

L20/50 Drilling Update

6 January 2011



Thailand L20/50 Concession

Operations anticipated to commence 17th January

Carnarvon Petroleum, as operator of the L20/50 permit, advises that in December 2010 notice has been sent to the drill rig operator and associated rig service companies to be ready to commence operations mid January 2011.

Operations will commence with rig mobilisation which is expected to take 5-7 days.

The first well site, Tapao Kaew, was essentially completed in late December, however operations will not commence until the other well sites have progressed significantly enough to be able to drill up to 3 wells back to back.

The second well site, Krai Thong, is nearing completion and will be ready by the end of January, well ahead of earliest release of rig from Tapao Kaew.

The third well site, Chalawan, will be ready by mid to late February and a decision on whether to drill this third well will depend on results from the first two wells.

Drilling operations are anticipated to take around 2 to 3 weeks per well, with a further 3-6 days rig move between wells.

If logging results show sufficient encouragement, testing operations will commence after the mobilization of appropriate equipment, expected around 1 month post the completion of the first successful well.

Ted Jacobson, Carnarvon's CEO commented:

"The commencement of operations at L20/50 is an exciting period for Carnarvon, not only showcasing the first operated drilling operations in Thailand for the company but also because the significant potential from these three wells is in excess of 45 MM bbls recoverable oil net to the company."

SUMMARY

17th January 2011
operations commence

Drilling rig and
associated rig
services to be
mobilised

2 firm wells & 1
contingent well to be
drilled

Targeting in excess of
45 MM bbls net to
Carnarvon

Registered Office

Enquiries to:
Philip Huizenga
(General Manager – Operations)

Ground Floor
1322 Hay Street
West Perth WA 6005

PO Box 99
West Perth WA 6872

Telephone: 08 9321 2665
Fax: 08 9321 8867
Email: admin@cvn.com.au

ASX Code: CVN

Well Sites



Finalising drill pad construction on Tapao Kaew as of late December 2011



Drill site construction well advanced on Krai Thong

L20/50 Concession Permit Holders

Carnarvon Petroleum Ltd (Operator)
Sun Resources NL

50%
50%

