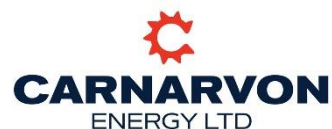


# Corporate presentation – Good Oil Conference

7 September 2022



Carnarvon Energy Limited (ASX:CVN) is pleased to provide the **attached** corporate presentation to be presented at the RIU Good Oil & Gas Energy Conference today.

Approved by:

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

**Adrian Cook**

Managing Director  
Carnarvon Energy Limited

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# RIU GOOD OIL & GAS ENERGY CONFERENCE PRESENTATION

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CONFERENCE PRESENTATION  
SEPTEMBER 2022



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The resource estimates outlined in this presentation are based on and fairly represent information and supporting documentation prepared by Carnarvon's Chief Operating Officer, Mr Philip Huizenga, who is a full-time employee of the company. Mr Huizenga has over 25 years experience in petroleum exploration and engineering. Mr Huizenga holds a Bachelor Degree in Engineering, a Masters Degree in Petroleum Engineering and is a member of the society of Petroleum Engineers. Mr Huizenga is qualified in accordance with the ASX Listing Rules and has consented to the form and context in which this statement appears.

All contingent and prospective resources presented in this presentation are prepared as at 20 August 2018, 15 October 2018, 15 July 2019 and 2 May 2022 pursuant to the announcements released to the ASX on 20 August 2018, 15 October 2018, 15 July 2019 and 2 May 2022. The estimates of contingent and prospective resources included in this presentation have been prepared in accordance with the definitions and guidelines set forth in the SPE-PRMS. Carnarvon is not aware of any new information or data that materially affects the information included in this presentation, and that all material assumptions and technical parameters underpinning the estimates in this presentation continue to apply and have not materially changed. Deterministic and probabilistic methods have been used to prepare the estimates of contingent resources. These contingent resources have been aggregated by arithmetic summation and hence the aggregate 1C may be a very conservative estimate, and the 3C may be a very optimistic estimate, due to the portfolio effects of arithmetic summation.

