



The standout emerging oil and gas company on ASX
October 2018



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 and prospective resources presented in this report are prepared as at 28 August 2017, 23 April 2018, 20 August 2018 and 15 October 2018 per the Company's announcement released to the 28 August 2017, 23 April 2018, 20 August 2018 and 15 October 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.

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way. 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.

This presentation contains forward looking statements which involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the oil and gas industry, many of which are outside the control of and may be unknown to Carnarvon Petroleum Limited.

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OIL WEIGHTED

More than 60% of CVN's 104 mmboe contingent resource is oil

CONVENTIONAL

Resources discovered are in quality conventional reservoirs

DEVELOPMENT

Projects are in shallow water close to infrastructure & services

ECONOMICS

Low cost projects with attractive fiscal terms in low risk jurisdictions

GROWTH

Significant volumes exist in prospects close to recent discoveries

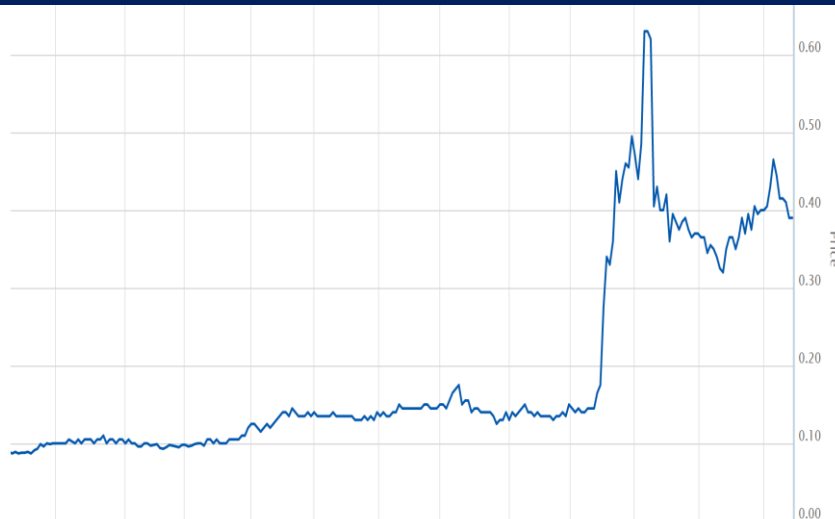


Carnarvon has a **market capitalisation of ~A\$500m** backed by an experienced management team with extensive in-house technical capability, led by Managing Director Adrian Cook.

Capitalisation

Ordinary shares on issue	m	1,190
Share price as at 10 Oct 18	A\$/sh	0.41
Market capitalization	A\$m	488
Debt (as at 30 Sept 18)	A\$m	-
Cash (as at 30 Sept 18)	A\$m	50
Enterprise value	A\$m	438

Last 12 month share price performance



Highly experienced team



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

- 25+ 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



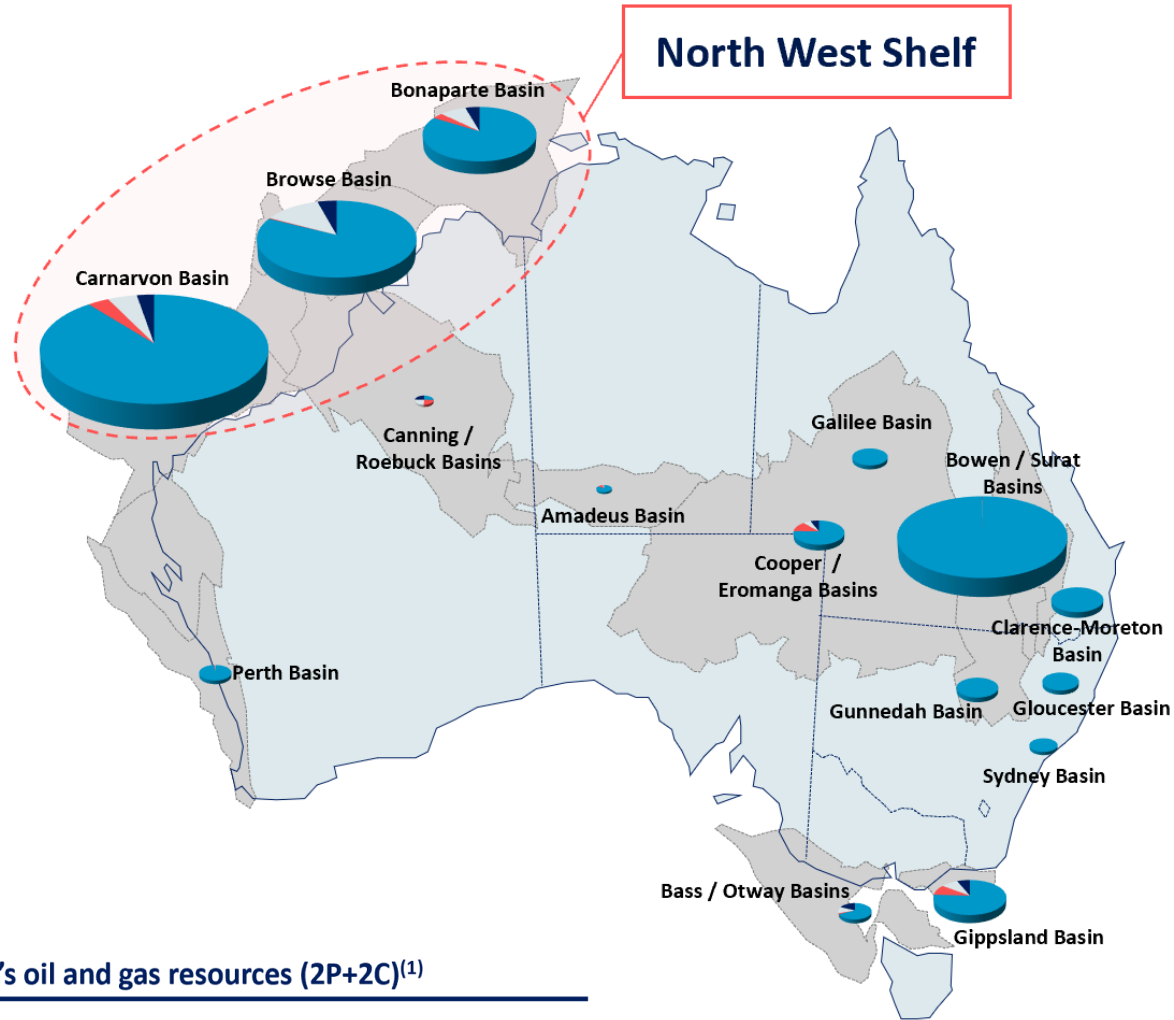
Thomson Naude
Chief Financial Officer & Company Secretary

- 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
- 25+ years of experience in O&G exploration, discovered over 5 billion barrels of recoverable oil

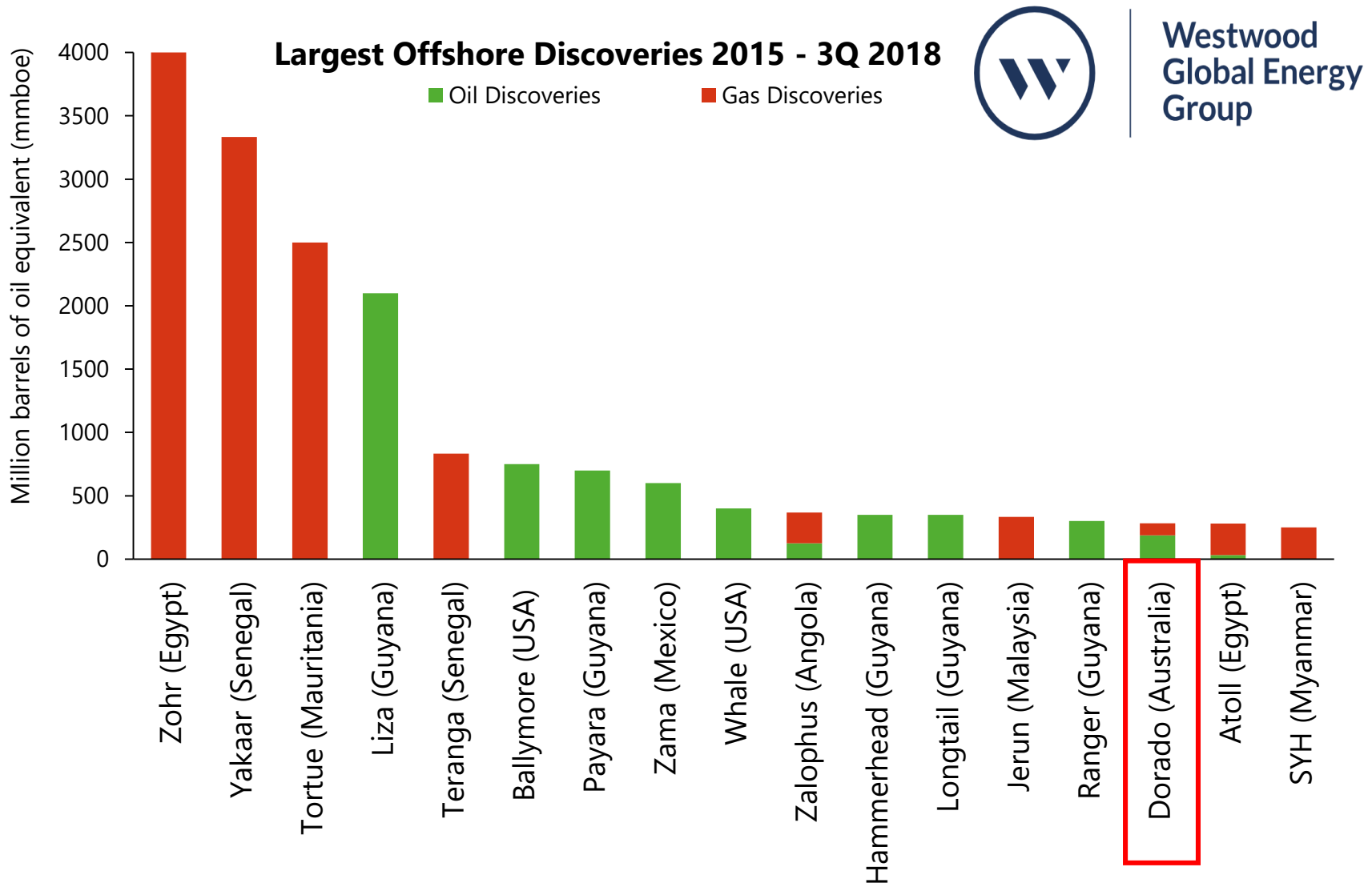


Location of Australia's oil and gas resources (2P+2C)⁽¹⁾



Source: Australian Energy Resources Assessment.

