

## ASX ANNOUNCEMENT

# Corporate presentation

24 March 2023

Carnarvon Energy Limited (**Carnarvon**) is pleased to provide the **attached** corporate presentation to be provided to institutional investors today by Carnarvon's Managing Director and CEO, Adrian Cook, and COO, Philip Huizenga.

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*This announcement contains certain "forward-looking statements", which can generally be identified by the use of words such as "will", "may", "could", "likely", "ongoing", "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "forecast", "goal", "objective", "aim", "seek" and other words and terms of similar meaning. Carnarvon cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on any forward-looking statement.*



MARCH 2023

# CORPORATE PRESENTATION

[carnarvon.com.au](http://carnarvon.com.au)

# DISCLAIMER

The resource estimates outlined in this presentation are based on and fairly represent information and supporting documentation prepared by Carnarvon'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 the ASX Listing Rules and has consented to the form and context in which this statement appears.

All contingent and prospective resources presented in this presentation are prepared as at 2 May 2022, 30 June 2022 and 4 October 2022 pursuant to the announcements released to the ASX on 2 May 2022, 17 August 2022, 31 August 2022 and 4 October 2022. The estimates of contingent and prospective resources included in this presentation 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. Deterministic and probabilistic methods have been used to prepare the estimates of 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 are subjective processes 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 certain "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, change without notice, and may be unknown to Carnarvon, as are statements about market and industry trends, which are based on an interpretation of market conditions. Forward looking statements can generally be identified by the use of forward looking words such as "anticipate", "expect", "likely", "propose", "will", "intend", "should", "could", "may", "propose", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the future performance of Carnarvon.

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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 the information contained in this presentation. Any reliance by a recipient on the information contained in this presentation is wholly at the recipient's own risk.

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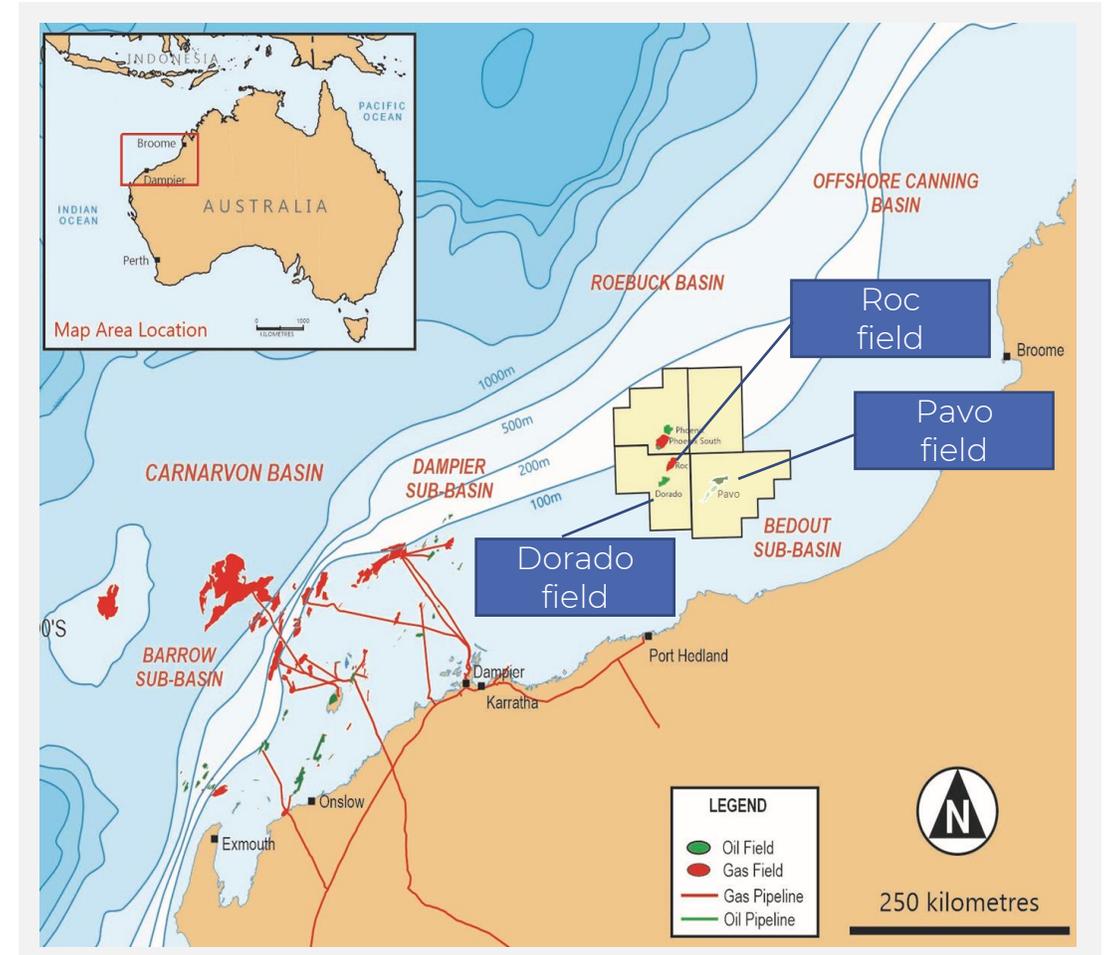
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# INTRODUCTION