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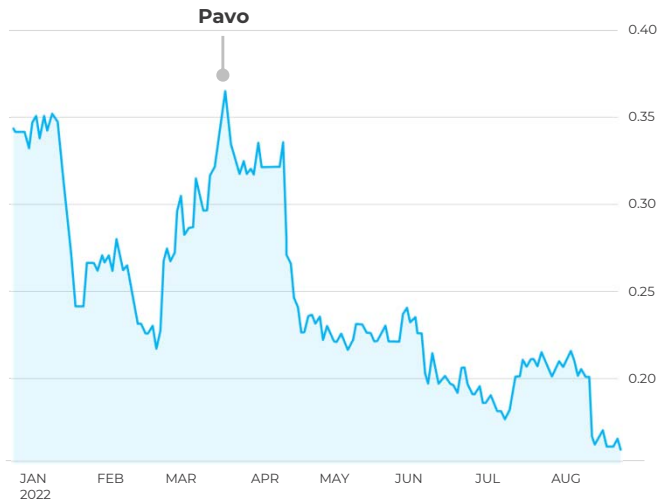
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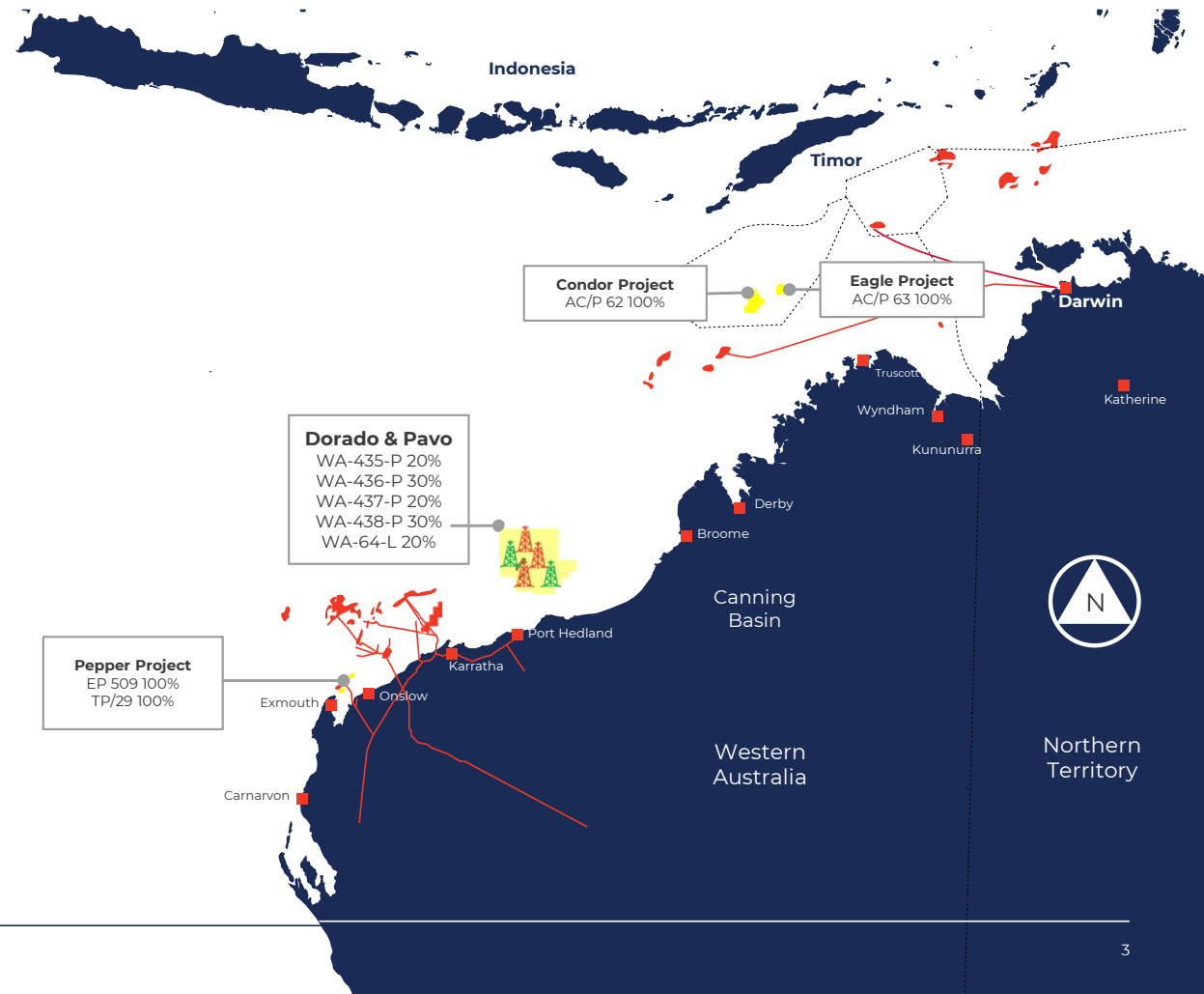
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# Company profile

A proven explorer focusing on the Northwest Shelf of Australia



Ordinary shares on issue	1,800,186,904
Share price (5 September 22)	\$0.17
<b>MARKET CAPITALIZATION</b>	<b>\$306m</b>
Debt (as at 30 June 22)	-
Cash (as at 30 June 22)	(\$112m)
<b>ENTERPRISE VALUE</b>	<b>\$194m</b>



