

ASX ANNOUNCEMENT

Unlocking new Bedout resources

31 August 2023

Highlights

- ▶ Evaluation of latest 3D seismic data has resulted in an unrivalled spread of highly attractive prospects
- ▶ Joint Venture now targeting five strategic prospects containing a combined material resource of 623 million barrels of oil equivalent (gross, unrisks Pmean)
- ▶ Nearby upside of 7.78 trillion cubic feet of gas and 1.25 billion barrels of oil already identified, with such scale being rare within the Australian energy sector

Carnarvon Energy Limited (**Carnarvon**) is pleased to provide an update on the work being undertaken within the Bedout Exploration Permits (WA-435-P, WA-436-P, WA-437-P and WA-438-P) based on the interpretation of the latest 3D seismic data.

Five prospects are currently preferred – the Ara, Wallace, Wendolene, Starbuck and the Pavo South prospects - and are being high-graded for future drilling campaigns (Figure 1). These prospects have been strategically selected for their potential to build resource scale, de-risk significant prospectivity within nearby clusters and strengthen a number of development opportunities.

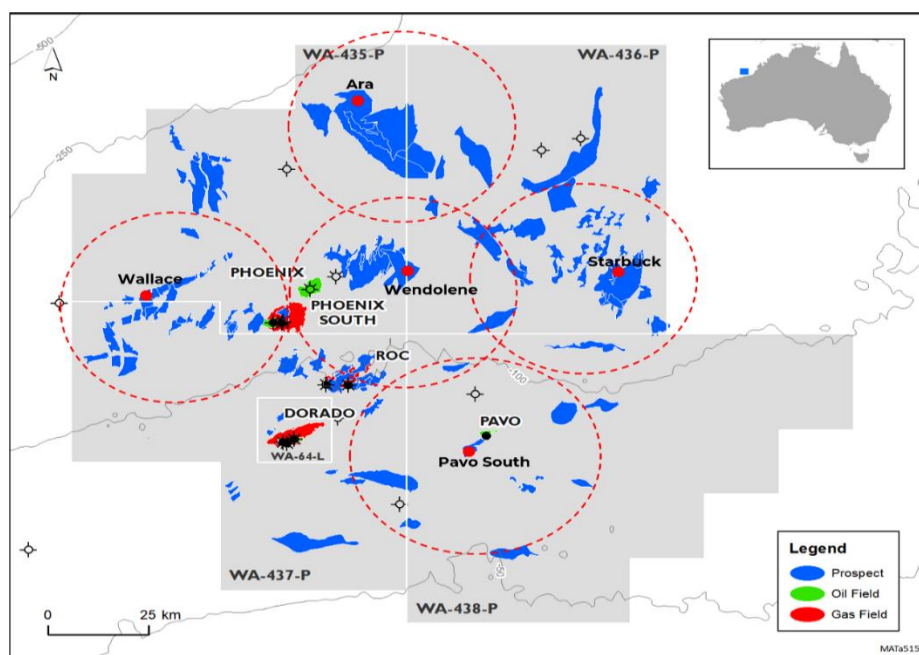


Figure 1: Showing five high graded well targets and the related clusters which would be de-risked in the case of a successful well.

The gas opportunity within each of the five prospects is significant, and presents an attractive case for the Dorado Phase 2 development currently being matured by the Joint Venture, as outlined in the table below:

Prospect	Prospect-specific estimate*			Additional potential to unlock nearby*		
	Gas Bcf	Liquids mmbbls	Total mmboe	Gas Bcf	Liquids mmbbls	Total mmboe
Ara	549	91	189	1557	258	534
Wallace	238	11	54	2716	142	620
Wendolene	506	83	173	1055	173	356
Starbuck	214	101	139	2045	436	815
Pavo South	10	66	68	405	243	315
TOTAL	1.52 Tcf	352 mmbl	623 mmboe	7.78 Tcf	1.25 Bbbl	2.64 BBoe

Note: Estimates are unrisks gross Pmean*. Refer to the **Annexure** for further details, including net resources.

* *Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development.*

Carnarvon Managing Director and CEO, Adrian Cook, commented:

“As evidenced by Carnarvon’s recent partial divestment of a 10% interest in its Bedout assets to CPC Corporation, Taiwan, the Bedout Sub-basin represents Australia’s most prospective and exciting offshore exploration acreage.

The latest interpretation results emphasise the substantial amount of prospective running room to be had if any one of the identified resource clusters are successful.

