

Corporate Presentation

7 September 2011



ASX ANNOUNCEMENT

Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) is pleased to provide shareholders with the attached Corporate Presentation given by Mr Philip Huizenga, Carnarvon Chief Operating Officer, at the Good Oil Conference, Australia's pre-eminent oil and gas investment forum for explorers and producers, Esplanade Hotel, Fremantle on Wednesday 7 September 2011 at 11.40am.

This presentation and further information on the Company please visit the CVN website at: www.carnarvon.com.au

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Yours faithfully

A handwritten signature in black ink, appearing to read "Adrian Cook", written in a cursive style.

Adrian Cook
Managing Director
Carnarvon Petroleum



Good Oil Conference 6 & 7 September 2011



Presented by
Mr Philip Huizenga
Chief Operating Officer

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 judgement 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 Ltd.

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CARNARVON

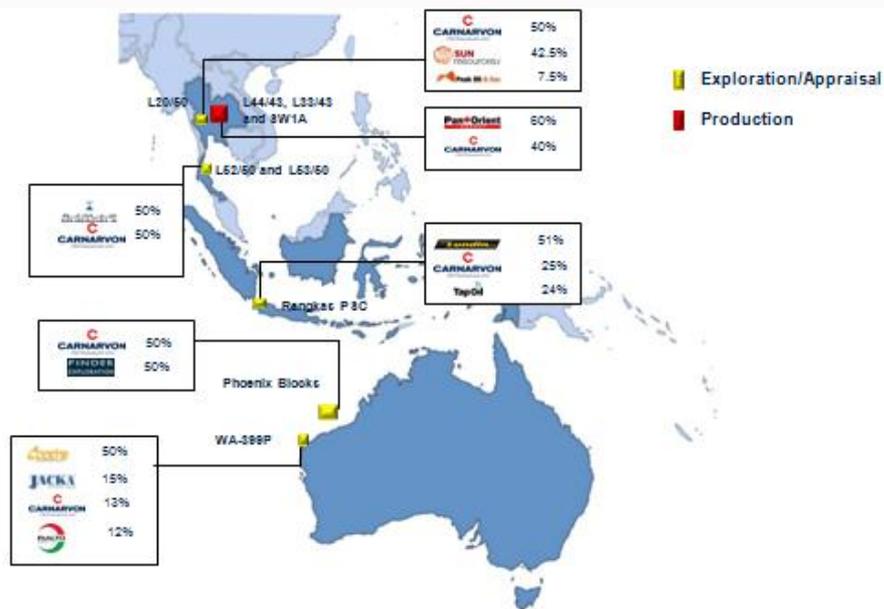
PETROLEUM LTD

Corporate Overview

Corporate Strategy & Overview

- ❖ Our strategy is to build a profitable company, from a diversified portfolio of exploration & production assets, which creates value for our shareholders over the long term
- ❖ Carnarvon currently has low cost, high margin, oil production in Thailand
- ❖ Carnarvon is investing for growth in new oil & gas production and exploration projects

Current assets	Status of each asset
L44 & L33	Continuous drilling of 25-35 wells per year covering production & reserves.
Phoenix blocks	Completing 3D seismic interpretation; then farm-out for drilling high impact wells.
Rangkas PSC	Interpreting new seismic data
L52/50 & L53/50	Currently acquiring new seismic data
L20/50	Assessing new information to determine forward program
WA-399-P	Processing new 3D seismic data



Market Cap (\$0.155 @ 24 Aug 2010)

A\$107m

Cash (30 June 2011) (no debt)

A\$14.8m

Profit before exploration write offs (YE 30 June 2011)

A\$13.4m

2P Reserves (31 Dec 2010)

20.4 mmbbls



CARNARVON

PETROLEUM LTD

Thailand Assets

Thailand Overview

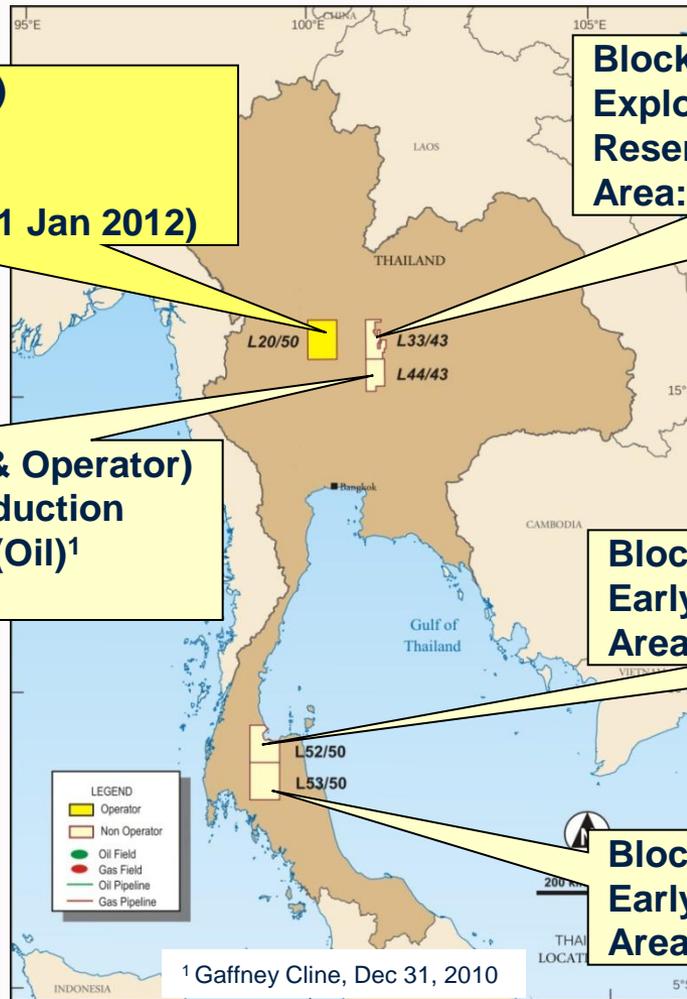
Block L20/50 (50% & Operator)
 Mid phase exploration
 Area: 3,962 km²
 (Note 50% to be relinquished 21 Jan 2012)

Block L33/43 (40% & Non-Operator)
 Exploration, appraisal and production
 Reserves: 3.8 MM bbl 2P (Oil)¹
 Area: 929 km²

Block L44/43 and SW1A (60% & Operator)
 Exploration, appraisal and production
 Reserves: 16.6 MM bbl 2P (Oil)¹
 Area: 941 km²

