

# Good Oil Presentation

9 September 2014



Dear Shareholders,

Please find attached a copy of a presentation that will be delivered by Carnarvon Petroleum's Chief Operating Officer, Mr Philip Huizenga, at the "RIU Good Oil Conference" in Fremantle on the 9<sup>th</sup> of September.

Mr Huizenga will review Carnarvon's three major assets, namely the Phoenix project in the Offshore Canning Basin, the Cerberus project in the Carnarvon basin, both offshore Western Australia, and the Wichian Buri project in the Phetchabun basin onshore Thailand.

The recovery of oil from the Phoenix South-1 well has changed the view of the prospectivity of the offshore Canning Basin. At the conclusion of the Phoenix-1 and 2 drilling campaigns some 30 years previously, the area was thought to contain "stranded gas" and "tight rocks". However the oil discovery at Phoenix South-1, where the oil and reservoir quality point to a commercial discovery, has changed the assessment of the area from "tight gas" to "potentially productive oil". While further work is still required to determine resource size, the joint venture is encouraged by the work to date to move the oil prospect Roc-1 from contingent to firm. Significant other leads and prospects also exist in the acreage.

Further south in the Carnarvon basin, the Company has a 100% equity position in the Cerberus blocks. The area of the Cerberus blocks is large at around 3,200 km<sup>2</sup>, and lightly explored like Phoenix with only around a dozen or so wells in the blocks. Modern 3D data already exists over the majority of the blocks. A number of leads and prospects have already been identified, and three prospects in three different play types have been high graded as being drill ready. Multiple development options exist due to the shallow water depth, shallow target depth, proximity to shore and proximity to existing oil and gas production infrastructure.

Carnarvon will be looking for partners to help unlock the potential of the Cerberus blocks. Having only recently acquired these blocks with minimal permit commitments, there is long permit life remaining for exploration.

In Thailand Carnarvon has 20% equity interest in around 1,000 km<sup>2</sup> of exploration, appraisal and production acreage. The acreage lies onshore around 250km north of Bangkok and is developed with fit for purpose low cost facilities. With reservoirs between 500 and 1,000m below ground, drilling costs are nominally around \$1.5 million each, and post drilling development is around \$200,000 for each well brought into production. The oil is trucked to refineries in Bangkok.

Of the around 1,000 km<sup>2</sup> of acreage, approximately a third is covered by 3D seismic data and only some 100 km<sup>2</sup> has been developed and lies within production licenses, incorporating 29.5 million barrels of gross proved and probable reserves as reported in the reserves update announcement on 31 March 2014

Development drilling in Thailand in 2014 has been successful, with recent wells based on updated technical work increasing the gross field production to around 4,000 bopd.

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**Yours faithfully**



**Adrian Cook**  
**Managing Director**  
**Carnarvon Petroleum**

*This news release contains forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this news release includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of reserves and potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this news release require Carnarvon and its management to make assumptions that may not materialize or that may not be accurate. The forward-looking information contained in this news release is subject to known and unknown risks and uncertainties and other factors, which could cause actual results, expectations, achievements or performance to differ materially, including without limitation: imprecision of reserve estimates and estimates of recoverable quantities of oil, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling and related activities, demand for oil and gas, commercial negotiations, other technical and economic factors or revisions and other factors, many of which are beyond the control of Carnarvon. Although Carnarvon believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct.*



