



CARNARVON
PETROLEUM LTD

Annual General Meeting

15 November 2013





Chairman's address to shareholders

- 1. OPENING AND NOTICE OF MEETING**
- 2. CHAIRMAN'S ADDRESS**
- 3. RECEIPT AND CONSIDERATION OF JUNE 2013 FINANCIAL STATEMENTS**
- 4. VOTING ON RESOLUTIONS 1 - 4**
- 5. CLOSURE OF ANNUAL GENERAL MEETING**
- 6. MANAGING DIRECTOR'S PRESENTATION AND QUESTIONS**

Voting Proxies Summary

Total number of proxy votes in respect of which the appointments specified that:

	The proxy is to vote for the resolution	The proxy may vote at the proxy's discretion	The proxy is to vote against the resolution	The proxy abstained on the resolution
Resolution 1	173,518,938	2,850,562	2,879,269	746,242
Resolution 2	172,896,133	2,850,562	3,502,074	746,242
Resolution 3	103,610,754	2,838,562	13,374,555	10,179,931
Resolution 4	116,820,211	3,104,330	46,418,844	9,096,465



Chief Executive Officer's address to shareholders

Disclaimer

The information in this document, that relates to oil exploration results and reserves, is based on information compiled by the Company's Chief Operating Officer, Mr Philip Huizenga, who is a full-time employee of the Company. Mr Huizenga consents to the inclusion of the reserves and resource statements in the form and context in which they appear.

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.

No representation, warranty or assurance, express or implied, is given or made in relation to any forward looking statement. In particular, no representation, warranty or assumption, express or implied, is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual and future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements were based.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements, and should rely on their own independent enquiries, investigations and advice regarding information contained in this presentation. Any reliance by a reader on the information contained in this presentation is wholly at the readers own risk.

Carnarvon and its related bodies corporate and affiliates and their respective directors, partners, employees, agents and advisors disclaim any liability for any direct, indirect or consequential loss or damages suffered by a person or persons as a result of relying on any statement in, or omission from, this presentation.

Subject to any continuing obligations under applicable law or any relevant listing rules of the ASX, Carnarvon disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in this presentation to reflect any change in expectations in relation to any forward looking statements or any such change in events, conditions or circumstances on which any such statements were based.

Nothing contained in this document constitutes investment, legal, tax or other advice. This document, and the information contained within it, does not take into account the investment objectives, financial situation or particular needs of any recipient. Before making an investment decision, you should consider seeking independent professional advice before seeking to take any action based on the information contained in this document.


This presentation has been prepared by Carnarvon. No party other than Carnarvon has authorised or caused the issue of this document, or takes responsibility for, or makes any statements, representations or undertakings in this presentation.

The Company aims to create value for shareholders from assets with the following characteristics:

- Conventional oil and gas reservoirs
- Near proven resources
- Onshore or shallow offshore
- In the North West Shelf (NWS) and South East Asian regions
- Where there is a clear route to market
- Where knowledge and experience or new data can add value

Investment highlights

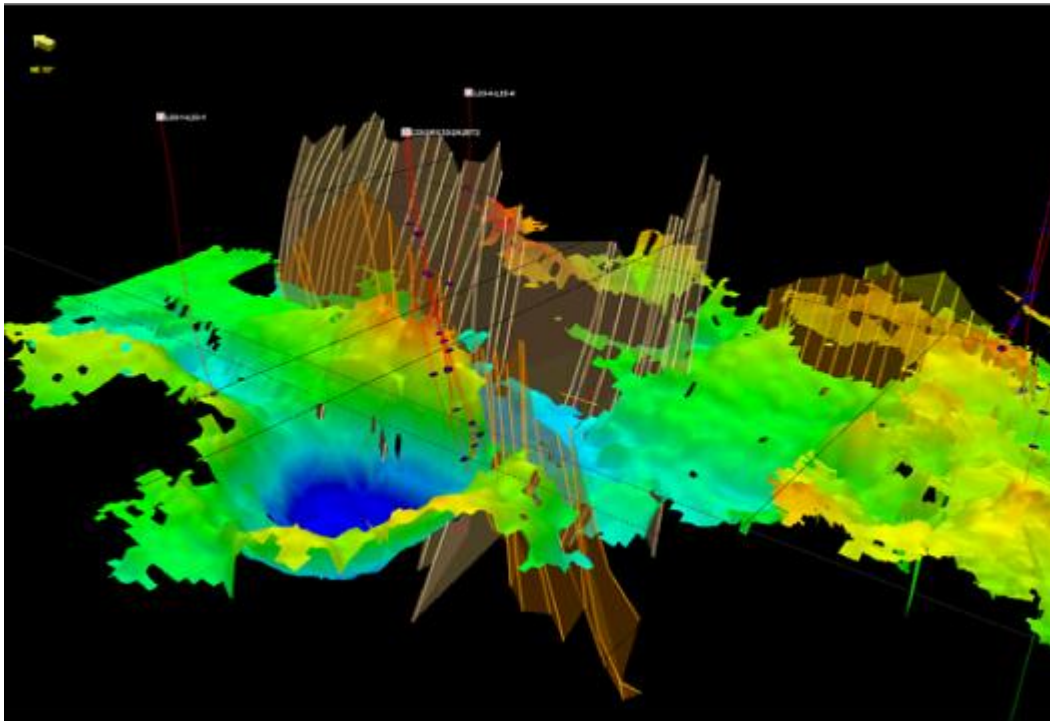
Western Australia – 5 NWS permits

- 
- Potential game changer for WA gas
 - Proven gas province
 - Ready to drill multi-Tcf prospects
 - Extensive follow-up opportunity
 - World class operator (Apache)

Thailand – 5 E&P concessions

- 
- Balanced country portfolio for growth
 - Proven highly profitable oil fields
 - Unexploited opportunities
 - Significant acreage still to be explored
 - New opportunities being worked on

Igneous V1 horizon in the recently acquired L33/43 3D area



Suggested topics to discuss following the AGM



Ted Jacobson

1. Geology and history of the NWS
2. Prospectivity of Phoenix South
3. Other areas of interest on the NWS



Philip Huizenga

1. Thailand production
2. Fracture network studies
3. Water injection program



Stephen Molyneux

1. Alternative thoughts on the NWS geology
2. Views on Phoenix-1 well -v- Phoenix South
3. New venture areas of focus



Andrew Padman

1. Thailand new 3D & drilling prospects
2. Identifying new prospects in Thailand
3. New venture areas of focus



Australian portfolio review



Success

Enhanced by proximity to proven gas and modern 3D seismic data.