(1) Data as at 2014.



Westwood
Global Energy
Group

Mid-case recoverable volumes from company reporting where available, otherwise estimated by Westwood.

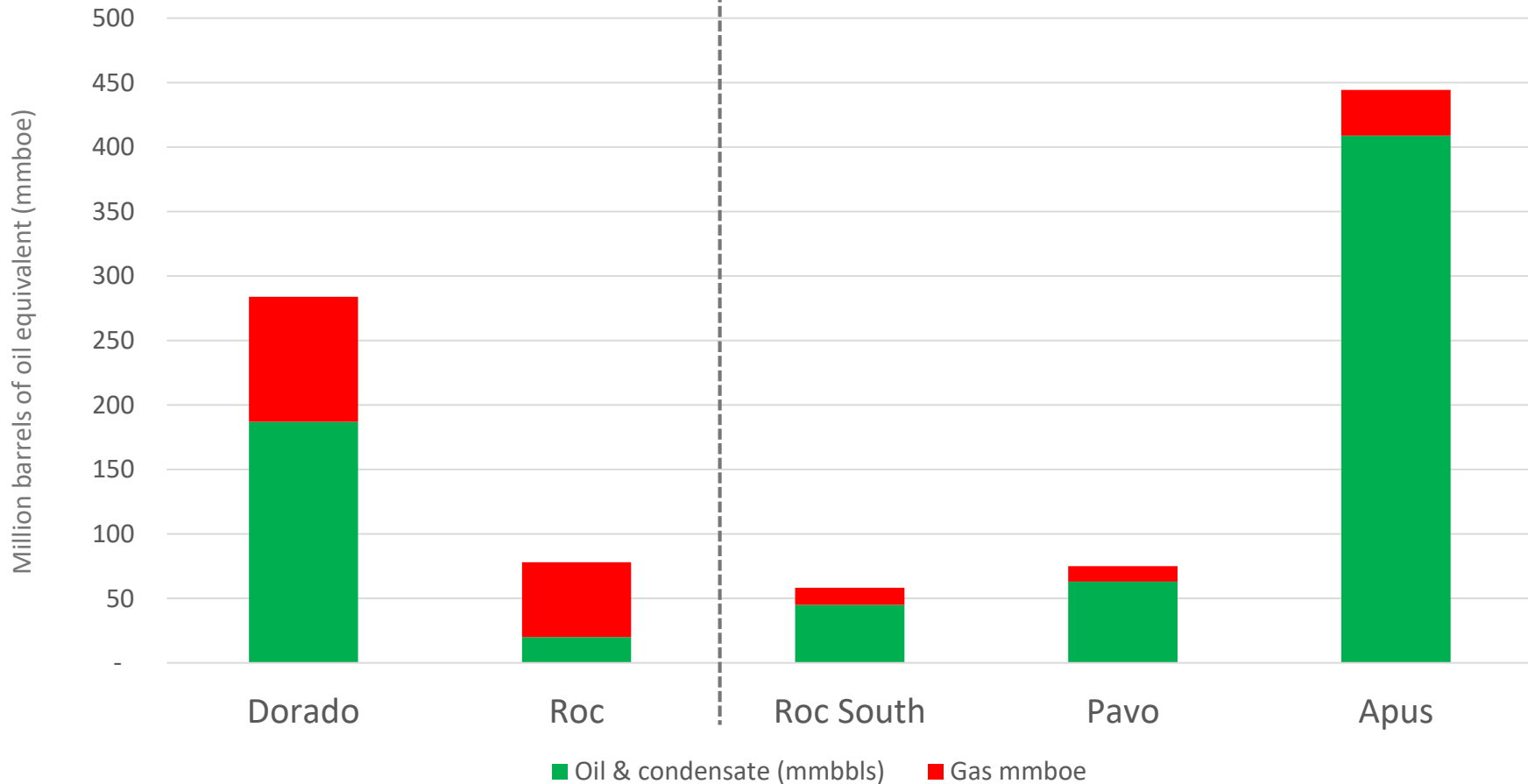


Contingent resources¹

Discovered 362 mmboe (Gross, 2C)
 Carnarvon 20% interest
 Resources 20km apart

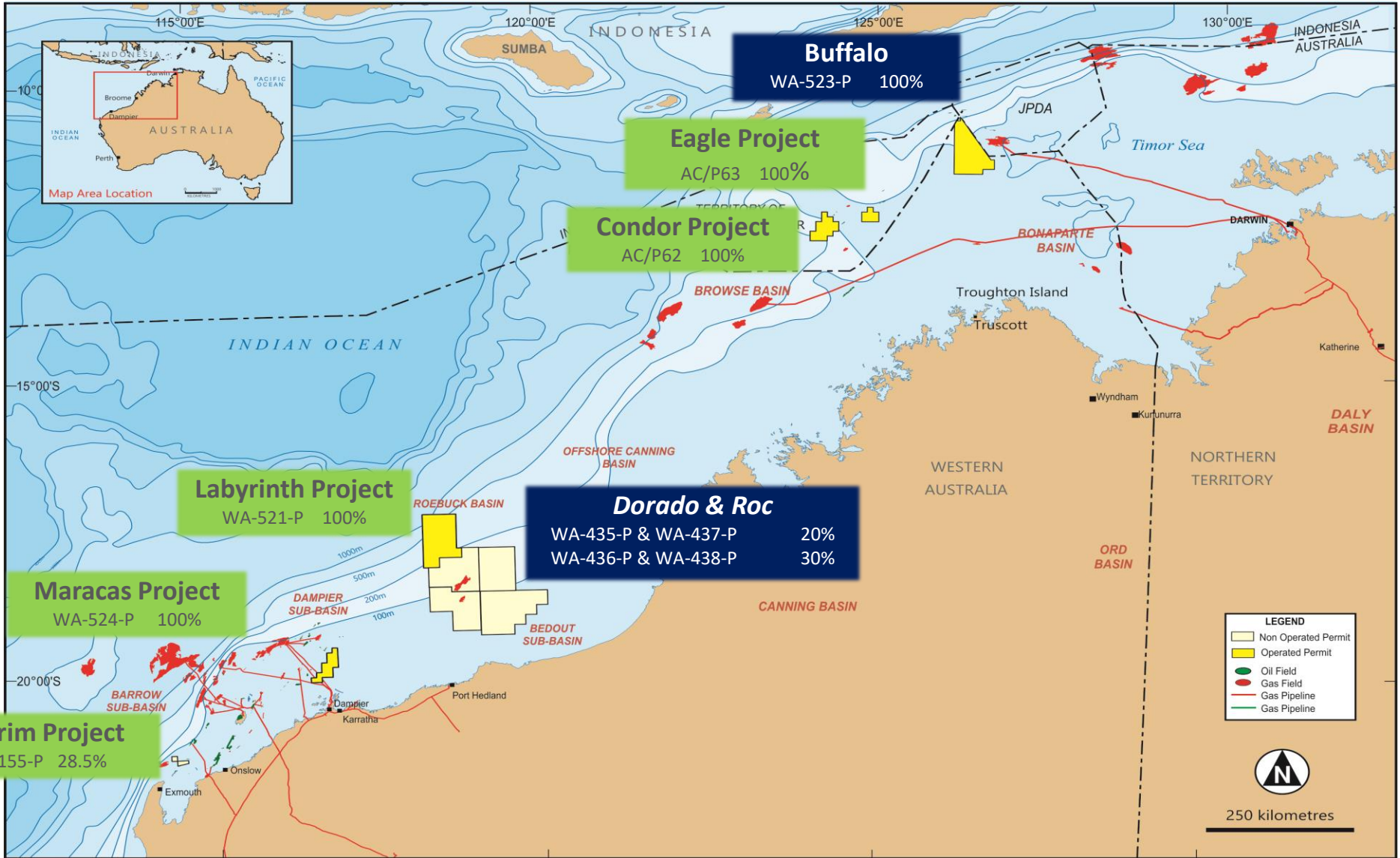
Prospective resources¹

Undrilled 571 mmboe (Gross, P50)
 Carnarvon 20-30% interest
 Resources 13, 43 & 30 km from Dorado respectively



