

Outtrim East-1 well oil discovery

11 July 2016



Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) provides the following update on drilling operations as advised by the operator of the Outtrim East-1 well, Quadrant Energy.

Progress

Since the last report the well has completed the coring operation, drilled down to final depth of 1,441 metres, and completed a revised wireline logging program.

Forward Plan

This completes the Outtrim East-1 well drilling operations and the rig will leave the location shortly.

Rig site evaluation

As planned, a total of 91 metres of core was cut with close to 100% of the core being recovered to surface.

The core is now being transported to shore for evaluation at laboratories in Perth. The core evaluation is critical to determine the extent and quality of the net reservoir and estimate the in place and recoverable volumes in the Outtrim and Outtrim East structures.

The joint venture partners decided not to complete the full suite of logging activities, believing sufficient information has now been acquired to assess the well results to the extent planned.

As previously articulated, there will be a number of months of laboratory work necessary before we are able to compile and report on the results of the well.

However, early interpretation of fluorescence data indicates the well has discovered the presence of hydrocarbons in the target interval.

The Outtrim East-1 well is located within the WA-155-P(1) exploration permit in the North West Shelf of Australia. The equity interest holders are:

Carnarvon Petroleum	28.5%
Quadrant Energy (<i>Operator</i>)	71.5%

Yours faithfully

A handwritten signature in black ink, appearing to read "Adrian Cook".

Adrian Cook
Managing Director
Carnarvon Petroleum

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