Block L52/50 (50% & Non-operator)
 Early phase exploration
 Area: 3,078km²

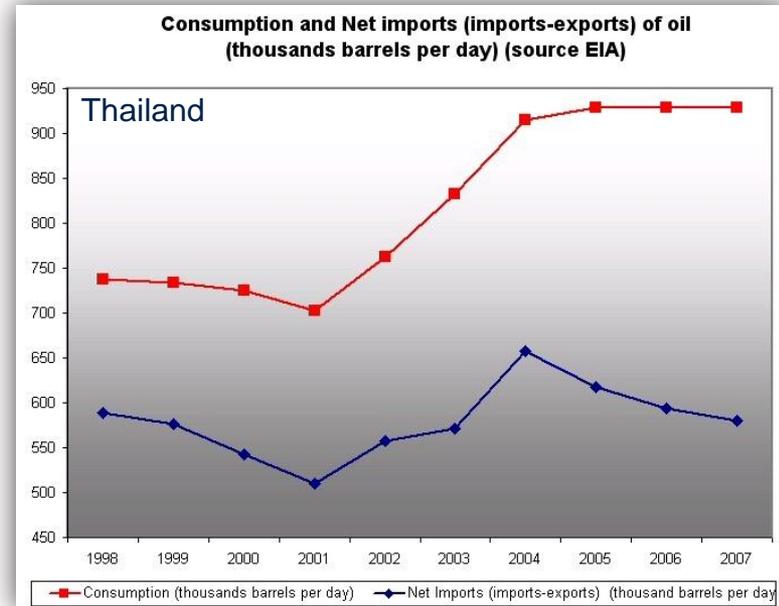
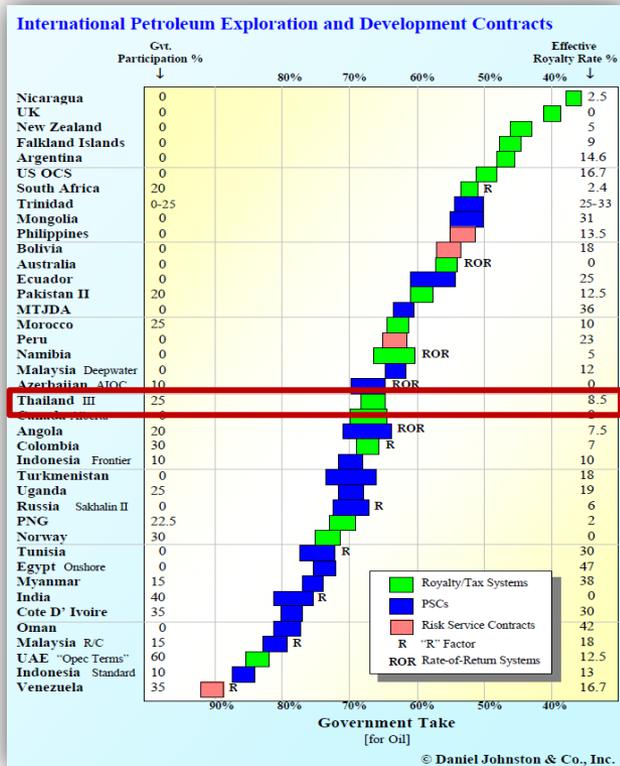
Block L53/50 (50% & Non-operator)
 Early phase exploration
 Area: 3,872km²



Why is Carnarvon in Thailand?

Stable concessionary fiscal regime

- ❖ Thailand I Regime: 1971-1981
- ❖ Thailand II Regime: 1981-1989 (outdated)
- ❖ Thailand III Regime: Post 1989



- ❖ Overall contractor take about 'middle of the road'
- ❖ Thailand net importer of hydrocarbons – strong demand for local oil and gas
- ❖ Department of Mineral Fuels (DMF) supportive of international oil companies

Why expand in Thailand?

2001 – CVN farms in to SW1A producing field
Wichian Buri Sandstones



2003 – CVN (with SW1A JV) applies for
L33 and L44 exploration permits



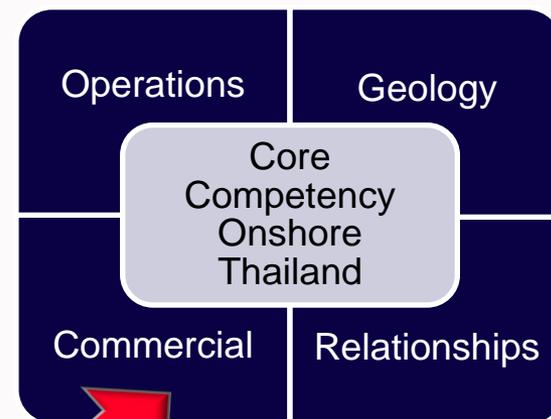
JV discovers producible hydrocarbons in fractured
volcanic reservoirs: CVN participates in extensive
seismic acquisition and 140 wells



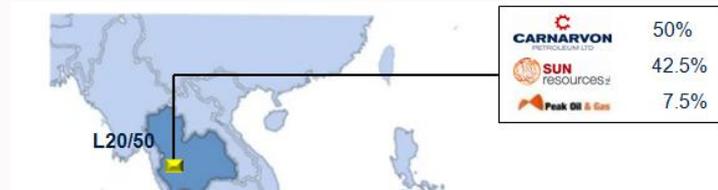
2006 – Carnarvon builds technical team and knowledge
database of operations and exploration onshore Thailand



2008 – Carnarvon builds acreage position expanding
from ~ 20km² in 2001 to current ~12,000 km²