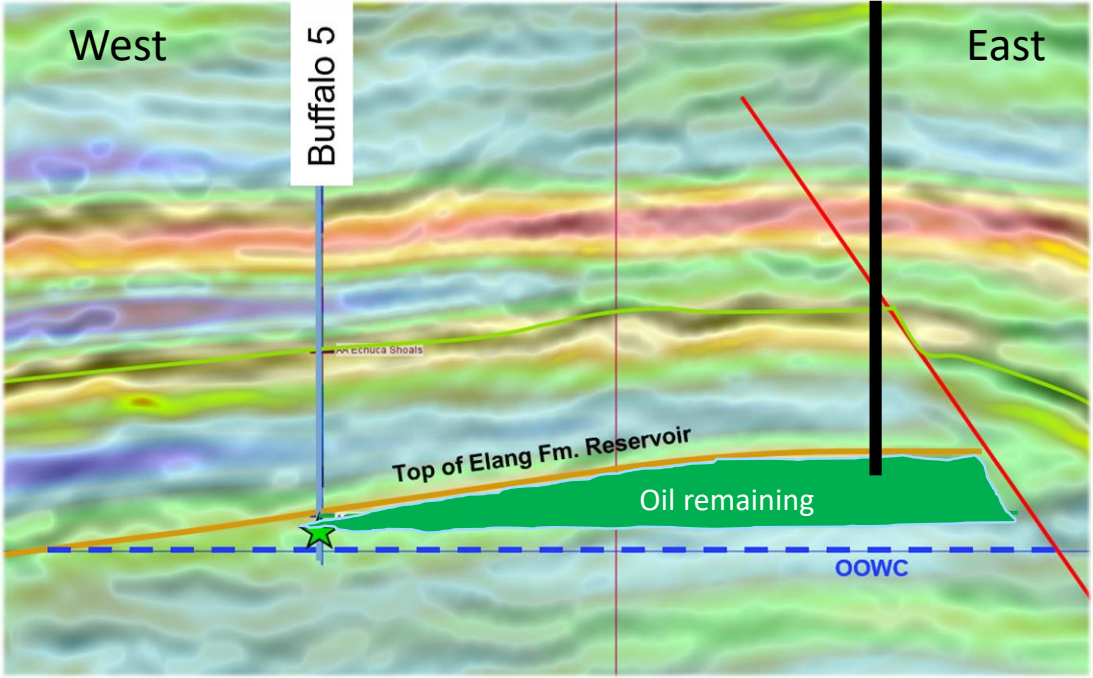
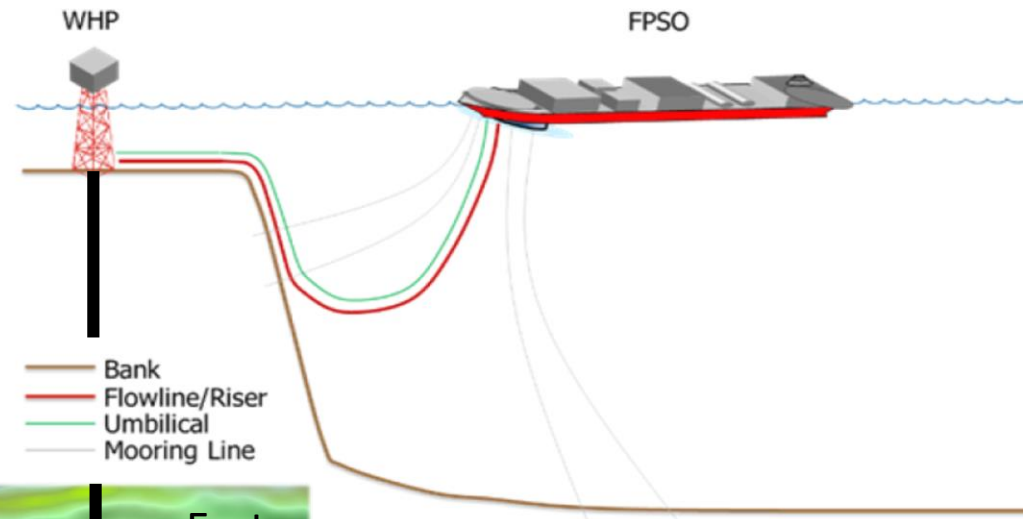
1. Refer slides 30 & 31 for further detail

CARNARVON "LOADED UP" IN THE LOW OF THE CYCLE TO SET UP FOR FUTURE GROWTH





Shallow water (25m)
 Conventional field development
 Low capital cost (US\$150m)



Contingent resources (CVN 100%)		1C	2C	3C
Oil remaining	MMbbl	15	31	48



DORADO OIL

Prepare & drill two Dorado appraisal wells in 2019

DORADO OIL

Progress oil field development plans to achieve FID in 2020

BUFFALO OIL

Complete Production Sharing Contract with Timor-Leste

BUFFALO OIL

Prepare & drill Buffalo well in Q3, 2019

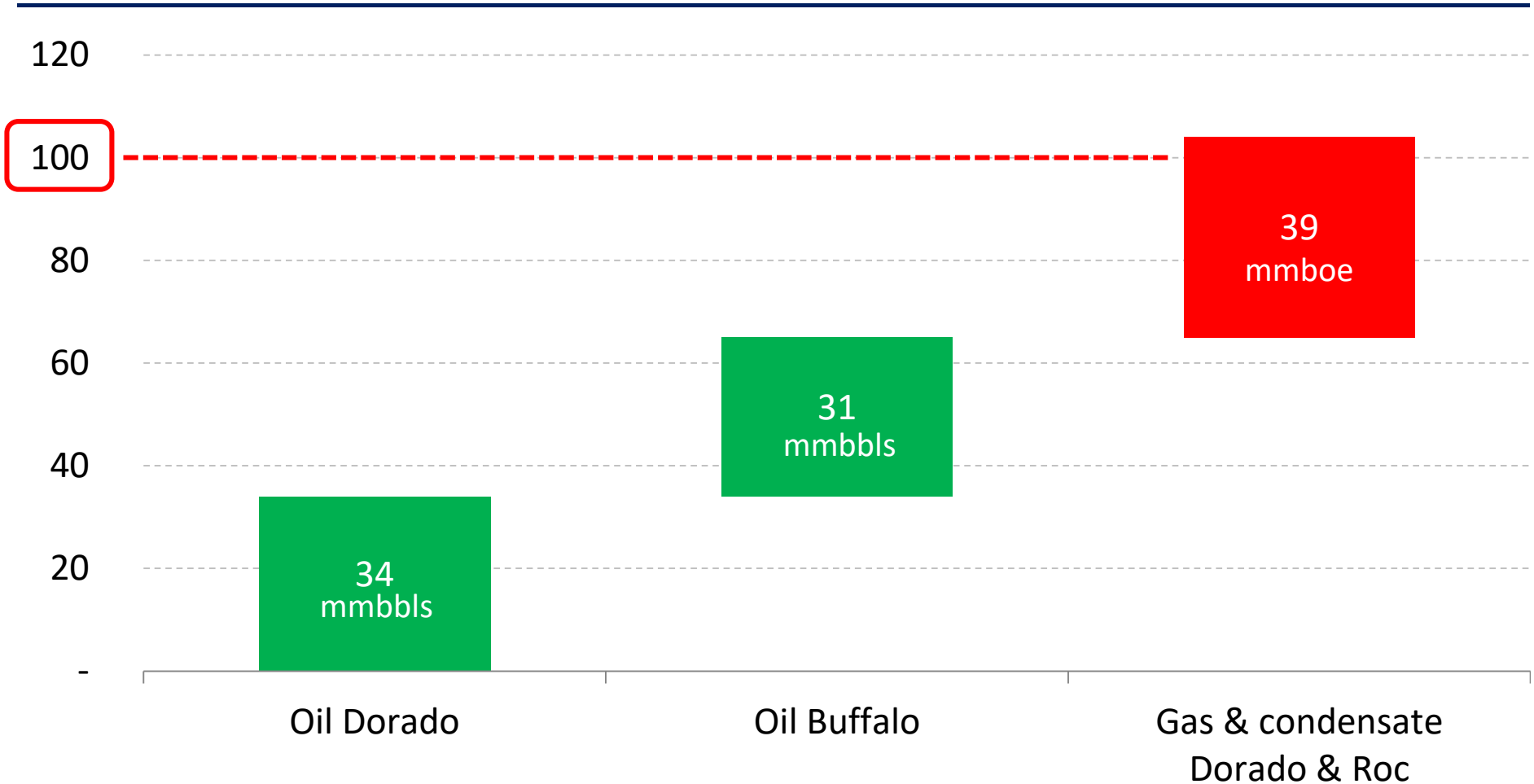
EXPLORATION

Around Dorado & farm out Labyrinth permit (adjoins Phoenix permits)



Carnarvon's share of discovered Contingent Resources

Million barrels of oil / oil equivalent on a 2C basis (mmbbl /mmboe)





