

Phoenix South-1 Well Update

18 July 2014



Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) is pleased to report that the Phoenix South-1 well has successfully set the 9 5/8" casing in the side-track well and is drilling ahead.

As at 12:00 hours today the well was drilling ahead at approximately 3,750 meters MD in the final hole section.

The primary targets for the Phoenix South-1 well are the interbedded sandstones, siltstones and claystones of the Middle Triassic Lower Karaudren Formation and Early to Middle Triassic Locker Shale. These sands are expected to be intersected while drilling this final hole section.

The well is expected to take approximately three weeks to complete drilling.

Following the completion of drilling, extensive wireline logging and both pressure and fluid sampling are planned. These operations will continue for a further week.

Carnarvon will provide further updates as the well progresses.

The equity interest holders in the Phoenix South-1 well (upon satisfaction of the farm in agreement terms) are:

Carnarvon Petroleum	20%
Apache Energy (Operator)	40%
JX Nippon	20%
Finder Exploration	20%

For all enquiries please contact:

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Yours faithfully

A handwritten signature in black ink, appearing to read "Adrian Cook".

Adrian Cook

Managing Director

Carnarvon Petroleum