1

Carnarvon Energy represents a unique opportunity in the oil and gas sector, with its focus on several new oil and gas fields for development off the coast of Western Australia.



# IMPRESSIVE PRODUCTION CAPACITY

2

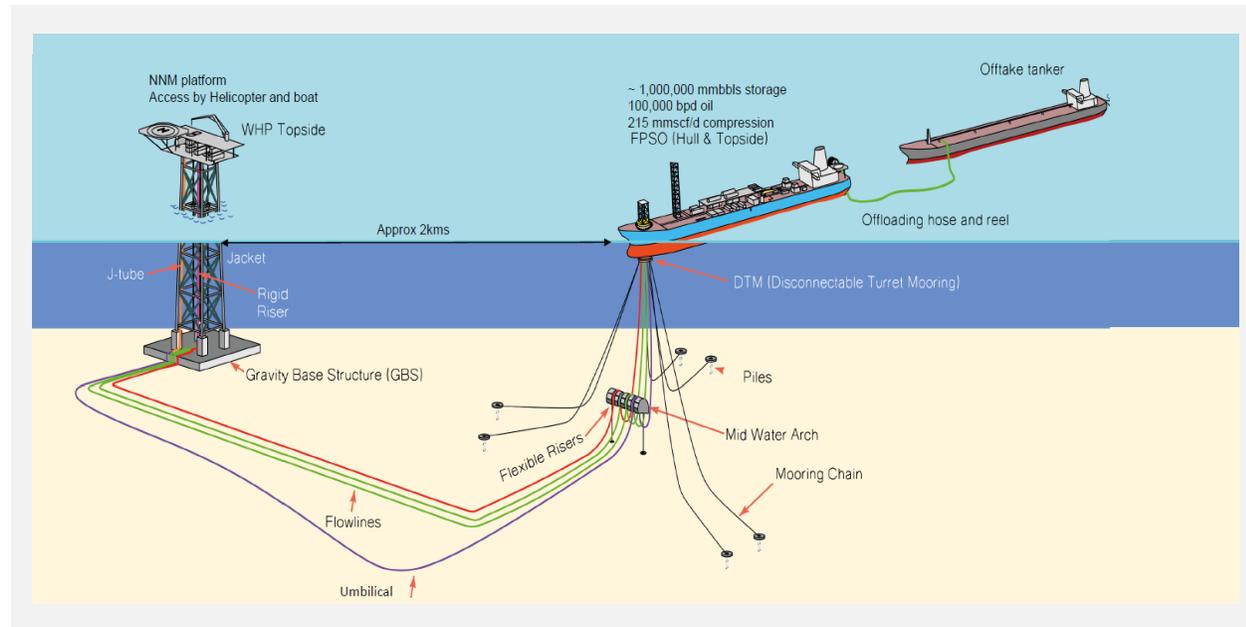
The first developments are expected to produce between 75,000 and 100,000 barrels of light sweet crude per day, significantly contributing to Asia's growing energy and petrochemical needs.



