

3 January 2008

Company Announcements Office
ASX Limited

Via ASX Online

Dear Sirs

WICHIAN BURI-1 “DEEP”

The Operator of Carnarvon’s Thailand assets, Pan Orient Energy (“POE”), a Calgary based company, released the following announcement to the Toronto Stock Exchange (“TSX”) overnight:

“WB-1(Deep) has been drilled to a total vertical depth of 1,598 meters, penetrating the top of the target volcanic at 1,501 meters and drilling through the top 97 meters of the approximately 220 meter thick zone. Lost circulation was encountered at 1,552 and 1,585 meters at rates of 20 and 227 bbls/hr respectively, with approximately 4,900 bbls of drilling fluid lost into the target formation while drilling and logging. Live oil was observed at the surface while drilling at 1,503, 1,556, 1,565 and 1,585 meters. Testing is anticipated to be completed within the next 12 days, initiating in 5 days after the Aztec 14 rig has been moved off location.”

Permit Holders

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

Yours faithfully
Carnarvon Petroleum Limited



RA Anderson
Company Secretary