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**Good Oil Presentation**

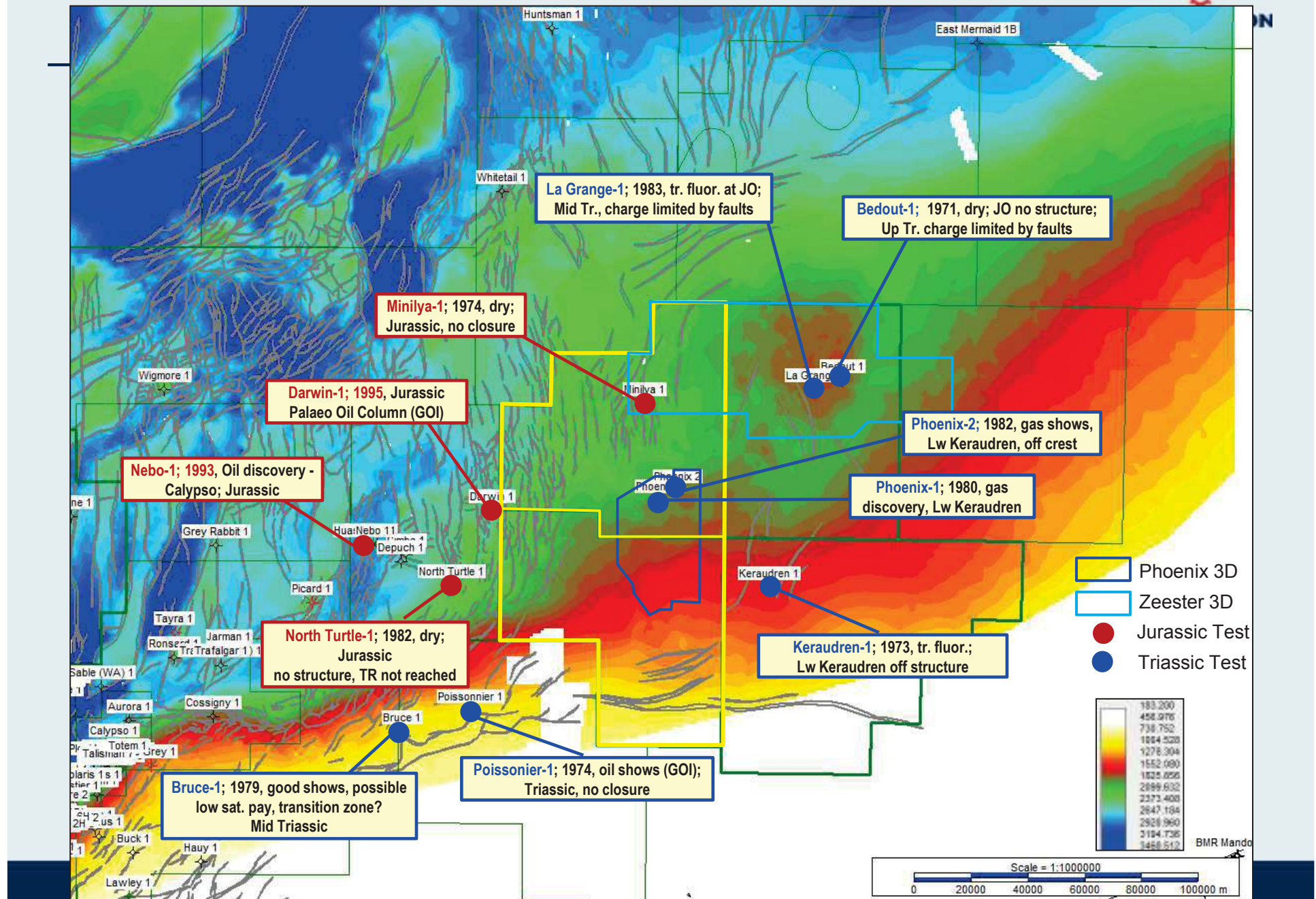
**September 2014**



**Major Oil Discovery  
Phoenix South-1 Well**

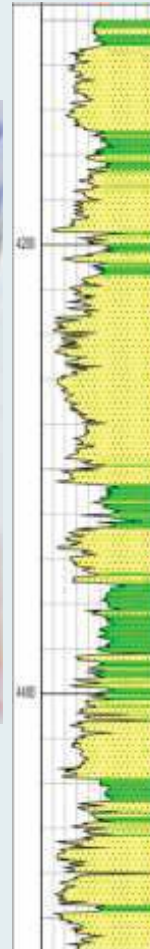
**Offshore Canning Basin,  
Western Australia**