UNIQUE

Exposure to Australia's most exciting exploration province around Dorado

DISCOVERIES

Of over 100 million barrels of oil equivalent to date net to Carnarvon

BLUE CHIP

Project in Dorado with Santos expected to be incoming operator

FUNDING

\$50m cash and a broad range of options to fund significant growth

CATALYSTS

Multiple share-price catalysts over the next 12-24 months





CARNARVON
PETROLEUM LTD

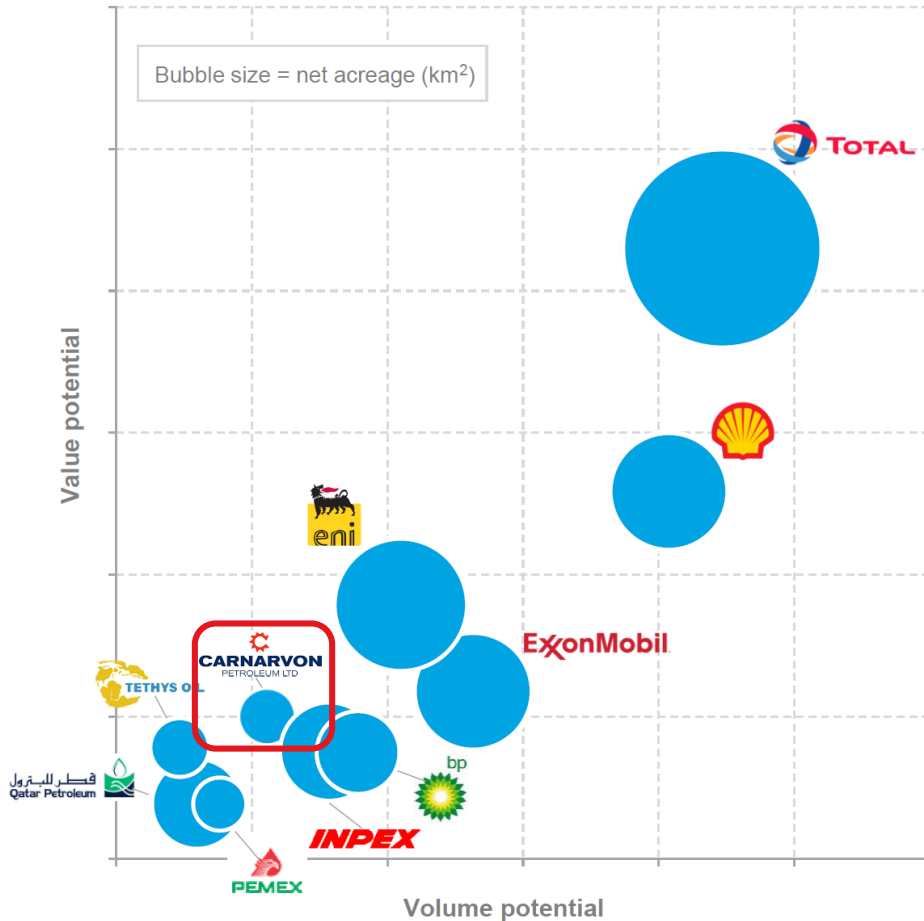
ADDITIONAL INFORMATION

THINK DIFFERENT

ACT DIFFERENT



Top 10 companies by value and volume



Source: Wood Mackenzie, EV²

7 Carnarvon Petroleum holds highly prospective blocks in NW Australia

Exploration acreage reload: Majors have the X Factor

Winners and losers of the latest acreage reload

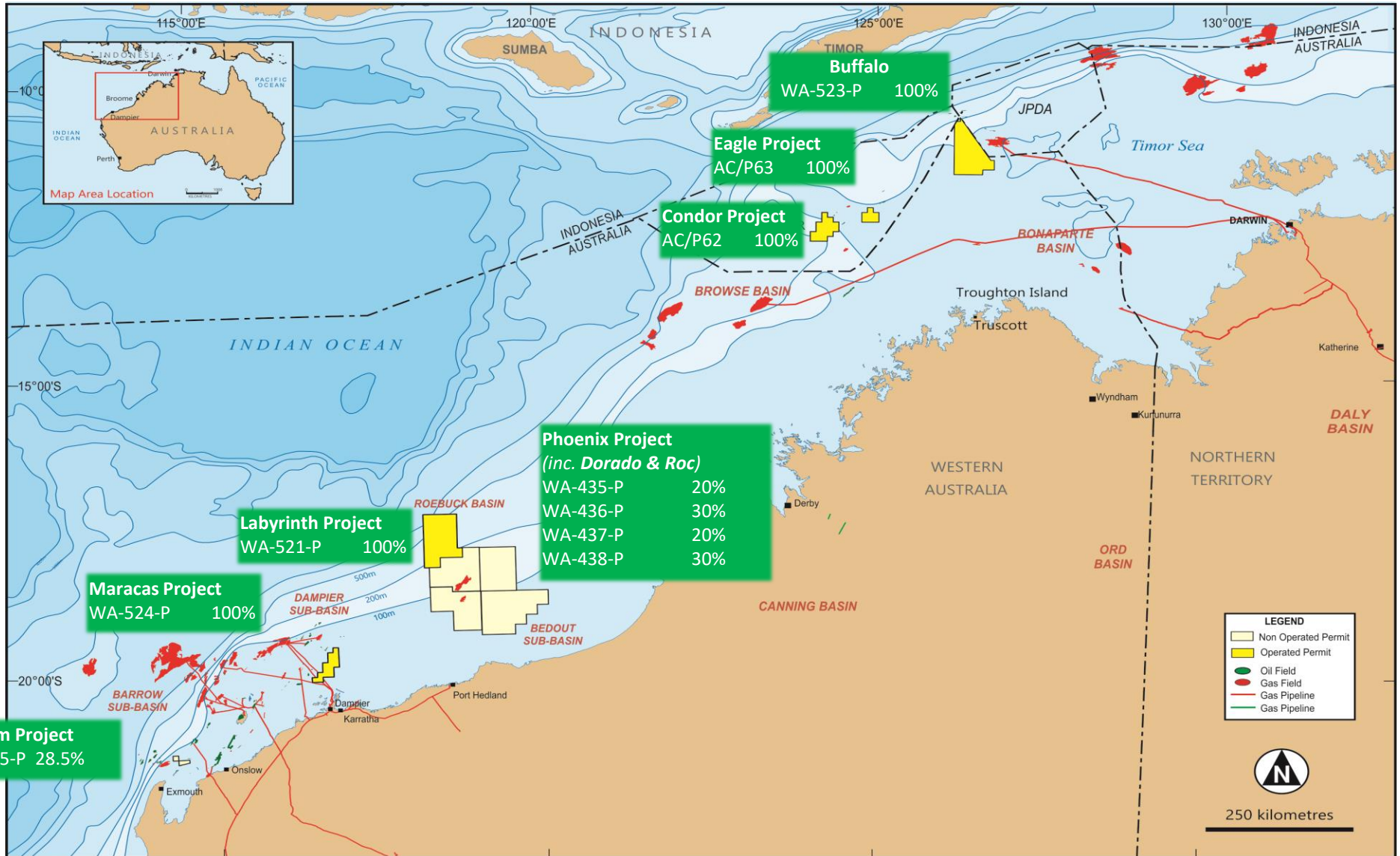
Heather Forgan and Kristina Beadle, September 2018



Methodology

- We examined licence awards between 1 January 2016 and 23 August 2018. We included active and under application blocks. Company interest represents the current participants in these blocks.
- Onshore data we show may include unconventional opportunities. Exploration licences are rarely awarded with a focus on unconventional resources only and are not distinguished from conventional exploration awards.
- EV² uses a Spatial Monte Carlo methodology to test the remaining potential of a basin. Subsurface maps (including a combined common risk segment map and prospect density map) and statistical inputs (including maximum pool size and number of prospects) define the Monte Carlo constraints for each geological play. The Monte Carlo simulation is run 1,000 times. The results of each simulation are the locations of dry holes and discoveries, which are assigned a value using a prospect database. The risked average yet-to-find (YTF) volume and expected monetary value (EMV) are then calculated from the 1,000 simulations.
- Potential values shown are post-tax EMVs at our base price scenario (US\$65/bbl long-term Brent). These are full-cycle, geologically risked valuations and do not include signature bonus payments.
- Potential volumes shown are risked average prospective resource and do not include discovered resource.

CARNARVON NOW HAS A SUBSTANTIAL PORTFOLIO ACROSS THE NORTH WEST SHELF





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

DORADO OIL (20% Carnarvon)

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

DORADO/ROC GAS & COND. (20% Carnarvon)

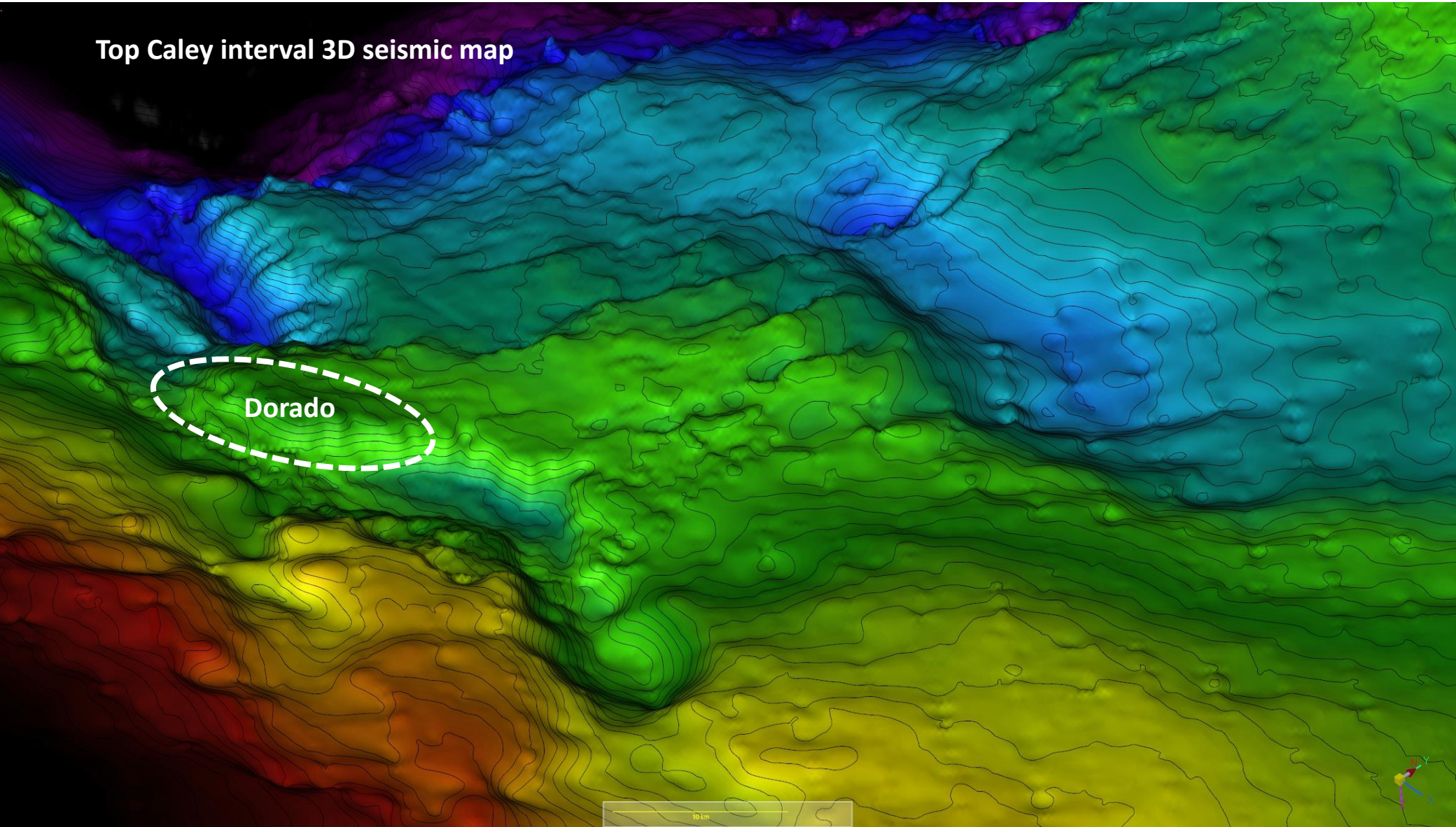
- Potential medium-term **gas & condensate development**
- Strategically located within close proximity to infrastructure and in shallow water
- High liquids component markedly improves commerciality

