



## **PROACTIVE INVESTORS' CEO SERIES PRESENTATION**

17 & 18 September 2018

# DISCLAIMER & RESOURCE INFORMATION



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, a Masters Degree in Petroleum Engineering and is a member of the society of Petroleum Engineers. 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 presented in this report are prepared as at 28 August 2017, 23 April 2018 and 20 August 2018 per the Company's announcement released to the 28 August 2017, 23 April 2018 and 20 August 2018. 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. Carnarvon used deterministic and probabilistic methods to prepare the estimates of these 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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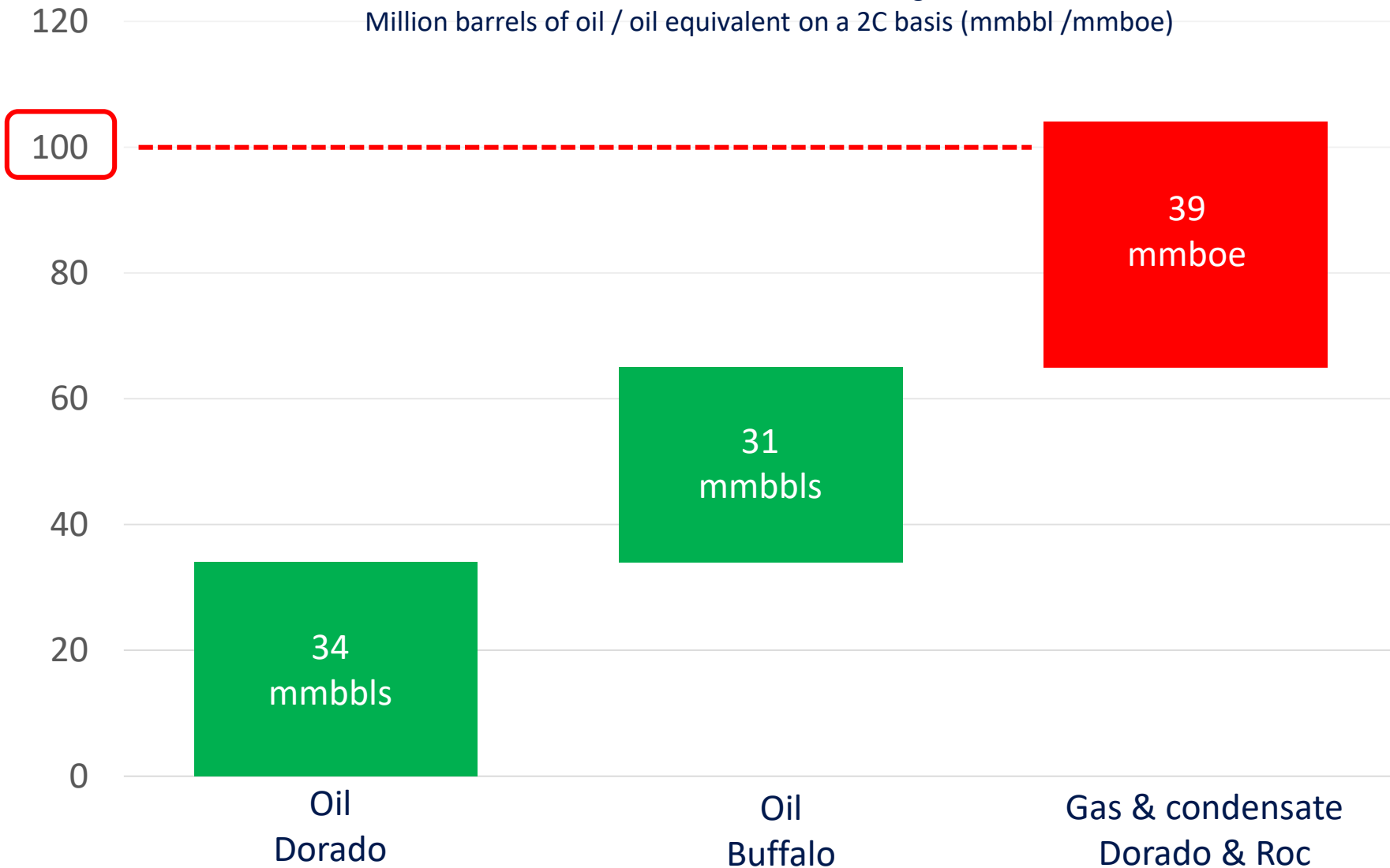
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Carnarvon's share of discovered Contingent Resources  
Million barrels of oil / oil equivalent on a 2C basis (mmbbl /mmboe)





## OIL

3<sup>rd</sup> largest discovery in the history of the NWS (gross 2C)

