



CARNARVON  
PETROLEUM  
LIMITED  
ABN 60 002 688 851

7 June 2006

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

Dear Sirs,

### **WICHIAN BURI OIL FIELD OPERATIONS UPDATE**

#### **Preparation for drilling programme completed and spudding anticipated for POE-2A by 1 July**

**Phase 1** - Site construction for the first well (POE-2A) of the 5 to 6 well phase one programme has been completed. This involved the establishment of a contract with the landowner, the preparation of access roads and the construction of a drilling pad, mud pit and other necessary infrastructure. Drilling is anticipated to commence by 1 July on POE-2A which is targeting the main producing "F" sandstone on a small structural high updip of the previously drilled producing wells WB-N2, WB-N6 and WB-N8. The well will also be deepened to approximately 1,100 metres total depth to intersect the "G" sandstone level in which oil has been noted in previous wells. Construction work is ongoing in preparing pads for another 5 wells to be drilled immediately following POE-2A.

The operator Pan Orient (TSX listed "POE") has contracted a second drilling rig (Aztec Rig 7) on behalf of the Joint Venture to provide increased flexibility in targeting deeper horizons and to accelerate the drilling programme. This new rig has a depth capacity of 2,000 metres with a contract term for one year.

**Phase 2** - The acquisition of 245 sq kms of 3D seismic by the contracting company CGG was completed on 3 June 2006. Processing of the data has commenced. Once completed and interpreted, these data will be used to define targets for the second phase of 15 to 20 wells later this year and into next year.

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](mailto:admin@carnarvonpetroleum.com)

**Other updates**

Pan Orient has been continuing to hire additional personnel to manage the operations in Thailand. As well as the recently appointed Mr Ian Halstead as Chief Operating Officer, the operator has also recently hired Mr Spencer Lock as Production Manager, Thailand. Both employees will be based in Bangkok.

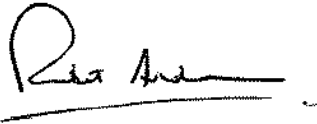
Carnarvon's Managing Director, Ted Jacobson commented: "we strongly support the hiring of both professionals who have significant experience in developing and producing low production fields such as our Wichian Buri. This is a significant locally based addition of knowledge and expertise to the Joint Venture".

**Permit Participants**

|                       |     |
|-----------------------|-----|
| Carnarvon Petroleum   | 40% |
| Pan Orient (Operator) | 60% |

Yours faithfully,

CARNARVON PETROLEUM LIMITED

A handwritten signature in black ink, appearing to read 'Bob Anderson', written over a horizontal line.

Bob Anderson  
Company Secretary