EXPLORATION

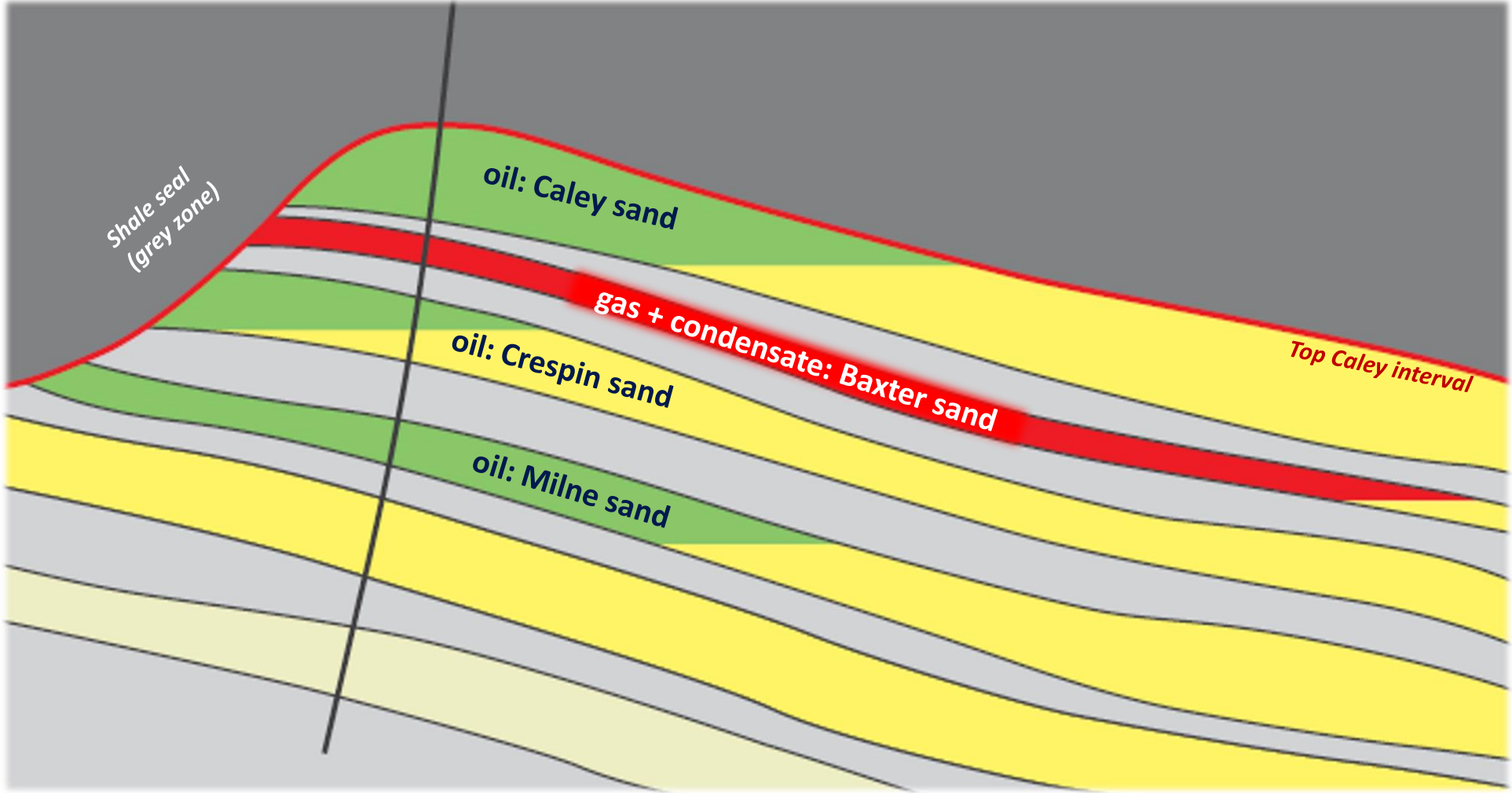
- Dorado success increases the probability of **follow up discoveries** in this area
- Exploration yielded 3 potential development projects in 4 years at low cost
- Farm-out discussions progressing on other North West Shelf assets