Scale

Two multi Tcf structures to drill with inventory of prospects and leads.



Time

First well to spud imminently, with Apache renowned for moving quickly.

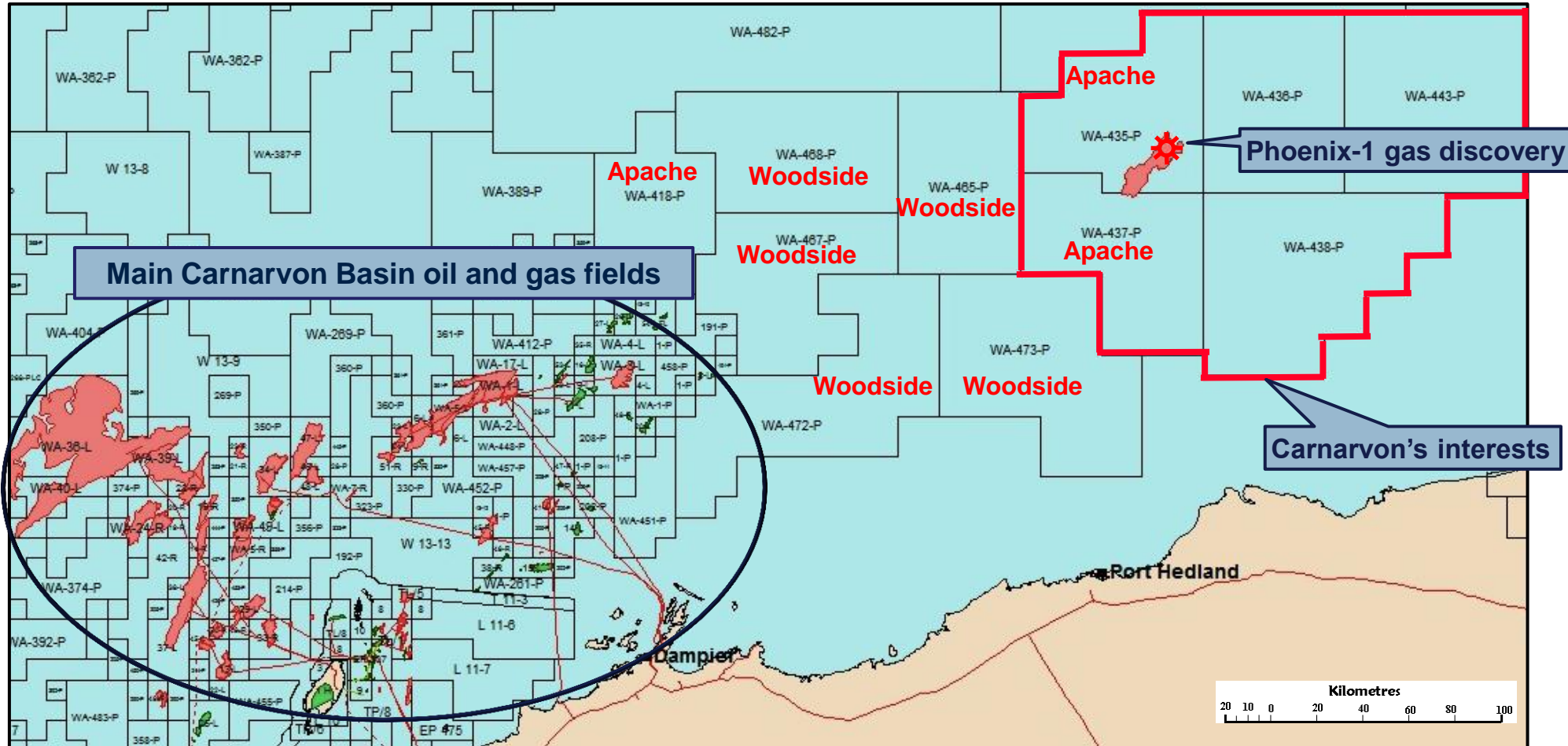


Economics

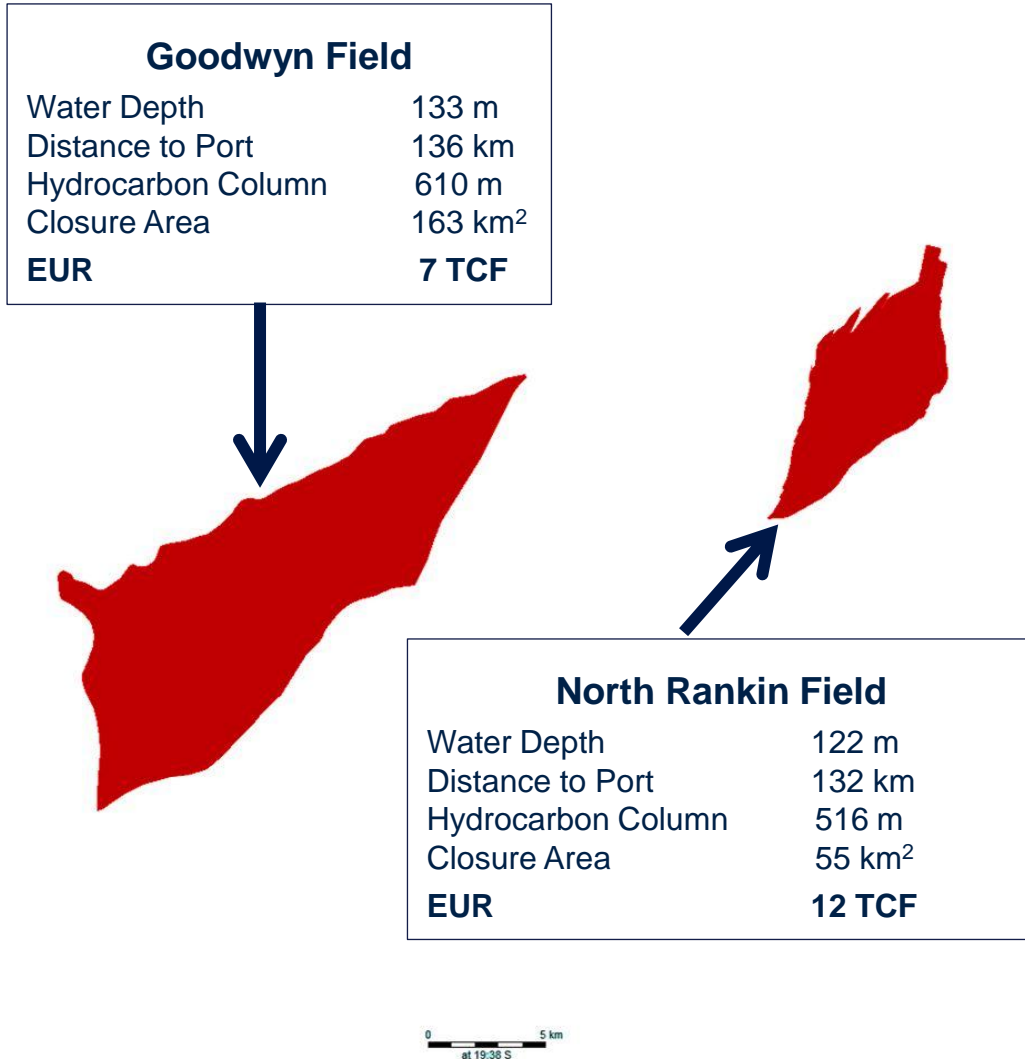
Attractive due to acreage being in shallow water close to LNG and domestic gas infrastructure and strong customer demand and sales prices.

