



CARNARVON  
PETROLEUM  
LIMITED  
ABN 60 002 688 851

4 August 2006

Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
20 Bond Street  
SYDNEY NSW 2000  
Via ASX Online

Dear Sirs,

## **COMMENCES DRILLING ON DEVELOPMENT WELL POE-1**

### **Wichian Buri Oil Field, Thailand**

Following the successful outcomes from POE-2, Carnarvon Petroleum Limited (“**Carnarvon**”) is pleased to announce the commencement of development well POE-1, the second well of the Phase 1 drilling programme of up to 6 wells within the Wichian Buri Oil Field in onshore Thailand. POE-1 is located 700 metres updip of POE-2 and also updip of the currently producing wells Wichian Buri-N4 and Wichian Buri-N6.

The POE-1 well will intersect a bright seismic amplitude event on the reprocessed 3D seismic which is interpreted to indicate an improvement in the sandstone reservoir at this location. The well will be deepened to penetrate both the currently producing “F” sandstone and the underlying “G” sandstone which may have additional potential for economic oil reserves.

As with POE-2, the POE-1 well will be logged and cased ready for production testing upon completion of drilling. A smaller and more cost effective service rig is being contracted to complete all 6 wells for long term production testing commencing in early September.

It is anticipated that the POE-1 well will take 12 days to reach the planned total depth of 1,251 metres.

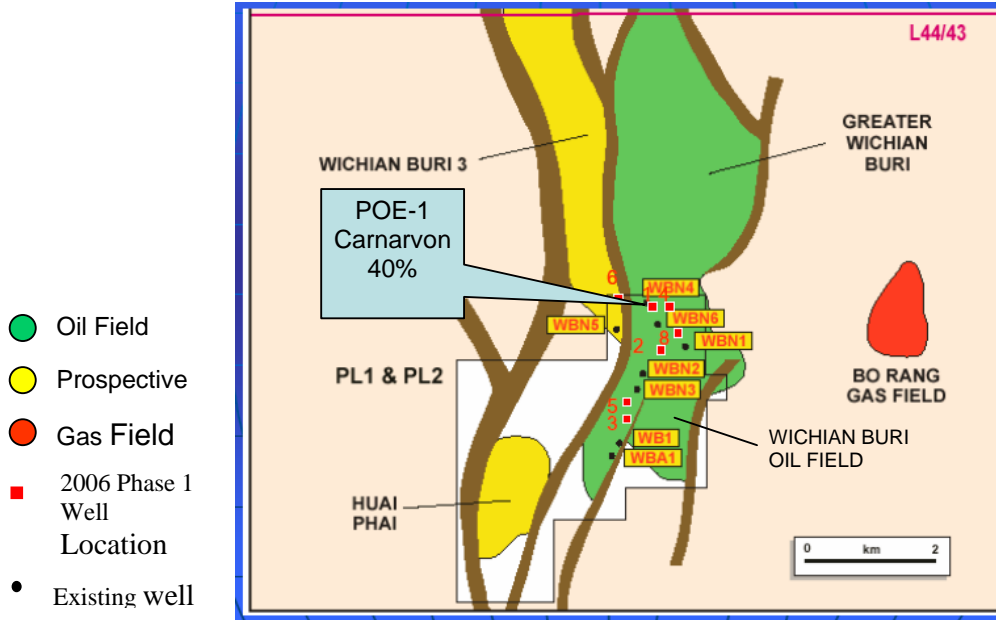
Drilling pads are being prepared for a further four wells in this Phase 1 drilling programme. It should be noted that wells are drilled in the order that the drilling pads are completed and not necessarily in the sequential order of the well numbering from POE-1 to POE-6 assigned by the operator.

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**Permit Holders**

Pan Orient (Operator)            60%  
Carnarvon Petroleum            40%



**Figure 1 – Phase 1 Drill Programme – Wichian Buri Oil Field**

Yours faithfully,

RA Anderson  
Company Secretary