# Regional Wells – Prior to Phoenix South-1 oil discovery

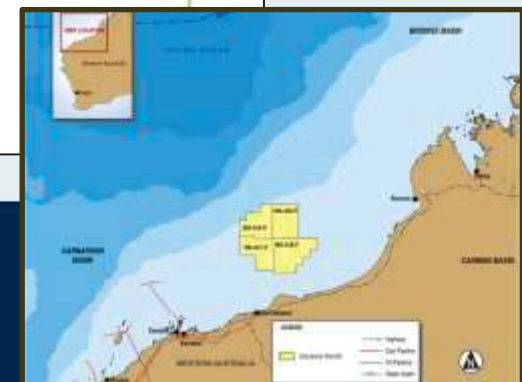
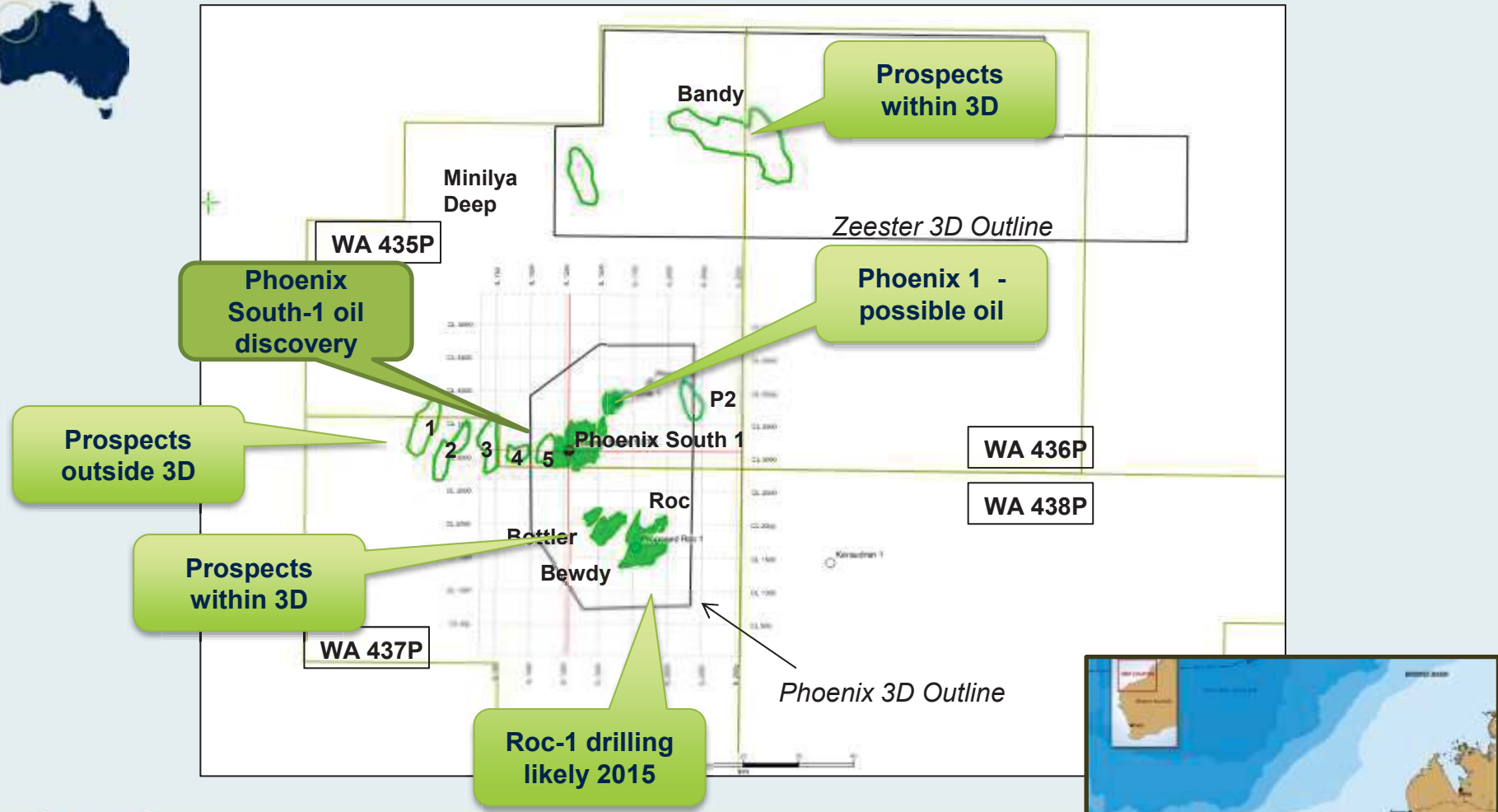