Top Caley interval 3D seismic map

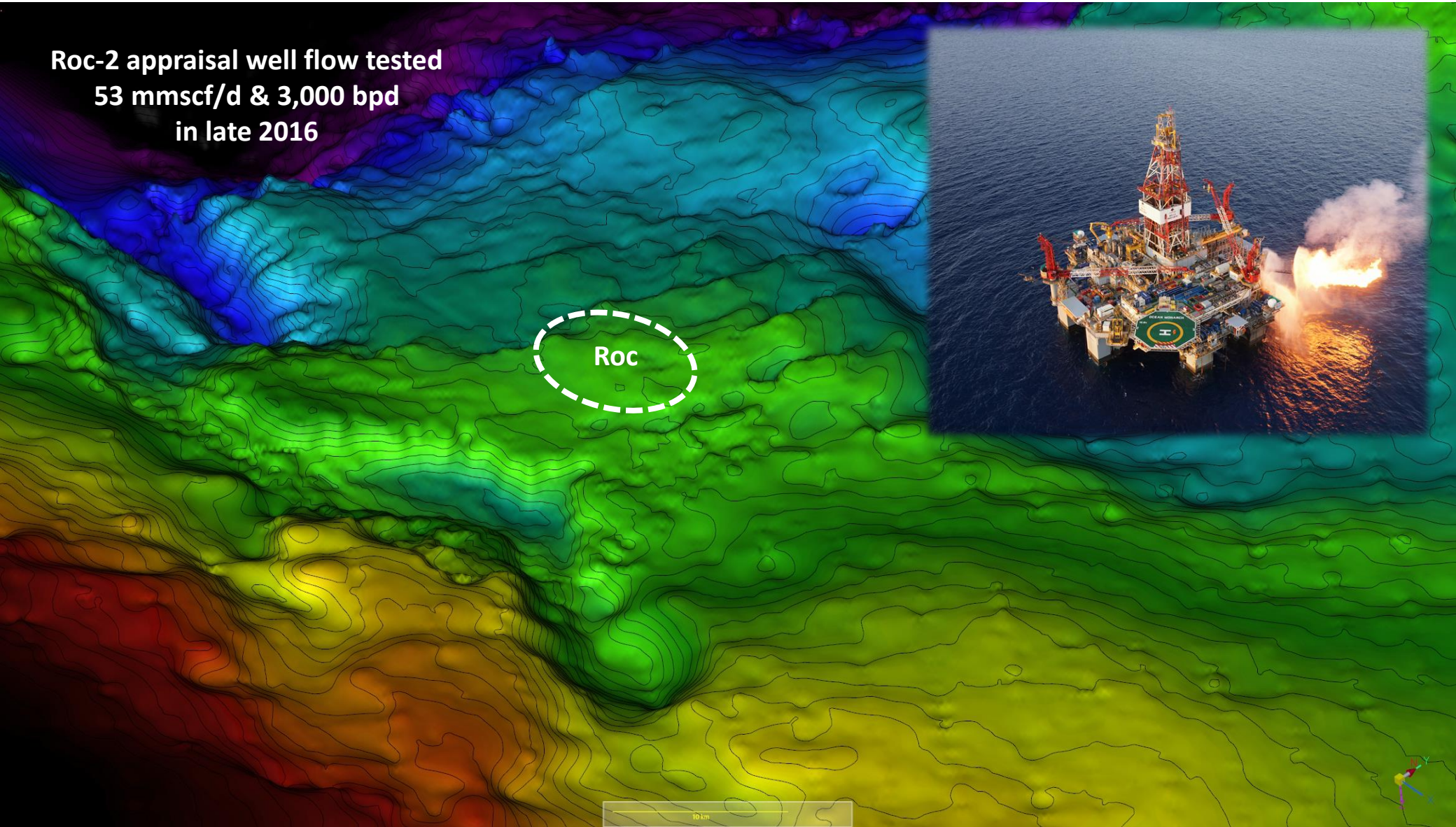


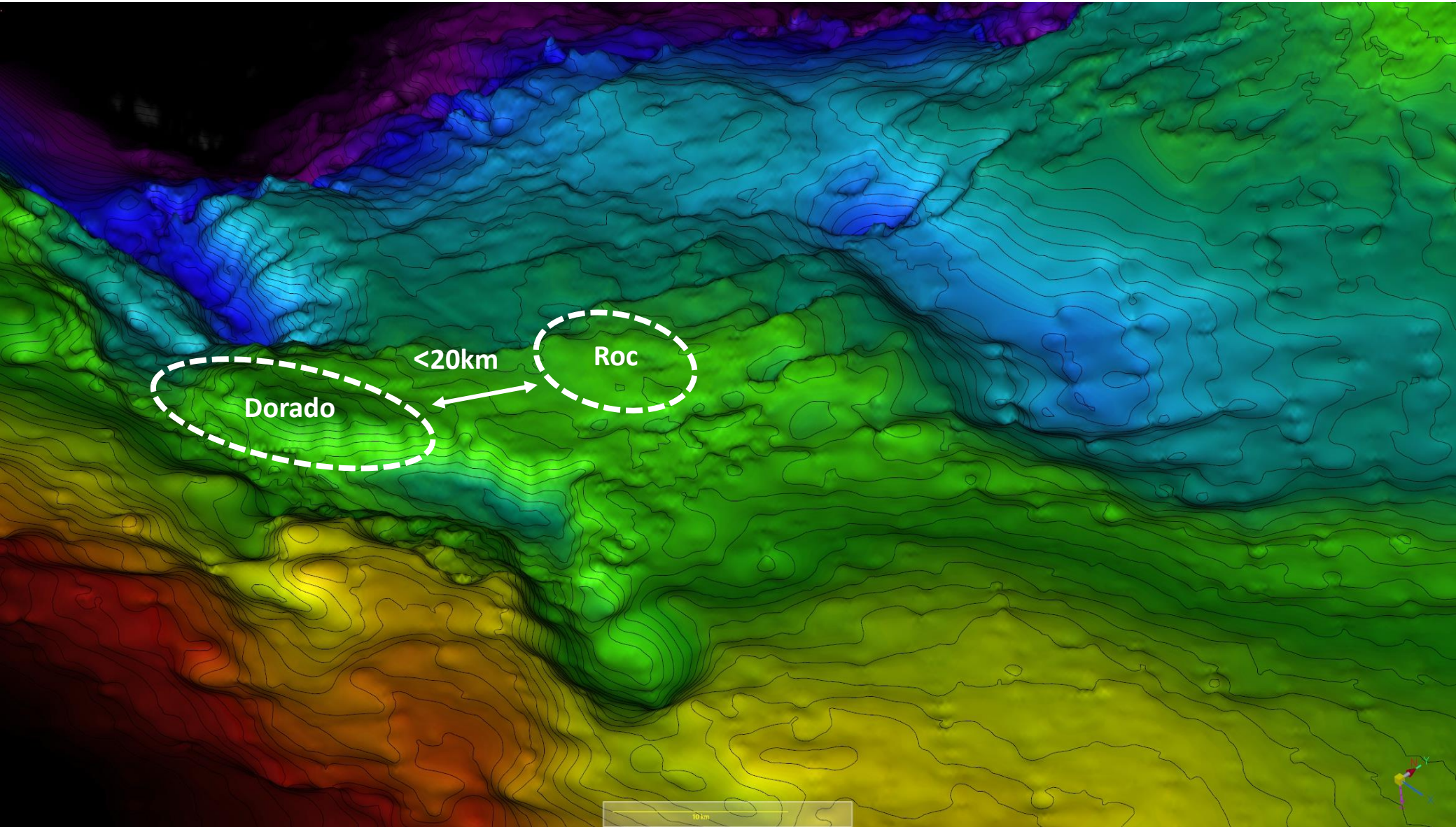
Dorado-1 well





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

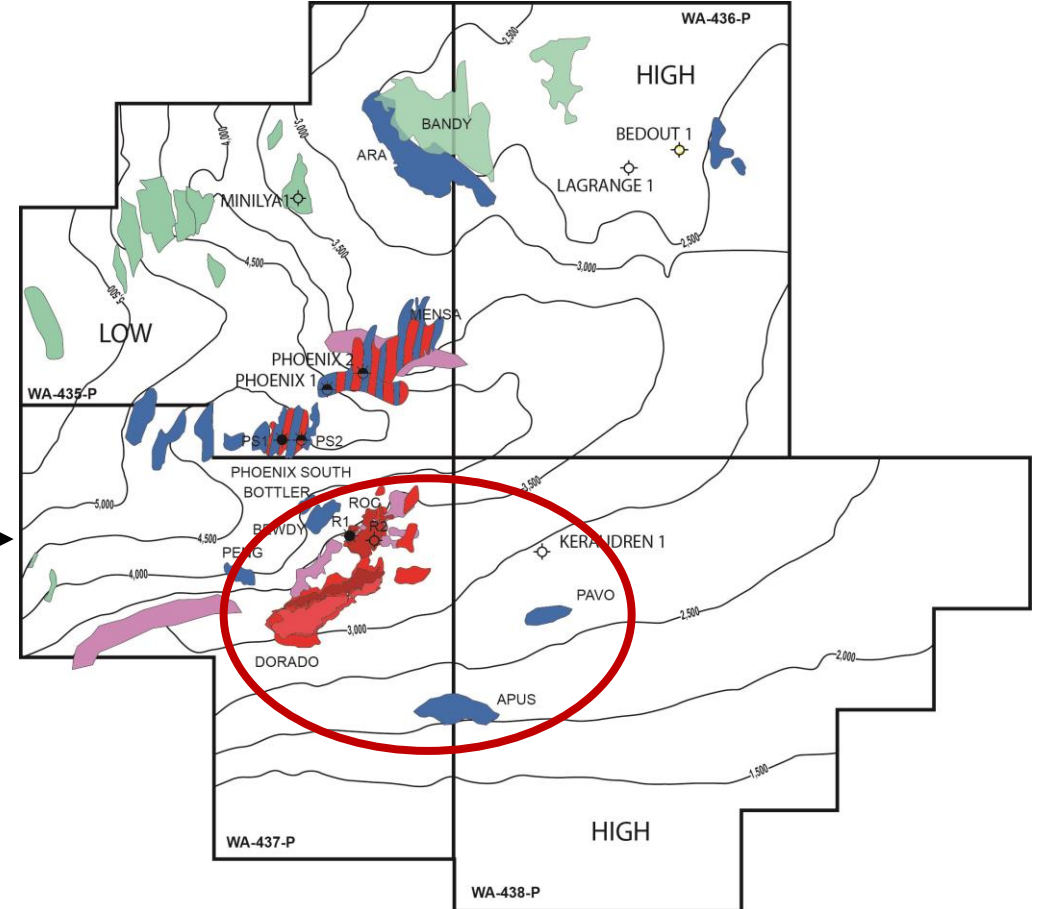
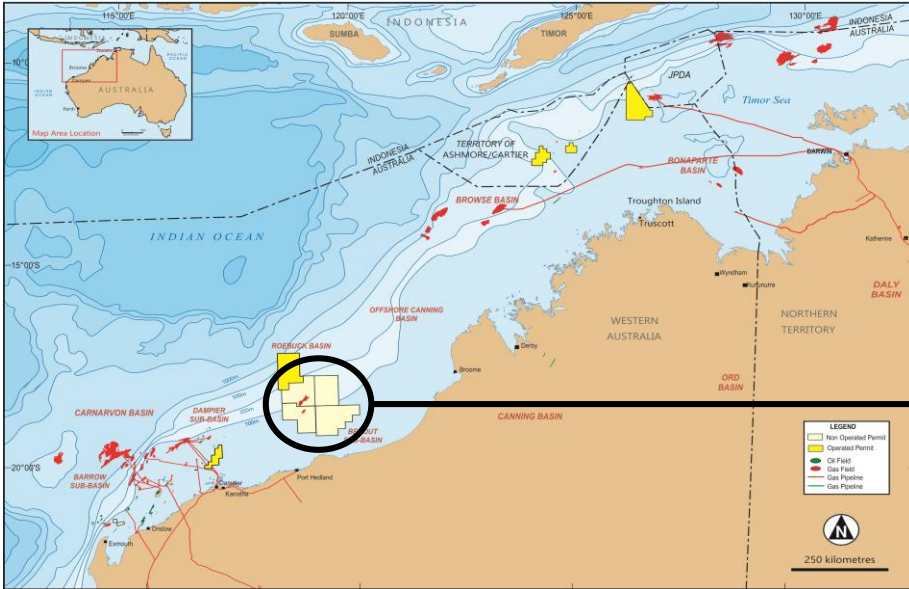