As we progressively evaluate the latest 3D seismic data, we have the difficult task of deciding which of the high graded targets to drill first across a plethora of highly attractive opportunities.”

New data

In the past 18 months, a significant amount of new data has been added to the Joint Venture’s Bedout database, including:

- final processing products for both the Phase 1 and Phase 2 Keraudren North Extension 3D data sets acquired in 2021 and 2022 respectively;

- Dorado multi-azimuth (MAZ) seismic processing data set, which combined the Keraudren, Archer and Capreolus 3D seismic data sets over the Dorado Field and surrounding acreage;
- large areas of the original 2014 Capreolus 3D data that have been reprocessed for improved prospect definition;
- multiple Quantitative Interpretation (QI) and seismic inversion projects, which aim to predict lithology and fluid content away from the well bore through amplitude analysis; and
- Pavo-1 and Apus-1 post-well analysis, which significantly strengthens sub-surface understanding.

Identified clusters

The Ara prospect, located in the northern half of the WA-435-P Exploration Permit, is a prospective resource that could contain 549 Bscf of gas and 91 million barrels of condensate (Pmean, gross). With a very robust 37% chance of geological success, Ara could form the basis for a new gas-centric cluster in the north of the Bedout Sub-basin, and significantly de-risk nearby prospective resources contained within a concentric gathering system. Prospects within the Ara Cluster include Bandy, Yuma, Bara and Wiwaxy.

Similarly, the Starbuck prospect aims to target 113 million barrels of oil and significant associated gas. Starbuck boasts an attractive geological chance of success of 58%. Success at Starbuck would encourage new oil development in the east of the WA-436-P Exploration Permit. Success would equally de-risk the identified Fall Line, Coho, Tacoma, Stampeders, and many other prospects, all of which could feed into a future Starbuck development project.

Three additional areas have been identified by the Joint Venture around Wendolene, Wallace and Pavo South, with the Wendolene and Wallace clusters primarily gas-focused and the Pavo South cluster more liquids-rich. The Wendolene area includes prospects such as Mensa, Murray and Avoca. The Wallace area has opportunities like Sampati, Bottlebrush South and Calendula North, and nearby Pavo South are the Torin, Orona and Taurus prospects.

Future exploration drilling

The Joint Venture has plans for further exploration drilling in the Bedout Exploration Permits in the medium term.

Discussions have been maturing with respect to securing drilling slots on a semi-submersible drilling rig to drill two or three wells in the WA-435-P, WA-436-P and/or WA-438-P Exploration Permits.

The precise timing for the next round of exploration drilling in the Bedout Exploration Permits is dependent on the timing for regulatory approvals, and particularly the new consultation process relating to the preparation of Environment Plans, as well as customary joint venture approvals.

Approved for release by:



Adrian Cook
Managing Director and CEO
Carnarvon Energy Limited

Investors

Alex Doering
Chief Financial Officer

P: +61 (0)8 9321 2665
E: investor.relations@cvn.com.au

Media

Josh Nyman
General Manager, Spoke Corporate

P: +61 (0)413 243 440
E: josh@hellospoke.com.au

This announcement contains certain “forward-looking statements”, which can generally be identified by the use of words such as “will”, “may”, “could”, “likely”, “ongoing”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “forecast”, “goal”, “objective”, “aim”, “seek” and other words and terms of similar meaning. Carnarvon cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on any forward-looking statement.

ANNEXURE: BEDOUT EXPLORATION PERMITS - STRATEGIC PROSPECTS – PROSPECTIVE RESOURCES

Ara Cluster Gross Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmmboe	Risked Mean mmmboe
Bandy	WA-435-P	10%	31%	399	66	137	42.5
Bara	WA-435-P	10%	13%	207	34	71	9.2
Yuma	WA-436-P	20%	13%	413	68	141	18.3
Revelstoke	WA-436-P	20%	30%	408	68	140	42.0
WiWaxy	WA-436-P	20%	30%	130	22	45	13.5
Sum				1557	258	534	125.5
Ara	WA-435-P	10%	37%	549	91	189	69.9
Cluster Total				2106	349	723	195.5

Table 1: Ara Cluster Gross Volumes

Ara Cluster Net Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmmboe	Risked Mean mmmboe
Bandy	WA-435-P	10%	31%	39.9	6.6	13.7	4.2
Bara	WA-435-P	10%	13%	20.7	3.4	7.1	0.9
Revelstoke	WA-436-P	20%	30%	81.6	13.6	28	8.4
Yuma	WA-436-P	20%	13%	82.6	13.6	28.2	3.7
WiWaxy	WA-436-P	20%	30%	26	4.4	9.0	2.7
Sum				250.8	41.6	86	19.9
Ara	WA-435-P	10%	37%	54.9	9.1	18.9	7.0
Cluster Total				305.7	50.7	104.9	26.9