# Investment snapshot



WORLD CLASS ASSETS



LOW-COST DEVELOPMENT



TIER 1 LOCATION IN PROVEN  
HYDROCARBON REGION



EXPERIENCED OFFSHORE  
OPERATOR IN SANTOS



STRONG CASH GENERATION

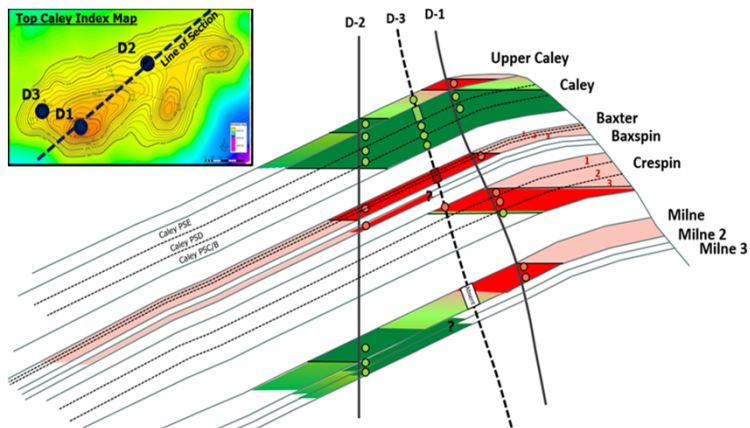


EXPLORATION UPSIDE

# The Dorado discovery

The Dorado-1 exploration well discovered 162 MMbbls (2C, gross) of light oil and condensate-rich gas across four stacked reservoirs

## Schematic image of Dorado wells



RESERVOIRS	CALEY	BAXTER	CRESPIN	MILNE
Depth (m)	3,810	3,960	4,010	4,165
Pressure (psia)	5,565	6,020	5,790	6,100
Temperature (°C)	113	117	118	121

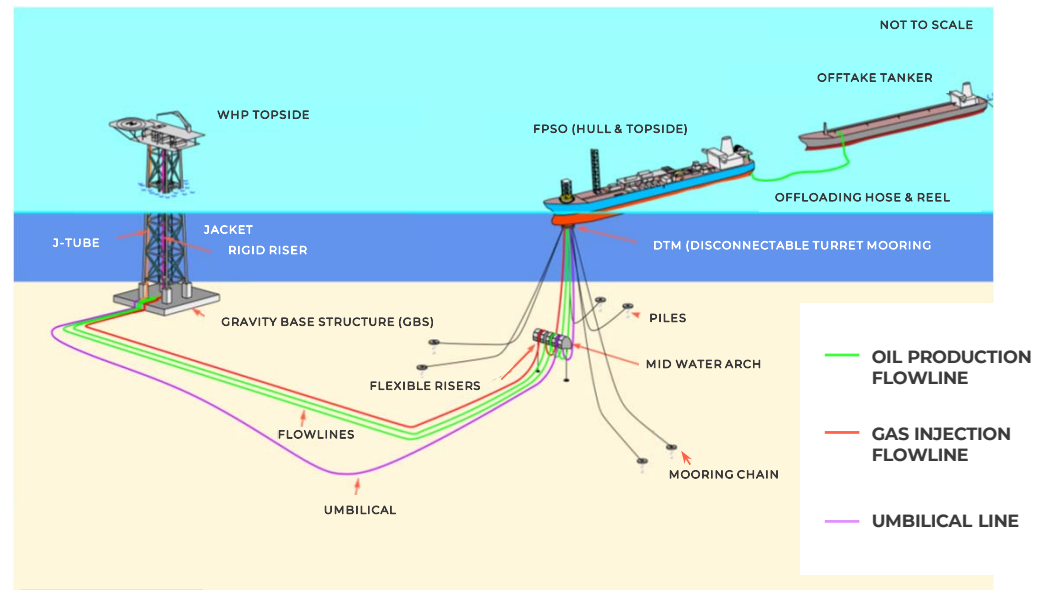
## Discovery history

- 18 July 2018 ● Oil discovery at Dorado-1 with significant oil accumulation in the Caley Sandstone
- 24 July 2018 ● Additional gas and condensate discovery in the Baxter Sandstone
- 8 August 2018 ● Further hydrocarbon discoveries in the Crespin and Milne Members
- 6 June 2019 ● Dorado-2 appraisal confirms oil and condensate-rich gas and reservoir connectivity with Dorado-1
- Sep-Oct 2019 ● Dorado-3 appraisal successfully flow tested
  - Caley flowing at approximately 11,000 bpd oil and 20 MMscf/day gas
  - Baxter flowing at approximately 50 MMscf/day gas and 4,000 bpd oil

