

Thailand Drilling Update – NSE-B2ST1

6 December 2012



Carnarvon Petroleum Limited (“Carnarvon”) (ASX:CVN) provides shareholders with the following update on the drilling operations at the NSE-B2ST1 well as at 06:00hrs, 6th December 2012.

The NSE-B2ST1 well commenced sidetrack drilling operations on 22nd November 2012. Since the update report on 29th November 2012, the well has successfully sidetracked from the original borehole, as planned, and has directionally drilled ahead to 893 mMD where drilling fluid losses have occurred.

Drilling fluid losses are generally positive indicators of open fracture networks and a necessary element to flow oil from these igneous reservoirs.

Current operations are working to control these losses with Lost Circulation Material (LCM) and continue drilling to the programmed total depth of 1,095 mMD.

If successful, the well will be placed on production within 5-7 days following the completion of the well and production from this well is planned to be restricted to preserve flow rates and maximise recovery rates.

Carnarvon expects to release the next update report on the 13th December 2012, subject to any material events occurring prior to this date.

Further information on Carnarvon Petroleum Limited is available at: www.carnarvon.com.au

For all enquiries please contact:

Adrian Cook
Managing Director - Carnarvon Petroleum
08 9321 2665
Email: admin@cvn.com.au

Yours faithfully

A handwritten signature in black ink, appearing to read "Adrian Cook", written over a light blue horizontal line.

Adrian Cook
Managing Director
Carnarvon Petroleum

NSE-B2ST1

Permit	L44/43
Location	Easting: 734,727.49 m E Northing: 1,722,945.70 m N
CVN Interest	40%
Target Formation	NSE Main Volcanic Reservoirs
Commencement Date	22 nd November 2012
Days on Location	15
Planned Total Depth	1095.22 mMD (900.00 mTVD)
Current Depth	893.14 mMD (730.20 mTVD)
Current Status	Manage drilling fluid losses
Forward Operations	Manage losses and continue drilling to total depth.