## GAS

Plus half a Tcf – exactly what we were looking for

## PLAY TYPE

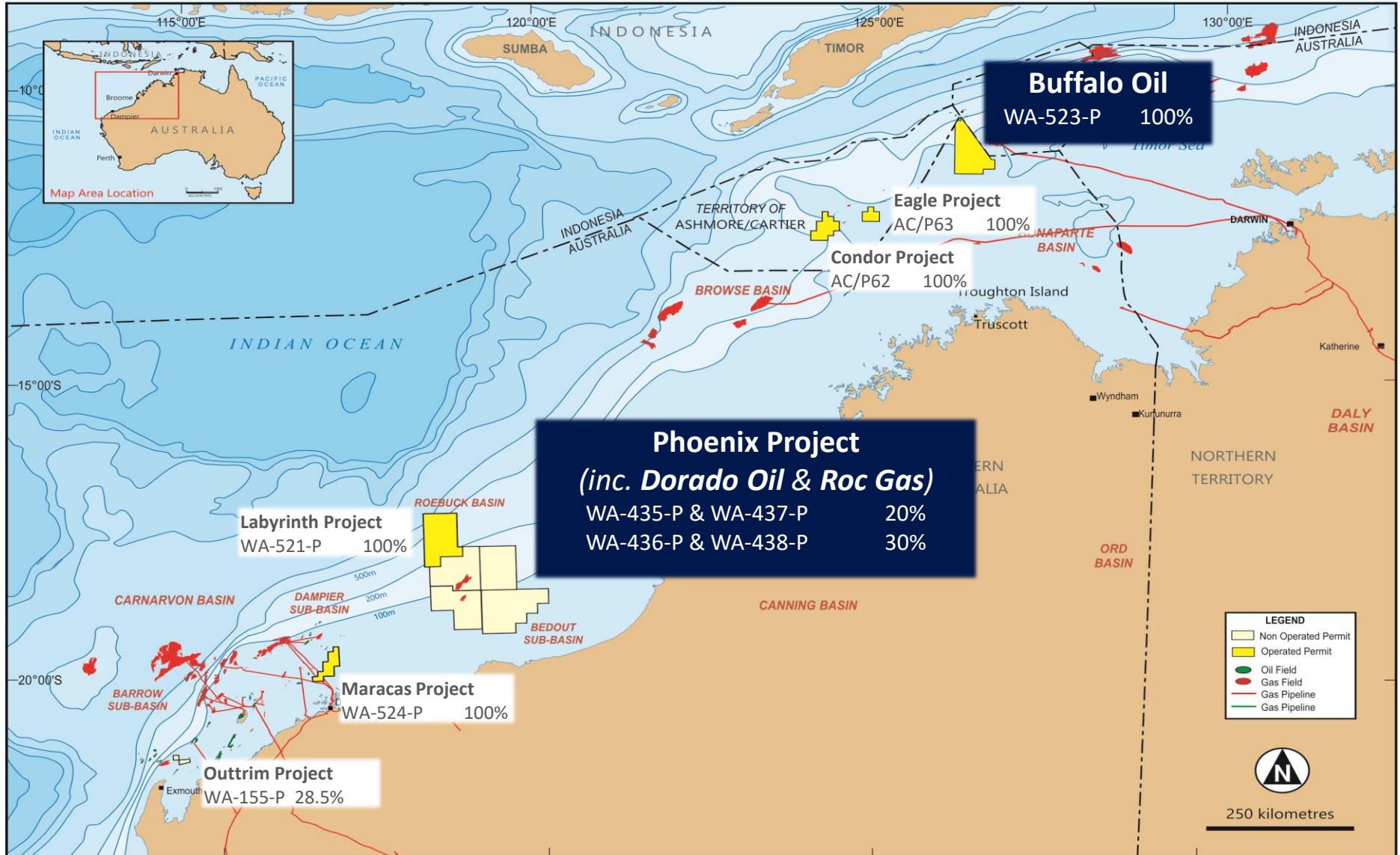
De-risked with similar prospects nearby

## LOCATION

Ideal for development in shallow water Western Australia

## PRODUCTION HUB

Opens up a multitude of tie back potential





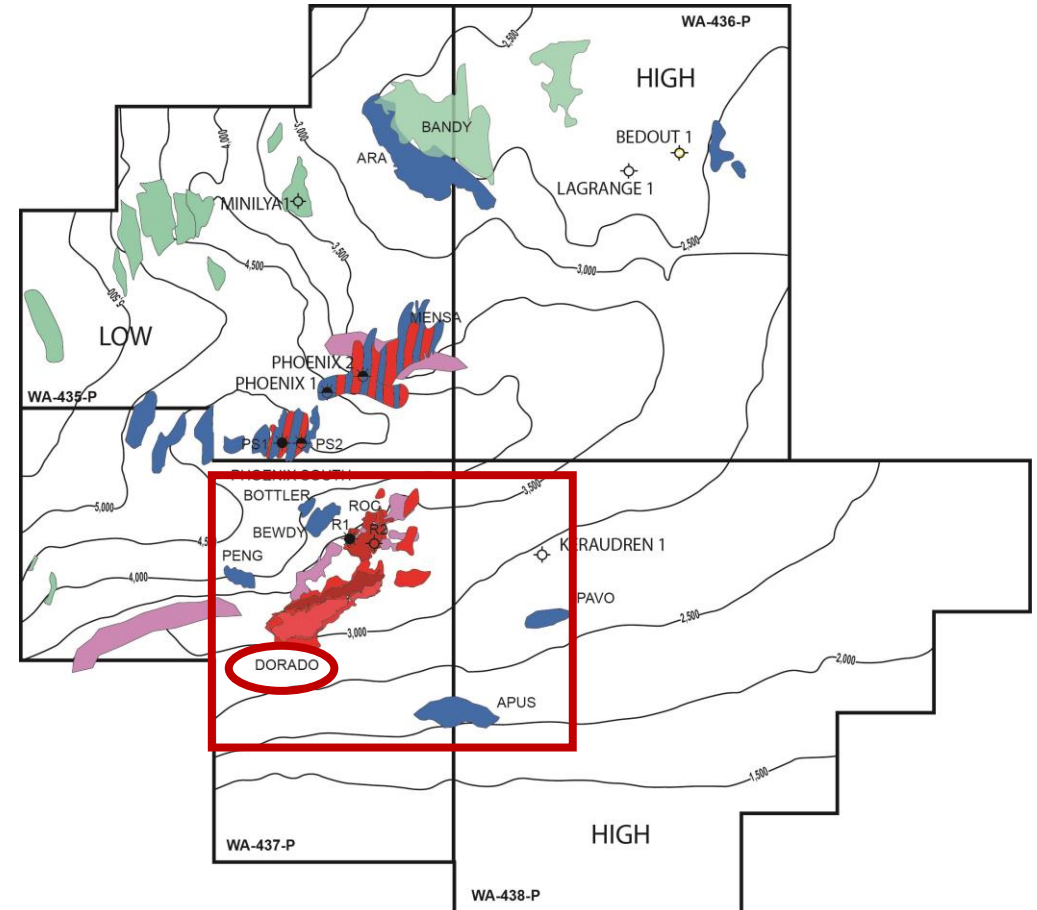
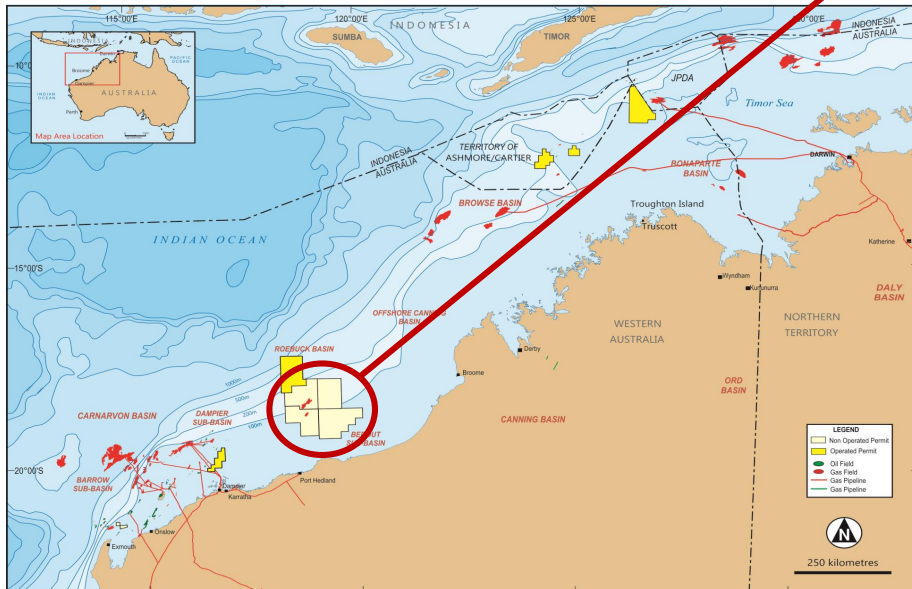
# PHOENIX PROJECT OVERVIEW