Where are the next big fields on the NWS?

Increasing exploration activity trending north / east of Carnarvon Basin



Woodside's first North West Shelf gas discoveries



Woodside was a:-

- Small exploration company in 1960's.
- Secured large NWS frontier acreage.
- Exploration commenced late in the 1960's.
- From early 1970's major gas and condensate discoveries made over a number of years.

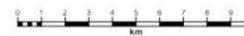
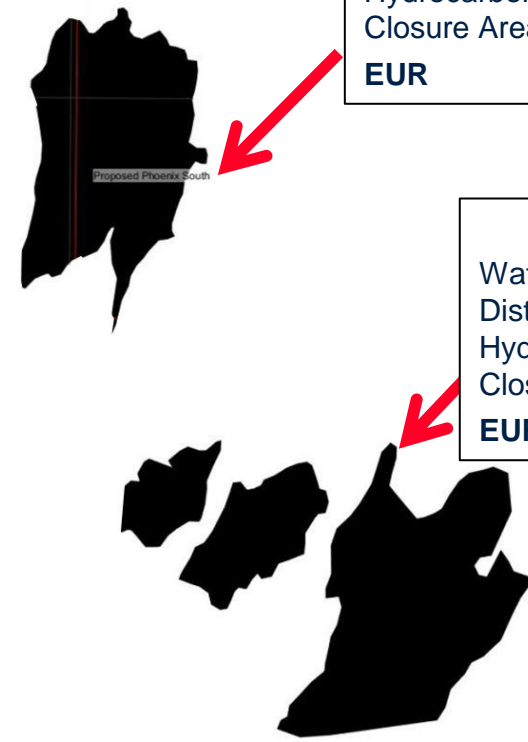
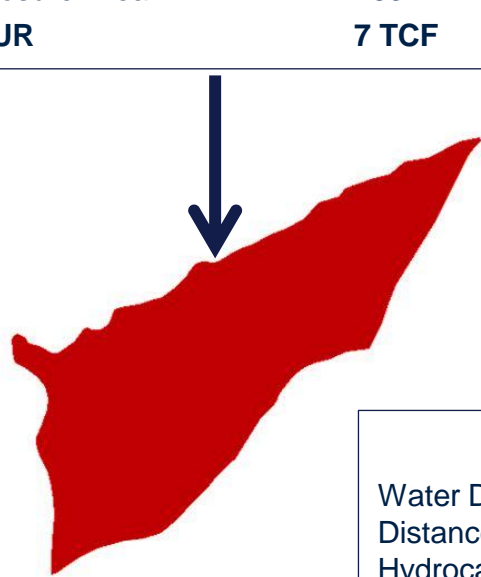
Phoenix South & Roc prospects on the same scale

Goodwyn Field	
Water Depth	133 m
Distance to Port	136 km
Hydrocarbon Column	610 m
Closure Area	163 km ²
EUR	7 TCF

Phoenix South Prospect	
Water Depth	133 m
Distance to Port	148 km
Hydrocarbon Column	Note 1
Closure Area	~50 km ²
EUR	Note 2

Roc Prospect	
Water Depth	~100 m
Distance to Port	125 km
Hydrocarbon Column	Note 1
Closure Area	~60 km ²
EUR	Note 2

