

Corporate Presentation

12 October 2020



Carnarvon Petroleum Limited's ("Carnarvon") (ASX:CVN) Managing Director and CEO will present the attached corporate update to the Macquarie Bank Small & Mid Cap Oil & Gas Day."

Approved by:

A handwritten signature in dark ink, appearing to read "Adrian Cook", is positioned above the printed name.

Adrian Cook

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CARNARVON

PETROLEUM LTD



CORPORATE PRESENTATION
12 OCTOBER 2020

DISCLAIMER

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

All contingent and prospective resources presented in this report are prepared as at 28 August 2017, 23 April 2018, 20 August 2018, 15 October 2018, 15 July 2019 and 17 September 2020 pursuant to the Company's ASX announcements released to ASX on 28 August 2017, 23 April 2018, 20 August 2018, 15 October 2018, 15 July 2019 and 17 September 2020. 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. Carnarvon used deterministic and probabilistic methods to prepare the estimates of these 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.

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PRESENTATION CONTENT

1

DORADO DEVELOPMENT

One of the largest oil discoveries on the North West Shelf in the last 30 years (CVN 20%).

2

BEDOUT EXPLORATION

New underexplored sub-basin on the North West Shelf with multiple play types (CVN 20%-30%).

3

EXPLORATION PORTFOLIO

Attractive targets maturing within the Company's North West Shelf portfolio.

4

FINANCIAL OVERVIEW

Over \$110m in cash, no debt and a fundable project in the Dorado oil field (CVN 20%).

DORADO DEVELOPMENT

BACKGROUND

Dorado discovered in 2018

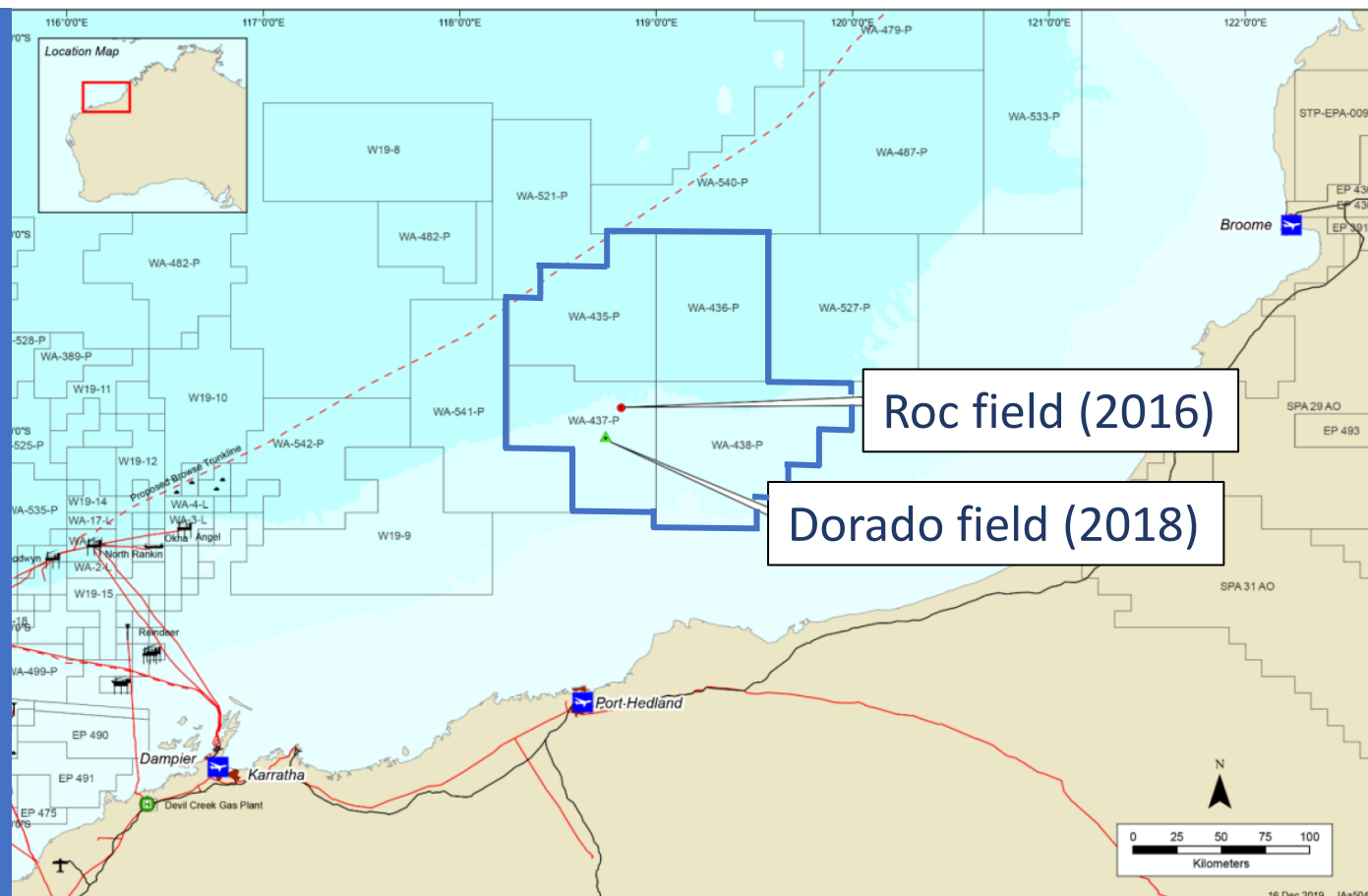
Appraised in 2019 (2 wells)
Development assessed 2020