100% drilling success rate to date

Large number of follow up targets

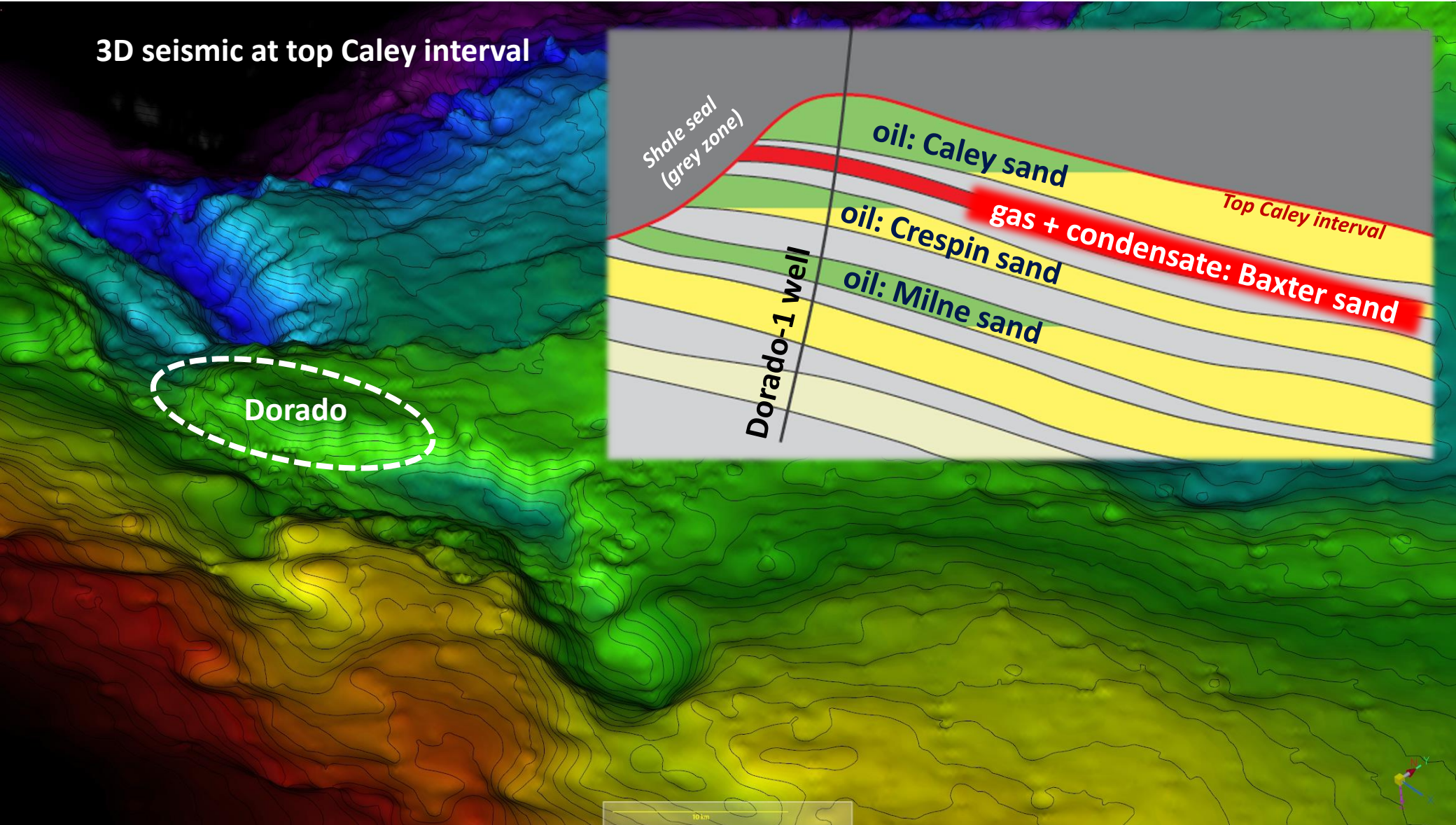
Clear focus around Dorado area



# DORADO MAJOR DISCOVERY ACROSS STACKED SANDS



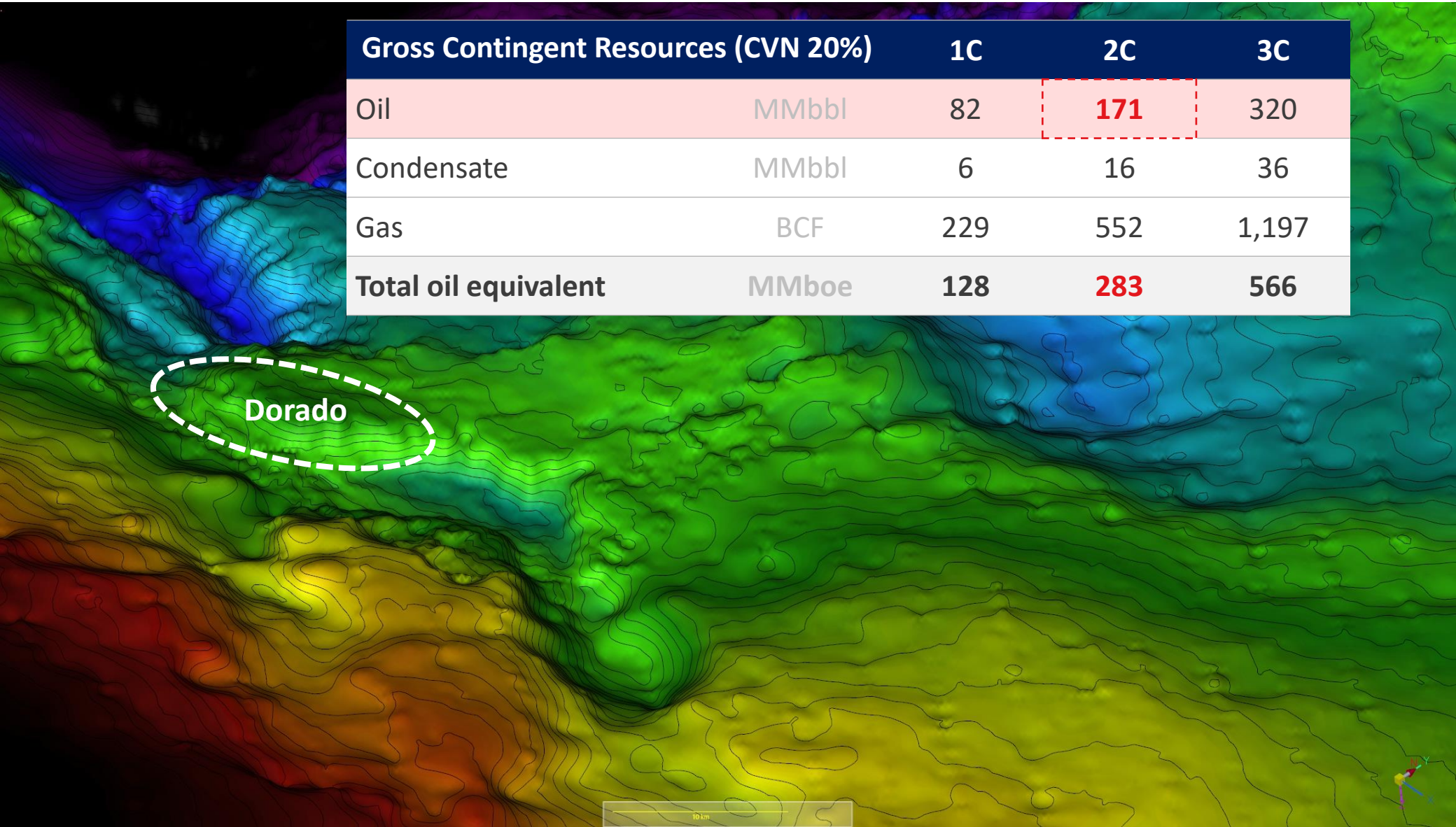
3D seismic at top Caley interval



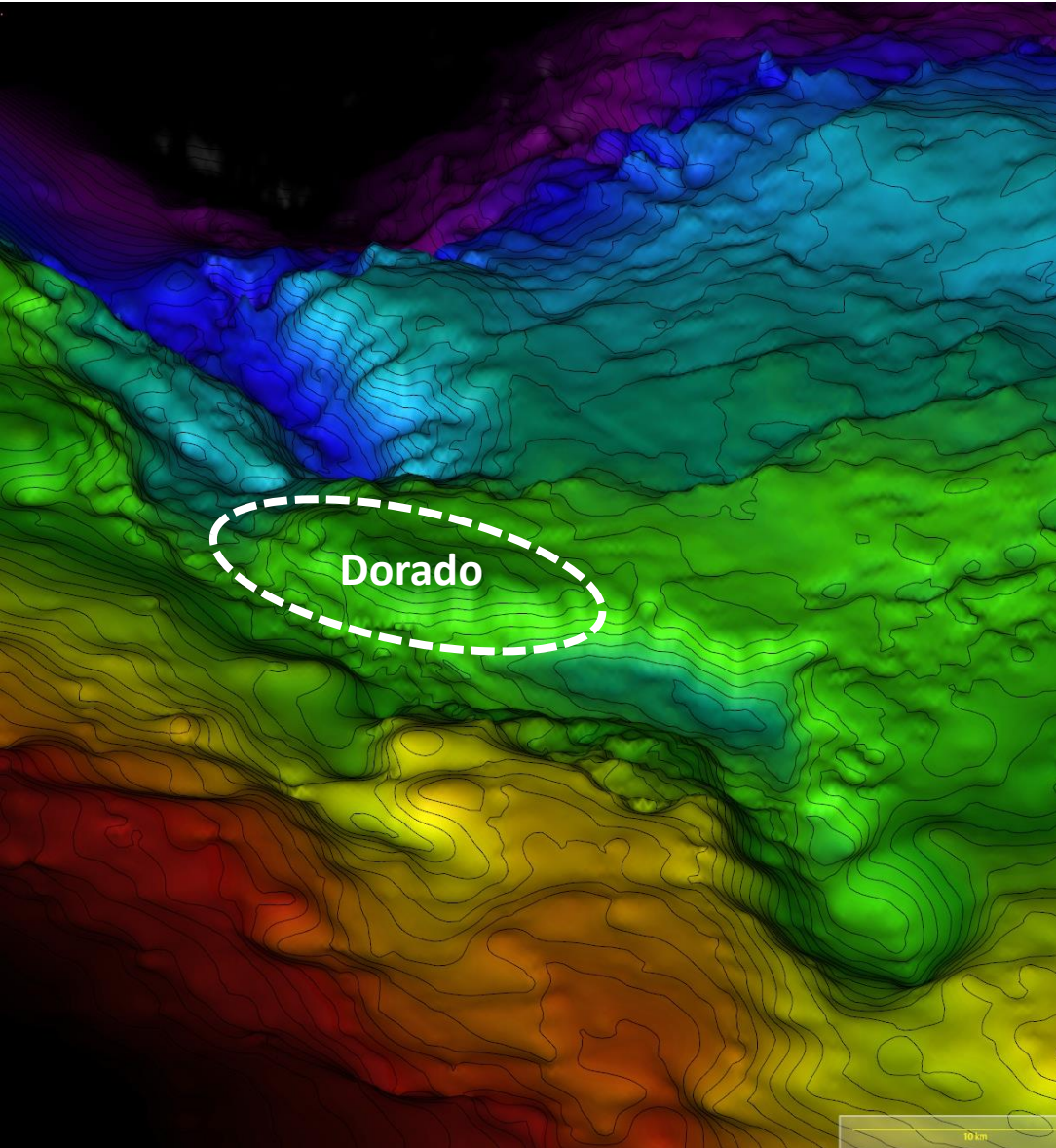




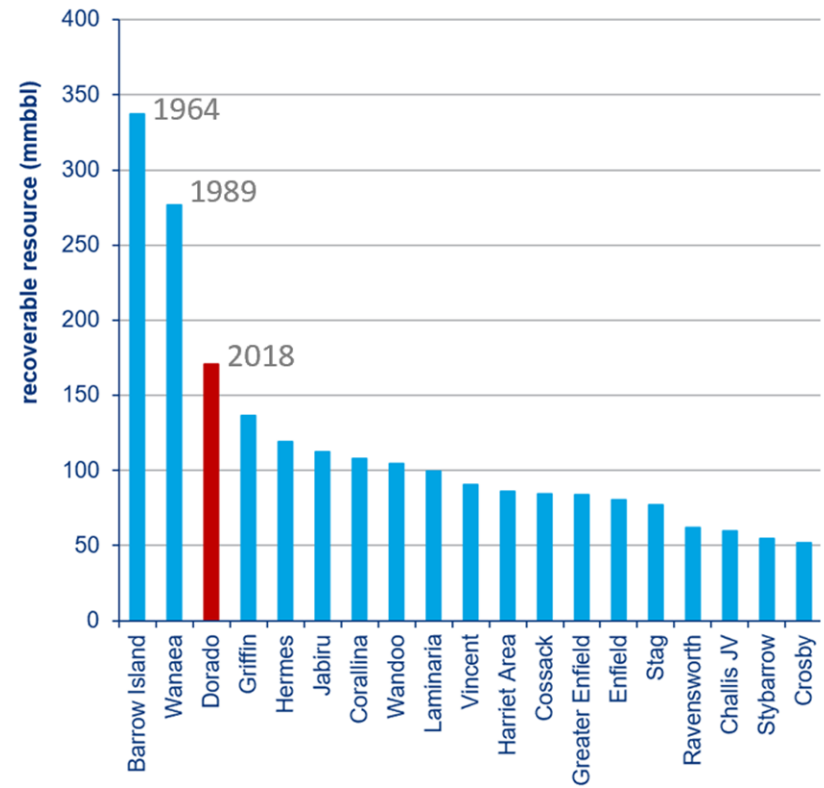
Gross Contingent Resources (CVN 20%)		1C	2C	3C
Oil	MMbbl	82	<b>171</b>	320
Condensate	MMbbl	6	16	36
Gas	BCF	229	552	1,197
<b>Total oil equivalent</b>	<b>MMboe</b>	<b>128</b>	<b>283</b>	<b>566</b>







