

Company Presentation

16 October 2014



Carnarvon Petroleum Limited ("Carnarvon") (ASX: CVN) is pleased to release its latest presentation on the Company's oil & gas exploration activities on Australia's North West Shelf.

CEO and Managing Director Adrian Cook will be delivering this presentation at the Macquarie Connection Western Australian Forum on Thursday 16th October 2014.

One of the key messages Mr Cook will deliver at the Forum is that the economics of offshore oilfield development via FPSO are more favourable when compared to those of natural gas projects in remote areas of Australia due to lower capital requirements and shorter time frames for development.

The Phoenix South-1 well was an important oil discovery in proving oil exists in the structure drilled as well as in terms of uncovering a new oil province in which Carnarvon and its Joint Venture partners hold key acreage covering a significant ~22,000km². On the later point, technical work undertaken since the discovery has identified a significant number of oil prospects and leads, within the four "Phoenix" exploration permits on the North West Shelf, to be followed up in future exploration activities.

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Yours faithfully

A handwritten signature in black ink, appearing to read "Adrian Cook", is positioned above the printed name.

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.



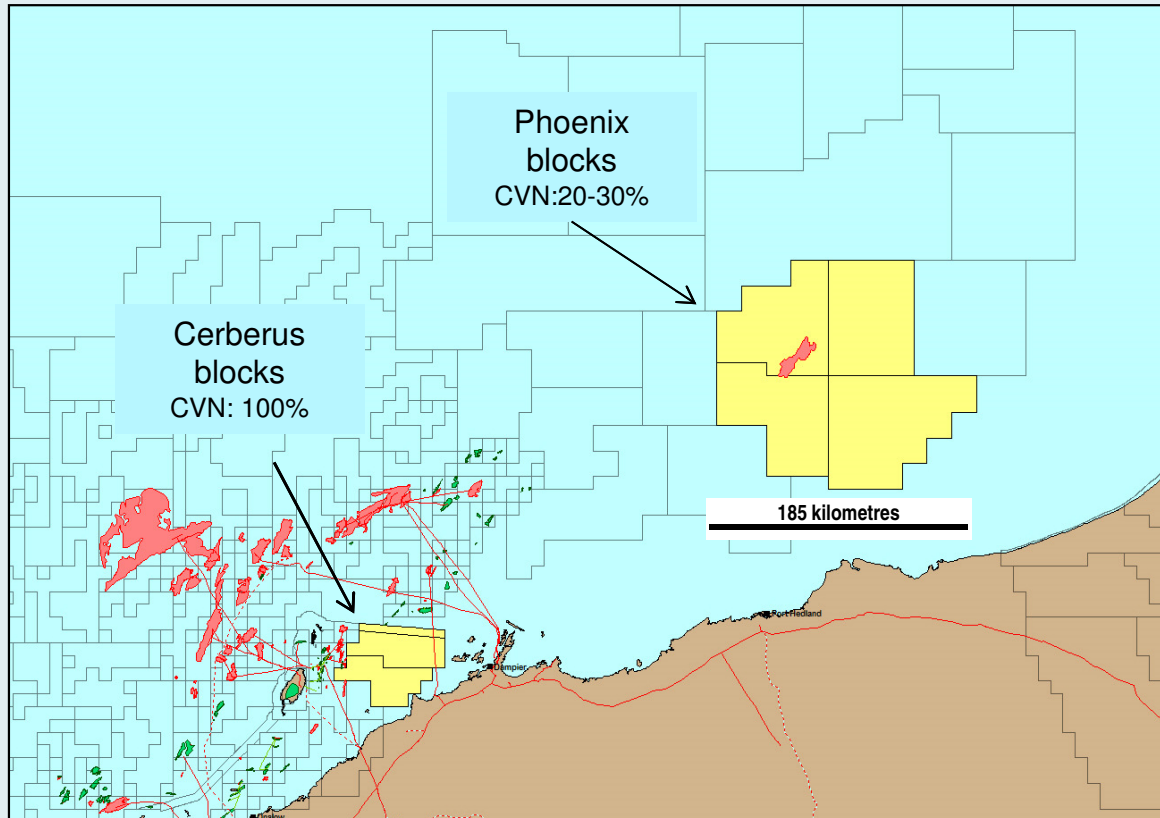
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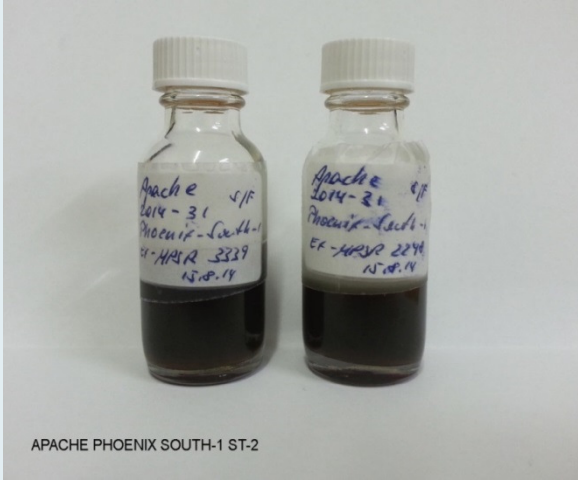
**Macquarie Connections
Western Australia Forum**