# Dorado development

## FEED substantially complete

- 100,000 bpd of high quality (~50 deg API) oil
- LPG-rich gas re-injected to enhance oil recovery
- 16-slot well-head platform in around 90m water depth
- 10 initial wells (6 oil producers, 2 gas/condensate producers, 2 gas injectors)
- High capacity floating production, storage and offloading vessel
- Designed with ability to tie-back additional fluids and future gas-export capacity
- Production licence awarded



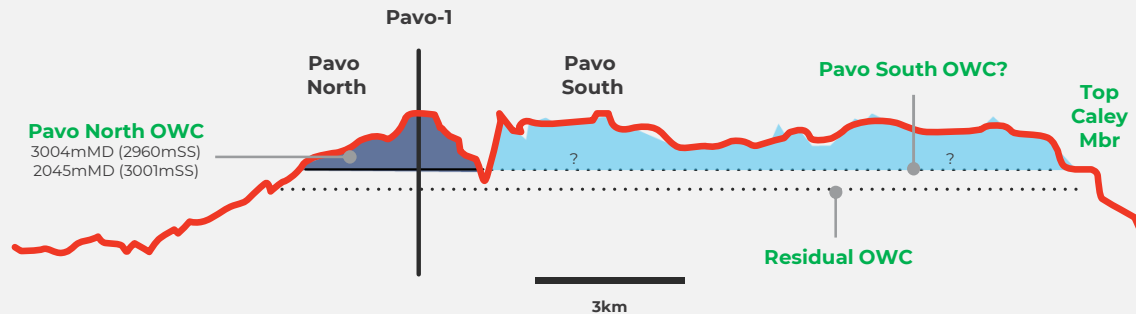
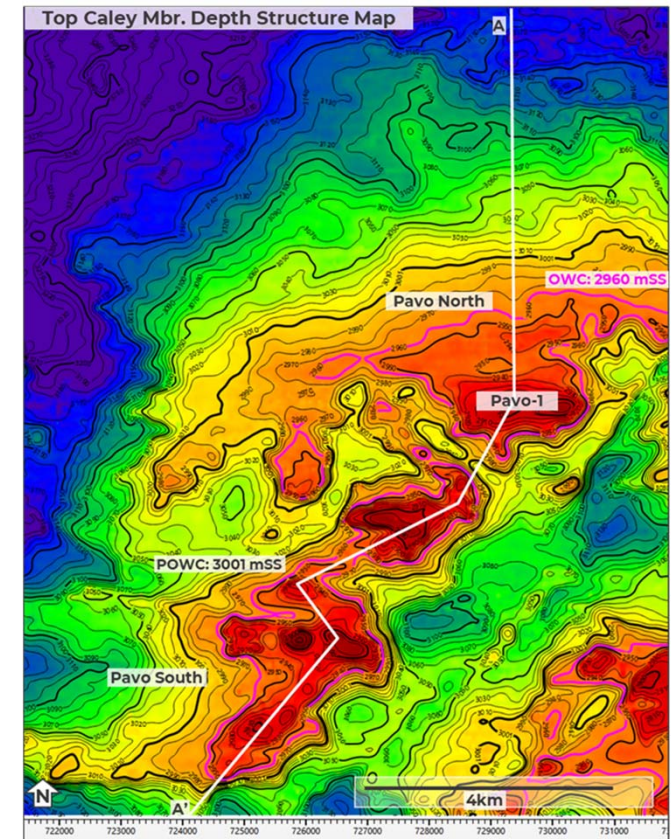
## Next steps

- Offshore Project Proposal approval by NOPSEMA
- Ensure supply chains risks are managed
- Integration and optimisation of Pavo resource