# Phoenix South -1 Oil Discovery

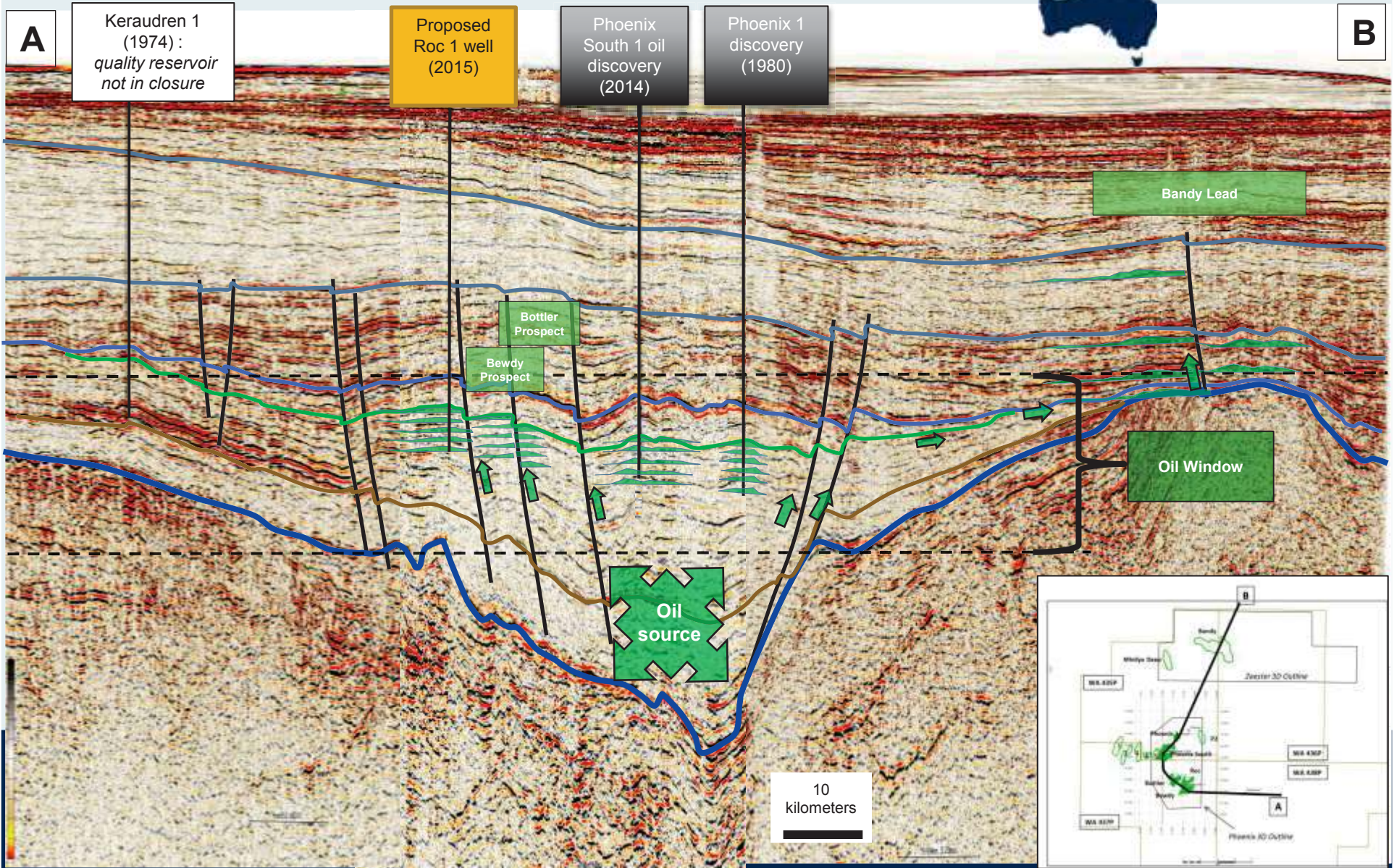


# Multi-field Potential in New Oil Province





# Emerging New Oil Province