# LOW PRODUCTION COSTS

3

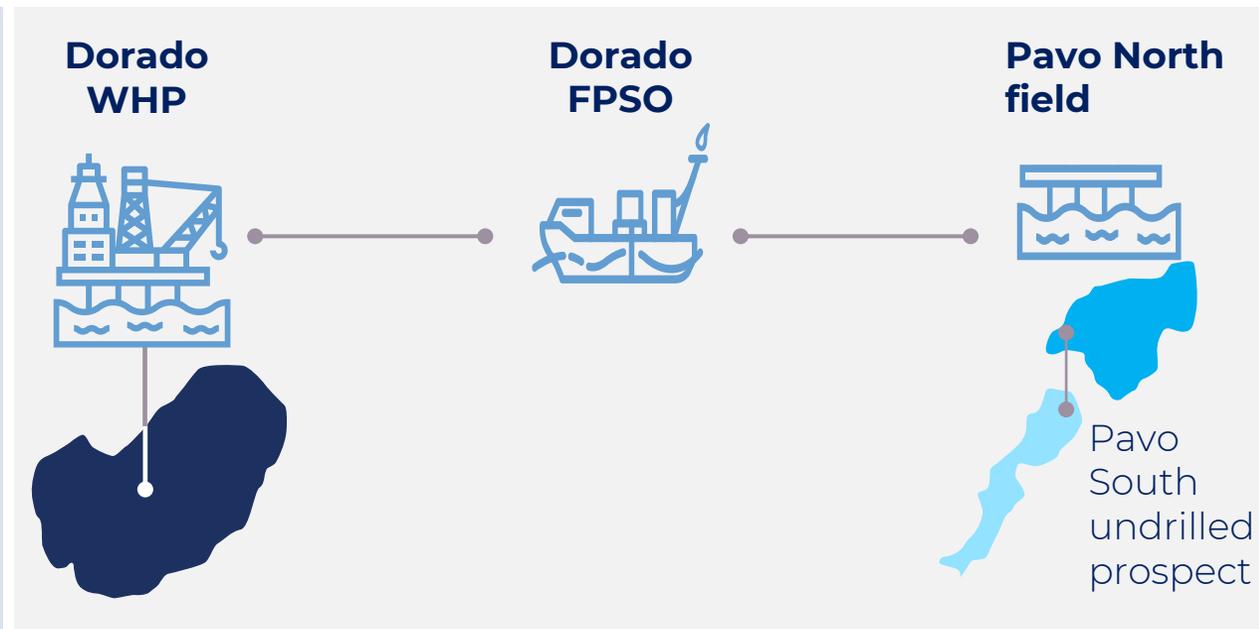
Based on engineering work on the Dorado field completed to date, the all in cost to produce is targeted at less than US\$25 per barrel, with around four cargos per month expected to be sold into Asian markets.



# POTENTIAL FUTURE DEVELOPMENTS

4

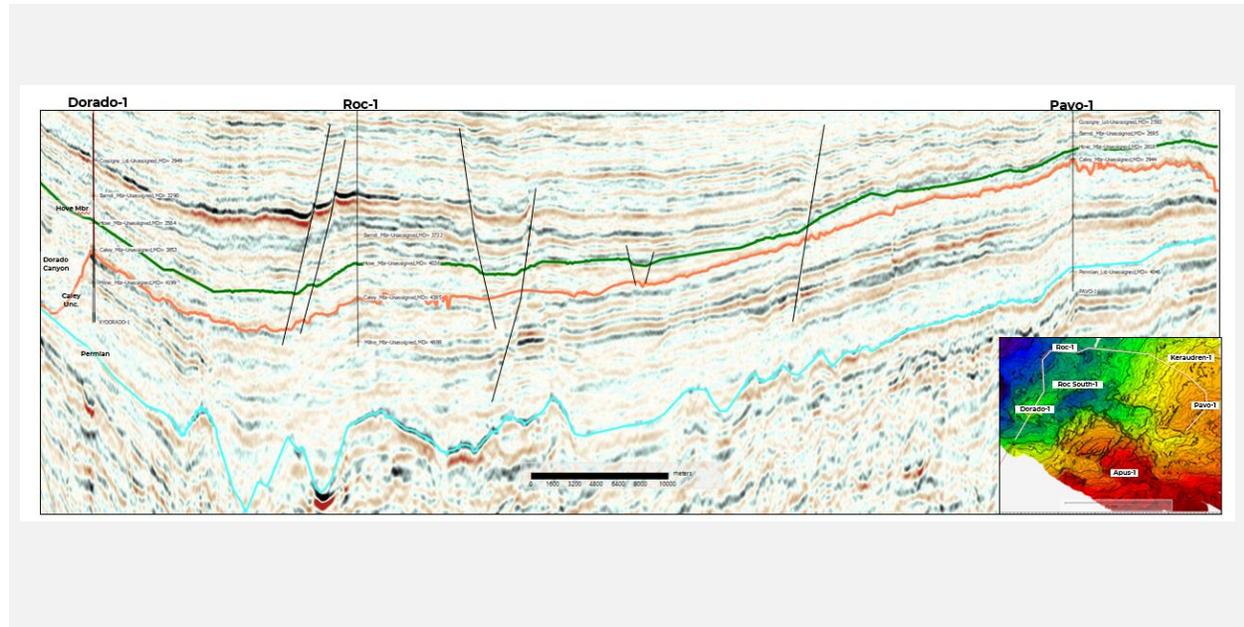
The Dorado development is expected to pave the way for integrating further liquids (from the Pavo field) and integrating already discovered gas and LPG resources within the Dorado field.



