



CARNARVON
PETROLEUM
LIMITED
ABN 60 002 688 851

15 August 2006

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

Dear Sirs,

CARNARVON WEEKLY DRILLING REPORT

POE-1 Development Well - Thailand

The POE-1 well is located in the northern part of the Wichian Buri Oil Field (Figure 1) 700 metres north and updip of the POE-2 well which was the first well drilled in this Phase 1 drilling programme.

The POE-1 well is being drilled to a total depth of 1,251 metres. Primary objective is the "F" sandstone which is the current producing reservoir at Wichian Buri. However the well will be drilled deep enough to ensure that other potential reservoirs including the "G" sandstone are also intersected.

Location

The well is located at latitude 15° 37' 55.2N" and longitude 101° 08' 59.63E" within the Petchabun Basin onshore Thailand.

Progress

As at 6.00 am this morning the well had reached a depth of 1,015 metres. The well has encountered some drilling difficulties with the drilling string hung up in the hole. Current operations are being carried out to free the pipe and drill ahead to total depth.

Permit Holders

Pan Orient (Operator)	60%
Carnarvon Petroleum	40%

Suite 3
Ground Floor
16 Ord Street
West Perth WA 6005
Australia

Telephone +61 8 9321 2665
Facsimile +61 8 9321 8867
e-mail: admin@carnarvonpetroleum.com

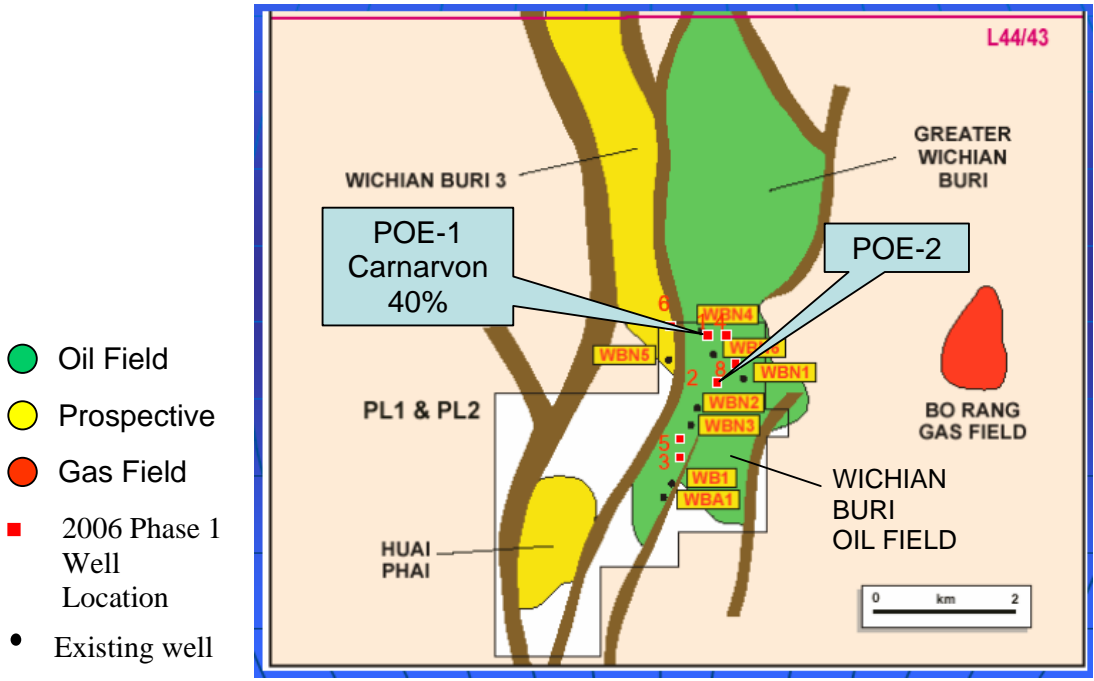


Figure 1: Location of POE-1

Yours faithfully,

Carnarvon Petroleum Limited

RA Anderson
Company Secretary