Table 2: Ara Cluster Net Volumes

Wallace Cluster Gross Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmmboe	Risked Mean mmmboe
Gromit	WA-435-P	10%	15%	205	10	46	6.9
Wallace East	WA-435-P	10%	10%	278	13	62	6.2
Dragons Back	WA-435-P	10%	16%	164	8	37	5.9
Jatayu North	WA-435-P	10%	38%	9	13	14	5.3
Badwater	WA-435-P	10%	16%	140	7	31	5.0
Grindstone	WA-435-P	10%	16%	114	5	26	4.2
Bottlebrush North	WA-435-P	10%	16%	129	6	29	4.6
Bottlebrush South	WA-437-P	10%	16%	286	14	64	10.2
Sampati	WA-437-P	10%	36%	111	5	25	9.0
Calendula North	WA-437-P	10%	16%	267	13	60	9.6
Horus	WA-437-P	10%	22%	145	7	32	7.0
Indigo	WA-437-P	10%	16%	160	8	36	5.8
Cool Moon	WA-437-P	10%	16%	151	7	34	5.4
Calendula South	WA-437-P	10%	16%	123	6	28	4.5
Nanny Goat	WA-437-P	10%	16%	118	6	26	4.2
Hellbender	WA-437-P	10%	16%	110	5	24	3.8
Double Buckle	WA-437-P	10%	15%	113	5	25	3.8
Arrowhead	WA-437-P	10%	14%	93	4	21	2.9
Sum				2716	142	620	104
Wallace	WA-435-P	10%	43%	238	11	54	23.2
Cluster Total				2954	153	674	127.6

Table 3: Wallace Cluster Gross Volumes

Wallace Cluster Net Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean mmboe
Gromit	WA-435-P	10%	15%	20.5	1.0	4.6	0.7
Wallace East	WA-435-P	10%	10%	27.8	1.3	6.2	0.6
Dragons Back	WA-435-P	10%	16%	16.4	0.8	3.7	0.6
Jatayu North	WA-435-P	10%	38%	0.9	1.3	1.4	0.5
Badwater	WA-435-P	10%	16%	14.0	0.7	3.1	0.5
Grindstone	WA-435-P	10%	16%	11.4	0.5	2.6	0.4
Bottlebrush North	WA-435-P	10%	16%	12.9	0.6	2.9	0.5
Bottlebrush South	WA-437-P	10%	16%	28.6	1.4	6.4	1.0
Sampati	WA-437-P	10%	36%	11.1	0.5	2.5	0.9
Calendula North	WA-437-P	10%	16%	26.7	1.3	6.0	1.0
Horus	WA-437-P	10%	22%	14.5	0.7	3.2	0.7
Indigo	WA-437-P	10%	16%	16.0	0.8	3.6	0.6
Cool Moon	WA-437-P	10%	16%	15.1	0.7	3.4	0.5
Calendula South	WA-437-P	10%	16%	12.3	0.6	2.8	0.4
Nanny Goat	WA-437-P	10%	16%	11.8	0.6	2.6	0.4
Hellbender	WA-437-P	10%	16%	11.0	0.5	2.4	0.4
Double Buckle	WA-437-P	10%	15%	11.3	0.5	2.5	0.4
Arrowhead	WA-437-P	10%	14%	9.3	0.4	2.1	0.3
Sum				271.6	14.2	62.0	10.4
Wallace	WA-435-P	10%	43%	23.8	1.1	5.4	2.322
Cluster Total				295.4	15.3	67.4	12.8

Table 4: Wallace Cluster Net Volumes

Wendolene Cluster Gross Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean mmboe
Mensa B	WA-435-P	10%	58%	44	25	30	17.4
Mensa C	WA-435-P	10%	39%	91	6	22	8.6
Mensa P	WA-435-P	10%	35%	110	6	24	8.4
Murray	WA-436-P	20%	21%	431	70	147	30.9
Avoca	WA-436-P	20%	16%	379	66	133	21.3
Sum				1055	173	356	87
Wendolene	WA-435-P	10%	20%	506	83.0	173.0	34.6
Cluster Total				1561	256	529	121.1