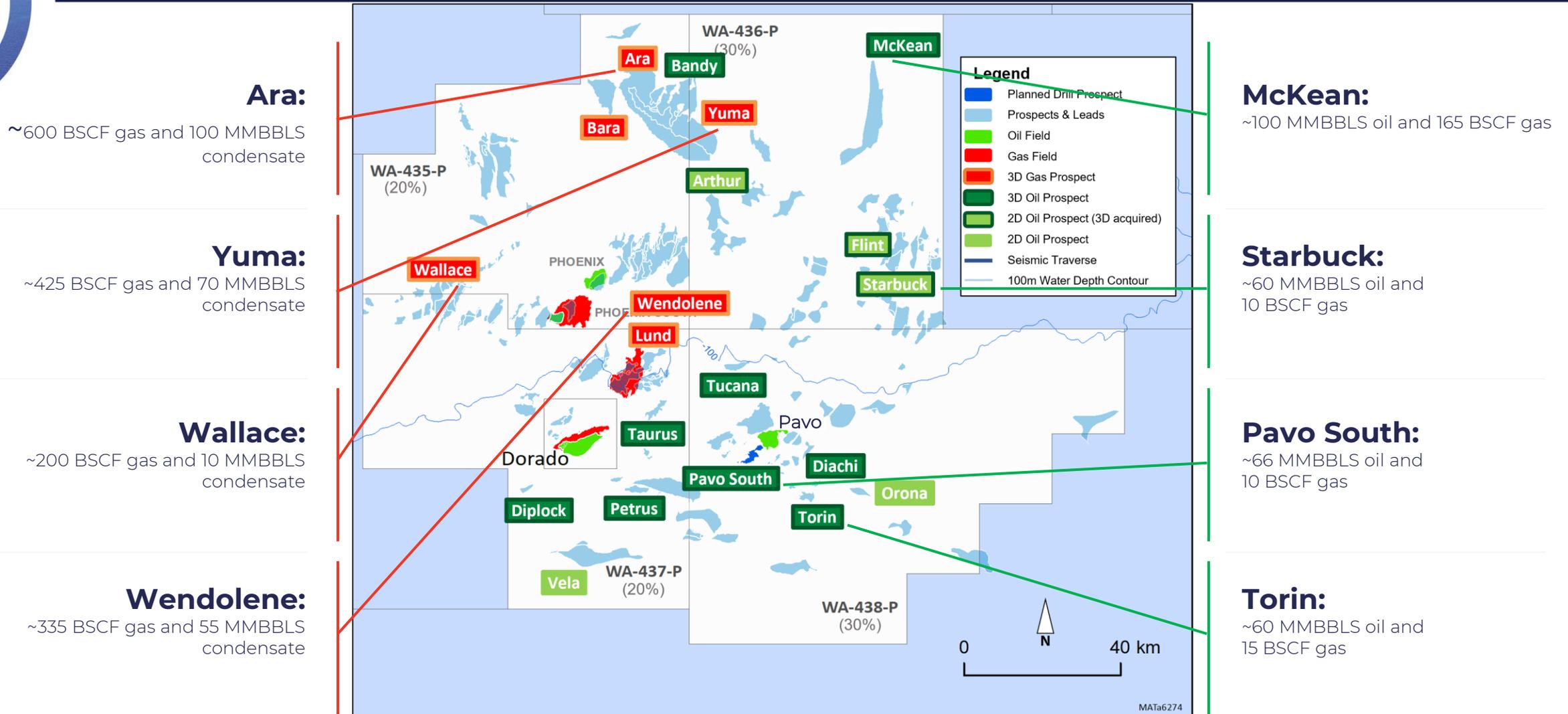
# SIGNIFICANT EXPLORATION POTENTIAL

5

Following the maturing of joint venture technical work on exploration opportunities within the Bedout sub-basin, Carnarvon Energy announced that the top 20 prospects had the potential to contain 1.5 billion boe (P<sub>mean</sub> gross).