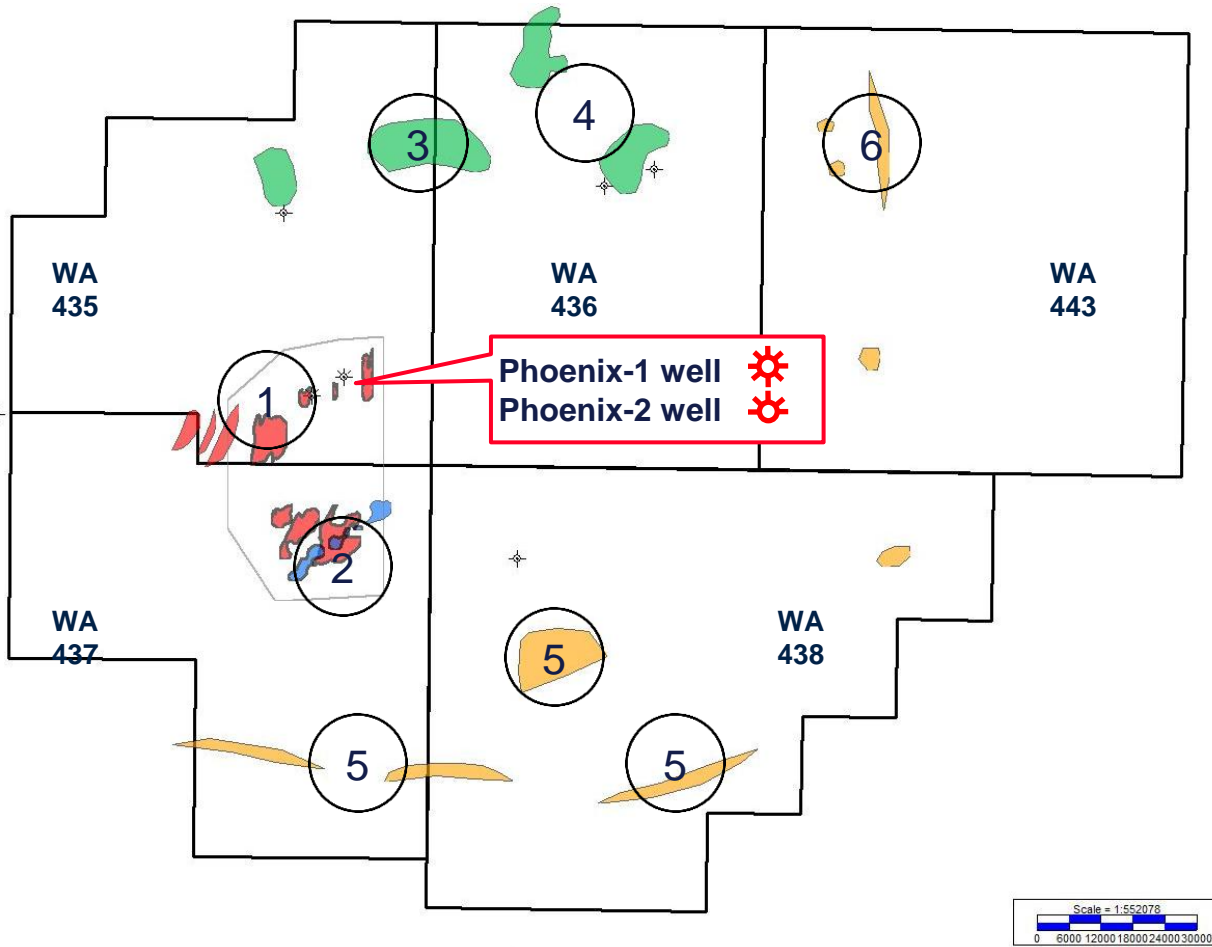
North Rankin Field	
Water Depth	122 m
Distance to Port	132 km
Hydrocarbon Column	516 m
Closure Area	55 km ²
EUR	12 TCF



1. Phoenix-1 (1980) intersected a gross gas column of >650m with potential stacked reservoirs.
2. Actual volumes will depend, amongst other things, on rock properties and number of stacked reservoirs.

The potential to become the next province

Multiple prospects and leads in addition to Phoenix South and Roc prospects

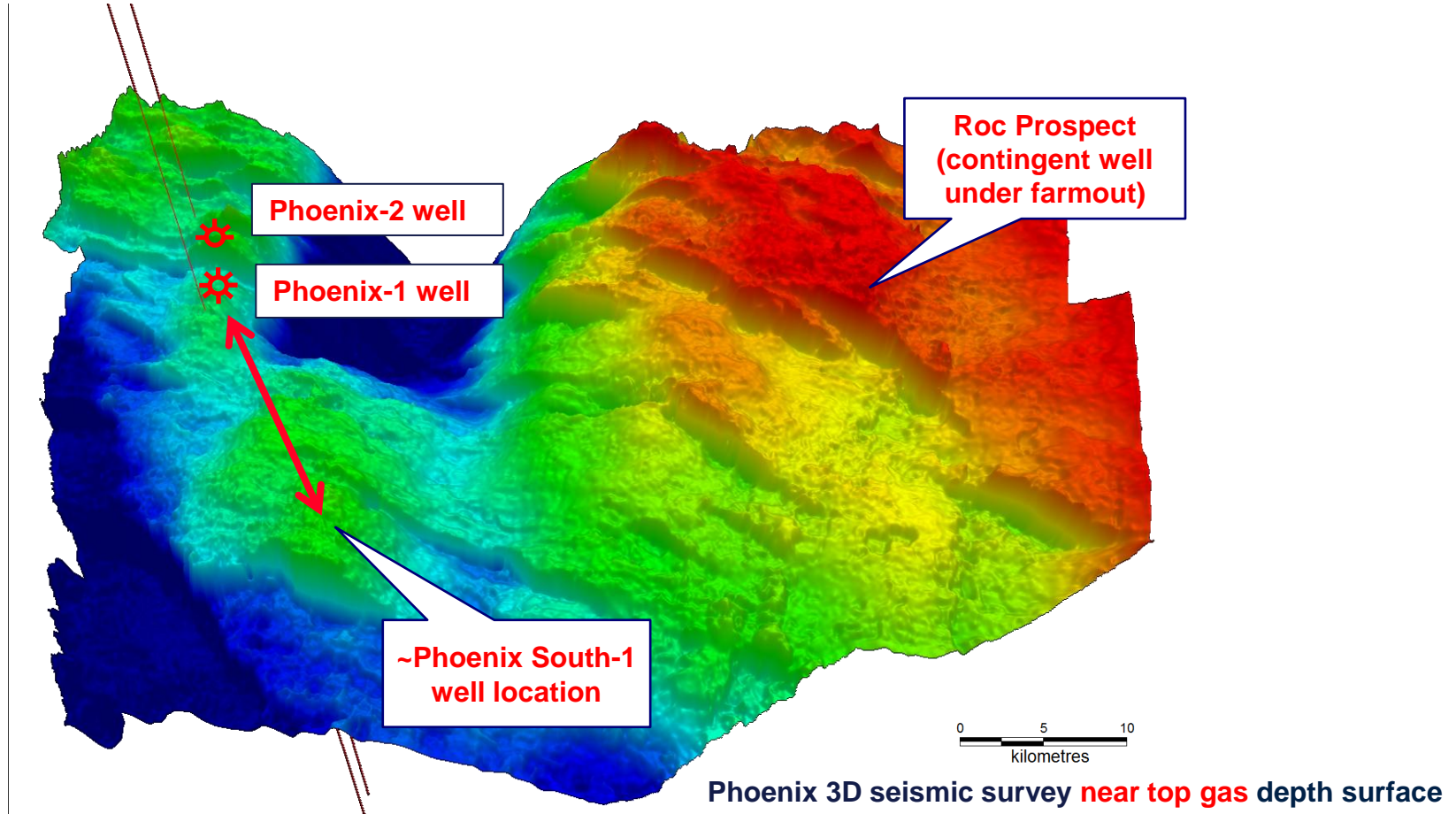


- 1 **Phoenix South-1 well**
(spud expected late 2013)
- 2 **Roc prospect**
(contingent well under farmout)
- 3 **Bandy oil lead**
(covered by Zeester 3D)
- 4 **Bedout oil and gas leads**
(covered by Zeester 3D)
- 5 **Basin margin leads**
(from existing 2D)
- 6 **Salamander leads**
(covered by Zeester 3D)

