



CARNARVON
PETROLEUM
LIMITED
ABN 60 002 688 851

24 May 2007

Company Announcements Office
Australian Stock Exchange Limited

Via ASX Online

Dear Sirs,

OPERATIONS UPDATE THAILAND

NA SANUN-4 APPRAISAL WELL

As previously reported, the NS-4 appraisal well has been drilled into the topmost of 5 potential fractured volcanic reservoirs. Massive lost circulation has been encountered as a result of significant fractures within these volcanics with oil being recovered at surface. Operations have proceeded slowly due to this massive lost circulation.

Casing of the well has been completed and the well will now be production tested with test results expected within the next 7 to 10 days. Material results will continue to be reported as they become available.

Yours faithfully,

Carnarvon Petroleum Limited

RA Anderson
Company Secretary