# LEADING PROSPECTS BEING MATURED



Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. 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. Refer to Annexure 1 for further information.

# DEVELOPMENT FUNDING

6

**Carnarvon Energy plans to fund its share of the first development at Dorado using a A\$130 million development cost funding facility from its divestment to CPC, planned debt finance and cash post divestment completion of A\$178 million.**



US\$90 million project funding carry\*



Senior debt process commenced in 2022 - interest was strong



A\$178 million in cash\*

# IMPACT OF THE CPC TRANSACTION



**Notes:**

1. Cash \$97.9m as at 31 December 2023
2. Completion payment of US\$56m shown as A\$80m
3. Carry amount of US\$90m shown as A\$128.6m
4. Completion payment & carry benefit look-through to the 10% to 20% equity Carnarvon retains in the Bedout-Sub-basin
5. Carnarvon retains 20% in WA-436-P & WA-438-P, including the Pavo field
6. Exploration upside with ~100 prospects in the permits
7. USD amounts converted to AUD at AUD/USD 0.70

7

**Carnarvon Energy is an ideal avenue for investors to gain exposure to these world class energy assets at a highly attractive price of only A\$1.10 per barrel of oil equivalent (boe). This compares with the CPC purchase look through of A\$4.47 per boe.**

Market value at 13 cents per share <sup>1</sup>	A\$234m
Cash following divestment completion <sup>2</sup> <i>Cash does not include CPC provided A\$129m cost carry<sup>3</sup></i>	A\$178m
Enterprise value ( <b>EV</b> )	A\$56m
Net discovered resources post divestment ( <b>2C</b> ) <sup>4</sup>	51 mmboe
EV / 2C	A\$1.10/boe
CPC purchase look through <sup>5</sup>	A\$4.47/boe

**Notes:**

1. Share price as at 22 March 2023
2. Cash \$97.9m as at 31 December 2023 plus Completion payment of US\$56m shown as A\$80m
3. CPC carry amount of US\$90m is shown as A\$129m
4. Refer slide 16 for table of 2C gross resources. Net discovered resources is calculated as 10% of the Dorado and Roc fields and 20% of the Pavo North field
5. CPC consideration of US\$146 million, being ~A\$209 million for 46.7 million boe. Refer to CVN ASX Announcement on 22 February 2023.

8

**Offshore Western Australia's new oil and gas fields hold promising potential for significant energy and petrochemical contributions to Asia's growing needs. Carnarvon Energy's investment in these presents a unique and attractive opportunity for investors.**

1

Quality Australian development assets

2

Impressive production capacity

3

Low targeted production costs

4

Potential for future developments

5

Significant exploration potential

6

Funding for Dorado Phase 1 development

7

Compelling investment metrics



# CONTINGENT & PROSPECTIVE RESOURCE ESTIMATES

Appendix 1

# BEDOUT BASIN ASSETS & EQUITY INTERESTS

## SALE ASSETS

Carnarvon's Bedout assets consist of the WA-64-L Production Licence (containing the Dorado field), and the WA-435-P, WA-436-P, WA-437-P and WA-438-P Exploration Permits.

Carnarvon's equity in the Bedout permits at the current time, and following completion of the divestment to OPIC Australia Pty Limited, a wholly owned subsidiary of CPC Corporation, Taiwan (CPC), Taiwan's national oil and gas company (announced on 22 February 2023), are below:

Permit	Current equities	Post Completion Equities	Notes
WA-64-L	20%	10%	Dorado production licence
WA-435-P	20%	10%	Includes the Phoenix South discovery
WA-436-P	30%	20%	
WA-437-P	20%	10%	Includes the Roc field
WA-438-P	30%	20%	Includes the Pavo field