Large NWS oil find

162mmbbls of oil & condensate
(2C, Gross, CVN 20%)¹

Location strengths

In Australia
110km~ to shore
90m~ water depth



DORADO DEVELOPMENT

SUBSURFACE

Four reservoirs

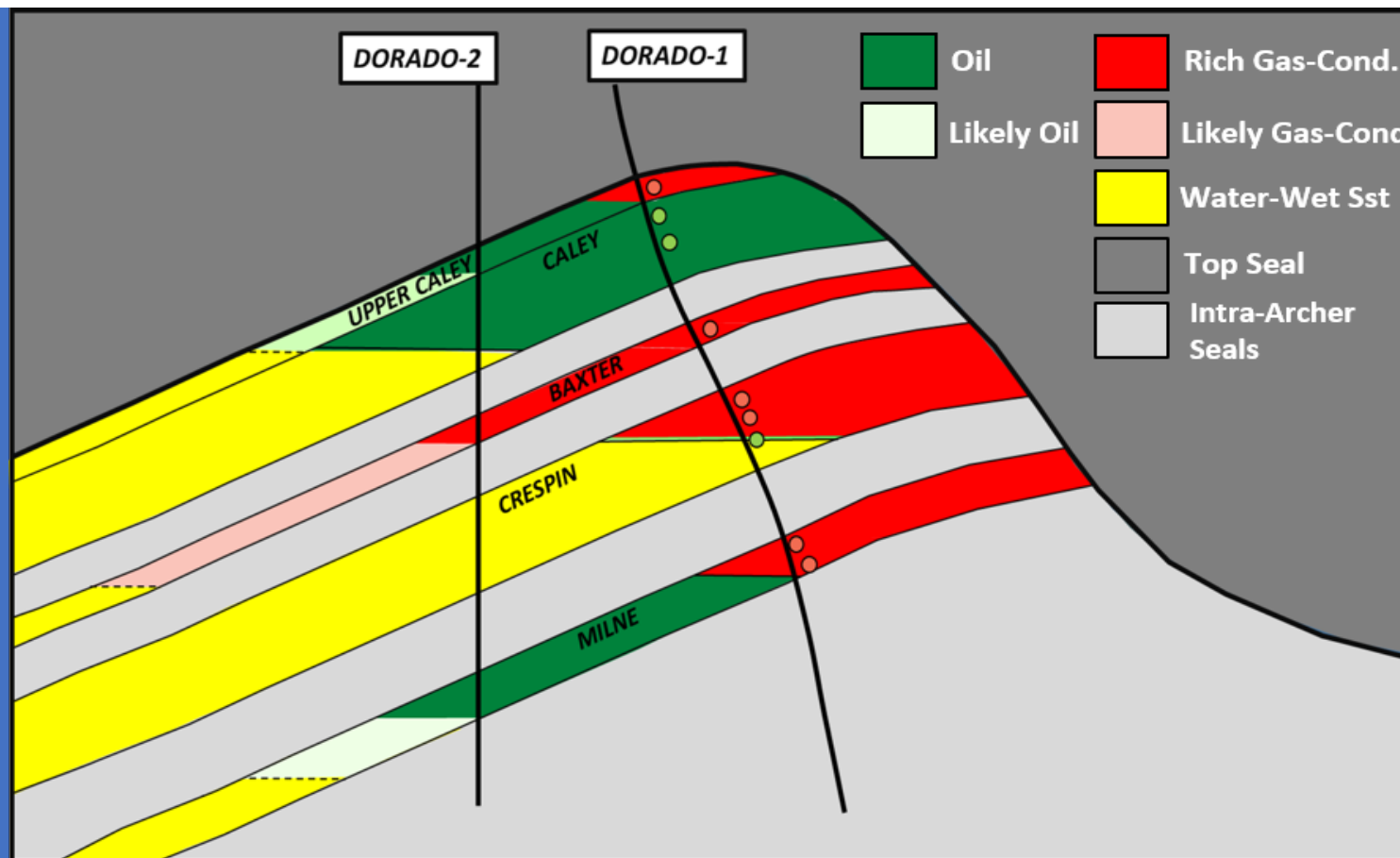
All good to high quality

High deliverability

Caley test flowed 11,000 bopd
(maximum with equipment)