### Historical North West Shelf Oil Field Discoveries greater than 50 million barrels



Source: Data from Wood Mackenzie's Upstream Data Tool







**2018** - Santos expect to acquire Quadrant Energy

**2019** - Two appraisal wells (refer STO announcement)

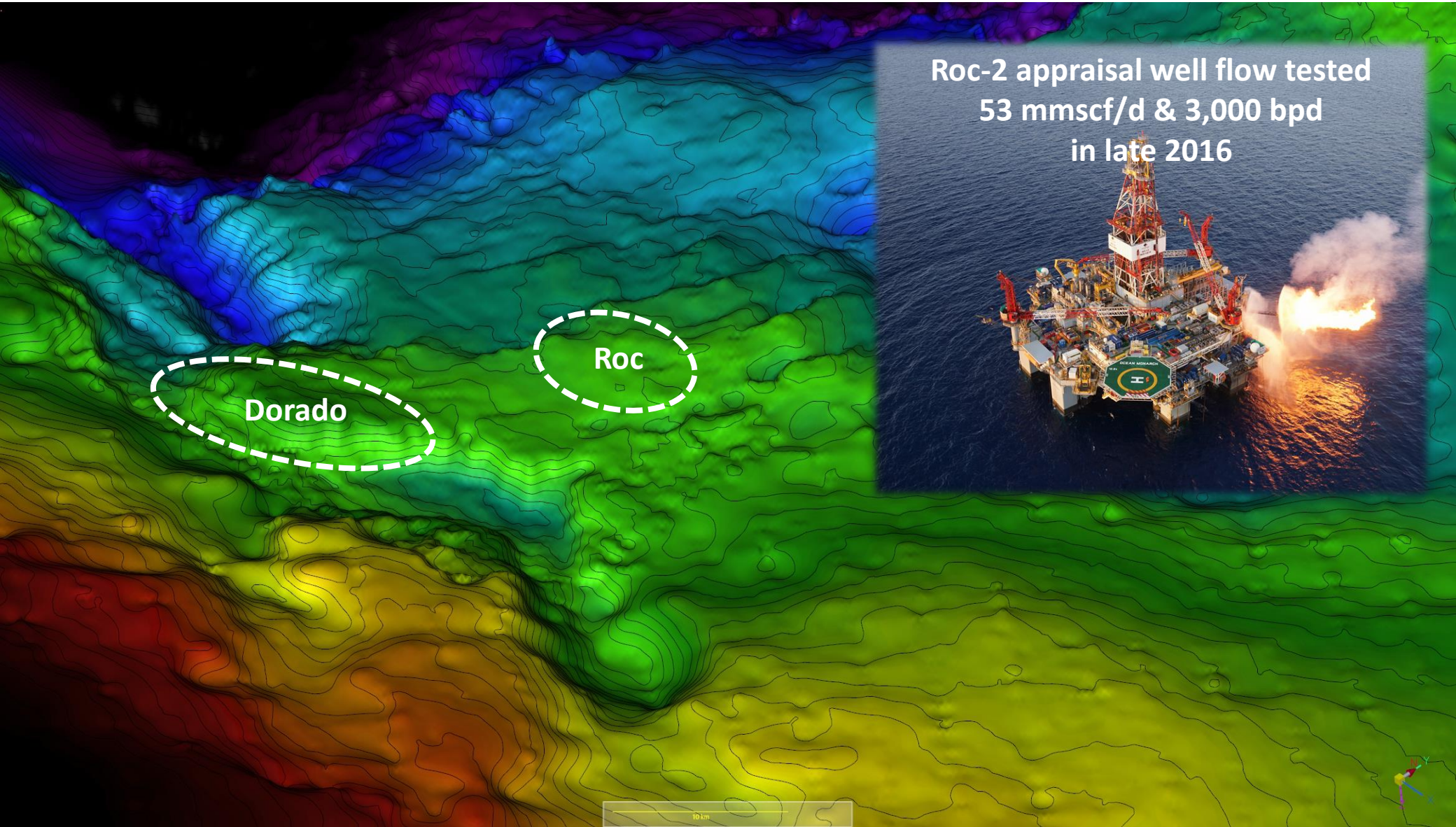
**2020** - FID targeted (refer STO announcement)



Dorado

10 km





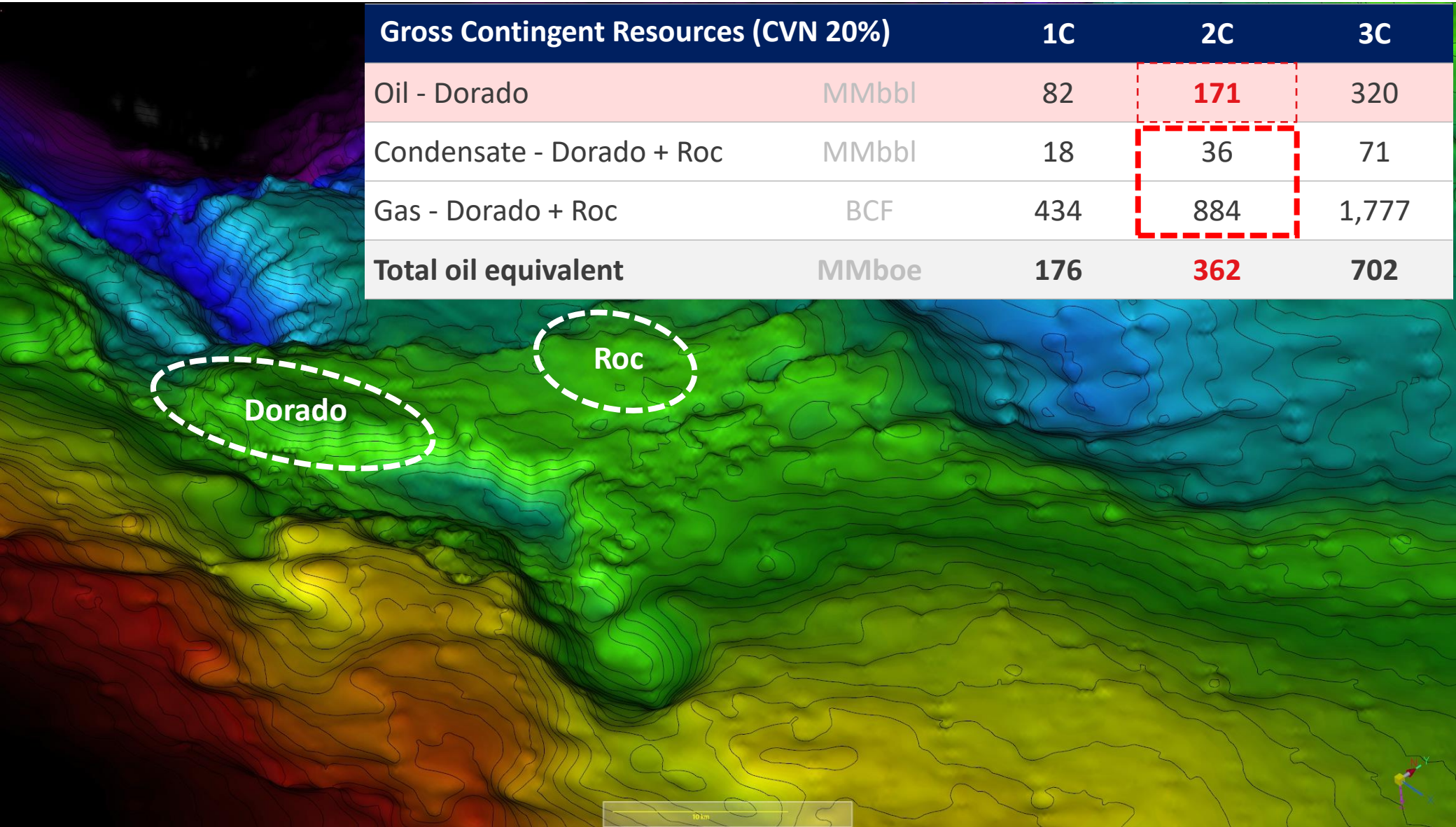
Roc-2 appraisal well flow tested  
53 mmscf/d & 3,000 bpd  
in late 2016



