



CARNARVON
PETROLEUM LTD

ASX Spotlight
Investor Conference

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1 June 2017 in Hong Kong





The Resource estimates outlined in this report have been prepared by the Company'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 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.

All contingent and prospective resources presented in this report are prepared as at 14 November 2016 & 28 March 2017 per the Company's announcement released to the ASX on 14 November 2016 & 28 March 2017. The estimates of contingent and prospective resources included in this announcement 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.

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Upstream E&P, offshore North West Australia ("NWS")

One of the most prolific oil and gas regions in the world



Discoveries

Five from five wells drilled



New basin

Unlocked in Phoenix project



Only investable position

Via CVN in this new basin



New projects

Five being advanced by CVN's team



CVN's market value

~A\$90m of which ~A\$52m is cash



Data
Proprietary



Geology
Solve the puzzle



Triassic
Under explored



Acquire
Bottom of cycle



Explore
Strong partners

Our portfolio



Multiple basin unlocking discoveries
With commercial flow rates achieved in recent testing activities



Roc-2 well flowed at 53 mmscf and 2,943 barrels of condensate per day in 2016

Phoenix project - Roc at commercial threshold



Roc 2C resource estimate
332 Bcf of gas and
20 mmbbls of condensate



High quality gas and
condensate

Phoenix project - history



Acquisition

2009

Via Govt. work program bid process

New data

2011

First 3D in the basin (c.1,100 sq.km)