Step 1, drill near proven gas

Phoenix South-1 well is ~ 13kms from Phoenix-1 well

- ~5 km from edge of Phoenix structure to edge of Phoenix South structure
- ~13 km between Phoenix-1 and Phoenix South-1 well locations



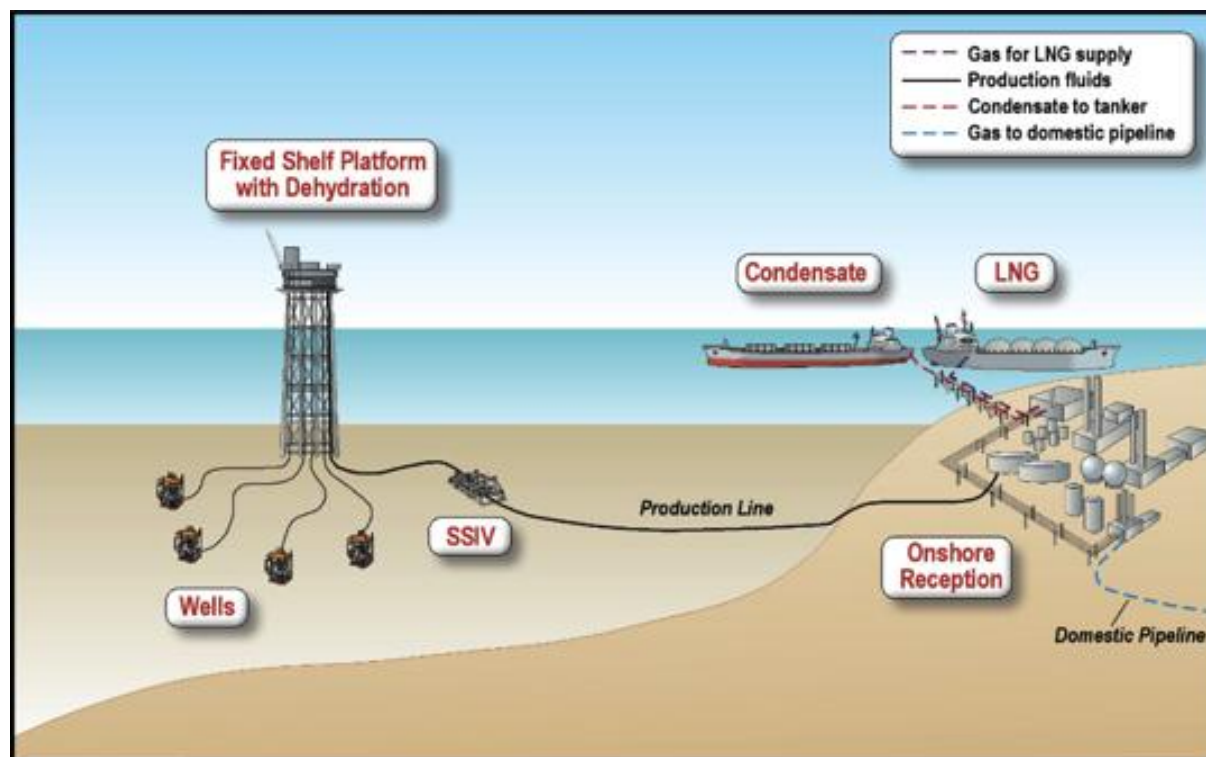
Phoenix South-1 well expected to spud mid Dec. 2013 to mid Jan. 2014

Atwood Eagle semi submersible drilling rig.



Apache has the rig under contract for Phoenix South-1 well

Potential scale of the resource and proximity to infrastructure provides multiple options



Domestic Gas

Liquids Stripping

LNG Feed Supply

LNG Project

Asset realisation (all or part)

Domestic Gas Swaps

Asset Swaps

Gas supply volumes to drive prices, WA and Asian demand is projected to remain strong

Western Australian domestic gas

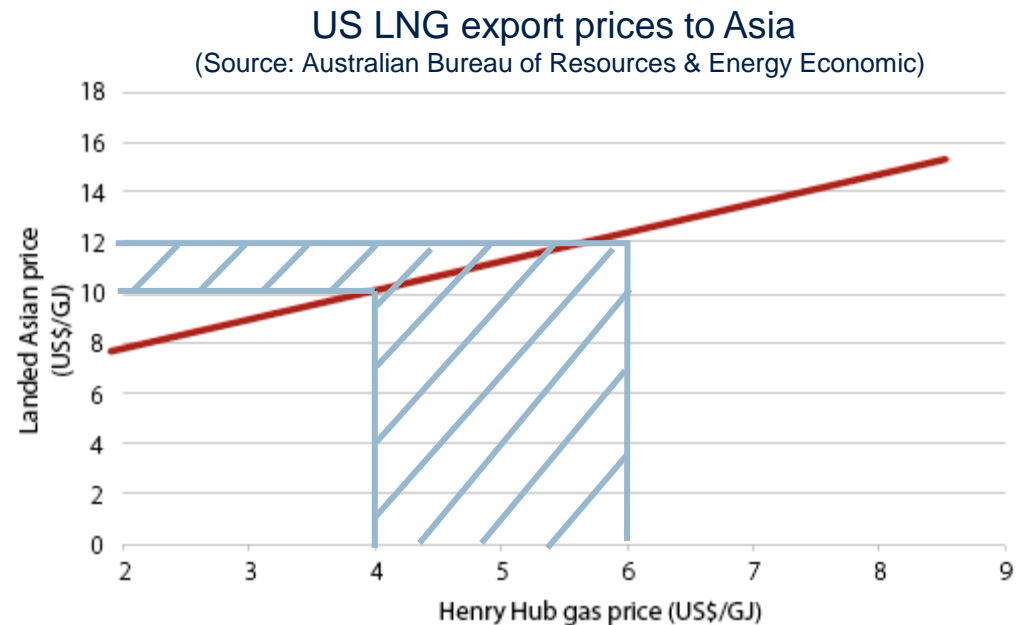
- Current gas price in WA ~A\$8 / GJ
- North West Shelf Project (NWSP) main supplier
- The NWSP may not renew contracts in 2020
(source: Domgas Alliance)

