

Krai Thong Drilling Update

8 March 2011



Thailand L20/50 Concession

Carnarvon Petroleum provides the following update on the Krai Thong exploration well, onshore Thailand.

Location / Proposed depth

Krai Thong is located onshore central Thailand in the Phitsanulok basin, around 350 km northwest of Bangkok and 60km south of the Sirikit oil field. The proposed total depth ("TD") for this well is around 1,425 metres.

Progress

Krai Thong has completed drilling the intermediate hole down to 605 m and has set 9 5/8" casing. As at 6:00 am on 8 March the well is preparing to drill ahead in 8 1/2" hole to TD.

Forward Plan

The well will be drilled ahead in 8 1/2" hole through the target objectives to the final well TD of approximately 1,425 metres over the next 3-4 days.

Upon reaching final TD the well will be evaluated with a suite of wireline logging tools.

After analysis of logs the well will either be completed for production testing or plugged and abandoned.

Further updates will be issued as the well progresses.

L20/50 Concession Permit Holders

Carnarvon Petroleum Ltd (Operator)	50%
Sun Resources NL	42.5%
Peak Oil & Gas Limited	7.5%

SUMMARY

Krai Thong exploration well onshore Thailand spudded 28th February 2011

Current operations are preparing to drill ahead in 8 1/2" hole to TD

Anticipated time to completion around one week

Resource potential of Krai Thong prospect 37 million bbls of oil gross

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