Farmout

2012

Funded two wells for US\$140m

Phoenix Sth-1

2014

Light oil discovery in Triassic interval

Roc 1&2

2015 / 2016

Two discoveries & successful flow test

Phoenix Sth-2

2016

Gas & condensate Discovery

Phoenix project – future*



* Indicative activities



Dorado-1
Exploring 15km
south of Roc



Phoenix Sth-3
Re-drill Phoenix Sth-2



Appraisal
Increasing project
confidence



Planning
FEED and
development planning

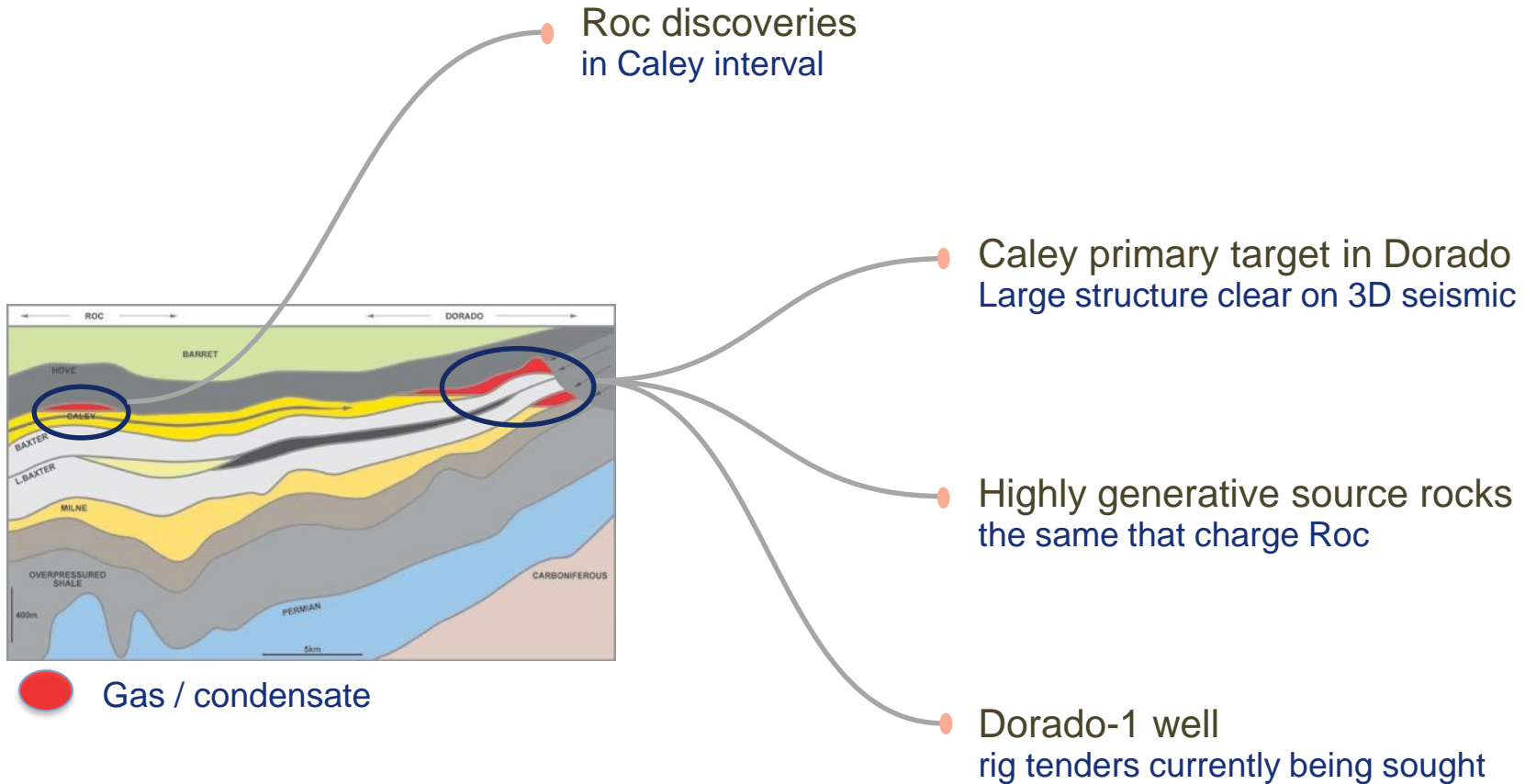


Development
Production facilities



Production
target circa 2023

Phoenix project - Dorado-1 well



Phoenix project – Phoenix South-3 well

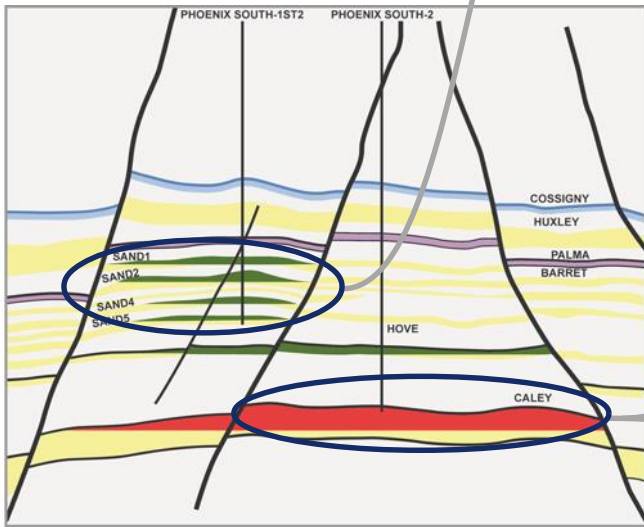


2014 Phoenix South-1 well recovered light oil at the Barret interval

2016 Phoenix South-2 well discovered gas and condensate in Caley interval

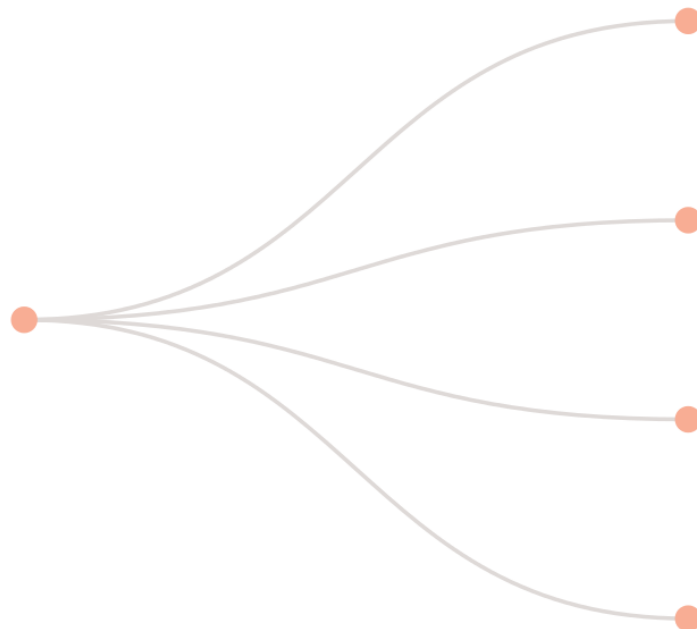
High gas influx and pressures positive for porosity (higher volume) and permeability (higher flow rates)

