

Tapao Kaew Drilling Update

8 February 2011



Thailand L20/50 Concession

Carnarvon Petroleum provides the following update on the Tapao Kaew exploration well, onshore Thailand.

Location / Proposed depth

Tapao Kaew is located onshore central Thailand in the Phitsanulok basin, around 350 km North West of Bangkok and 50km south of the Sirikit oil field. The proposed depth for this well is around 1,715 meters

Progress

Tapao Kaew has completed drilling the 12 ¼" hole size in the intermediate section to a depth of 605 m MD. As at 6:00 am on 8 February the rig was preparing to run wireline logs over this hole section.

Forward Plan

Operations for the next 2-3 days will be running intermediate section logs and setting the 9 5/8" casing.

Tapao Kaew will penetrate the first of the well objectives in the 8 ½" section within the next 3-4 days. The well is planned to reach total depth (TD) within the next 6-8 days.

Further updates will be issued as the well progresses.

Target

Tapao Kaew is targeting a 4-way dip anticlinal structure with stacked targets situated on the western edge of the basin, immediately adjacent to the interpreted hydrocarbon kitchen.

The Joint Venture estimates the Tapao Kaew prospect to have a gross speculative potential resource of approximately 21 million barrels of oil. The Tapao Kaew-1 well will test up to three separate mapped intervals of potential sandstone reservoirs, between depths of approximately 700 to 1,715 metres.

SUMMARY

Tapao Kaew exploration well onshore Thailand spudded late January 2011

Current operations logging the intermediate 12 ¼" hole section

Anticipated time to completion around two weeks

Resource potential 21 million bbls of oil net to Carnarvon

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L20/50 Concession Permit Holders

Carnarvon Petroleum Ltd (Operator)

Sun Resources NL
Peak Oil & Gas Limited

50%

42.5%

7.5%