Table 5: Wendolene Cluster Gross Volumes

Wendolene Cluster Net Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean mmboe
Mensa B	WA-435-P	10%	58%	4.4	2.5	3.0	1.7
Mensa C	WA-435-P	10%	39%	9.1	0.6	2.2	0.9
Mensa P	WA-435-P	10%	35%	11.0	0.6	2.4	0.8
Murray	WA-436-P	20%	21%	86.2	14.0	29.4	6.2
Avoca	WA-436-P	20%	16%	75.8	13.2	26.6	4.3
Sum				186.5	30.9	63.6	13.9
Wendolene	WA-435-P	10%	20%	50.6	8.3	17.3	3.5
Cluster Total				237.1	39.2	80.9	17.3

Table 6: Wendolene Cluster Net Volumes

Starbuck Cluster Gross Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean mmboe
FallLine	WA-436-P	20%	48%	136	80	104	49.9
Coho	WA-436-P	20%	51%	52	31	41	20.9
Tacoma	WA-436-P	20%	54%	60	36	48	25.9
Revel	WA-436-P	20%	11%	529	93	187	20.6
Whiskey Jack	WA-436-P	20%	30%	323	55	117	35.1
Goats Eye	WA-436-P	20%	12%	510	10	109	13.1
Manetoa	WA-436-P	20%	11%	293	48	100	11.0
Snowsnake	WA-436-P	20%	19%	56	33	43	8.2
Selkirk	WA-436-P	20%	15%	64	37	49	7.4
Stampedeers	WA-436-P	20%	42%	22	13	17	7.1
Sum				2045	436	815	199.2
Starbuck	WA-436-P	20%	58%	214	101	139	80.6
Cluster Total				2259	537	954	279.8

Table 7: Starbuck Cluster Gross Volumes

Starbuck Cluster Net Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean mmboe
FallLine	WA-436-P	20%	48%	27.2	16.0	20.8	10.0
Coho	WA-436-P	20%	51%	10.4	6.2	8.2	4.2
Tacoma	WA-436-P	20%	54%	12.0	7.2	9.6	5.2
Revel	WA-436-P	20%	11%	105.8	18.6	37.4	4.1
Whiskey Jack	WA-436-P	20%	30%	64.6	11.0	23.4	7.0
Goats Eye	WA-436-P	20%	12%	102.0	2.0	21.8	2.6
Manetoa	WA-436-P	20%	11%	58.6	9.6	20.0	2.2
Snowsnake	WA-436-P	20%	19%	11.2	6.6	8.6	1.6
Selkirk	WA-436-P	20%	15%	12.8	7.4	9.8	1.5
Stampedeers	WA-436-P	20%	42%	4.4	2.6	3.4	1.4
Sum				409.0	87.2	163.0	39.8
Starbuck	WA-436-P	20%	58%	42.8	20.2	27.8	16.1
Cluster Total				451.8	107.4	190.8	55.96

Table 8: Starbuck Cluster Net Volumes

Pavo South Cluster Gross Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean
Taurus	WA-437-P	10%	38%	102	5	23	9
Gurbani	WA-437-P	10%	10%	73	42	55	6
Torin	WA-438-P	20%	38%	15	58	61	23
Orona	WA-438-P	20%	10%	181	105	137	14
Diachi	WA-438-P	20%	54%	4	15	15	8
Tucana	WA-438-P	20%	23%	30	18	24	6
Sum				405	243	315	65
Pavo South	WA-438-P	20%	60%	10	66	68	41
Cluster Total				415	309	383	105.5

Table 9: Pavo South Cluster Gross Volumes

Pavo South Cluster Net Volumes							
Prospect	Permit	CVN Equity	Pg (%)	Gas Bcf	Liquids mmbbls	Total mmboe	Risked Mean mmboe
Taurus	WA-437-P	10%	38%	10.2	0.5	2.3	0.9
Gurbani	WA-437-P	10%	10%	7.3	4.2	5.5	0.6
Torin	WA-438-P	20%	38%	3.0	11.6	12.2	4.6
Orona	WA-438-P	20%	10%	36.2	21.0	27.4	2.7
Diachi	WA-438-P	20%	54%	0.8	3.0	3.0	1.6
Tucana	WA-438-P	20%	23%	6.0	3.6	4.8	1.1
Sum				63.5	43.9	55.2	11.5
Pavo South	WA-438-P	20%	60%	2.0	13.2	13.6	8.2
Cluster Total				65.5	57.1	68.8	19.7

Table 10: Pavo South Cluster Net Volumes