Phoenix South-3 well Re-drill to provide information on reservoir and volume



 Gas / condensate

Multi Tcf potential around Roc + condensate



Dorado

545 Bcf of gas
32 mmbbls of oil
(Caley 1 sand)



Dorado 2-5 sands

500 Bcf of gas
29 mmbbls of oil
(average per sand)



Phoenix Sth

489 Bcf of gas
74 mmbbls of oil



Satellites

337 Bcf of gas
27 mmbbls of oil

* Gross volumes, CVN 20%, resources comprise light black oil, gas and associated condensate, Pmean basis

Phoenix project - infrastructure & markets



Community
Phoenix c.150km
from Port Hedland



Infrastructure
Main gas pipeline
at Port Hedland



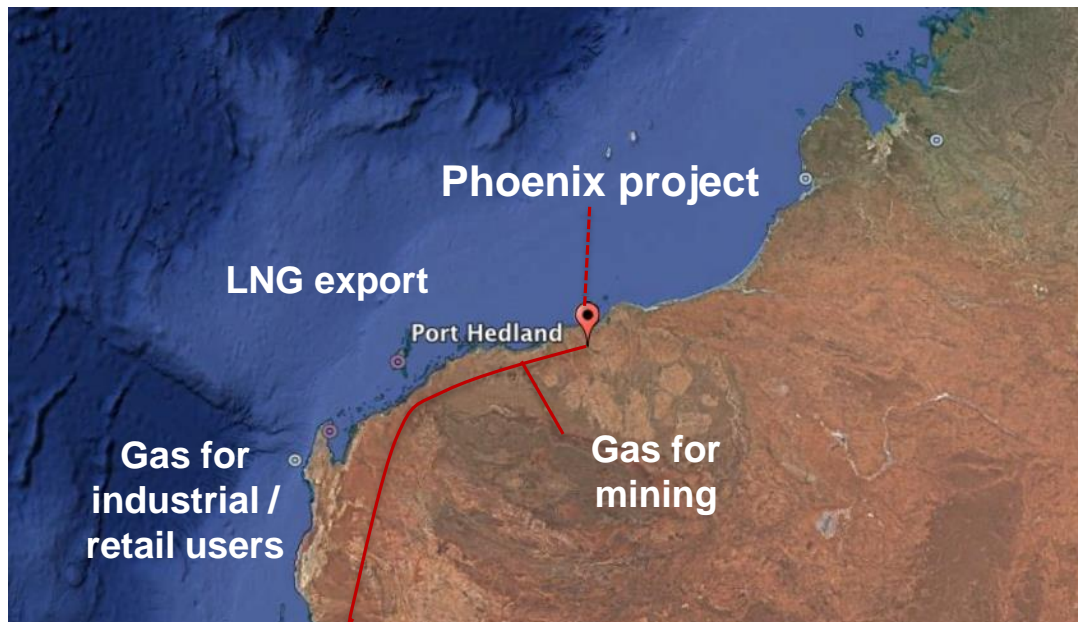
Gas markets
Domestic mining,
industrial and retail



Crude
Ship to Asian
markets



LNG
Volume permitting,
ullage utilisation





Crude demand

Steady increase on transportation and petrochemicals use, particularly in Asia



Crude supply

Adequate short term but medium term risk due to current critical under investment



Gas demand

Steady in Western Australia unless miners draw on gas to replace diesel



Gas supply

At risk in Western Australia if new projects fail to offset existing field declines

Project metrics



	Reindeer ²	Roc ³	Dorado ¹ (Caley 1 sand)	Phoenix South ¹
Gas (Bcf)	468	332	545	489
Oil (million barrels)	2	20	32	74
Barrels of oil equivalent (million)	84	78	127	160
Revenue	US\$3.4 bn			
Development and abandonment	(US\$1.4 bn)			
Operating costs	(US\$0.5 bn)			
Petroleum resource rent tax	(US\$0.2 bn)			
Cash flow before income tax	US\$1.3 bn			
			US\$15/boe	
				365 million boe

Reindeer gas field on the NWS was developed and is operated by Quadrant Energy
 Similar water depths of circa 50-100 metres and similar distance to gas plant of circa 100-150 kilometres
 Financial figures are gross, nominal amounts



Roc

Economic resource



Dorado-1

Next well



Phoenix Sth-3

Re-drill



Development

Planning in progress



Projects

Five new projects





Think Different

Act Different