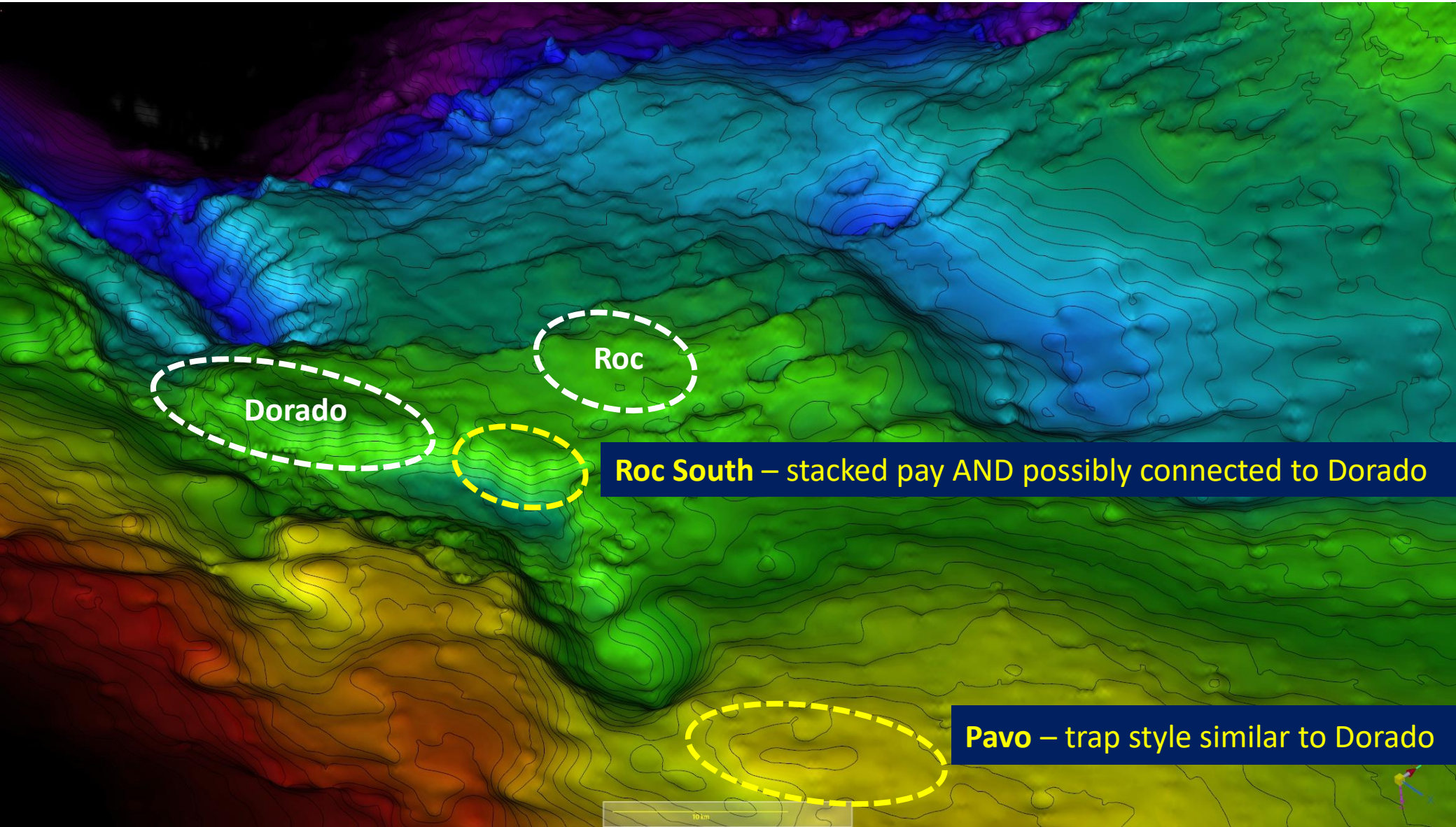




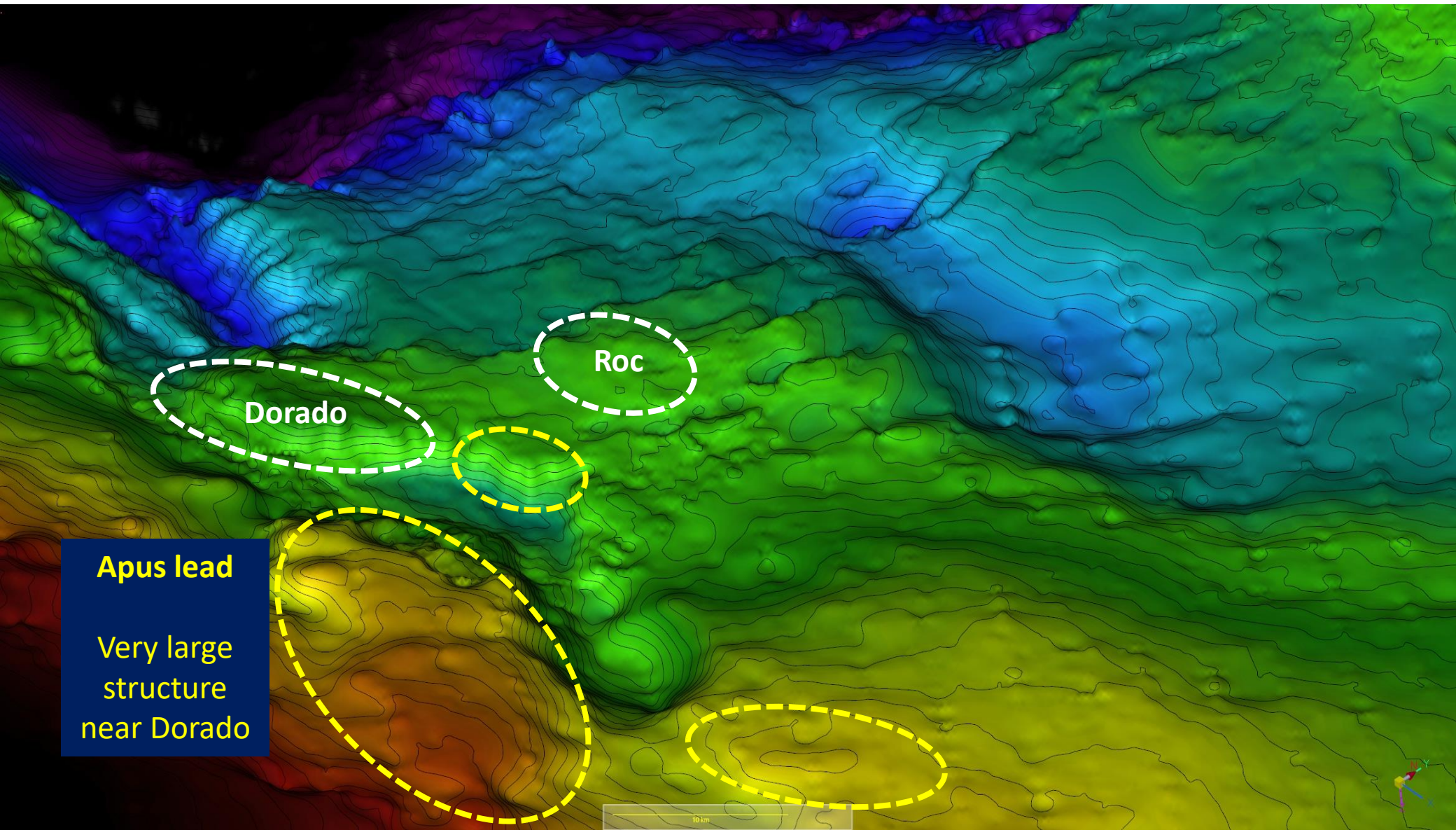
Gross Contingent Resources (CVN 20%)		1C	2C	3C
Oil - Dorado	MMbbl	82	<b>171</b>	320
Condensate - Dorado + Roc	MMbbl	18	36	71
Gas - Dorado + Roc	BCF	434	884	1,777
<b>Total oil equivalent</b>	<b>MMboe</b>	<b>176</b>	<b>362</b>	<b>702</b>