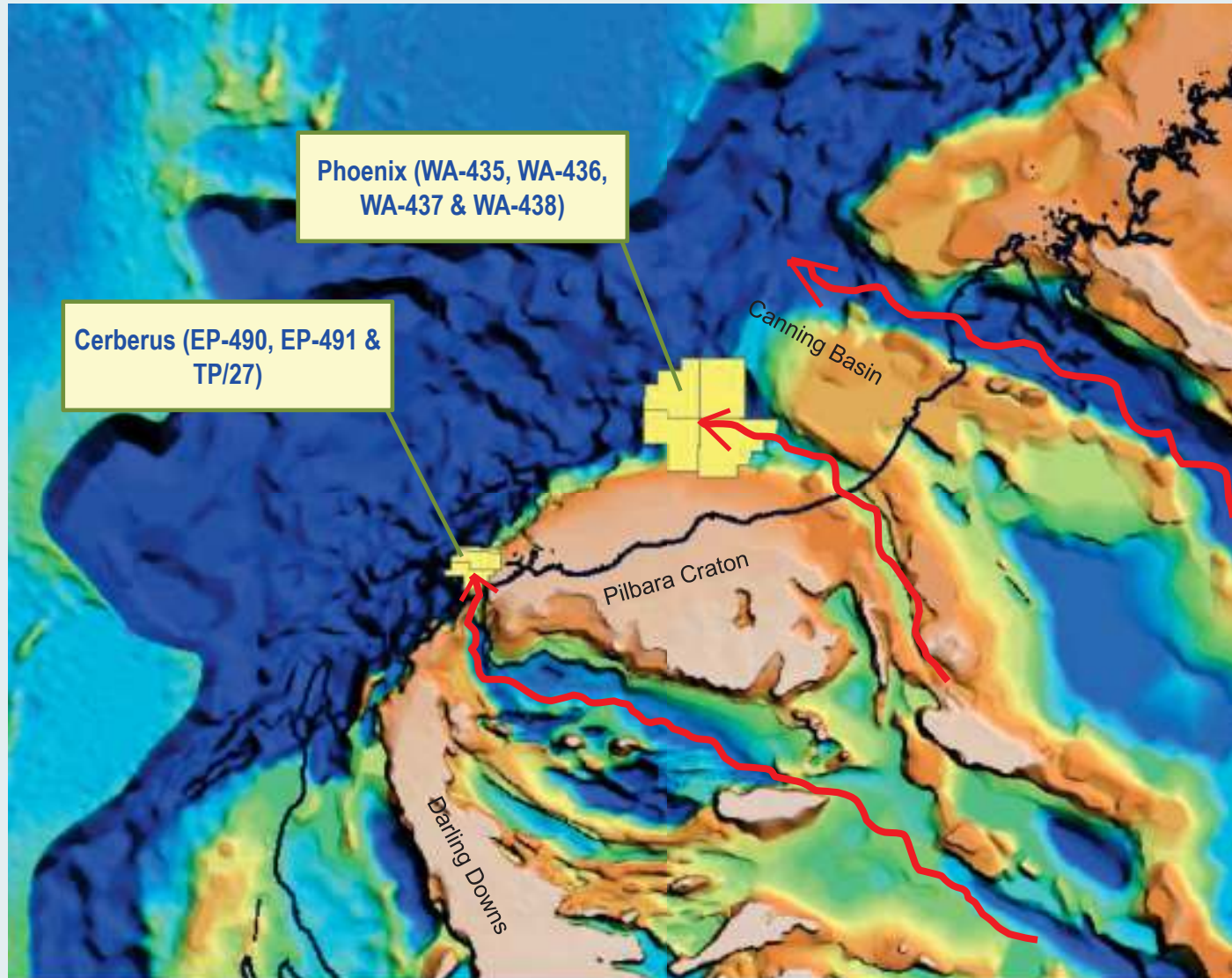




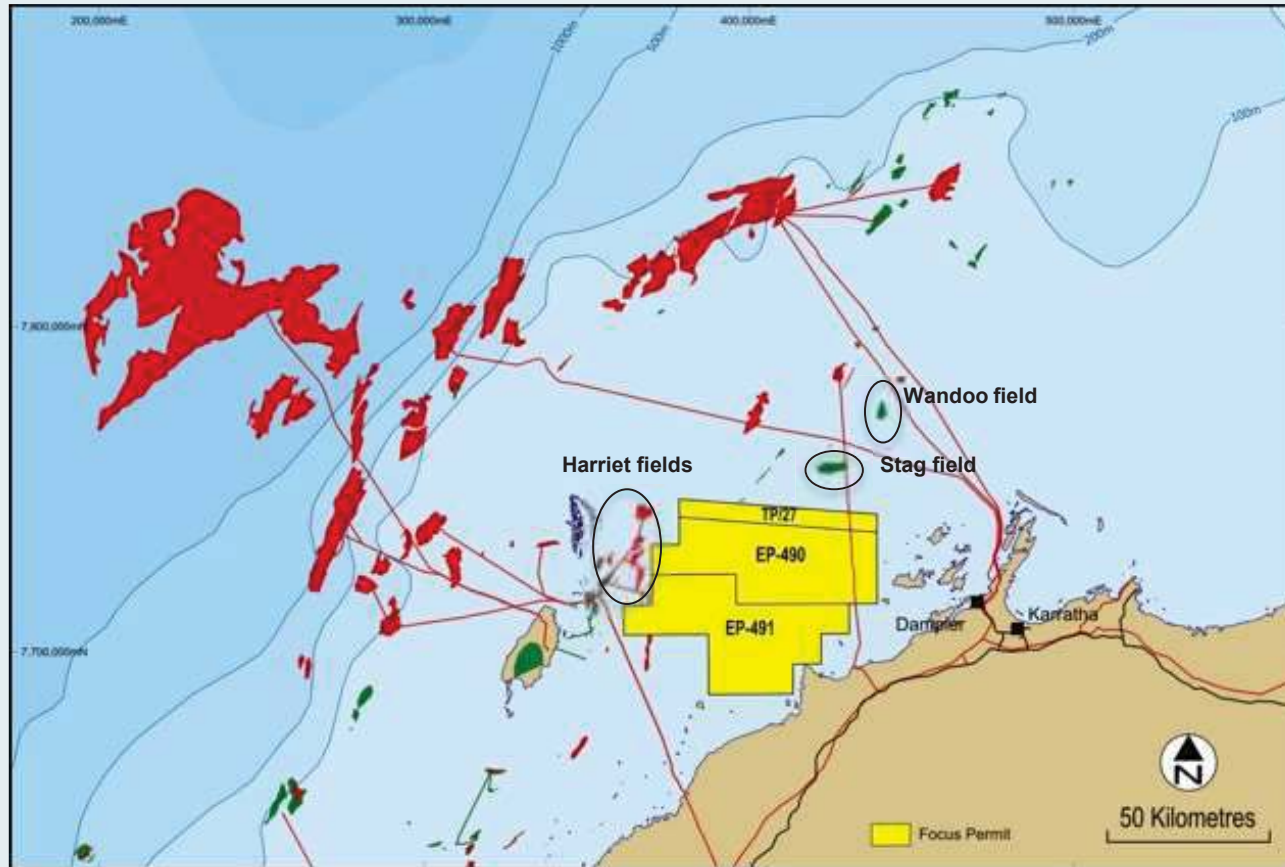
## **Cerberus: The Next Wave**

**Carnarvon Basin,  
Western Australia**