Conclusion

- Flexibility key for any development in ~ 2020
- Phoenix project is well positioned
 - large projected gas volumes
 - low cost operations
 - shallow water development
 - proximity to existing infrastructure

LNG exports to Asia

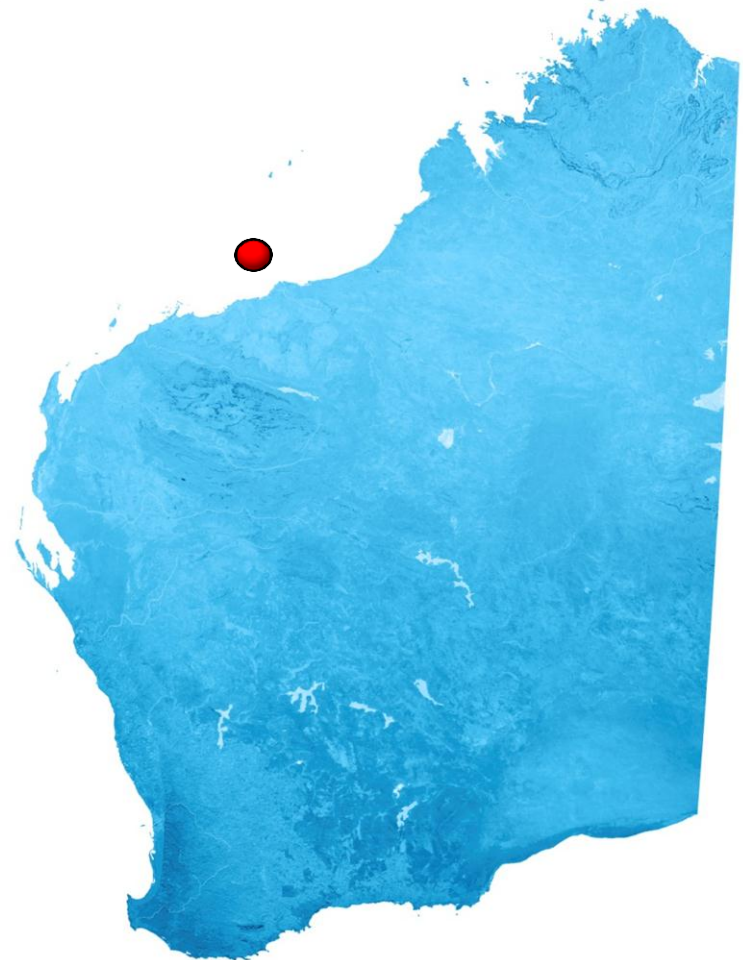
- Current LNG pricing in Asia is ~US\$15 / GJ
- If US and / or Canada export shale gas to Asia, LNG prices are expected to be around US\$10-\$12 / GJ



2013 achievements

- 2 blocks farmed out
- Phoenix South-1 now ready to drill
 - CVN free carried to US\$50m cap
 - CVN 20% interest
- Rig secured & due mid Dec 2013 to mid Jan 2014
- Roc Prospect advanced technically
 - CVN free carried to US\$50m cap (contingent well)
 - CVN 20% interest
- Prospect & lead inventory building
- Zeester 3D acquired & being processed
- Preparing for WA-436-P farm-out
 - CVN 50% interest