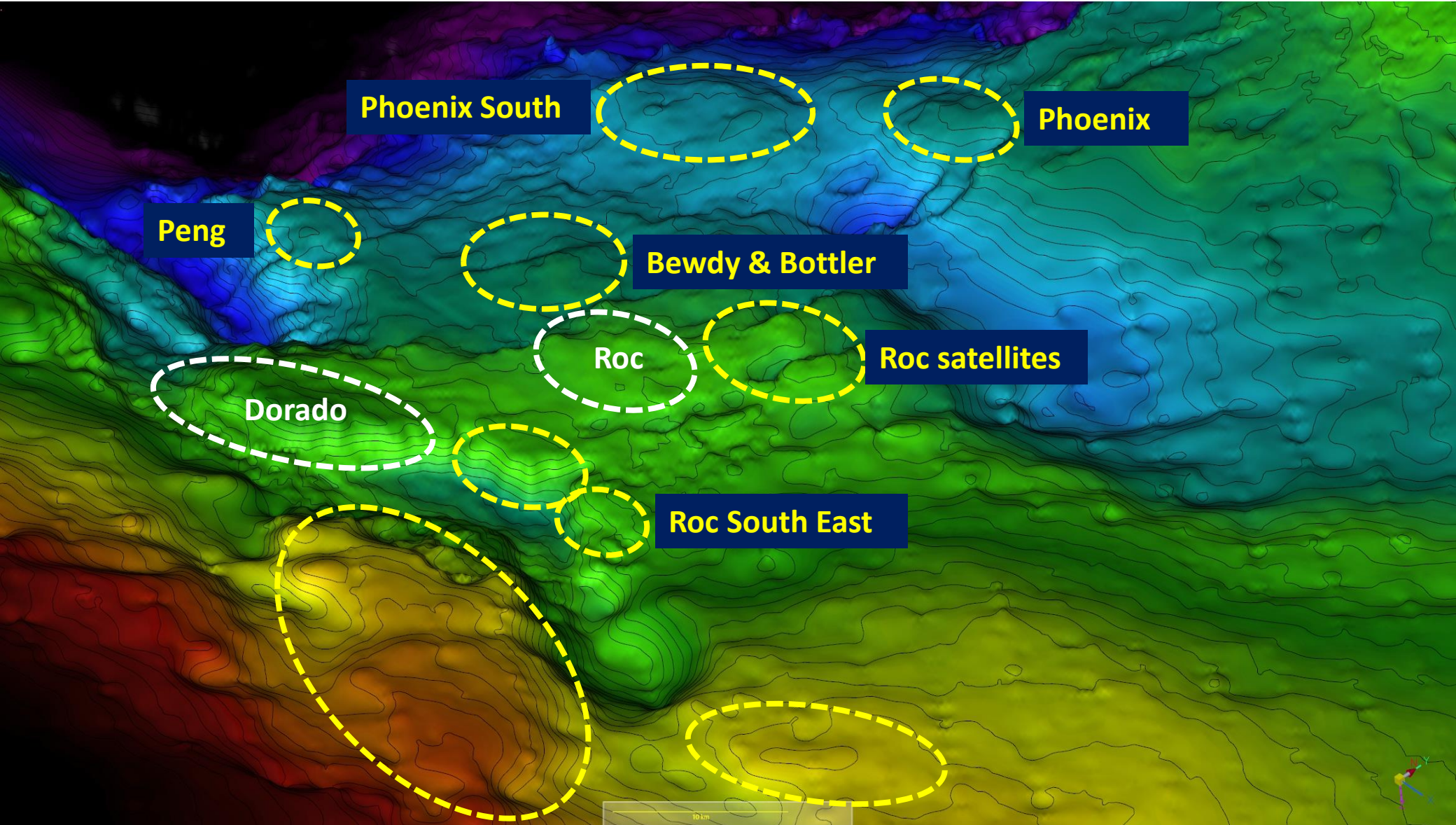




**Apus lead**  
Very large structure near Dorado

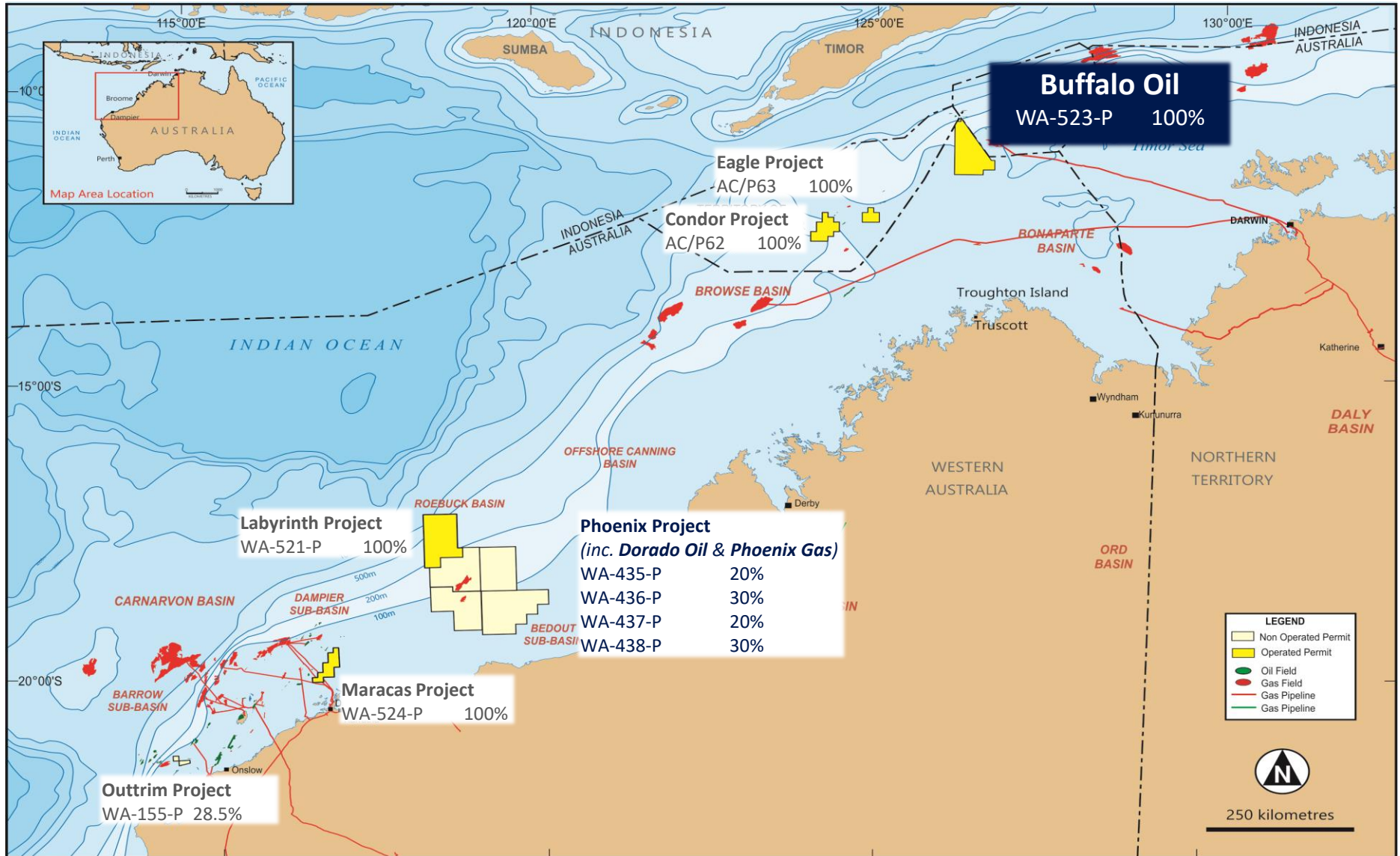


# “... AND THE UPSIDE IS STAGGERING”





# PORTFOLIO BUFFALO

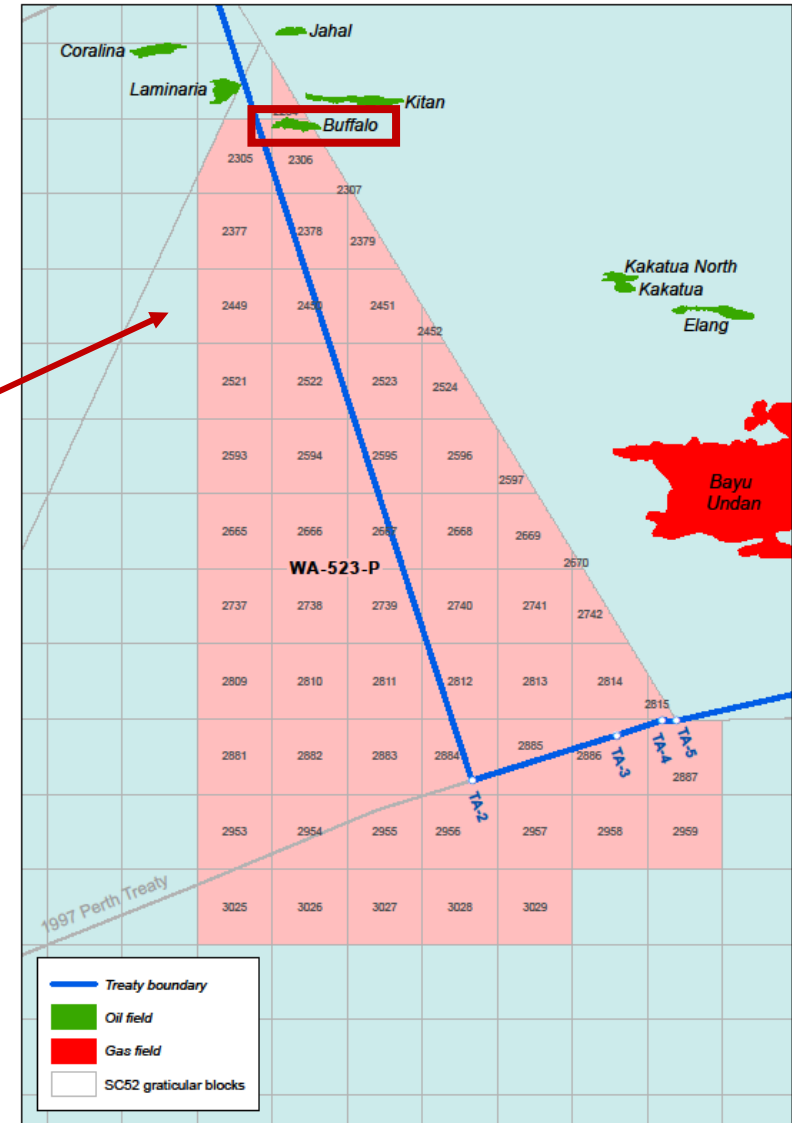
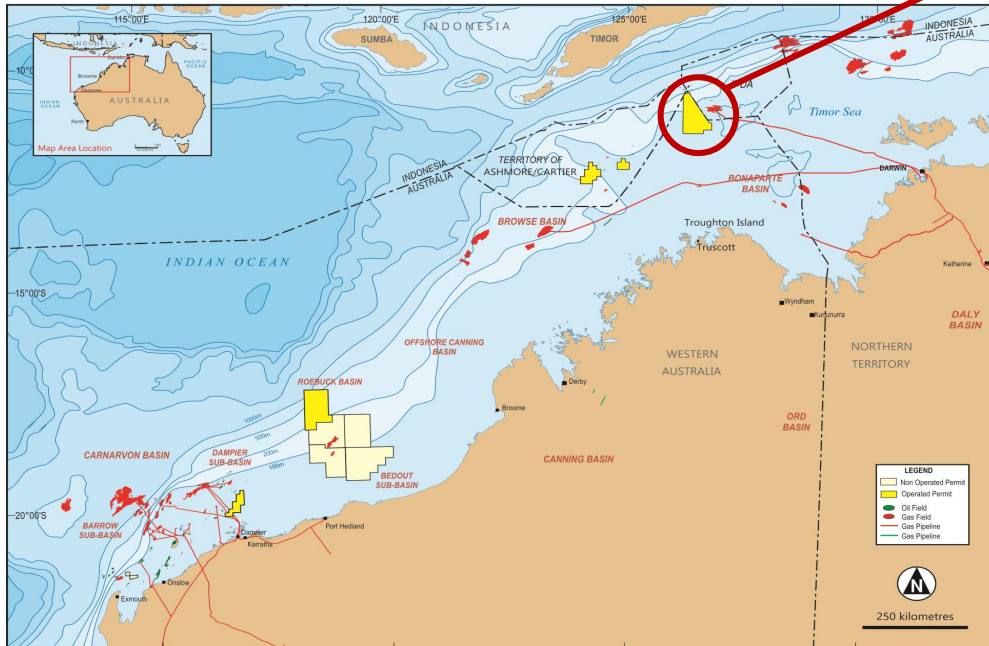


