



CARNARVON
PETROLEUM
LIMITED
ABN 60 002 688 851

28 September 2006

Company Announcements Office
Australian Stock Exchange Limited

Via ASX Online

Dear Sirs,

CARNARVON WEEKLY DRILLING REPORT POE-6 EXPLORATION WELL

The Phase 1 drilling programme at the Wichian Buri Oil Field, Thailand commenced on 11 July 2006 and is currently progressing with the drilling of the 4th well of the planned 7 well programme.

1. POE-6 Exploration Well

The POE-6 exploration well has been drilled to a total depth of 1,200 metres and logging has been completed. Current operations are the running of casing in preparation for long term production testing at a later date using a workover rig.

The POE-6 well was primarily targeting the G sand reservoir in a large fault block separate and to the west of the main Wichian Buri field. This separate structure extends approximately 2.5 kilometers north and up dip of the POE-6 location. To date, no oil production has been established in the fault block penetrated by POE-6, and successful flow of oil here could add substantially to the oil reserves in the Wichian Buri area.

Hydrocarbon shows and elevated mud gas readings were encountered over a combined interval of 128 meters while drilling through various targets between 700 to 1,200 meters. After drilling through the G sand target, crude oil approximately ½ centimetre in depth covered the entire reserve mud pit. Preliminary log analysis indicates a total net pay of approximately 22.8 meters in thickness, 10.2 meters in the G sand, 4 meters in the F sand as well as two other zones of 4.9 and 3.7 meters in net thickness.

We expect testing to commence in early October subject to the in-country arrival of perforation charges and transport of these to the concession. A service rig has been contracted and will allow for extended pump testing of the newly drilled wells to establish the potential for commercial production. It will then move to existing producing wells in an attempt to enhance production performance.

The results of logging are encouraging, however until flow testing of the well has been carried out, the commercial significance of the discovery has yet to be determined.

Permit Holders

Pan Orient (Operator) 60%
Carnarvon Petroleum 40%

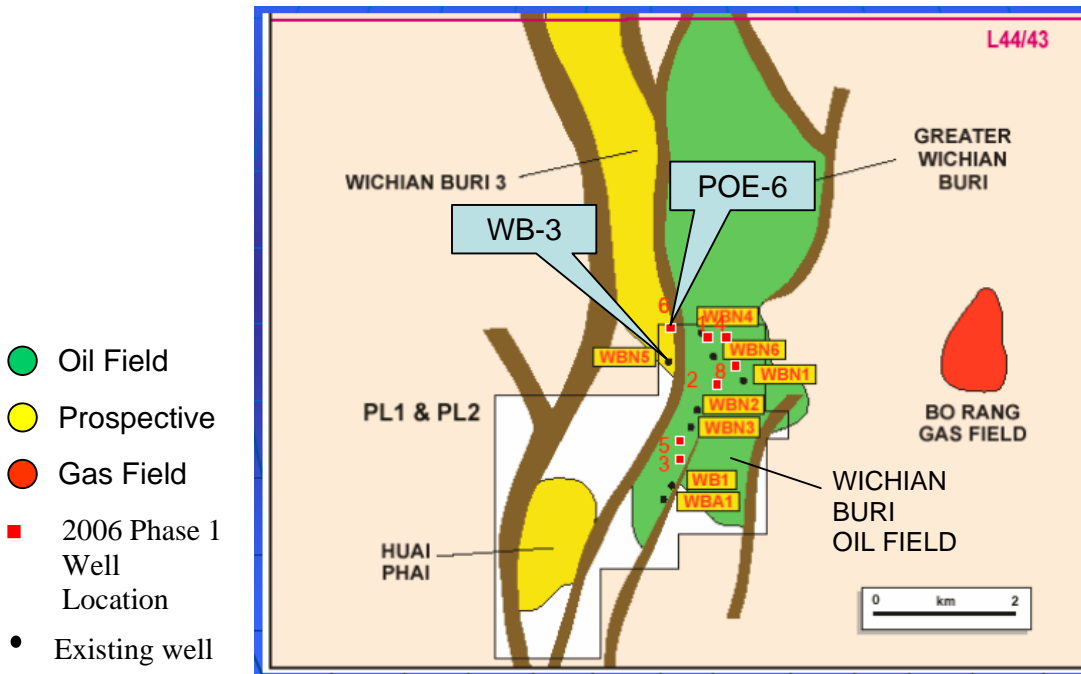


Figure 1: Location of POE-6

Yours faithfully,

Carnarvon Petroleum Limited

RA Anderson
Company Secretary