# Carnarvon's footprint in the North West Shelf



# Cerberus located in Carnarvon Basin

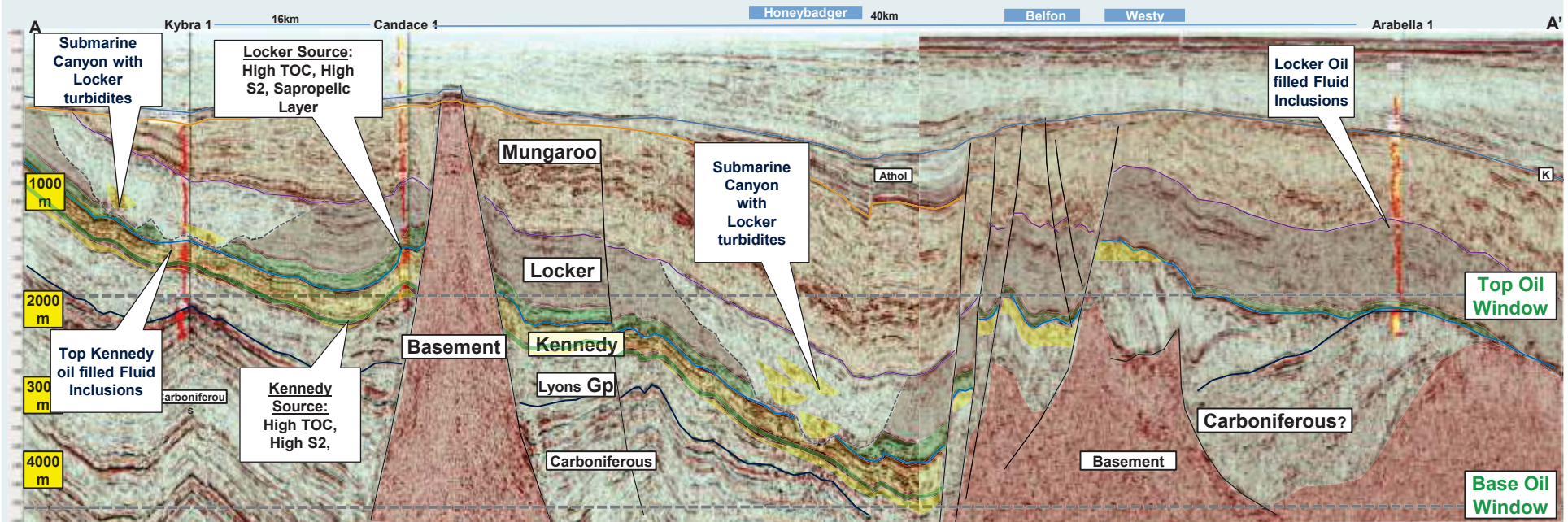
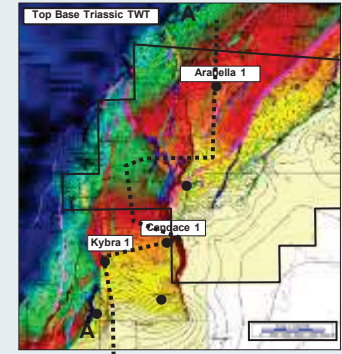