16 October 2014

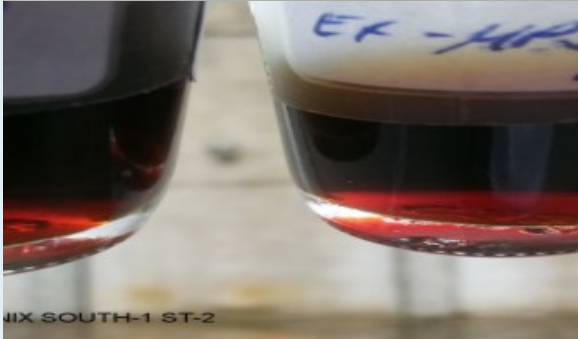
Strategic locations of significant scale



Major Oil Discovery in First Well

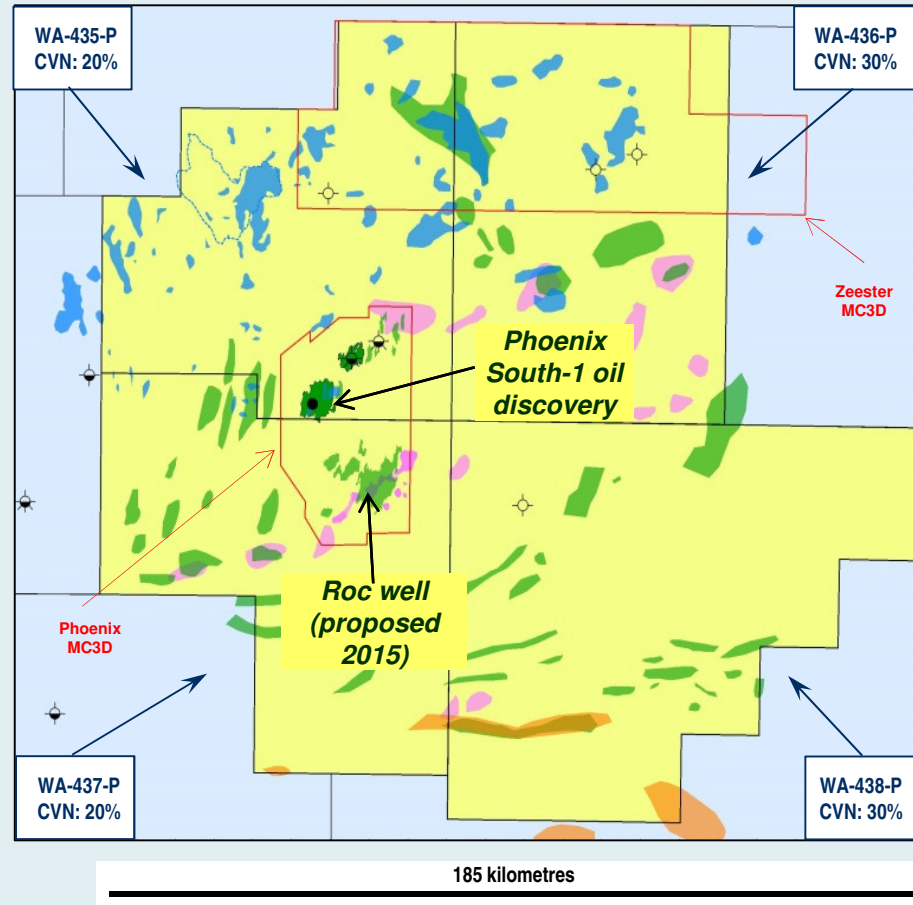


APACHE PHOENIX SOUTH-1 ST-2

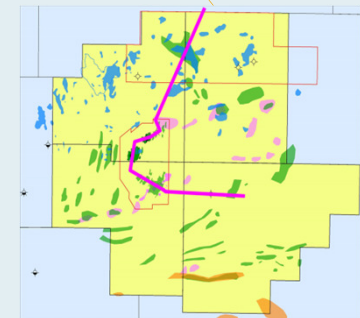
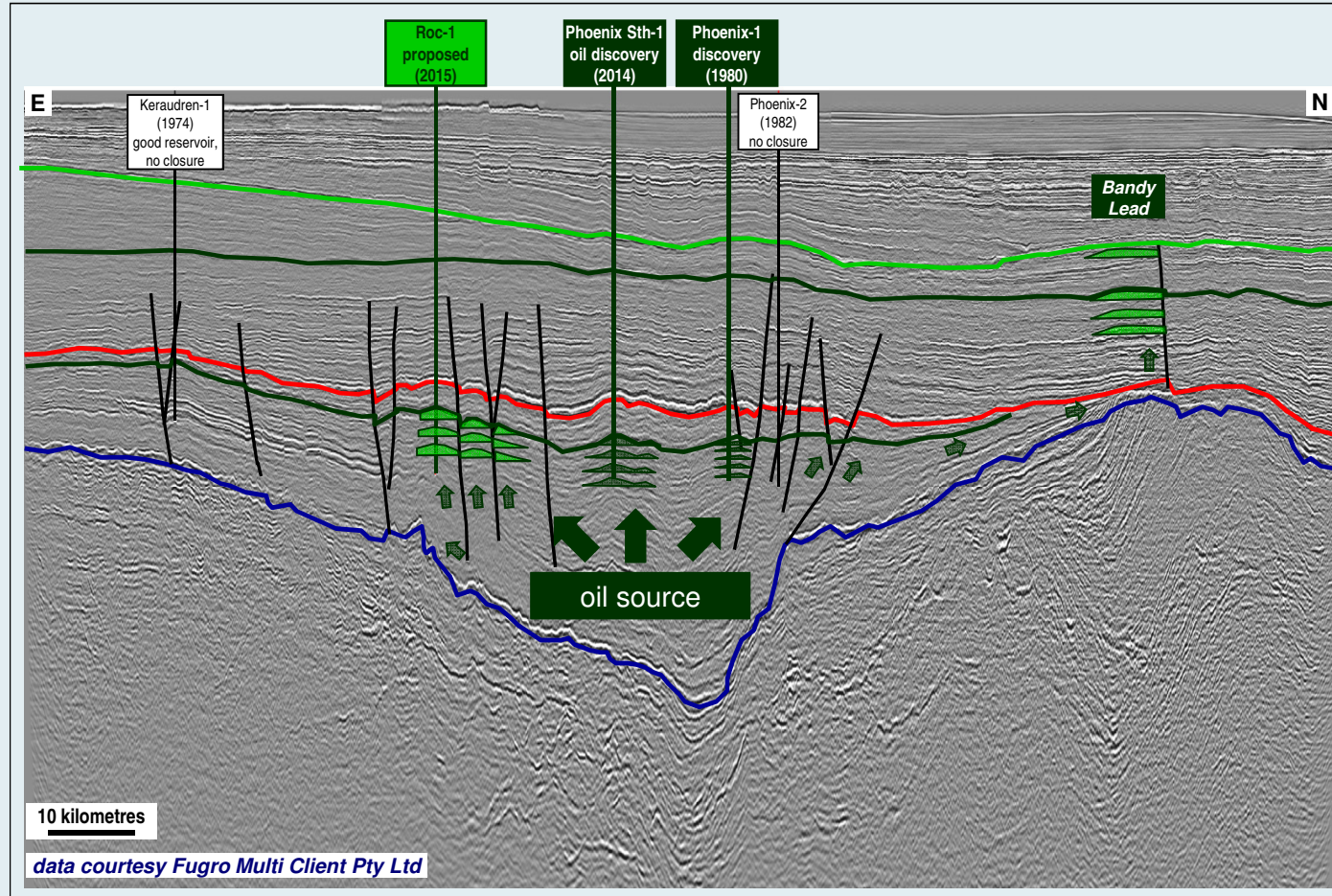