# Pavo discovery

- Discovered March 2022 in 88m of water
- Pavo-1 intersected gross hydrocarbon package of 60m, with net pay of 46m, within the Caley Member
- Light sweet oil (~52° API) with low gas-to-oil ratio
- Reservoir Pavo North has a liquids-only 2C resource estimate of 43 MMbbl (100% basis)
- Pavo South resource potential of 47 MMbbls (100% basis, mean) and 51% chance of success
- Evidence from recent analysis suggests Pavo South could be oil charged



*The Pavo South 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. Refer to slide 14 for further information*

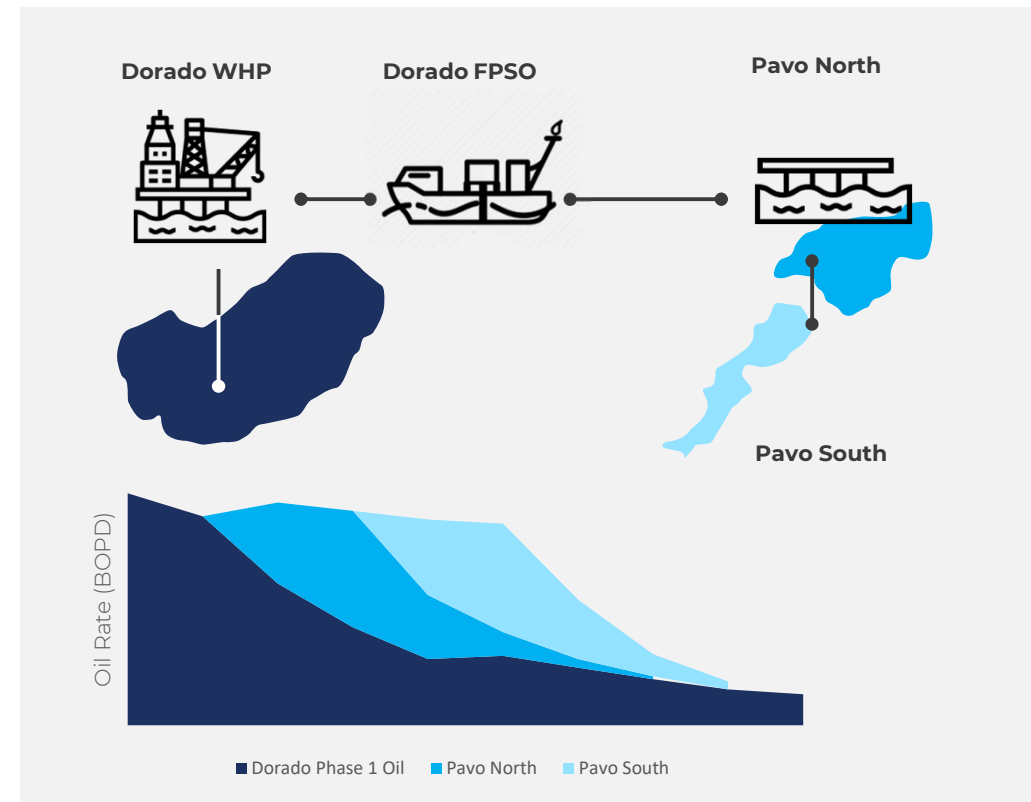


# Pavo tie-back

Integration of Pavo with the Dorado facilities enhances value generation

- Pavo-1 oil discovery is ~46km east of Dorado
- Within simple tie-back range to proposed Dorado facilities
- Low ~300 scf / bbl GOR complements Dorado production profile
- Excellent potential to extend plateau rate through Dorado facilities and maintain low OPEX / bbl rates
- Studies have commenced for integration with Dorado FPSO

**Fluid production rates from Dorado are naturally expected to decline after a plateau period of 1-2 years, at which time there will be spare capacity in crude oil handling facilities, allowing for back-fill from Pavo**