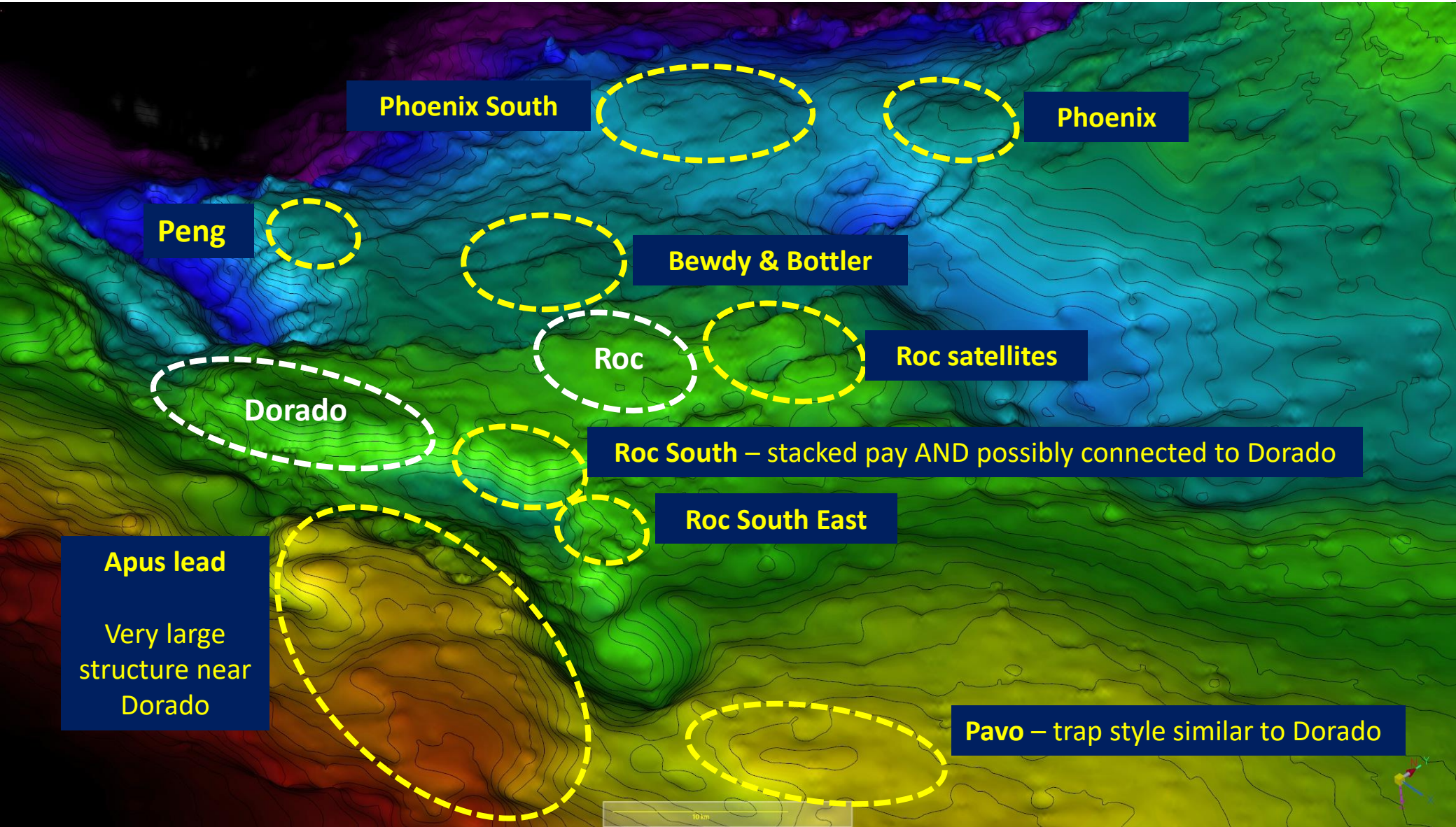


FOUR PERMITS COVER THE ENTIRE HYDROCARBON BASIN



WA-435-P & WA-437-P 20% Carnarvon
WA-436-P & WA-438-P 30% Carnarvon





Phoenix South

Phoenix

Peng

Bewdy & Bottler

Roc

Roc satellites

Dorado

Roc South – stacked pay AND possibly connected to Dorado

Roc South East

Apus lead
Very large structure near Dorado

Pavo – trap style similar to Dorado





OIL

3rd largest discovery in the history of the NWS

GAS

Plus half a trillion cubic feet of gas and associated condensate

PLAY TYPE

The discovery de-risks similar prospects nearby

LOCATION

Ideal for development in shallow water Western Australia

PRODUCTION HUB

Opens up a multitude of tie back potential



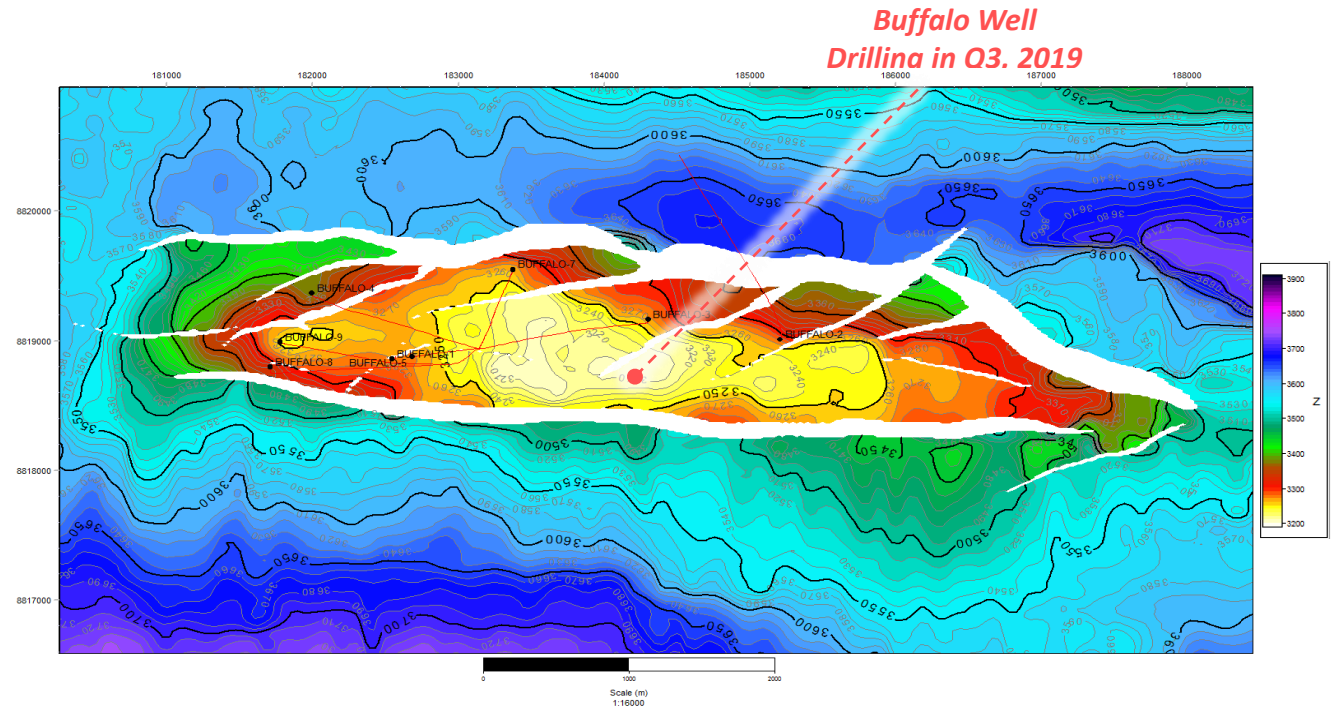
Gross Contingent Resources (CVN 20%)		1C	2C	3C
Oil - Dorado	MMbbl	82	171	320
Condensate - Dorado + Roc	MMbbl	18	36	71
Gas - Dorado + Roc	BCF	434	884	1,777
Total oil equivalent	MMboe	176	362	702

100% owned low risk oil field re-development project

Summary

- Gross 2C light oil contingent resource of **31 MMbbls** (independently reviewed by RISC)
- Low risk and low cost development plan
- Development cost of ~US\$150m could be predominately or entirely funded by Carnarvon
- Operating costs of ~US\$80 – 100m p.a. based on a 4-year initial production life
- Production Sharing Contract (PSC) negotiations progressing with the Australian & Timor-Leste Government