# BEDOUT BASIN CONTINGENT RESOURCES

Gross basis	Oil and Condensate			Natural Gas			Barrels of Oil Equivalent		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	86	162	285	367	748	1358	176	344	614
Pavo North	26	43	62	6	11	17	27	45	65
Roc	12	20	35	205	332	580	48	78	137
Bedout Project Sub Total	124	225	382	578	1091	1955	251	467	816

Net CVN basis*	Oil and Condensate			Natural Gas			Barrels of Oil Equivalent		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado (20% CVN)	17	32	57	73	150	272	35	69	123
Pavo North (30% CVN)	8	13	19	2	3	5	8	13	19
Roc (20% CVN)	2	4	7	41	66	116	10	16	27
Bedout Project Sub Total	27	49	83	116	219	293	53	98	169

# BEDOUT BASIN PROSPECTIVE RESOURCES

## PROSPECTIVE RESOURCES GROSS FIELD BASIS

Permit	Carnarvon Energy Equity pre divestment	Prospect	Liquids (Oil and Condensate; MMBBL)				Natural Gas (BSCF)				Barrels of Oil Equivalent (BOE)				Probability of Geological Success (Pg)	Risked Mean (MMBOE)
			P90	P50	Pmean	P10	P90	P50	Pmean	P10	P90	P50	Pmean	P10	P90	P90
WA-435-P	20%	Ara	3.3	46.6	98.4	260.9	24.8	335.9	592.9	1,531.2	8.2	111.2	02.4	521.0	37%	74.9
		Bandy	4.5	49.3	735.5	171.9	6.6	79.8	131.1	318.7	5.9	65.4	96.5	227.1	31%	29.9
		Wendolene	3.6	24.4	55.1	147.5	29.7	171.6	334.7	859.2	9.7	57.2	114.7	295.7	15%	17.2
		Wallace	0.5	5.0	8.6	21.5	12.0	118.5	183.8	446.2	2.7	26.6	40.8	98.9	39%	15.9
		Bara	1.6	14.2	34.5	88.3	12.6	98.8	210.1	546.0	4.2	32.5	71.3	185.5	13%	9.3
WA-436-P	30%	Starbuck	8.2	39.0	58.4	131.9	13.9	66.9	100.5	228.9	11.4	52.1	76.0	172.7	32%	24.3
		McKean	3.3	39.5	98.8	260.6	5.3	63.0	164.1	438.3	4.4	52.2	127.6	336.0	14%	17.9
		Flint	6.6	28.6	43.1	97.1	10.8	48.5	73.5	166.6	9.0	38.1	56.0	124.7	30%	16.8
		Yuma	2.0	30.7	69.4	176.3	14.9	218.8	423.4	1,067.0	4.9	71.7	143.7	364.1	14%	20.1
		Arthur	6.7	34.3	56.1	129.5	10.9	57.2	95.7	223.7	9.1	45.8	72.9	168.6	9%	6.6
WA-437-P	20%	Vela	4.1	43.7	94.5	242.6	2.6	28.1	60.6	156.7	4.7	49.3	105.1	269.1	17%	17.9
		Petrus	5.7	22.6	40.5	95.3	8.5	35.2	60.5	140.1	7.8	29.2	51.1	119.8	29%	14.8
		Taurus	3.7	18.1	27.2	62.0	5.9	30.2	45.7	106.4	5.0	24.2	35.2	80.1	20%	7.0
		Diplock	3.8	14.6	18.3	37.4	5.2	20.8	26.5	55.3	5.1	18.6	22.9	46.3	29%	6.6
		Lund	1.7	9.6	14.8	33.9	42.3	212.9	299.6	668.7	9.4	48.2	67.4	149.3	8%	5.4
WA-438-P	30%	Pavo South	6.0	40.7	66.3	161.6	0.8	5.6	9.6	23.5	6.2	41.8	67.9	166.1	64%	43.5
		Torin	6.5	38.9	58.1	134.0	1.6	9.9	15.1	35.4	6.8	40.8	60.7	140.5	54%	32.8
		Orona	24.7	81.8	105.2	215.9	40.2	137.7	181.0	373.6	34.0	109.1	136.9	274.5	10%	13.7
		Diachi	1.7	10.2	14.8	33.3	0.4	2.6	3.8	8.8	1.7	10.7	15.5	34.9	54%	8.4
		Tucana	1.3	11.0	18.4	43.2	2.2	18.2	30.9	73.2	1.8	14.8	23.8	56.5	23%	5.5
<b>TOTAL</b>			<b>100</b>	<b>603</b>	<b>1,054</b>	<b>2,545</b>	<b>251</b>	<b>1,760</b>	<b>3,043</b>	<b>7,468</b>	<b>152</b>	<b>940</b>	<b>1,588</b>	<b>3,831</b>	<b>Ave 30%</b>	<b>388</b>

Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. 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.