Western Australia – 5 NWS permits

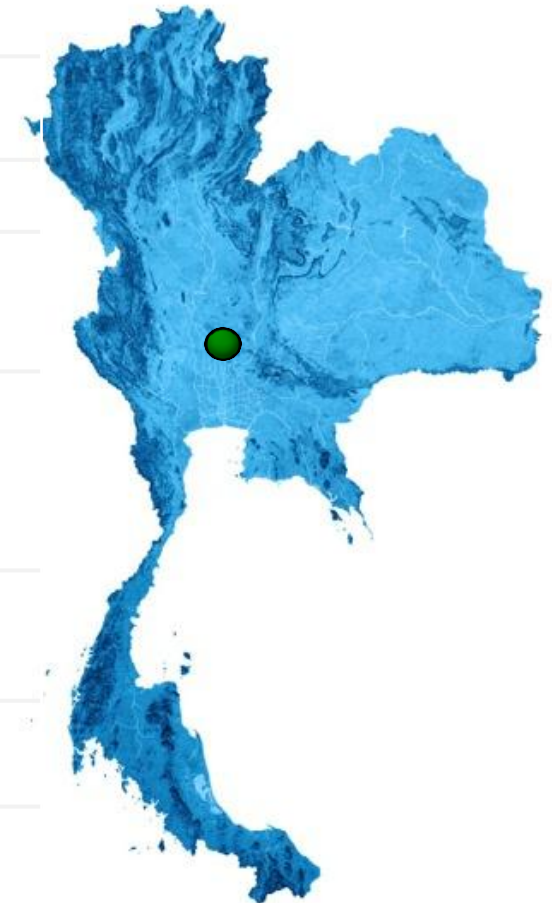




Thailand portfolio overview

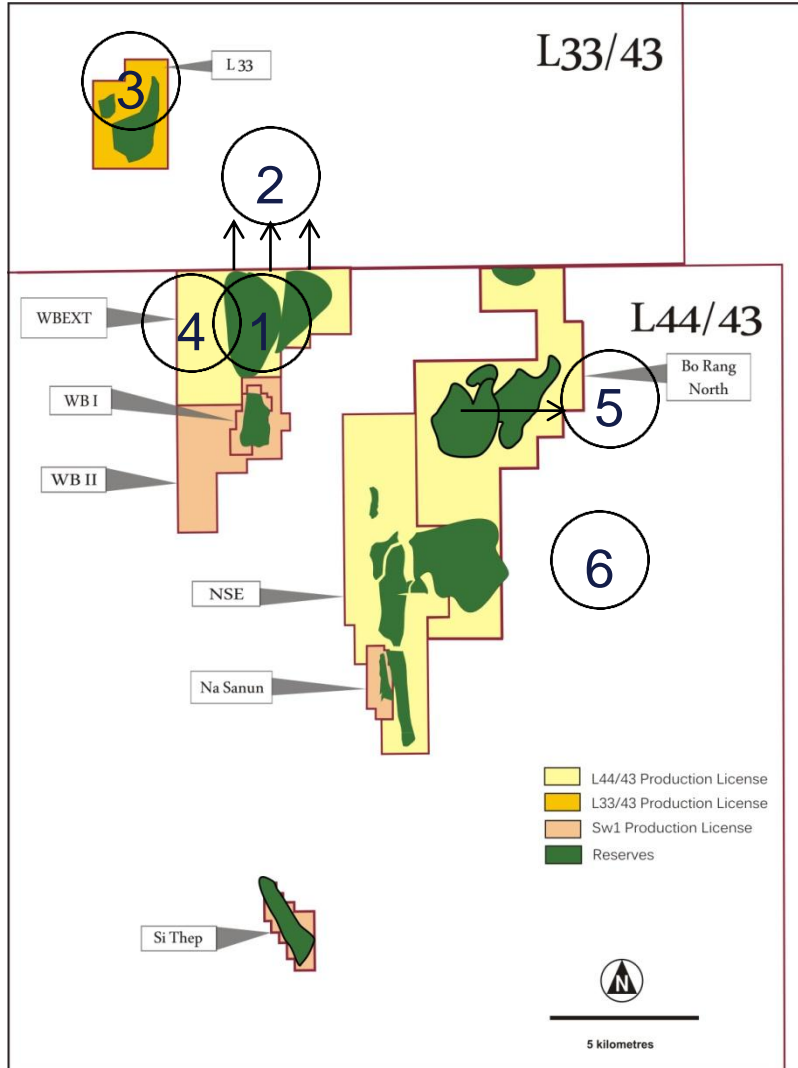
Onshore Thailand Production

Location	<ul style="list-style-type: none"> 3 concessions onshore Thailand – L33/43, L44/43 and SW1A Located 300km north of Bangkok
Working Interest	<ul style="list-style-type: none"> Carnarvon: 40% Towngas: 60% (Operator)
Geology	<ul style="list-style-type: none"> Oil produced from volcanic and sandstone reservoirs
Infrastructure	<ul style="list-style-type: none"> 8 major producing fields 45 producing wells (with additional future workover potential)
Reserves	<ul style="list-style-type: none"> Developed Producing Reserves: 3.9MMbbl (1.6 MMbbl net) Proved Undeveloped Reserves: 6.1 MMbbl (2.4MMbbl net) Probable Undeveloped Reserves: 20.7 MMbbl (8.3 MMbbl net) Possible Undeveloped Reserves: 53.1 MMbbl (21.2 MMbbl net)
Sales (FY 2013)	<ul style="list-style-type: none"> Oil sales: 500,000 bbls (200,000 bbl net) generating \$18 million revenue net to Carnarvon Average rate: 1,370 bopd (548 bopd net)
Seismic Coverage	<ul style="list-style-type: none"> 100km² acquired over L33/43 in early 2013 345km² acquired over L44/43 in 2006/7
Oil Sales Contract	<ul style="list-style-type: none"> Oil trucked to nearby PTT refinery Take or Pay Sales Contract, realising ~ US\$95/bbl



Exploration and development plans

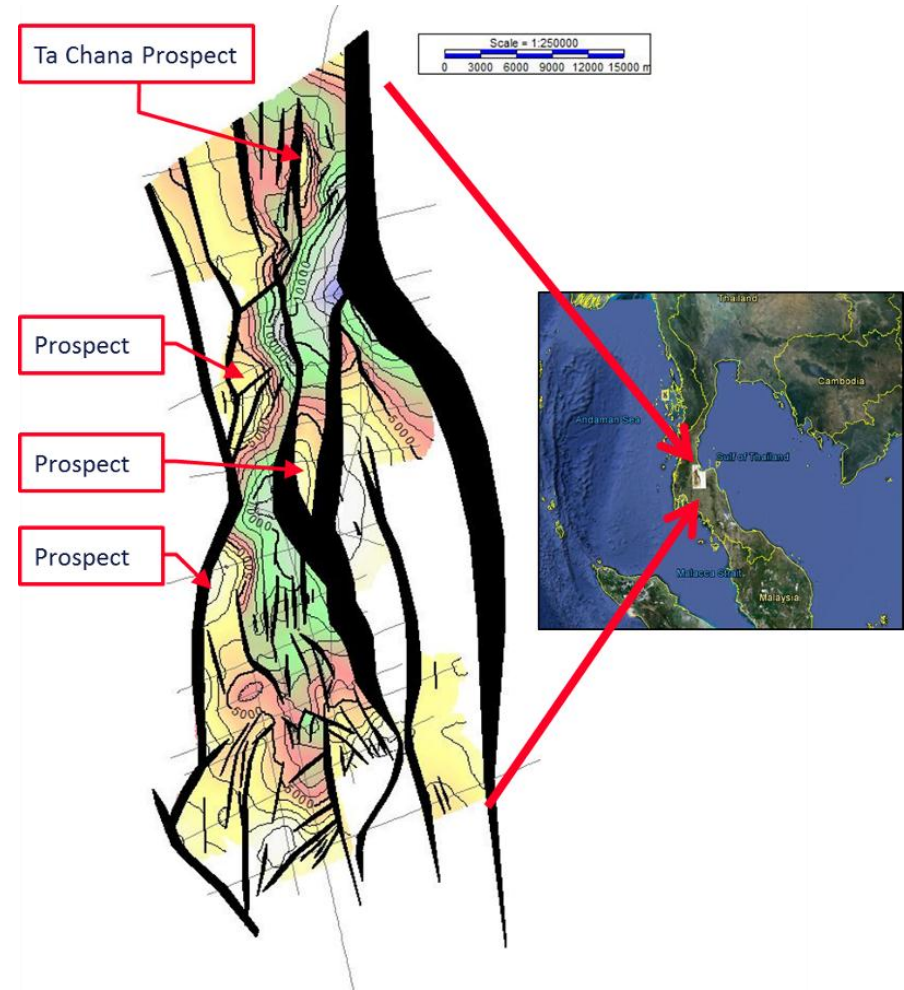
Staged development planned initially in six key areas in 2014 work program



- 1 Development wells in WBEXT igneous following WBEXT-2C well results
- 2 WBEXT exploration and development wells in L33/43 on new 3D seismic data
- 3 Development wells in L33/43 on new 3D seismic data
- 4 Manage water injection program to increase WBEXT sandstone production
- 5 Exploration and development wells within the Bo Rang East area
- 6 Planning for acquisition of new 3D seismic within the L44/43 concession

Wildcat onshore exploration in Southern Thailand

- Seeking new partner to share risk and cost
- Disciplined investment approach
- Prospects have been identified
- Requires \$7m-\$10m investment
- Carnarvon owns 100%