PHOENIX SOUTH-1 ST-2

New Oil Province Uncovered at Phoenix



Further Exploration & Appraisal

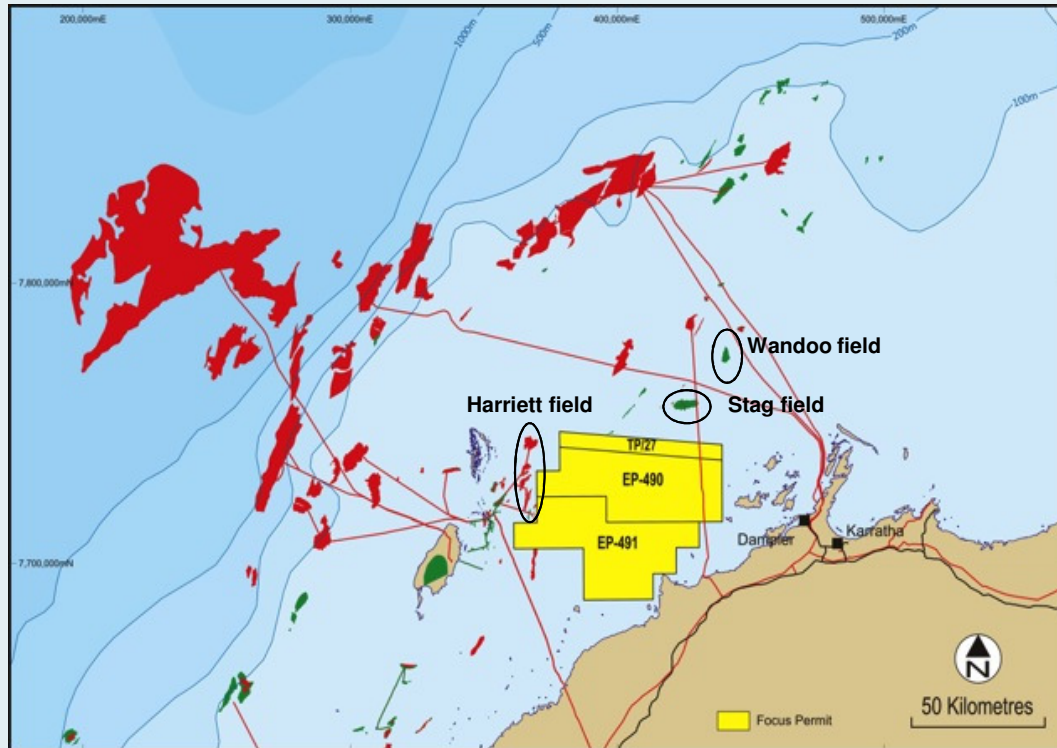






Cerberus: The Next Wave

**Carnarvon Basin,
Western Australia**

Strategic Location of Significant Scale



-  Existing oil fields or discoveries
-  Existing gas fields or discoveries

Drill Ready Prospects Target Multiple Play Types

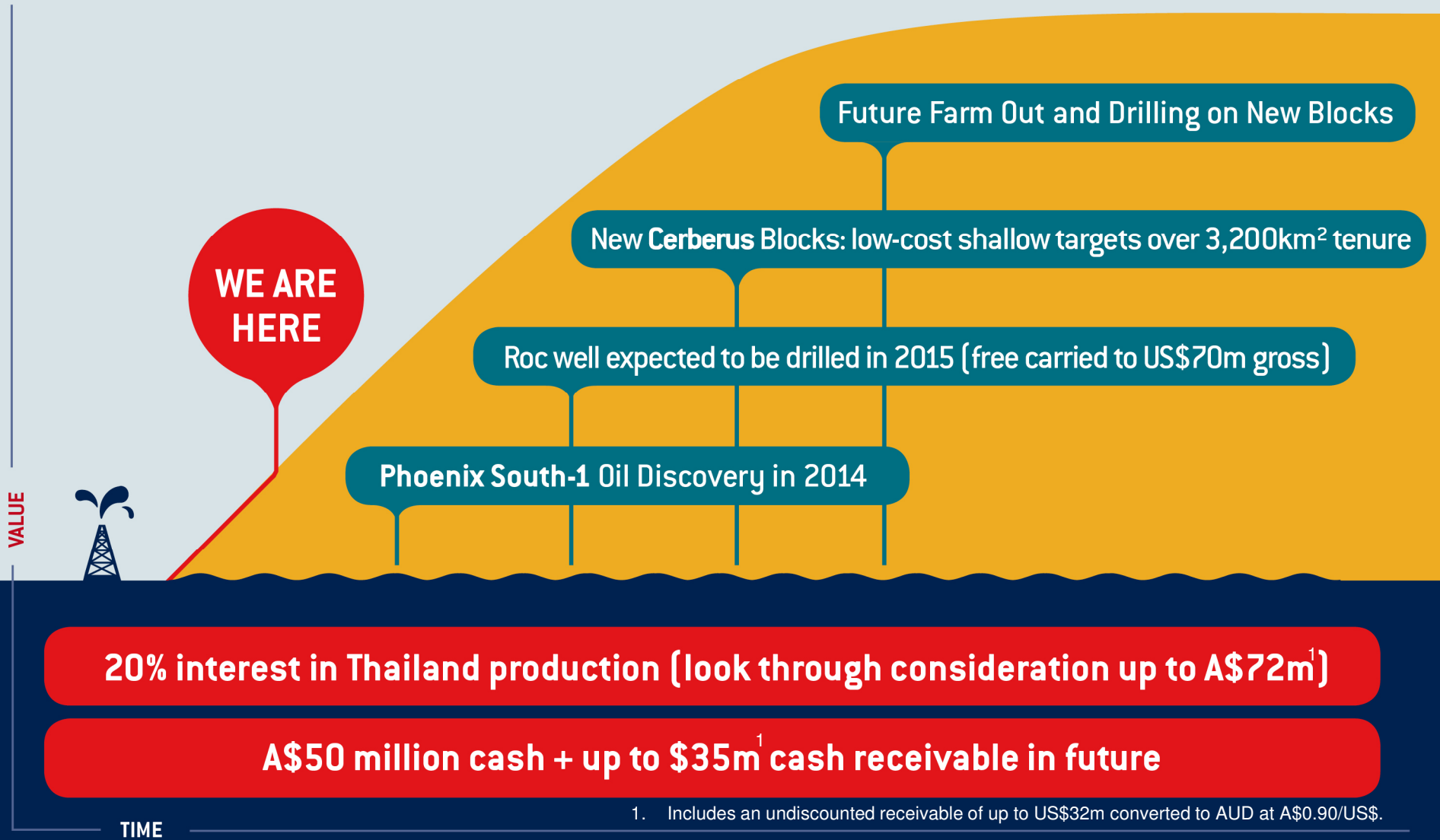




Conclusion

Major NWS opportunities

Simplifying the Value Proposition



Disclaimer



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.

This presentation contains forward looking statements which involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the oil and gas industry, many of which are outside the control of and may be unknown to Carnarvon Petroleum Limited.

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Act different