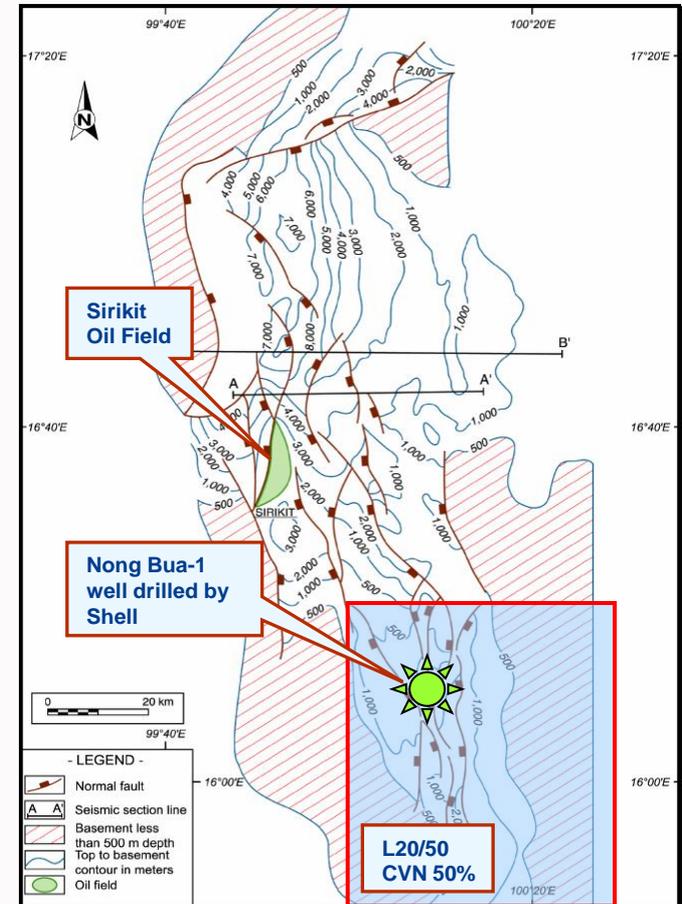
L20/50 Concession - Thailand



Why L20/50?

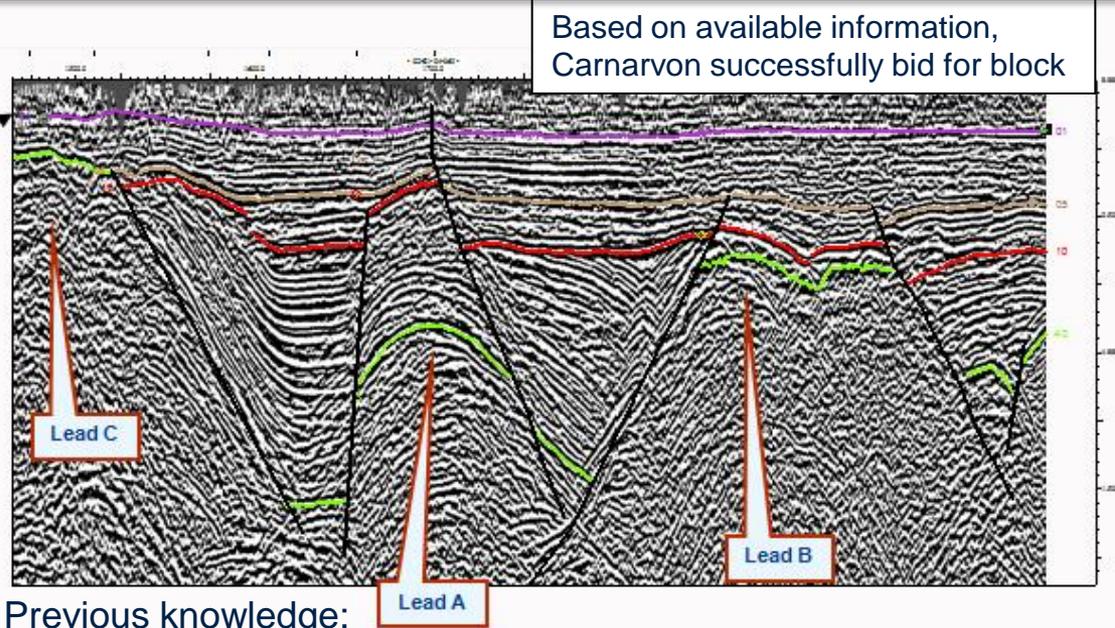
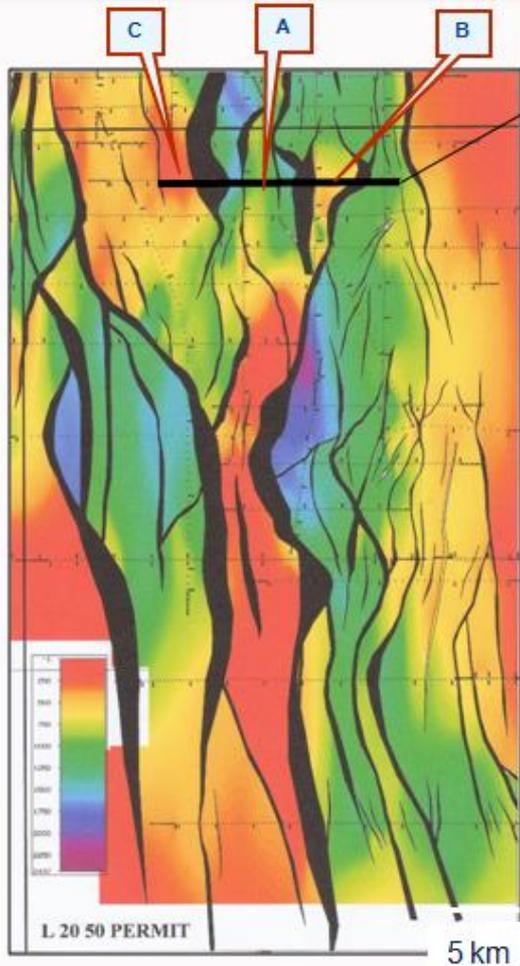
- ❖ Southeast and on trend of large, 200 million barrel Sirikit Oil Field (produced over 150 mmbbls and still producing ~20,000bopd)
- ❖ ~1,000km 80's vintage 2D seismic interpreted
- ❖ Nong Bua-1 drilled by Shell with oil shows & potential oil column in sandstone
 - Well test performed without pump
 - Initial analysis suggests a simple pumping operation may have been commercial
- ❖ Onshore infrastructure allows quick tie-in

Carnarvon 50% (Operator)
Sun Resources 42.5%
Peak Oil and Gas 7.5%



Structural Contour Depth Map to Top Basement and Major Faults (Modified after Bal et al. 1992)

L20/50 Bid Thailand



Previous knowledge:

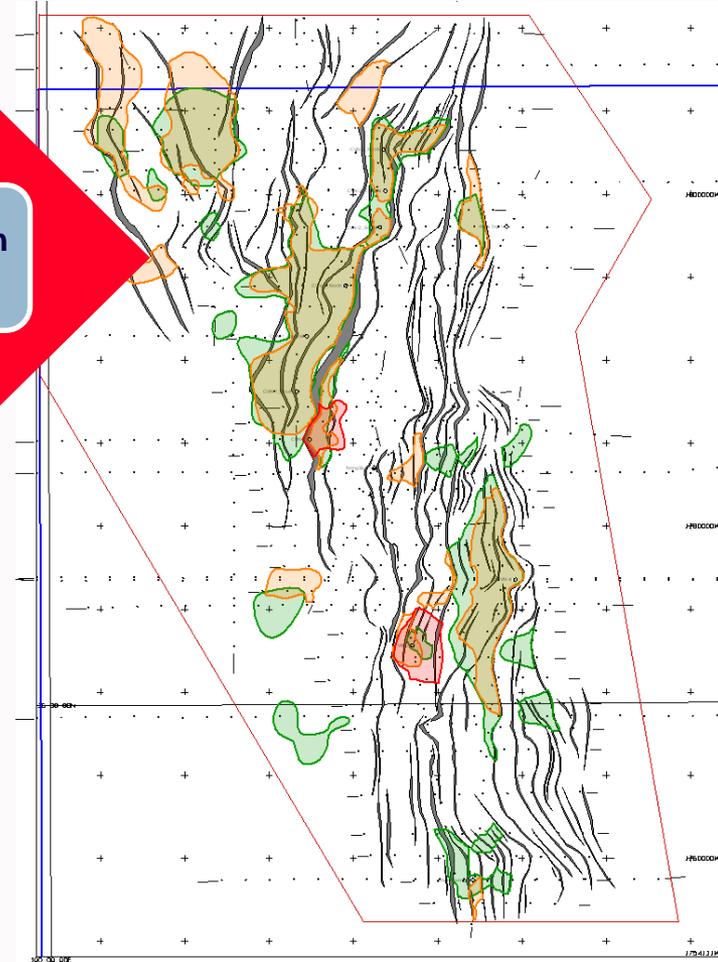
- ❖ Minor oil shows noted in sands in Nong Bua-1 well.
Limited geochemical analysis suggested possible source rocks.
- ❖ Seismic interpretation:
 - Suggested basin is deep enough to generate hydrocarbons
 - Yielded multiple potential structures
- ❖ Surface topology presents good conditions for seismic and drilling operations
- ❖ Market and infrastructure for oil and/or gas are available

Seismic acquisition and interpretation



Acquisition
2009

Interpretation
2010



- ❖ 20-30 leads identified from 2009 seismic at three stratigraphic levels;
- ❖ Nine locations highlighted for surface scouting;
- ❖ Three locations high-graded, obtained environmental approval and completed drill site construction

Rotary lie detector put into action in 2011



Tapao Kaew-1:

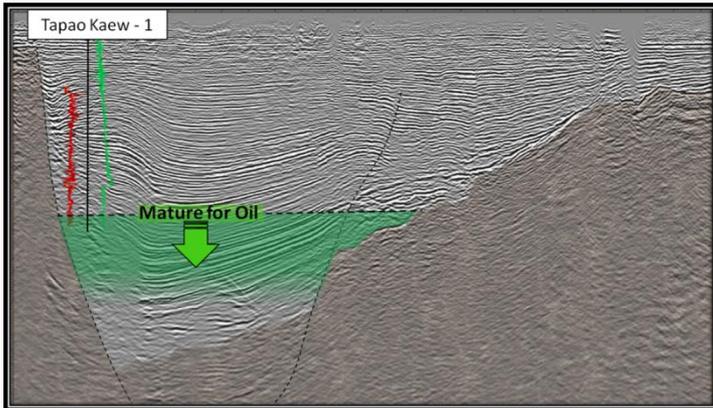
- ❖ Several thin, potentially reservoir quality sands were intersected
- ❖ analysis of wireline logs, cutting samples, gas readings and other data indicate sands are not hydrocarbon bearing.

Krai Thong-1

- ❖ Weak oil shows observed in cuttings suggest migration of hydrocarbons through section at some time.
- ❖ Wireline testing of several zones of potential hydrocarbon bearing intervals in Krai Thong proved water as the mobile fluid.

Encouraging results

- ❖ No commercial result yet, but.....we have significantly de-risked other elements required to prove a working petroleum system
- ❖ Benefits of core competency onshore Thailand



Trap...?

Wells drilled in the basin to date have likely not been drilled on viable structures, due to complex geology and sparse 2D data coverage



Reservoir:

Intersection of several thin, reservoir quality sands (better than pre-drill expectations) in Tapao Kaew, Krai Thong, and Nong Bua, suggest a good chance of encountering reservoir in future wells



Seal:

All wells to date have penetrated stratigraphy with good sealing potential

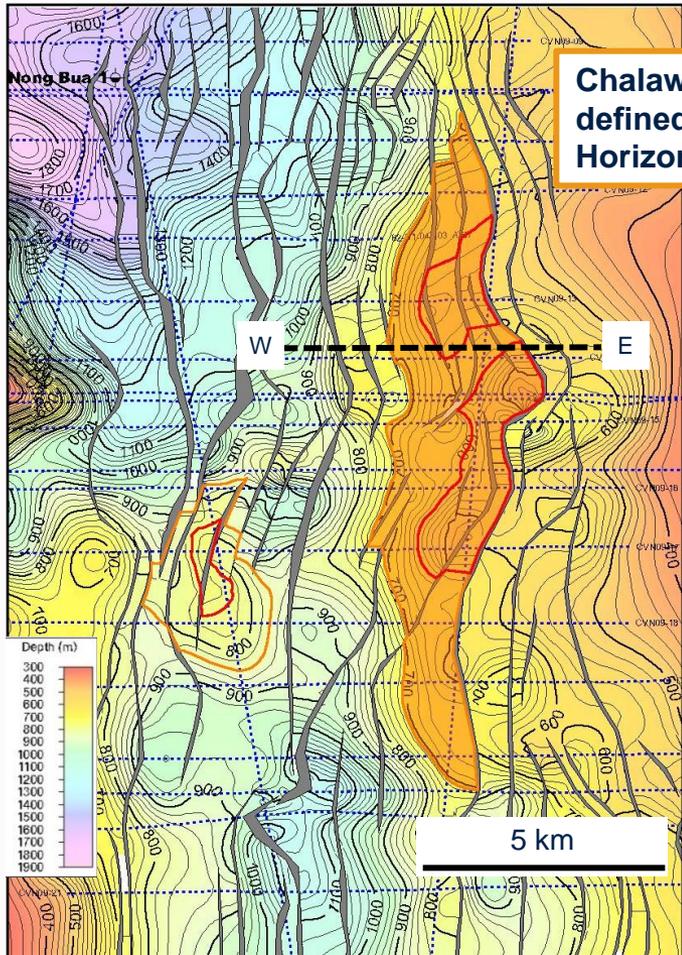


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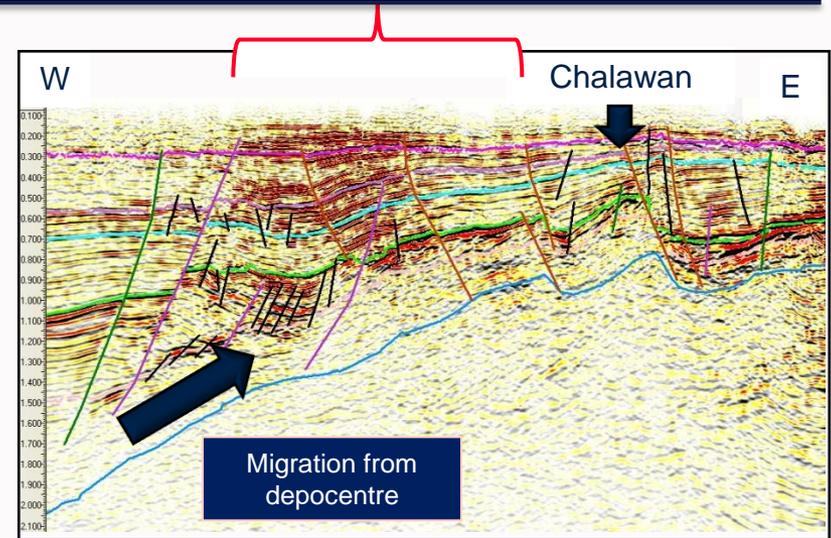
Geochemical analyses from recent wells suggest good to excellent quality, mature source rocks.

New Focus: Finding a valid Trap

Complex faulting on basin margin:
good potential for structural closures



Chalawan prospect
defined on 'Unc A'
Horizon



- ❖ Complex faulting and multiple fault terraces on eastern flank of basin
- ❖ Good potential for trapping along likely hydrocarbon migration pathways
- ❖ No well defined closures have been resolved by available seismic to date, so:
 - Currently reprocessing 2D data
 - Planning 3D seismic acquisition to better define structures and de-risk the trap

Future



- ❖ Clearly defined path ahead for progressing exploration in L2050
- ❖ Post well analysis and reprocessing seismic 2011
- ❖ 3D Data Acquisition 2012
- ❖ Drilling 2013

L52/50 & L53/50 Concessions - Thailand



Initial work - encouraging

- ❖ Review of old wells show fair to excellent potential source rocks
 - ❖ Khian Sa-1 (1988, TD 2438m) – sidewall core containing interpreted dead oil
 - ❖ PK-1 (2004, TD 1032m) – Coal Bed methane tests reported gas discovery
- ❖ Surface geological study undertaken in 2010
 - ❖ Outcrops confirm multiple reservoir potential (sandstone and limestone)



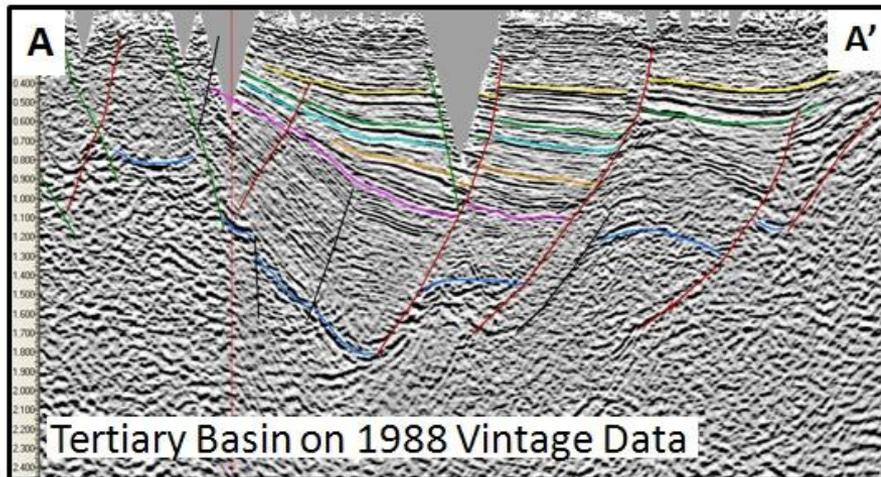
Limestone



Sandstone interbedded with siltstone



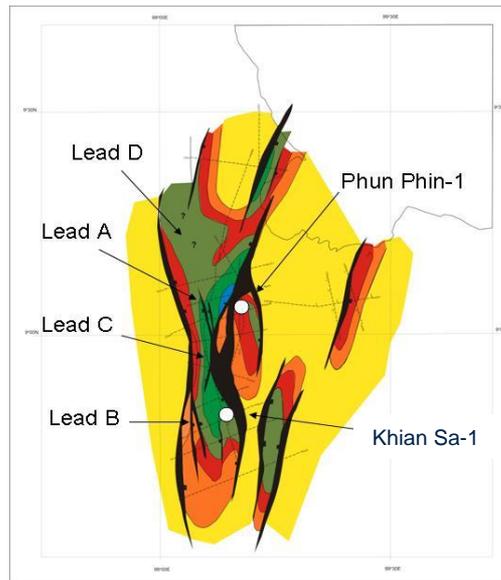
Sandstone interbedded with Siltstone (sandstone dominated)



Tertiary Basin on 1988 Vintage Data

Ongoing work

- ❖ Initial structural maps (based on old 2D scanned data) shows multiple leads
- ❖ Currently acquiring new 2D seismic to infill sparse 1988 vintage data – concentrating on areas over known leads
- ❖ Drilling of two wells planned for 2012