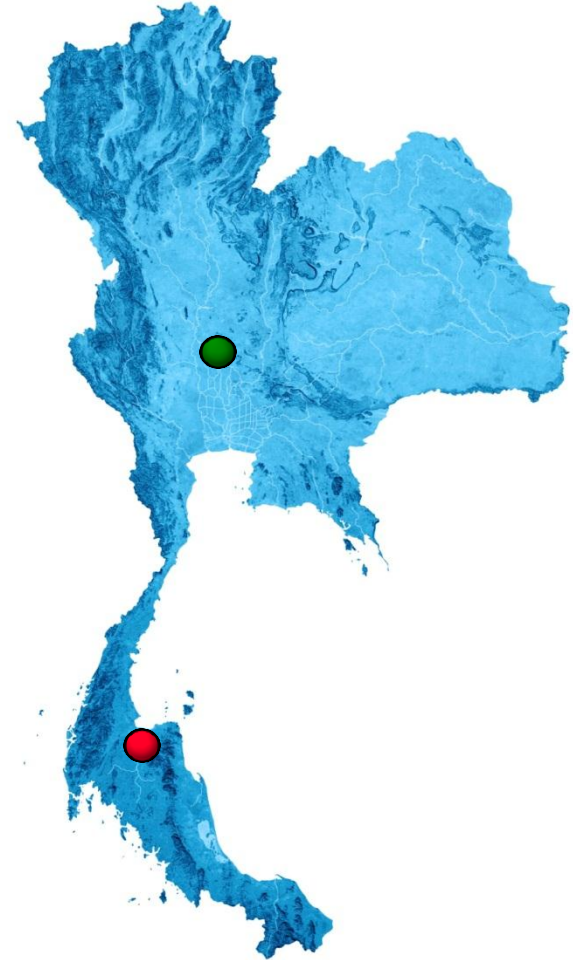


2013 Thailand highlights

2013 achievements

- 8 sandstone development wells drilled
- Water injection program commenced
- 100km² of new 3D seismic
 - acquired, processed and interpreted ready for drilling in early 2014
- Detailed technical work by operator
 - drilling deferred to enable work to be completed
- Successful igneous appraisal well drilled in Q1, 2014 FY
- Reserves independently confirmed

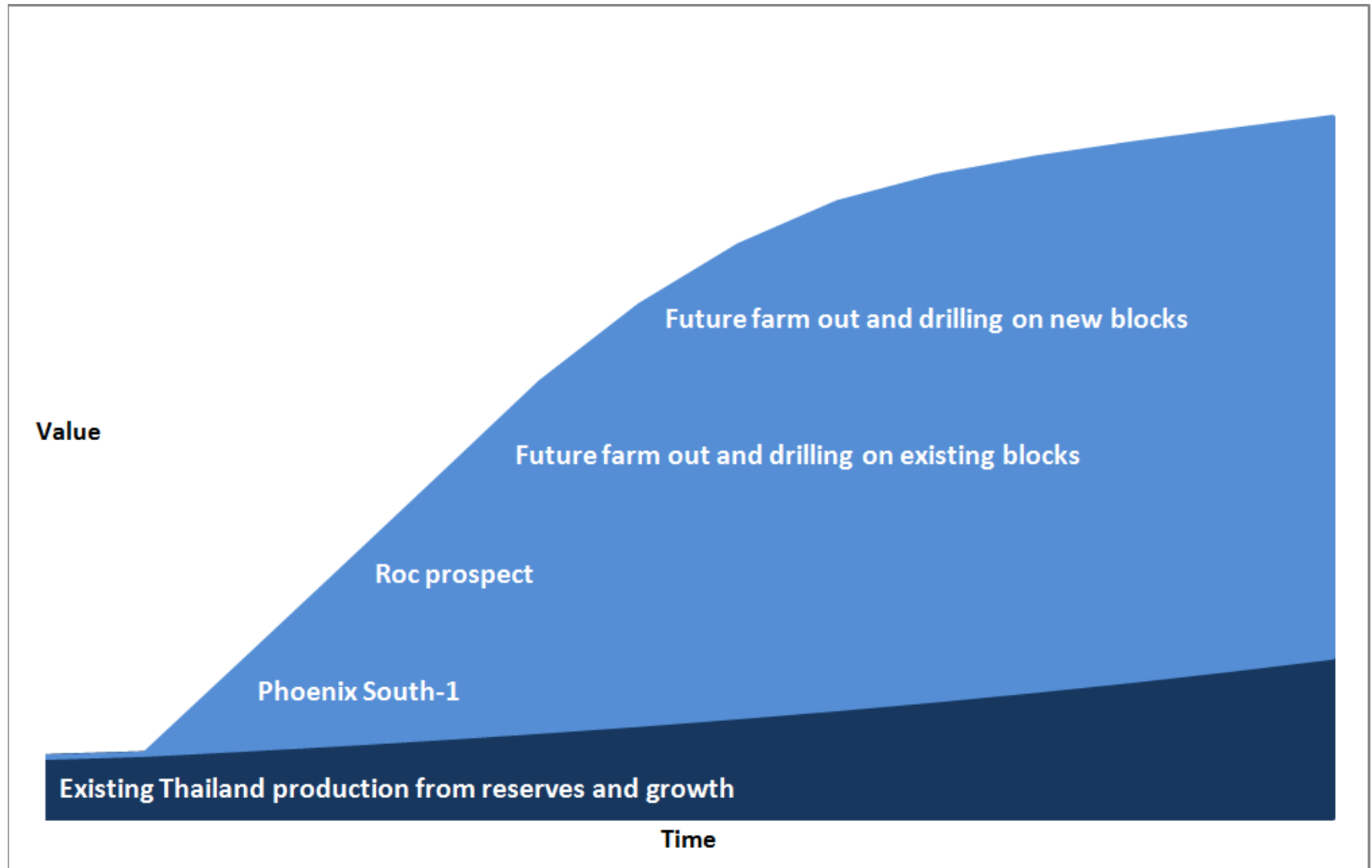
Thailand – 5 E&P concessions





Looking forward

Transformation opportunities + foundation asset





You are now invited join the Directors and staff from
Carnarvon Petroleum for refreshments

Thank you



Ground Floor
1322 Hay Street
West Perth WA 6005
Telephone: +61 (8) 9321 2665
Fax: +61 (8) 9321 8867
www.carnarvon.com.au