# BUFFALO THE TIMOR-LESTE CONNECTION

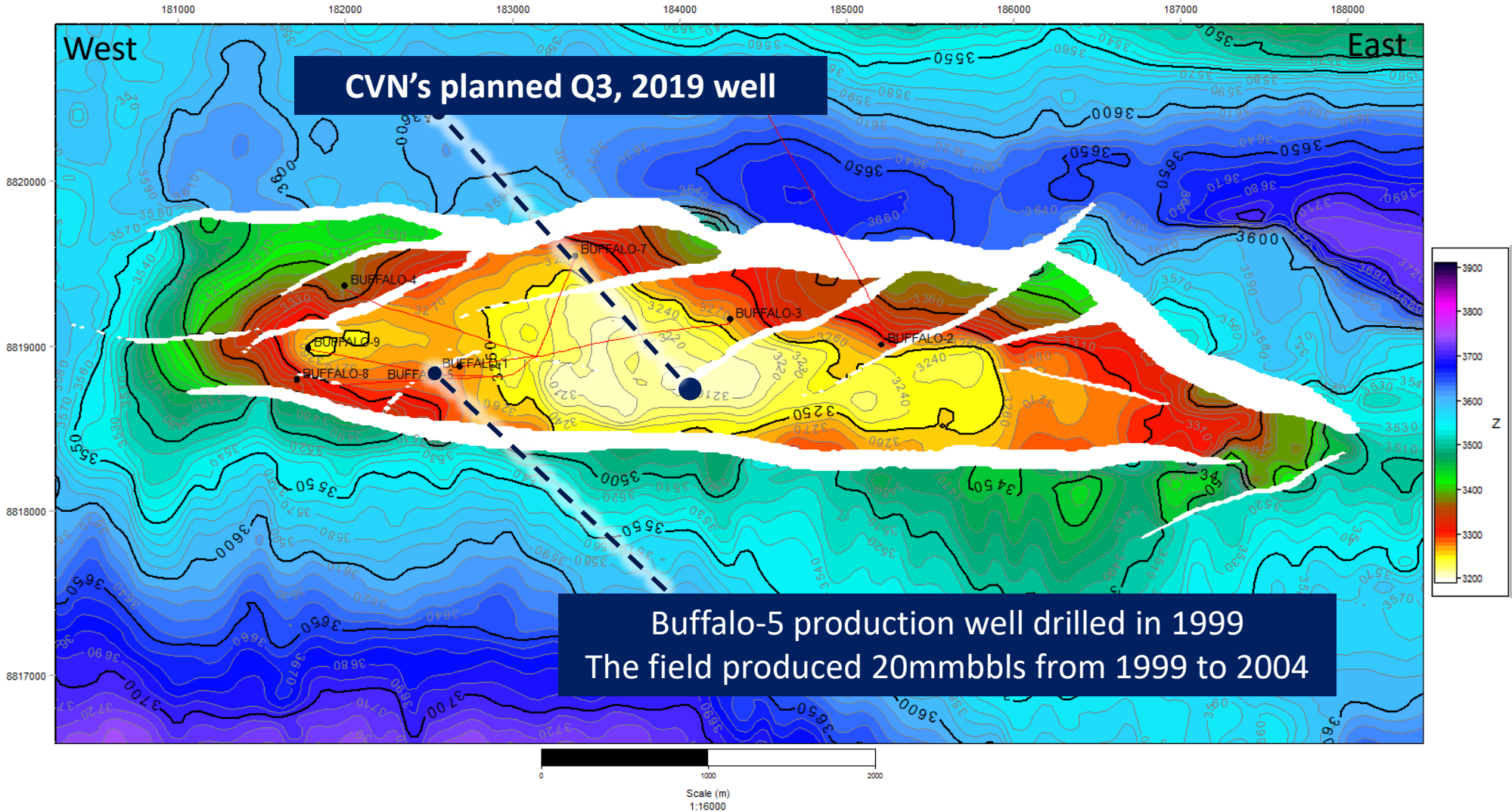


Proven oil province confirmed in multiple fields

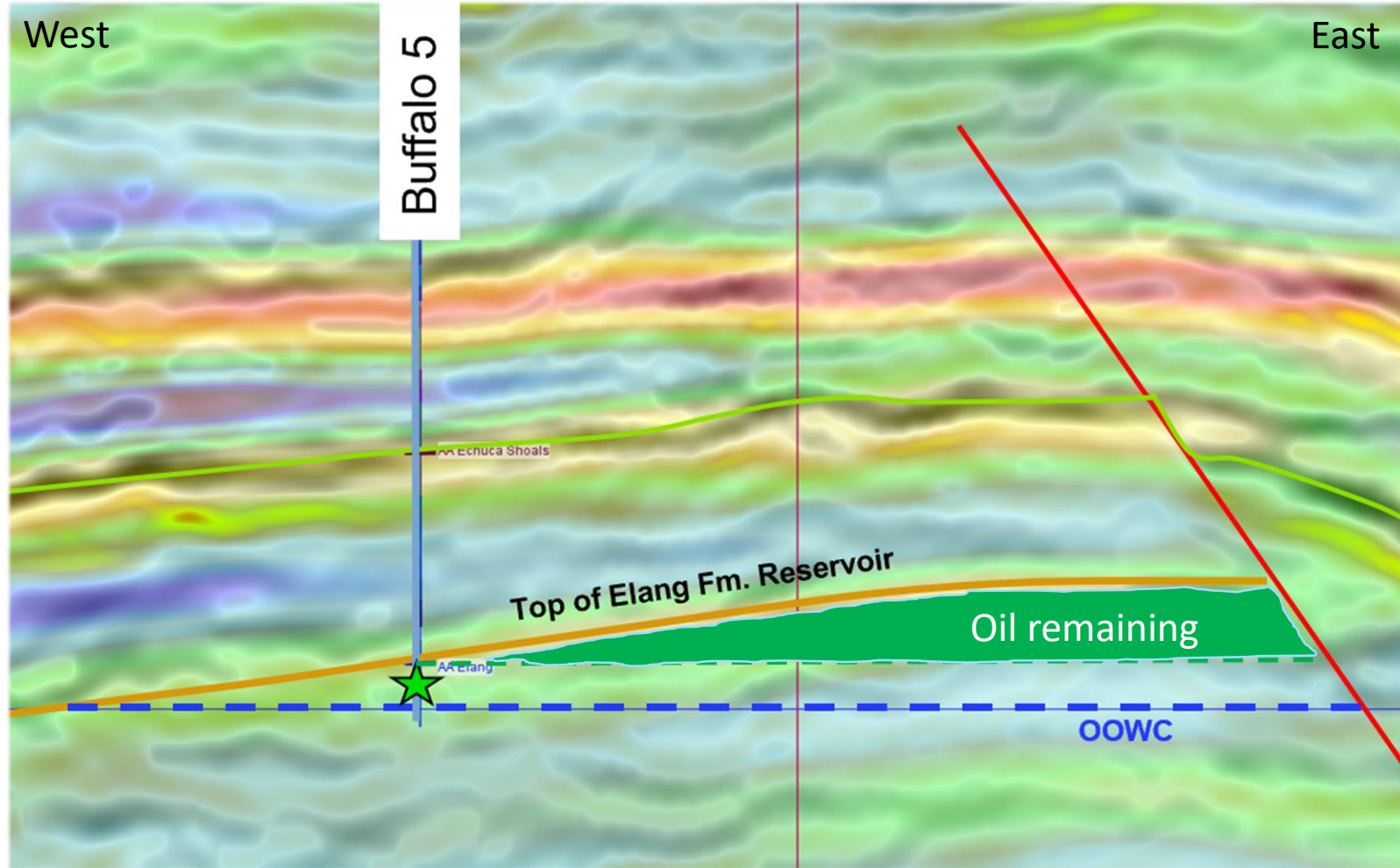
Clear focus around Buffalo oil field



# BUFFALO LOW RISK OIL FIELD REDEVELOPMENT











CONTINGENT RESOURCES (CVN 100%)		1C	2C	3C
Oil remaining (reviewed by RISC)	MMbbl	15	<b>31</b>	48

## PSC

Production sharing contract negotiations progressing

## WELL

Planning for Q3, 2019 (will retain for production)

## DEVELOPMENT

Field suits a standard low cost facility confirmed in independent studies



# OIL & GAS VOLUME SUMMARY (CONTINGENT RESOURCES)



## Gross Contingent Resources (100% basis)

	Light Oil			Natural Gas			Condensate			Barrels of Oil Equivalent		
	MMbbl			BCF			MMbbl			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	82	171	320	229	552	1,197	6	16	36	128	283	566
Roc	-	-	-	205	332	580	12	20	35	48	78	137
Phoenix South	7	17	30	-	-	-	-	-	-	7	17	30
Phoenix	2	7	16	-	-	-	-	-	-	2	7	16
<b>Phoenix Project Sub-Total</b>	<b>91</b>	<b>195</b>	<b>366</b>	<b>434</b>	<b>884</b>	<b>1,777</b>	<b>18</b>	<b>36</b>	<b>71</b>	<b>185</b>	<b>385</b>	<b>748</b>
Buffalo	15	31	48	-	-	-	-	-	-	15	31	48

## Net Contingent Resources (CVN's share)

	Light Oil			Natural Gas			Condensate			Barrels of Oil Equivalent		
	MMbbl			BCF			MMbbl			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	17	34	64	46	110	240	1	3	7	26	57	113
Roc	-	-	-	41	66	116	2	4	7	10	16	27
Phoenix South	1	3	6	-	-	-	-	-	-	1	3	6
Phoenix	0	1	3	-	-	-	-	-	-	0	1	3
<b>Phoenix Project Sub-Total</b>	<b>19</b>	<b>39</b>	<b>73</b>	<b>87</b>	<b>176</b>	<b>356</b>	<b>3</b>	<b>7</b>	<b>14</b>	<b>37</b>	<b>77</b>	<b>149</b>
Buffalo	15	31	48	-	-	-	-	-	-	15	31	48
<b>Total</b>	<b>34</b>	<b>70</b>	<b>121</b>	<b>87</b>	<b>176</b>	<b>356</b>	<b>3</b>	<b>7</b>	<b>14</b>	<b>52</b>	<b>108</b>	<b>197</b>



Carnarvon's portfolio of oil & gas assets include **two near-term oil developments**.

