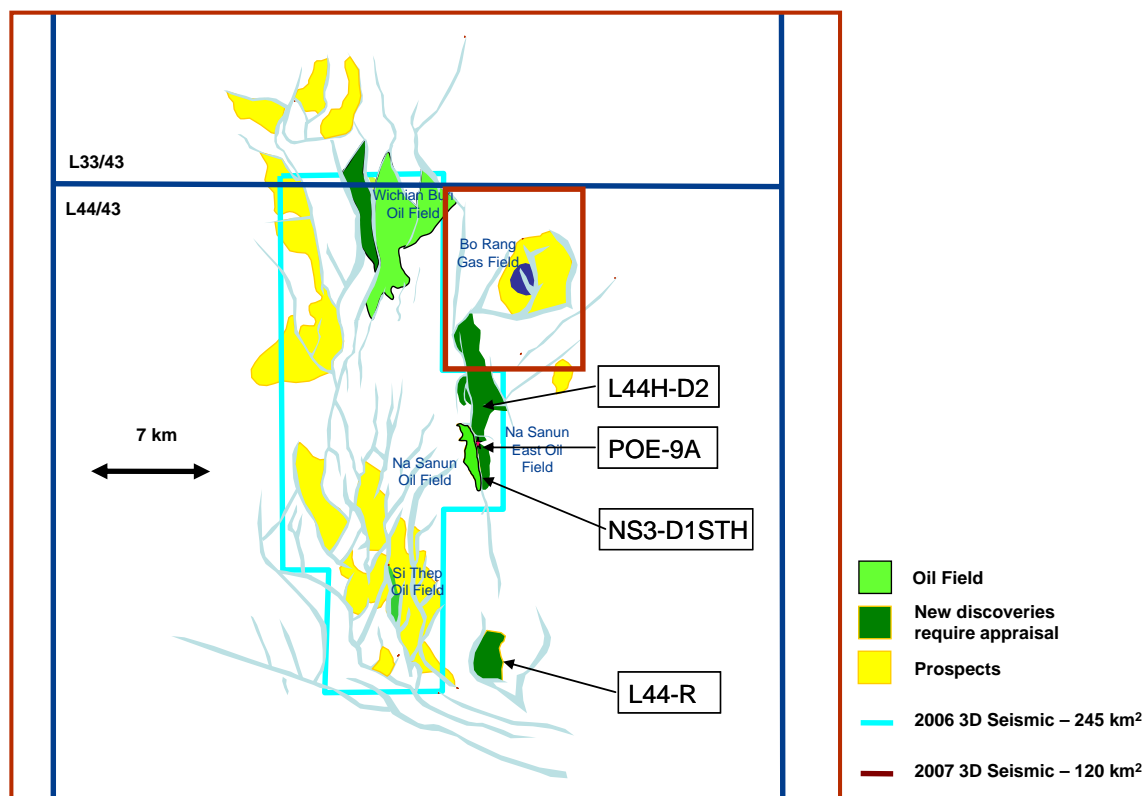
location approximately 640 meters northwest of the L44-H producing well. Drilling is anticipated to be completed in approximately 10 days.

NS3-D1STH Development Well (Carnarvon 40%)

Upon completion of the POE-9A appraisal well, drilling will commence on the NS3-D1 high angle deviated/horizontal side track. NS3-D1 ST will deviate horizontally north of the original NS3-D1 well bore that penetrated the main volcanic reservoir at the down dip, southernmost extent of the NSE South fault compartment. As part of this operation, the original NS3-D1 well bore will be abandoned and replaced by this new, horizontal side track.

Permit Holders

Pan Orient Energy (Operator)	60%
Carnarvon Petroleum	40%



Yours faithfully
Carnarvon Petroleum Limited

RA Anderson
Company Secretary