



CARNARVON
PETROLEUM
LIMITED
ABN 60 002 688 851

29 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-8

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 3rd well of the planned 7 well programme.

POE-8 development well

As at 6.00am this morning the POE-8 well was at a depth of 1,186 metres and is being drilled ahead to total depth.

The POE-8 well is located 0.68 kilometres northeast of the Wichian Buri-N2 well and comprises a step-out of the Wichian Buri Field northwards along the Wichian Buri fault block to an independently closed anticline along this trend. The well targets an elevated seismic amplitude anomaly at the F sandstone level.

Permit Holders

Pan Orient (Operator) 60%
Carnarvon Petroleum 40%

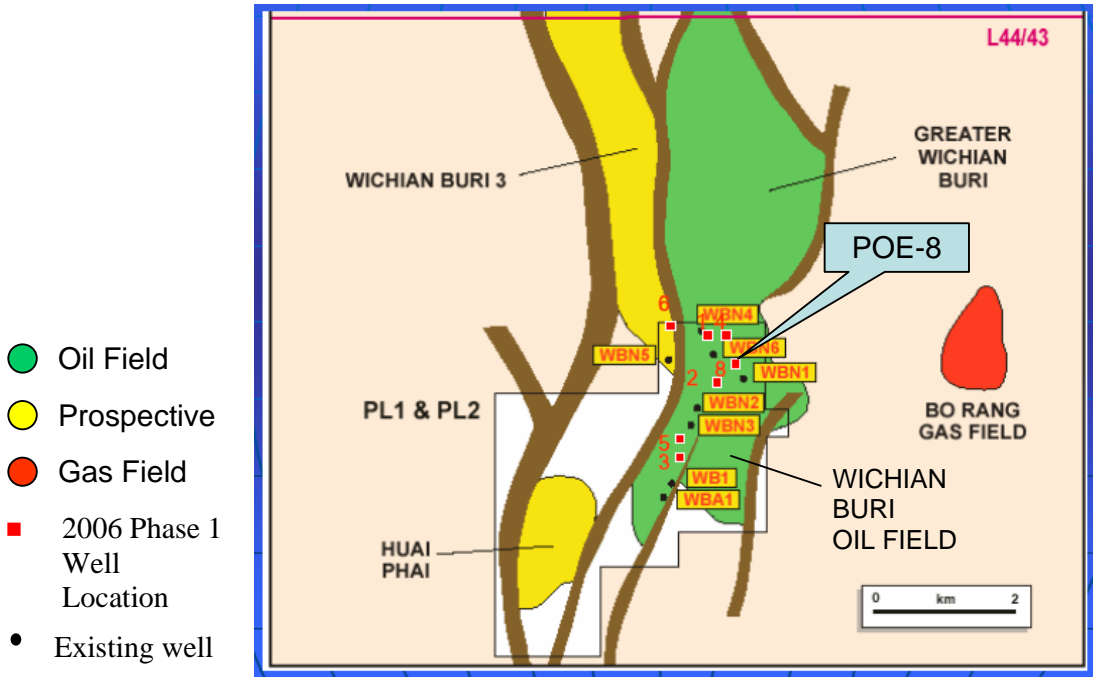


Figure 1: Location of POE-8

Yours faithfully,

Carnarvon Petroleum Limited

RA Anderson
Company Secretary