Blocks L52/50 and L53/50
Basement
Structure

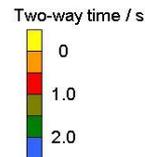
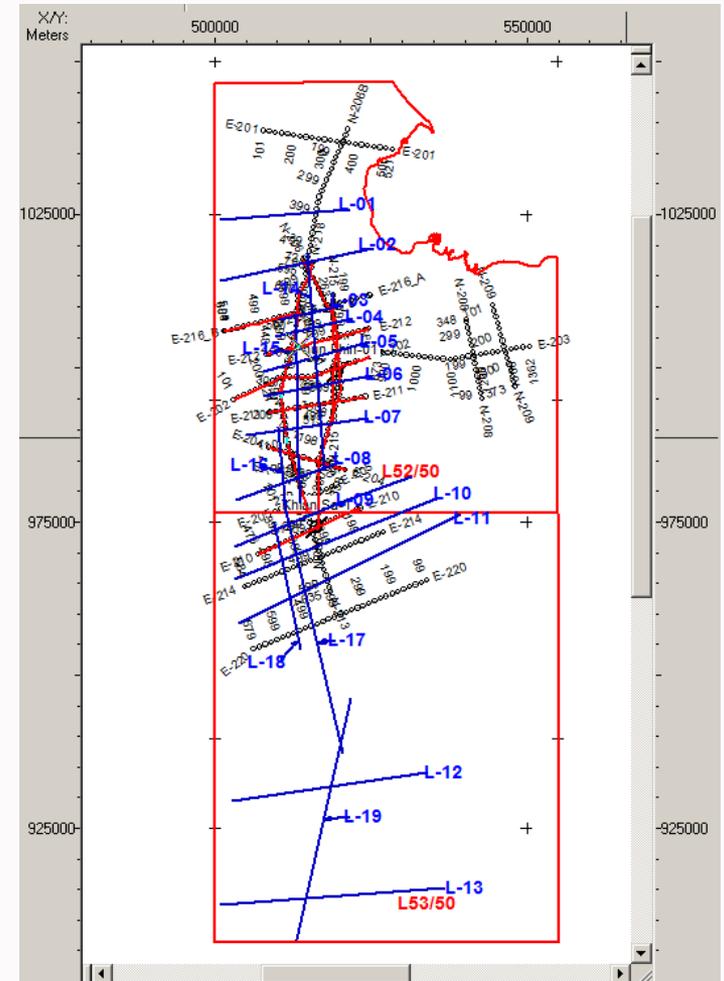
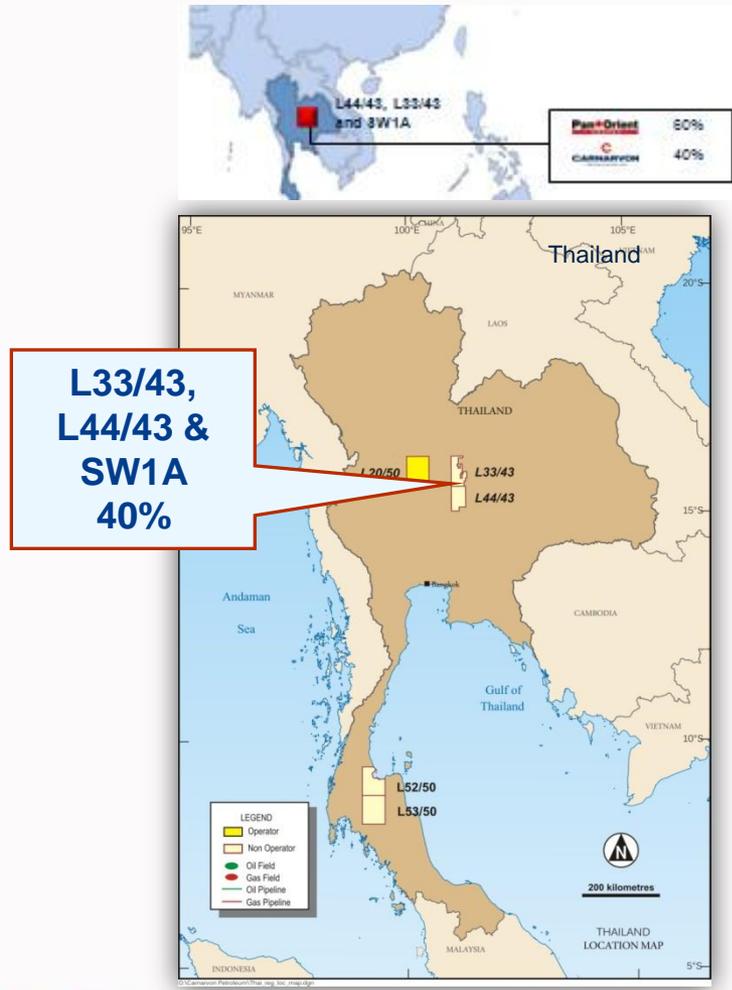


Fig.6



L33/43, L44/43 & SW1A Concessions



2006 – L33/43 and L44/43

2000

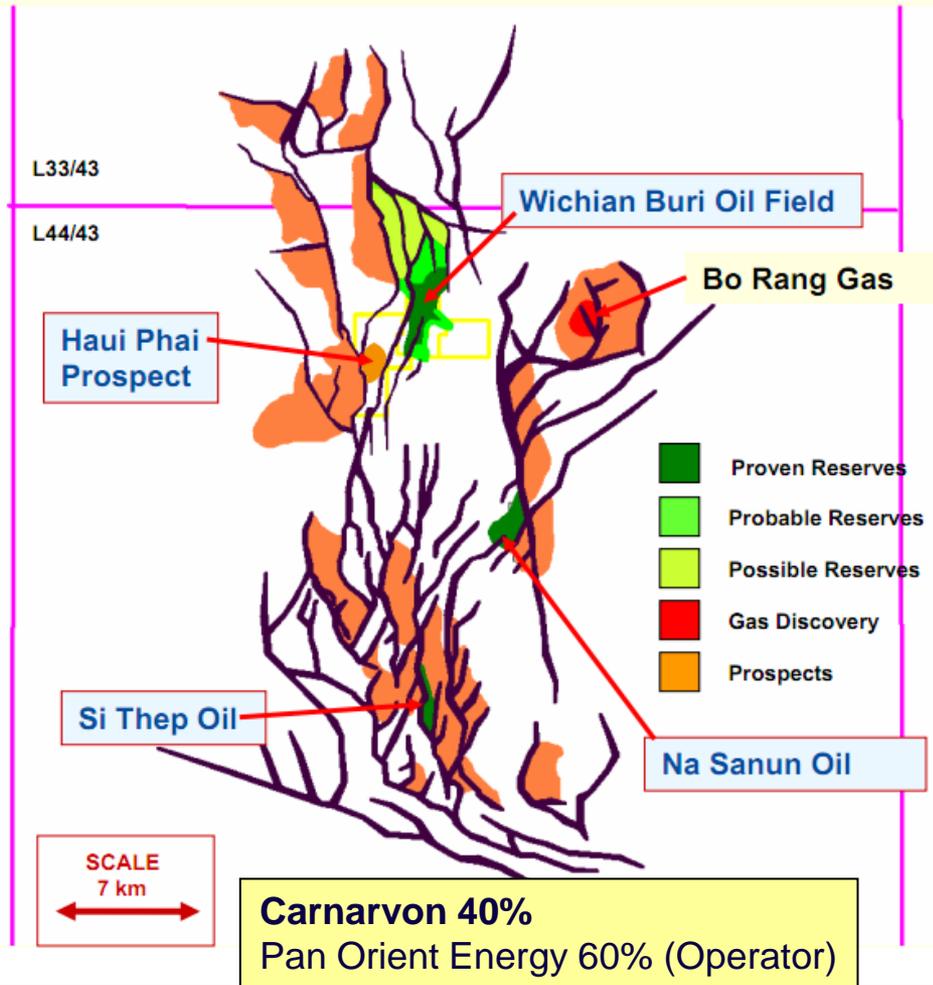
- ❖ Carnarvon Petroleum acquired a 40% working interest in SW1A via farm-in of 2 wells