# BEDOUT BASIN PROSPECTIVE RESOURCES

## PROSPECTIVE RESOURCES NET CVN BASIS

Permit	Carnarvon Energy Equity pre divestment	Prospect	Liquids (Oil and Condensate; MMBBL)				Liquids (Oil and Condensate; MMBBL)				Liquids (Oil and Condensate; MMBBL)				Probability of Geological Success (Pg)	Risked Mean (MMBOE)
			P90	P50	Pmean	P10	P90	P50	Pmean	P10	P90	P50	Pmean	P10	P90	P90
WA-435-P	20%	Ara	0.7	9.3	19.7	52.2	5.0	67.2	118.6	306.2	1.6	22.2	40.5	104.2	37%	15.0
		Bandy	0.9	9.9	14.7	34.4	1.3	16.0	26.2	63.7	1.2	13.1	19.3	45.4	31%	6.0
		Wendolene	0.7	4.9	11.0	29.5	5.9	34.3	66.9	171.8	1.9	11.4	22.9	59.1	15%	3.4
		Wallace	0.1	1.0	1.7	4.3	2.4	23.7	36.8	89.2	0.5	5.3	8.2	19.8	39%	3.2
		Bara	0.3	2.8	6.9	17.7	2.5	19.8	42.0	109.2	0.8	6.5	14.3	37.1	13%	1.9
WA-436-P	30%	Starbuck	2.5	11.7	17.5	39.6	4.2	20.1	30.2	68.7	3.4	15.6	22.8	51.8	32%	7.3
		McKean	2.0	8.6	12.9	29.1	3.2	14.6	22.1	50.0	2.7	11.4	16.8	37.4	30%	5.0
		Flint	1.0	11.9	29.6	78.2	1.6	18.9	49.2	131.5	1.3	15.7	38.3	100.8	14%	5.4
		Yuma	0.6	9.2	20.8	52.9	4.5	65.6	127.0	320.1	1.5	21.5	43.1	109.2	14%	6.0
		Arthur	2.0	10.3	16.8	38.9	3.3	17.2	28.7	67.1	2.7	13.7	21.9	50.6	9%	2.0
WA-437-P	20%	Vela	0.8	8.7	18.9	48.5	0.5	5.6	12.1	31.3	0.9	9.9	21.0	53.8	17%	3.6
		Petrus	1.1	4.5	8.1	19.1	1.7	7.0	12.1	28.0	1.6	5.8	10.2	24.0	29%	3.0
		Taurus	0.7	3.6	5.4	12.4	1.2	6.0	9.1	21.3	1.0	4.8	7.0	16.0	20%	1.4
		Diplock	0.8	2.9	3.7	7.5	1.0	4.2	5.3	11.1	1.0	3.7	4.6	9.3	29%	1.3
		Lund	0.3	1.9	3.0	6.8	8.5	42.6	59.9	133.7	1.9	9.6	13.5	29.9	8%	1.1
WA-438-P	30%	Pavo South	1.8	12.2	19.9	48.5	0.2	1.7	2.9	7.1	1.9	12.5	20.4	49.8	64%	13.0
		Torin	2.0	11.7	17.4	40.2	0.5	3.0	4.5	10.6	2.0	12.2	18.2	42.2	54%	9.8
		Orona	7.4	24.5	31.6	64.8	12.1	41.3	54.3	112.1	10.2	32.7	41.1	82.4	10%	4.1
		Diachi	0.5	3.1	4.4	10.0	0.1	0.8	1.1	2.6	0.5	3.2	4.7	10.5	54%	2.5
		Tucana	0.4	3.3	5.5	13.0	0.7	5.5	9.3	22.0	0.5	4.4	7.1	17.0	23%	1.6
<b>TOTAL</b>			<b>27</b>	<b>156</b>	<b>270</b>	<b>647</b>	<b>60</b>	<b>415</b>	<b>718</b>	<b>1,757</b>	<b>39</b>	<b>236</b>	<b>396</b>	<b>950</b>	<b>Ave 30%</b>	<b>97</b>

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