# Exploration potential

Prolific basin with extremely low finding cost of less than A\$2/boe<sup>1</sup>

## Carnarvon has equity over most of the Bedout sub-basin

- 20% in Western permits (WA-435 & WA-437) including Dorado oil & gas
- 30% in Eastern permits (WA-436 & WA-438) including Pavo oil

## Extensive modern 3D data coverage

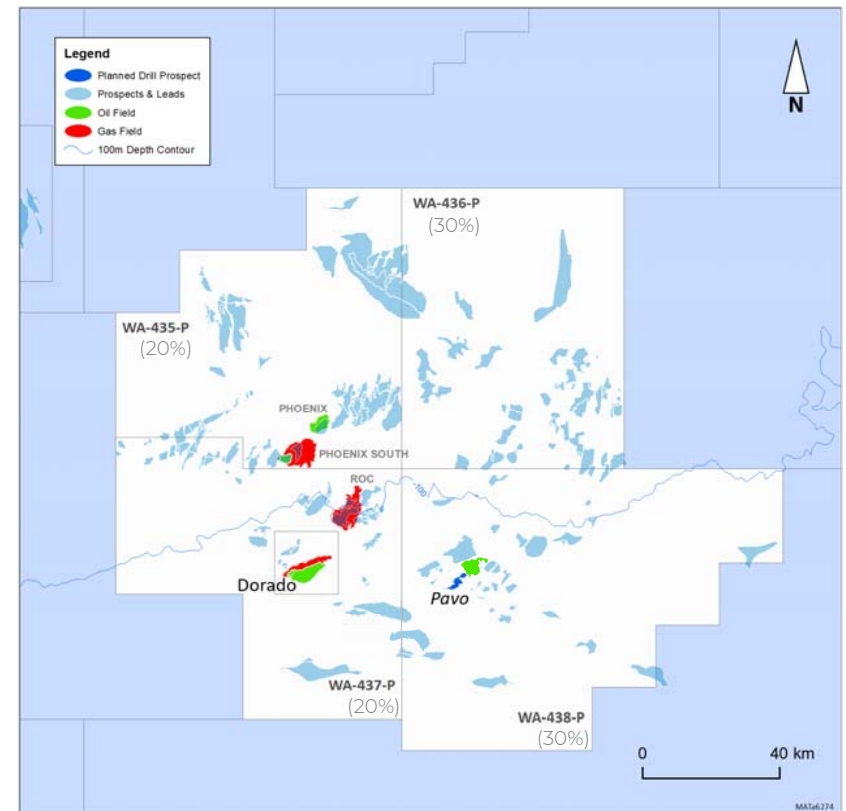
- ~70% of permits covered

## Over 100 prospects in multiple play types

- Leads continuously being added for high-grading

## Future drilling areas being considered to capture more upside

- Pavo North appraisal
- Pavo South exploration
- Dorado near field prospects
- Oil prone targets on trend with Pavo
- Large prospects in the north targeting oil and gas
- Gas prone targets in the west to bolster future gas development



<sup>1</sup> CVN net Bedout expenditure of A\$157m - refer 30 June 2022 Annual Report . Refer to BOE on slide 13

# Dorado funding activity continues

## Dorado's attraction

- Strong debt servicing capacity
  - Low operating cost per barrel
  - Material early free cash flows
- Australian jurisdiction
- Experienced operator



### SENIOR DEBT

- Process commenced 2H calendar 2021
- Commercial engagement commenced in Q2, 2022
- Strong level of interest from lenders



### MEZZANINE FINANCE

- Finance in addition to senior debt
- Junior debt, offtake prepayment and royalty funding
- In discussion with multiple providers



### DIVESTMENT

- Azure Capital engaged Jan 2022
- Process commenced March 2022
- Reducing project equity lowers net CAPEX and increases cash for funding

