

Placement to fund expanded appraisal and exploration program

12 February 2019



SUMMARY

- **\$50 million placement to institutional and sophisticated investors**
- **To fund appraisal and exploration to commercialise the world class Dorado discovery**

Carnarvon Petroleum Limited (“Carnarvon” or the “Company”) announces that it is conducting a placement to institutional and sophisticated investors to raise approximately \$50 million (“Placement”). The Placement comprises an issue of 151.6 million new Carnarvon shares at an issue price of \$0.33 per share. The Placement is not underwritten.

Carnarvon is undertaking the Placement to fund appraisal and exploration opportunities in order to continue to commercialise world class discoveries in Australia’s North West Shelf, to fund further exploration and to maintain sufficient working capital.

The Placement will provide funding for a number of important activities which include:

- Appraisal of the world class Dorado discovery by drilling the Dorado-2 and Dorado-3 wells, commencing in April 2019;
- Engineering and design studies to develop the Dorado field;
- Potential development focused 3D seismic over the Dorado and Roc fields;
- Capital to fund the prospective Roc South-1 exploration well which is located between the Roc and Dorado fields; and
- Potential 3D seismic acquisition over prospective exploration acreage which includes the Pavo and Apus prospects.

The Placement will be conducted via a bookbuild to institutional and sophisticated investors in both Australia and selected international jurisdictions.

The issue price of \$0.33 per share, as at the last closing price on 11 February 2019 represents a:

- 10.8% discount to the last closing price of \$0.37 per share;
- 12.9% discount to the 10 day VWAP of \$0.379 per share; and
- 9.1% discount to the 30 day VWAP of \$0.363 per share.

The Placement represents approximately 13% of the current number of ordinary shares on issue and is within Carnarvon’s existing capacity under ASX Listing Rule 7.1. Accordingly, no shareholder approval is required in connection with the Placement. New shares will rank equally with existing Carnarvon shares.

The indicative timetable for the Placement is:

Trading halt and announcement of Placement	Tuesday 12 February 2019
Trading halt lifted and Carnarvon shares resume trading	Thursday 14 February 2019
Settlement of Placement shares	Tuesday 19 February 2019
Allotment, quotation and trading of Placement shares	Wednesday 20 February 2019

This timetable is indicative only and may be subject to change subject to the requirements of the *Corporations Act 2001 (Cth)* and the ASX Listing Rules.

Further information in relation to the placement and Carnarvon can be found in the investor presentation, released on Carnarvon's ASX announcement platform today.

Yours sincerely



Thomson Naude
Company Secretary
Carnarvon Petroleum Limited