2003

- ❖ Carnarvon subsequently acquired 40% of two exploration concessions with the operator

2006

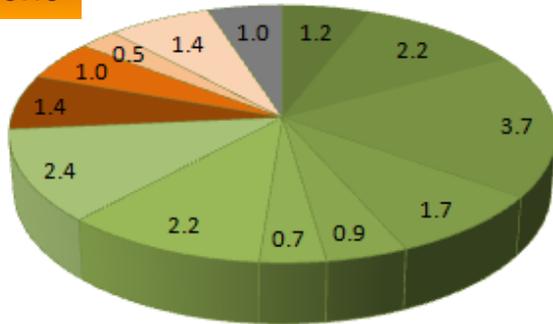
- ❖ Net 2P Reserves of around 3 MM bbls
 - ❖ Wichian Buri field on production since 1996
 - ❖ Small sandstone oil field at Si Thep
 - ❖ Gas discovery in volcanic at Si Thep
 - ❖ Oil discovery in volcanics at Na Sanun
 - ❖ Recently discovered Na Sanun East oil field
- ❖ Significant number of prospects
- ❖ Recently acquired new 3D survey



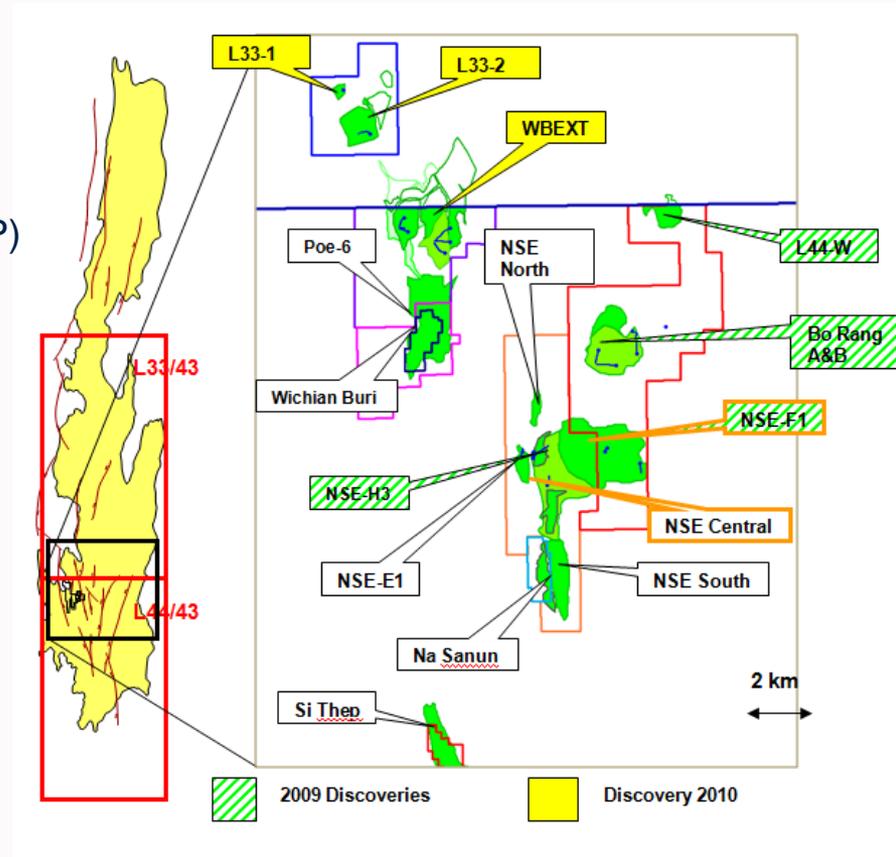
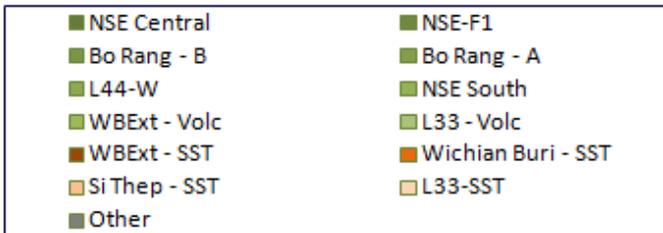
2010 – L33/43 and L44/43

- ❖ **Fast forward to end 2010**
 - ❖ Over additional 100 wells drilled
 - ❖ Over 10 additional oil fields discovered
- ❖ **Significant reserves increase**
 - ❖ 4.7 mmbbls proved (1P);
 - ❖ 20.4 mmbbls proved and probable (2P); and
 - ❖ 51.9 mmbbls proved, probable and possible (3P)

Sandstone



Volcanic



Future potential – L33/43 and L44/43

Sandstone Reservoirs

- ❖ Historical data going back to initial production in 1995
- ❖ Produced to date from sandstone reservoirs is around 400,000 bbls and 2P reserves as at end 2010 was in the order of 4 million bbls
- ❖ Currently undertaking studies for optimal development however will continue to produce in the meantime
- ❖ Recent reserve additions (particularly in WBEXT area) waiting on EIA approval for additional development well sites

Volcanic Reservoirs

- ❖ Understanding of the fractured reservoirs remains a challenge but also a great potential
- ❖ Currently undertaking fracture analysis and stress regime studies
- ❖ Produced to date from volcanics around 4 million bbls with 2P reserves as at end 2010 nearly four times that amount

Forward Potential

- ❖ Aside from 2P reserves, Carnarvon has substantial 3P reserves and resources required to be delineated
- ❖ Exploration potential still exists

