

Rig secured for high impact Pavo & Apus drilling 3 March 2021



Highlights

- Noble Tom Prosser drilling rig contracted to drill the Pavo-1 and Apus-1 exploration wells
- Positive drilling results are capable of materially increasing Carnarvon's resources in the region
- Pavo-1 well will target 101 mmboe (Pmean, Gross) in a location near the Dorado field
- Apus-1 well will target 307 mmboe (Pmean, Gross) also in a location near the Dorado field
- Pavo-1 and Apus-1 are expected to be drilled sequentially commencing in late 2021
- Both exploration targets have the potential to be tied back to Dorado enhancing project economics

ASX Listing Rule Cautionary Statement

Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. These prospective resource estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) is pleased to confirm that the Noble Tom Prosser jack-up drilling rig has been contracted to drill the Pavo-1 and Apus-1 exploration wells.

The drilling program is expected to commence in late 2021 with the Pavo-1 well and will be immediately followed by the Apus-1 well.

Both prospects have the potential to materially increase the aggregate development resource for the Dorado field if successful. Resources capable of being tied back to existing infrastructure provide significantly enhanced economic outcomes, minimise additional capital investment requirements and shorten time periods to first production from the tie back fields.

The Noble Tom Prosser jack-up drilling rig was previously used by Carnarvon and its operating partner in 2019 on the successful Dorado-2 and Dorado-3 appraisal wells.

With the drilling rig contracted, the operator will now proceed to secure the remaining equipment, services and approvals required to commence drilling operations

Carnarvon Managing Director and CEO, Mr Adrian Cook, said:

"Given the potential resource size and development aggregation benefits, these two drilling targets provide very attractive and meaningful opportunities for Carnarvon. Today's news in locking in this rig is another clear point of progression in the advancement of the world class Bedout Basin.

We are looking forward to an exciting year ahead with multiple drilling operations progressing to plan as well as the advancement of our Dorado development pre-FEED and FEED activities".

Approved by:

A handwritten signature in black ink, appearing to read 'AC', is positioned above the name of the signatory.

Adrian Cook

Managing Director

Investor inquiries:

Thomson Naude

Company Secretary

Phone: (08) 9321 2665

Email: investor.relations@cvn.com.au

Media inquiries:

Luke Derbyshire

Managing Director, Spoke Corporate

Phone: 0488 664 246

Email: luke@spokecorporate.com

Resource Information

All contingent and prospective resources presented in this report are prepared as at 28 August 2017, 23 April 2018, 20 August 2018, 15 October 2018, 15 July 2019 and 17 September 2020 pursuant to the Company's ASX announcements released to ASX on 28 August 2017, 23 April 2018, 20 August 2018, 15 October 2018, 15 July 2019 and 17 September 2020. The estimates of contingent resources included in this report have been prepared in accordance with the definitions and guidelines set forth in the SPE-PRMS. A combination of deterministic and probabilistic methods were used to prepare the estimates of these contingent resources.

The resource estimates outlined in this report were compiled by the Company's Chief Operating Officer, Mr Philip Huizenga, who is a full-time employee of the Company. Mr Huizenga has over 20 years' experience in petroleum exploration and engineering. Mr Huizenga holds a Bachelor Degree in Engineering and a Masters Degree in Petroleum Engineering. Mr Huizenga is qualified in accordance with ASX Listing Rules and has consented to the form and context in which this statement appears.

Carnarvon is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in this Presentation continue to apply and have not materially changed.

Cautionary Statement

This document may contain 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 document 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.

Carnarvon's estimate of Contingent and Prospective Resources

Contingent Resources (100% basis)

	Oil & Condensate			Natural Gas			Barrels of Oil Equivalent ¹		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	86	162	285	367	748	1,358	176	344	614
Roc	12	20	35	205	332	580	48	78	137
Bedout Project Total	98	182	320	572	1,080	1,938	224	422	751

Contingent Resources (Net to CVN basis)

	Oil & Condensate			Natural Gas			Barrels of Oil Equivalent ¹		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	17	32	57	73	150	272	35	69	123
Roc	2	4	7	41	66	116	10	16	27
Bedout Project Total	20	36	64	114	216	388	45	85	150

Prospective Resources (100% basis)

	Light Oil				Natural Gas				Barrels of Oil Equivalent				Pg
	MMbbl				BCF				MMboe				%
	P90	P50	Mean	P10	P90	P50	Mean	P10	P90	P50	Mean	P10	
Pavo	11	63	82	179	3	31	108	249	11	68	101	223	34%
Apus	26	160	235	537	30	211	408	963	31	197	307	706	23%
Petrus	12	36	46	90	15	53	79	170	15	46	59	120	29%
Kepler	3	8	12	26	3	12	21	47	3	10	16	34	30%
Bedout Project Total	52	267	375	832	51	307	616	1,429	60	321	483	1,083	

Prospective Resources (Net to CVN basis)

	Light Oil				Natural Gas				Barrels of Oil Equivalent				Pg
	MMbbl				BCF				MMboe				%
	P90	P50	Mean	P10	P90	P50	Mean	P10	P90	P50	Mean	P10	
Pavo	3	19	25	54	1	9	32	75	3	20	30	67	34%
Apus	7	40	59	134	7	53	102	241	8	49	77	177	23%
Petrus	2	7	9	18	3	11	16	34	3	9	12	24	29%
Kepler	1	2	2	5	1	2	4	9	1	2	3	6	30%
Bedout Project Total	13	68	95	211	12	75	154	359	15	80	122	274	

Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. These prospective resource estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.