## DORADO OIL (20% Carnarvon)

- Potential near-term **standalone oil development**
- Third largest oil resource ever discovered in the North West Shelf
- Appraisal drilling plans in progress

## BUFFALO OIL (100% Carnarvon)

- Potential near-term **standalone oil development**
- Low cost re-development of previous oil field shifting to Timor-Leste territorial waters
- Buffalo well scheduled for drilling in Q3, 2019

## PHOENIX GAS (20% Carnarvon)

- Potential medium-term **standalone gas & condensate development**
- Strategically located within close proximity to existing infrastructure and in shallow water
- High liquids component markedly improves commerciality

## EXPLORATION

- Dorado well success increases the probability of **follow up discoveries** in this area
- Exploration has yielded three potential development projects in four years at low cost to Carnarvon
- Farm-out discussions progressing on other North West Shelf assets



CVN utilises its **strong inhouse technical capabilities** to access high growth opportunities.

## LABYRINTH (100% Carnarvon)

- **Very large oil prospects** with the project in the process of being farmed out
- Located in the Rowley Sub-basin in the North West Shelf (WA-521-P)
- Seeking new 3D seismic over the primary prospect followed by an exploration well

## CONDOR & EAGLE (100% Carnarvon)

- Targeting **multiple oil prospects** around the current Montara oil field
- Located in the Vulcan Sub-basin in the North West Shelf (AC/P62 & AC/P63)
- Carnarvon is aiming to be ready to commence farm out discussions by mid 2019

## OUTTRIM (28.5% Carnarvon)

- Predominantly a **gas asset** on trend with the Woodside Swell-1 gas discovery, with small volumes of oil
- Located in the Exmouth Sub-basin in the North West Shelf (WA-155-P), held in joint venture with Quadrant
- CVN is assessing the merits of the Outtrim project having regard to its other development projects

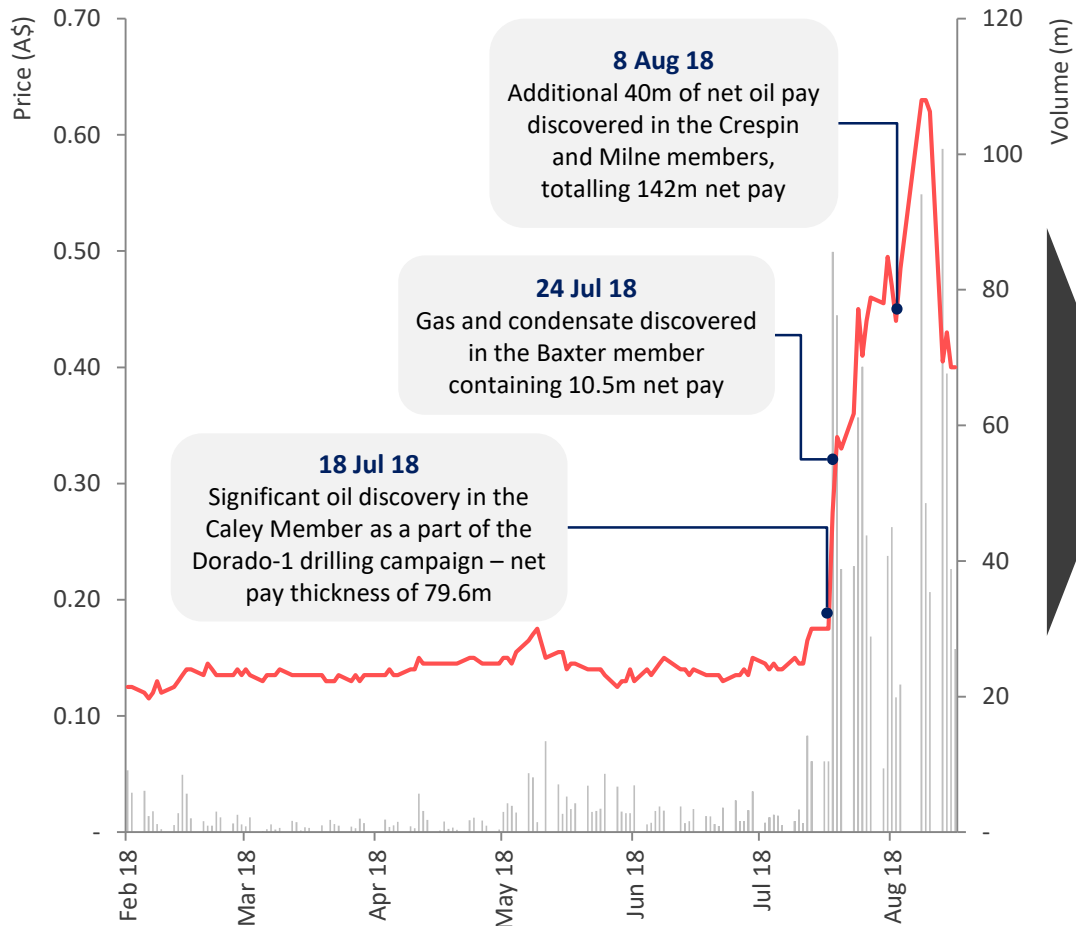
## MARACAS (100% Carnarvon)

- Predominantly an **oil asset flanking the Wandoo and Stag oil fields**
- Located in the Carnarvon Basin in the North West Shelf (WA-524-P)
- Technical work under way to ascertain the technical merits of the identified play type



There are a number of **upcoming share price catalysts** over the next 12-18 months.

## Share Price Performance (6 months)



## Upcoming Catalysts

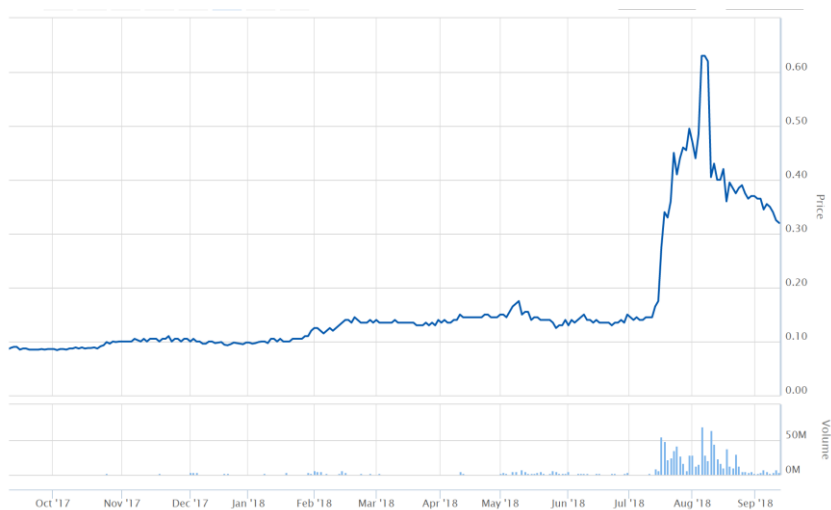
- Dorado play type prospects & volumes
- Plans for drilling Dorado appraisal and “look-alike” target wells
- Buffalo PSC negotiations
- Buffalo well
- Buffalo development plan
- Farm-out discussions
  - Focusing on Labyrinth, Condor and Outtrim
- Dorado development plan
- Possible S&P ASX 200 index inclusion

Source: Bloomberg as at 16 Aug 18.



Carnarvon has a **market capitalisation of ~A\$380m** backed by an experienced management team with extensive in-house technical capability, led by Managing Director Adrian Cook.

Ordinary shares on issue	m	1,190
Share price as at 17 Aug 18	A\$/sh	0.32
<b>Market capitalization</b>	<b>A\$m</b>	<b>381</b>
Debt (as at 30 Jun 18)	A\$m	-
Cash (as at 30 Jun 18) <sup>2</sup>	A\$m	(64)
<b>Diluted enterprise value</b>	<b>A\$m</b>	<b>317</b>



**Adrian Cook**  
*Managing Director & CEO*

- 25+ years experience in finance, primarily in the petroleum industry
- Former Managing Director of ASX Listed O&G explorer, Buru Energy Limited and Fellow of the Australian Institute of Company Directors



**Philip Huizenga**  
*Chief Operating Officer*

- 20+ years experience in O&G industry as petroleum engineer
- Member of: Society of Petroleum Engineers, Industry Advisory Council to the Dept of Petroleum Engineering at Curtin University



**Thomson Naude**  
*Chief Financial Officer & Company Secretary*

- Chartered Accountant with 10+ years experience in financial management
- Experience in commercial transactions including the divestment of Carnarvon's Thailand production assets



**Dr Stephen Molyneux**  
*Exploration Manager*

- PhD in Geology and Geophysics from Imperial College London
- 20+ years of experience in O&G exploration, discovered over 5 billion barrels of recoverable oil

**Notes:**

- Does not include 3.075m of Employment Share Plan (ESP) shares.
- Includes \$0.2m from proceeds from ITM options.





## UNIQUE

Exposure to Australia's most exciting exploration province

## INVESTMENT

Appeal enhanced with over 100 mmboe in discovered resources

## FOCUS

Developing the resources and commencing production

## FUNDING

Broad range of options to fund the significant growth potential

## CATALYSTS

Multiple share-price catalysts over the next 12-18 months



**CARNARVON**  
PETROLEUM LTD

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**THINK DIFFERENT**

**ACT DIFFERENT**