# Investment summary

A high quality energy portfolio in Western Australia

## World class foundation assets in Dorado and Pavo

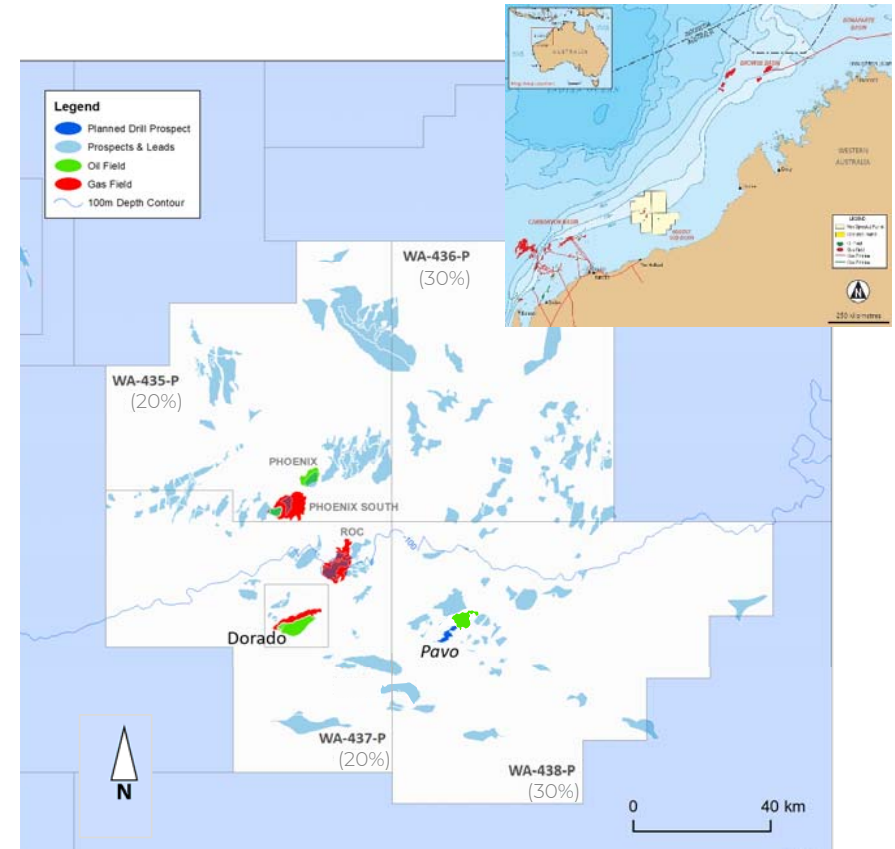
- Low-cost development in shallow water with an experienced operator (Santos)
- High quality liquids
- Strategically located near Asia Pacific refineries, with demand forecast to increase
- Increasingly important asset, contributing to global energy security
- Pavo discovery is a valuable tie back into Dorado facilities extending field life and enhancing returns

## Significant growth potential

- Several 'lookalike' prospects in proximity to the Pavo discovery
- Exploration upside to the north and east of Dorado

## Optimising funding position

- Partial divestment process underway
- Funding process commenced targeting senior debt and alternative / mezzanine sources of finance



# Appendices

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# Bedout Basin Contingent Resources



Gross basis	Oil and Condensate			Natural Gas			Barrels of Oil Equivalent <sup>1</sup>		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	86	162	285	367	748	1358	176	344	614
Pavo North	26	43	62	6	11	17	27	45	65
Roc	12	20	35	205	332	580	48	78	137
Bedout Project Sub Total	124	225	382	578	1091	1955	251	467	816

Net CVN basis	Oil and Condensate			Natural Gas			Barrels of Oil Equivalent <sup>1</sup>		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado (20% CVN)	17	32	57	73	150	272	35	69	123
Pavo North (30% CVN)	8	13	19	2	3	5	8	13	19
Roc (20% CVN)	2	4	7	41	66	116	10	16	27
Bedout Project Sub Total	27	49	83	116	219	293	53	98	169

# Bedout Basin Selected Prospective Resources



Gross 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 South	13	47	55	107	3	12	14	28	14	49	57	112	51%

Net 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 South (30%)	4	14	16	32	1	4	4	8	4	15	17	34	51%

*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.*