 Existing oil fields or discoveries

 Existing gas fields or discoveries



# Carnarvon already advanced in interpretation





## Production from Onshore Assets

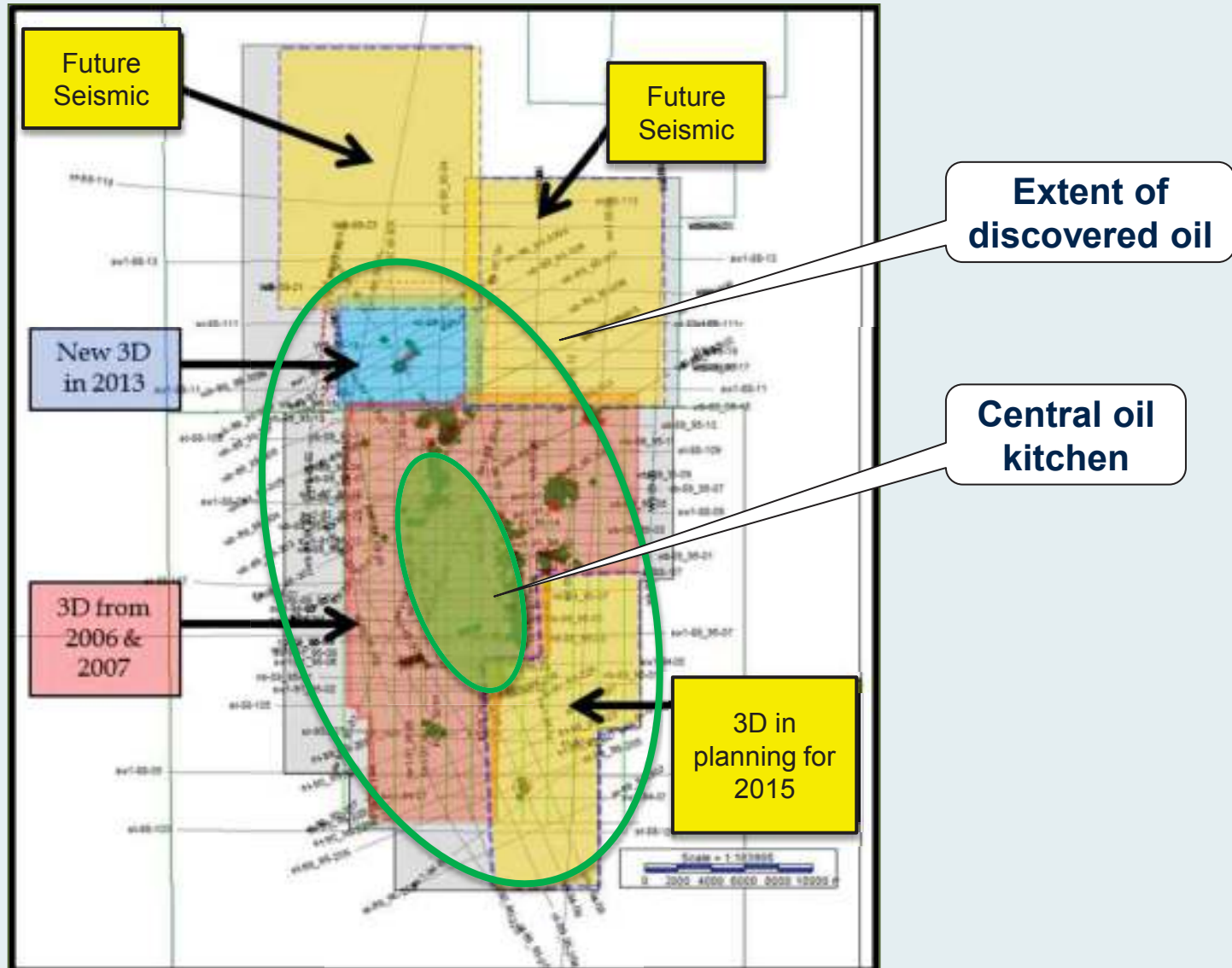
Phetchabun Basin,  
Central Thailand

# Oil production Phetchabun Basin

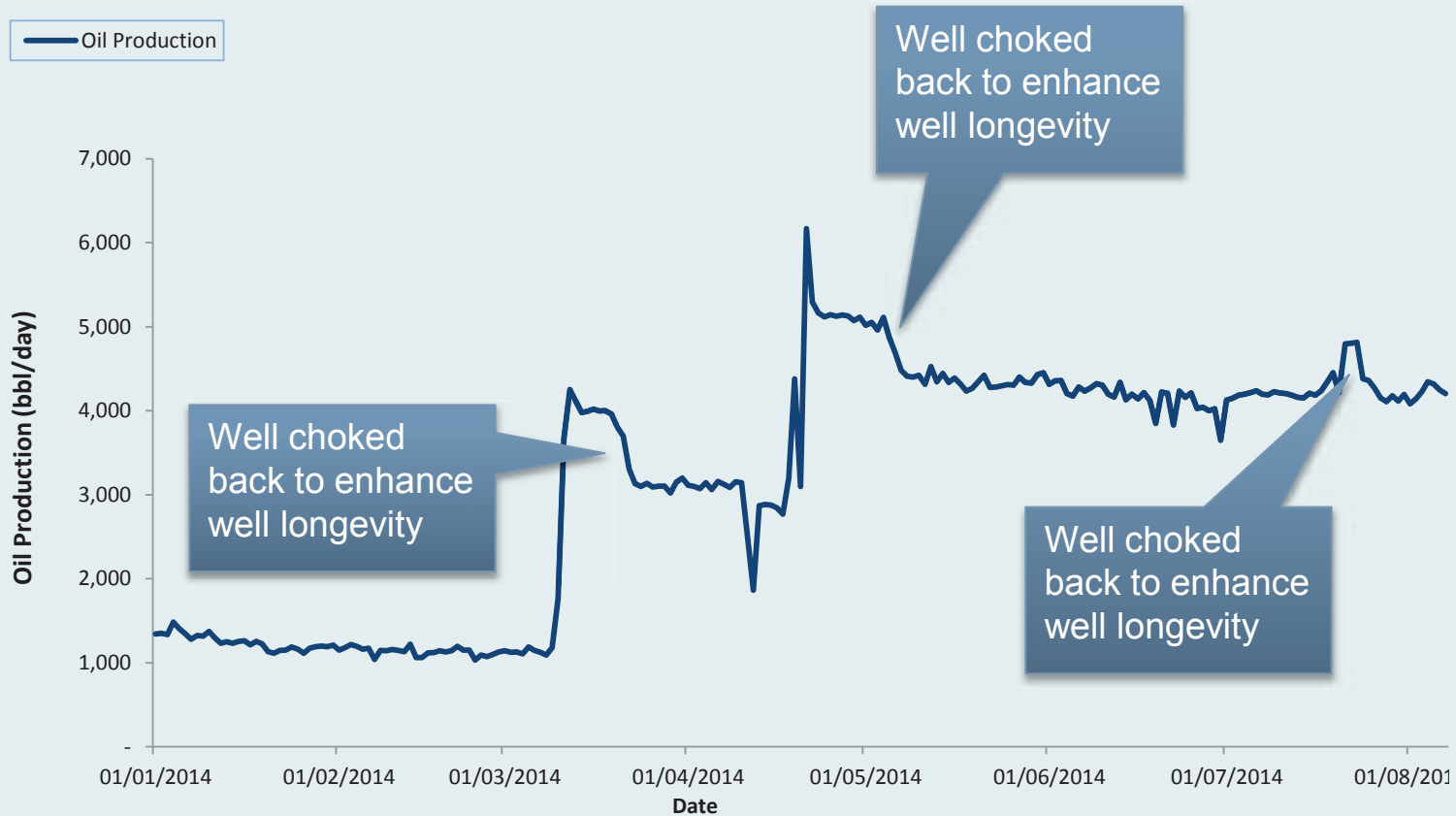




# Continuous exploration and development



# 2014 Production





**Carnarvon Petroleum**

**Australia, Thailand**



# Simplifying the Value Proposition



# Disclaimer

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The information in this document, that relates to oil exploration results and reserves, is based on information compiled by the Company's Chief Operating Officer, Mr Philip Huizenga, who is a full-time employee of the Company. Mr Huizenga consents to the inclusion of the reserves and resource statements in the form and context in which they appear.

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