Next 1-2 years in Thailand

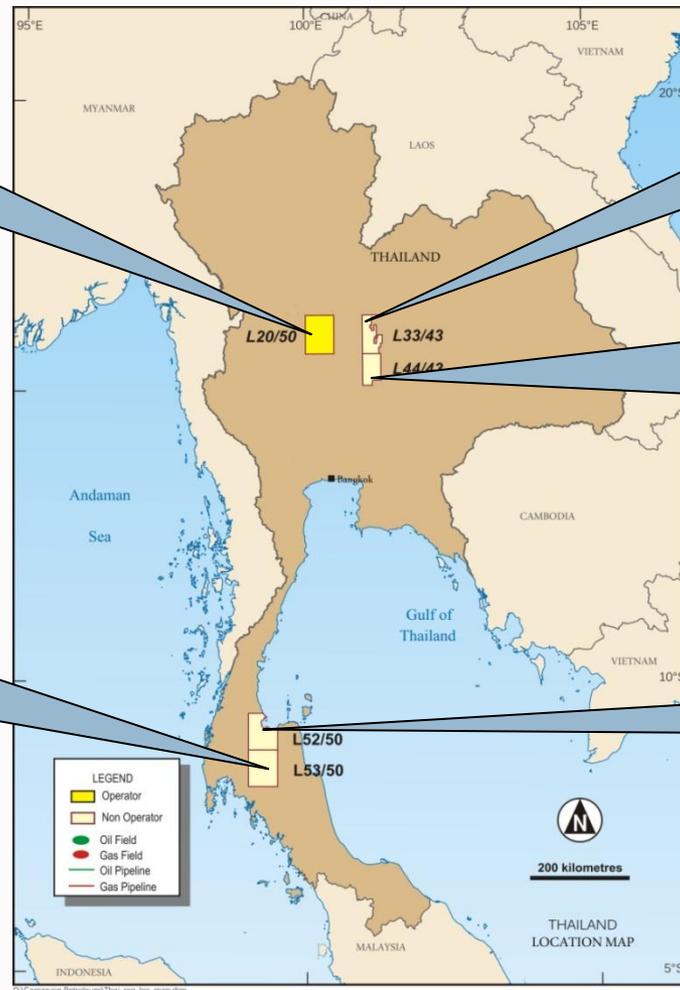
Acquire 3D seismic
Exploration – 1-2 wells

Exploration – 1-2 wells
Appraisal – 1-2 wells
Exploit resources!
Develop reserves!

Exploration – 3-6 wells
Appraisal – 3-6 wells
Development
Exploit resources!
Develop reserves!

Acquire 2D seismic
Exploration – 1-2
wells

Acquire 2D seismic
Exploration – 1-2 wells



Long Term Thailand Commitment



Carnarvon established a branch office in 2007

Strong Community Involvement

- ❖ Significant local employer
- ❖ Preference for purchase of local goods and services
- ❖ Sponsorship to local schools and other community projects

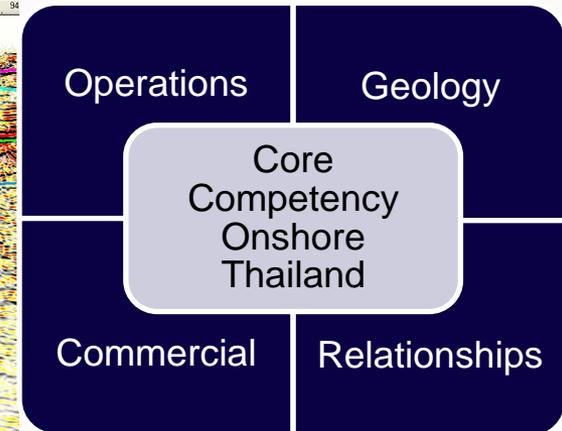
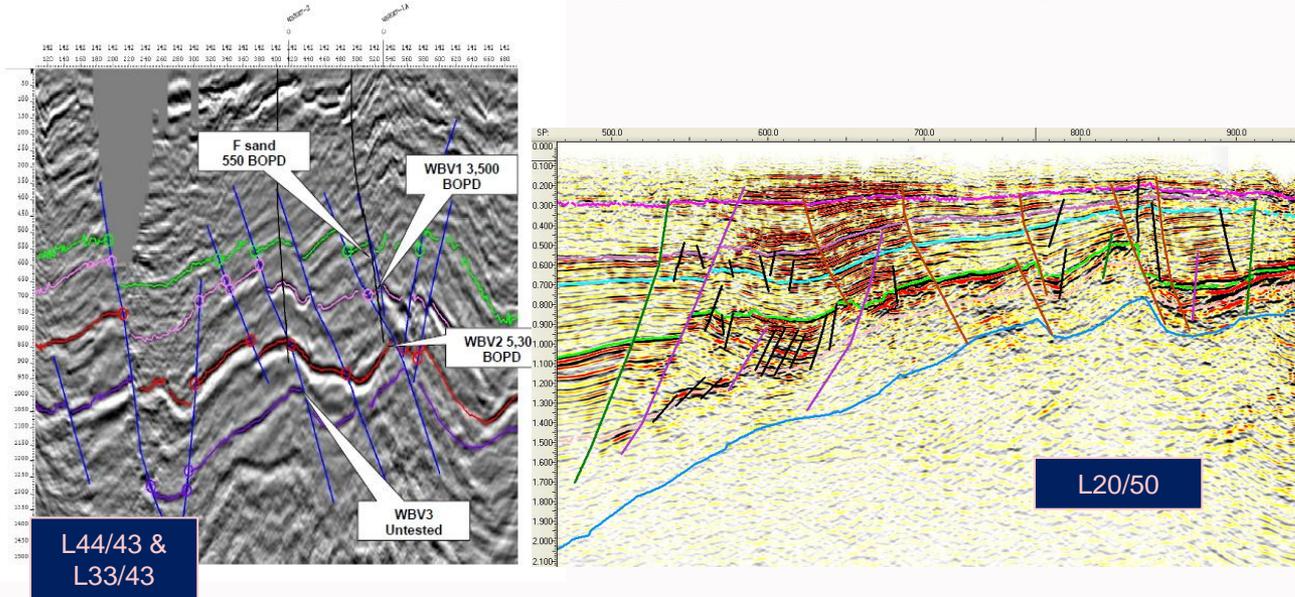


- ❖ Food donations to recent flooding victims
- ❖ Ongoing support for Thailand forestation project

Conclusion

Thailand priorities:

- ❖ Steadily improve the base production from sandstone reservoirs (L44/43 & L33/43 Concession).
- ❖ Continue drilling high flowing volcanic reservoirs (L44/43 & L33/43 Concession).
- ❖ Acquire 3D seismic to enhance exploration success after positive news (L20/50 Concession).
- ❖ Complete exploration activities in promising blocks (L52/50 & L53/50 Concession).
- ❖ Continue to review expansion opportunities (Thailand and beyond)



Good Oil Conference 2011

Philip Huizenga



**Any questions come and join us for
a free coffee**



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