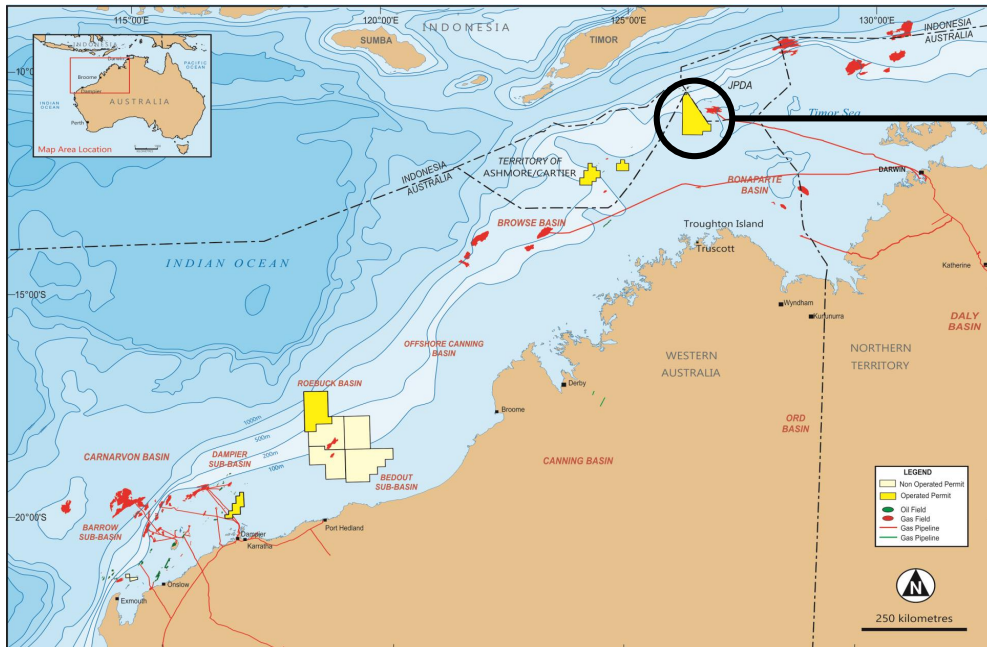
Buffalo Development Field



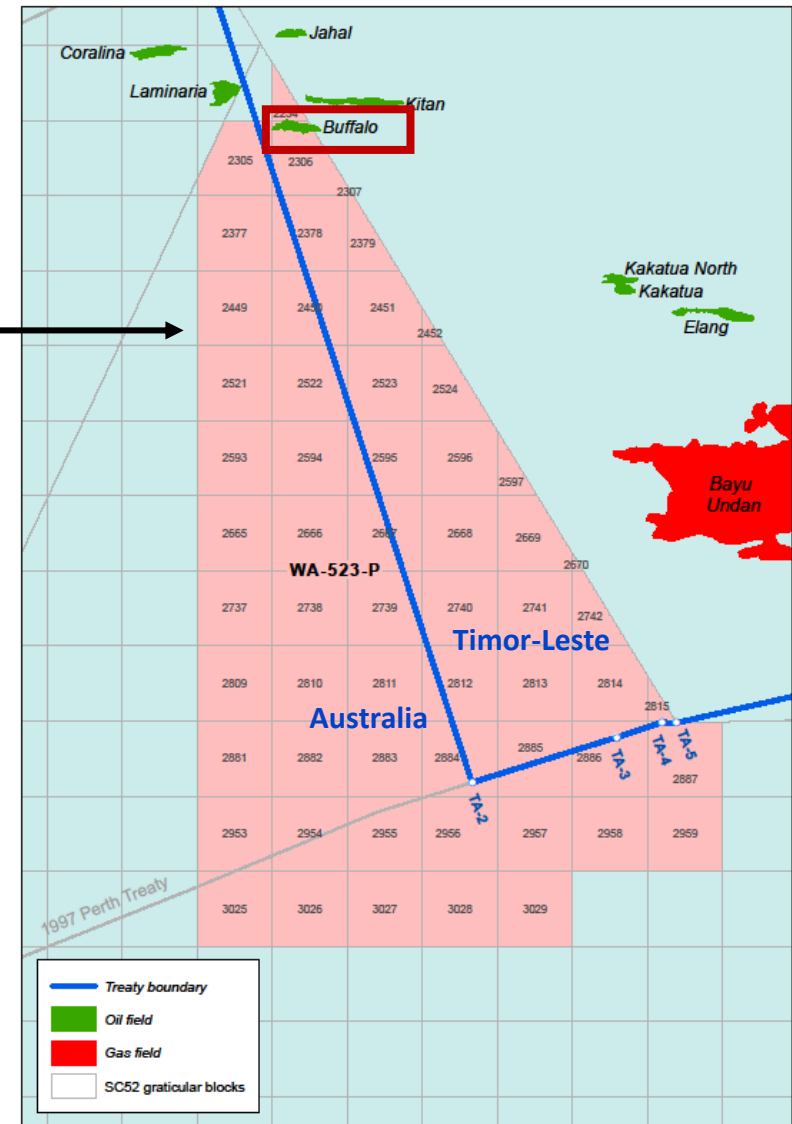
Resources volumes

Gross Contingent Resources		1C	2C	3C
Oil	MMbbl	15	31	48

BUFFALO OIL FIELD REDEVELOPMENT TRANSITIONING TO TIMOR-LESTE



New maritime boundary line



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 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

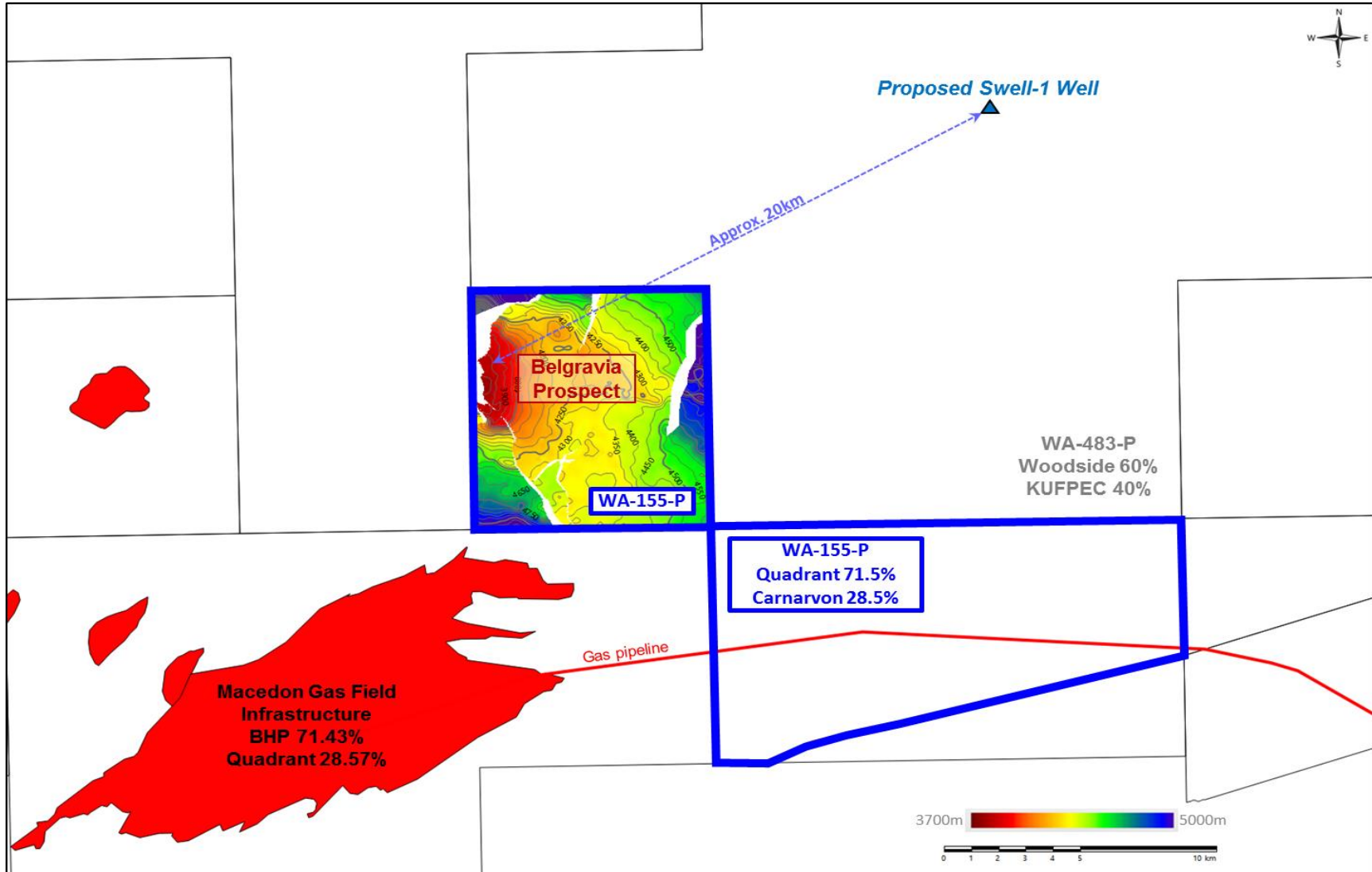
(28.5% Carnarvon)

- Predominantly a **gas asset** on trend with Woodside's Swell-1 gas discovery
- Located in Exmouth Sub-basin (WA-155-P), held in joint venture with Quadrant
- CVN is assessing 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 merits of the identified play type





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
Phoenix Project Sub-Total	91	195	366	434	884	1,777	18	36	71	185	385	748
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
Phoenix Project Sub-Total	19	39	73	87	176	356	3	7	14	37	77	149
Buffalo	15	31	48	-	-	-	-	-	-	15	31	48
Total	34	70	121	87	176	356	3	7	14	52	108	197



Gross Prospective Resources (100% basis)

Permit		Light Oil				Natural Gas				Barrels of Oil Equivalent				Probability Geological Success
		MMSTB P90	MMSTB P50	MMSTB Pmean	MMSTB P10	BSCF P90	BSCF P50	BSCF Pmean	BSCF P10	MMBOE P90	MMBOE P50	MMBOE Pmean	MMBOE P10	
Roc South	WA-437-P	9	45	56	118	15	76	100	217	12	59	74	156	63%
Pavo	WA-438-P	11	63	82	179	3	31	108	249	11	68	101	223	34%
Apus (i)	WA-437/8-P	57	409	612	1,431	15	201	805	1,803	59	444	753	1,747	21%
Arith Total		77	517	750	1,728	32	308	1,013	2,269	82	571	928	2,126	

(i) Note Apus prospect lies across WA-437-P and WA-438-P in which Carnarvon has 20% and 30% equity respectively

Net Prospective Resources (CVN's share)

Permit		Light Oil				Natural Gas				Barrels of Oil Equivalent				Probability Geological Success
		MMSTB P90	MMSTB P50	MMSTB Pmean	MMSTB P10	BSCF P90	BSCF P50	BSCF Pmean	BSCF P10	MMBOE P90	MMBOE P50	MMBOE Pmean	MMBOE P10	
Roc South	WA-437-P	2	9	11	24	3	15	20	43	2	12	15	31	63%
Pavo	WA-438-P	3	19	25	54	1	9	32	75	3	20	30	67	34%
Apus (i)	WA-437/8-P	13	96	143	335	3	47	189	422	14	104	176	409	21%
Arith Total		18	124	179	412	7	72	241	540	20	136	221	507	

(i) Note Apus prospect lies across WA-437-P and WA-438-P in which Carnarvon has 20% and 30% equity respectively



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THINK DIFFERENT

ACT DIFFERENT