

Thailand Operations Update

21 May 2010



Carnarvon Petroleum Limited (ASX:CVN) provides the following update on the current situation in Thailand.

Pan Orient, the Operator of the L44 permit in Thailand, was notified in the afternoon of May 20 (Bangkok local time) that crude oil deliveries are to resume to the Bangkok area refinery on May 21 and May 22 restricted to between the hours of 7 a.m. to 3 p.m. The limited hours of operations is in response to the Government of Thailand announced curfew that from the most recent government statements is believed to be in effect until the morning of May 23, at which time thereafter, the Company anticipates crude oil deliveries will revert to their normal schedule.

Disruption to Carnarvon's Thailand operations has been minimal, without incident and limited to a less than 48 hour period during which time the company produced oil into tank storage at modestly restricted rates and experienced no impact to its active onshore Thailand Concession L44 development drilling program.

Carnarvon will provide immediate updates to the current situation as further information becomes available or the company becomes aware of any changes to the current situation.

Crude oil deliveries to resume on May 21 limited to the hours of 7 a.m. to 3 p.m.

Unlimited crude oil deliveries anticipated to resume from May 23

Disruption to Thailand operations has been minimal due to the usage of tank storage facilities

No impact to development drilling program

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