Circulate gas by reinjection

to support oil flow rate
and total oil recovery



1

DORADO DEVELOPMENT

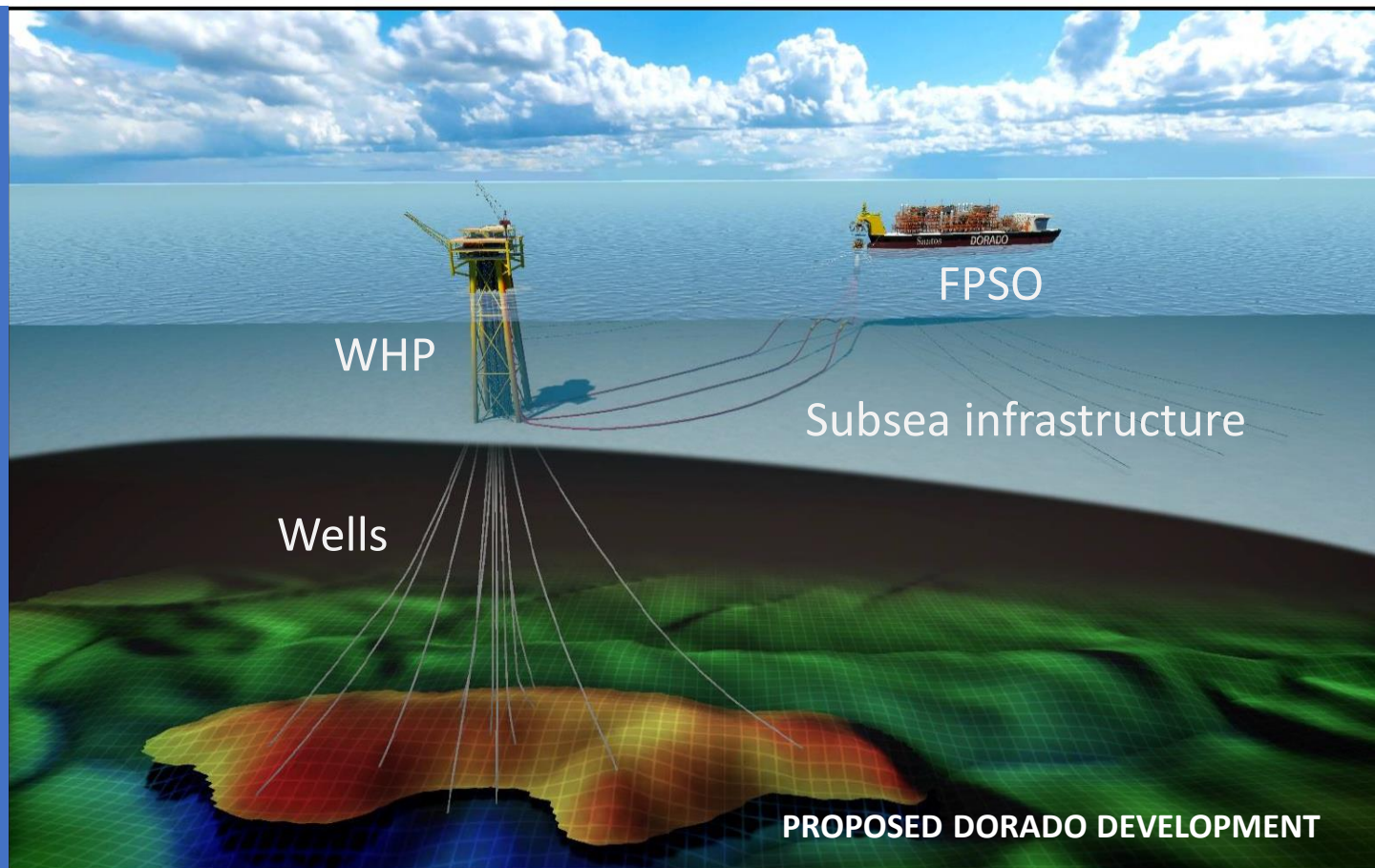
STANDARD INDUSTRY CONCEPT

Floating Production Storage & Offtake vessel (“FPSO”)

100,000~ bopd capacity
900,000~ barrel storage
Gas compression equipment

Well Head Platform (“WHP”)

16 slot capacity
Hosting 8-10 wells initially for
production & gas reinjection



DORADO DEVELOPMENT

2020 ACCOMPLISHMENTS

Development Theme Selected

Oil produced via WHP and FPSO with gas injection

Location Declaration Accepted

Precursor to Production License

Pre-FEED Engineering Studies Complete

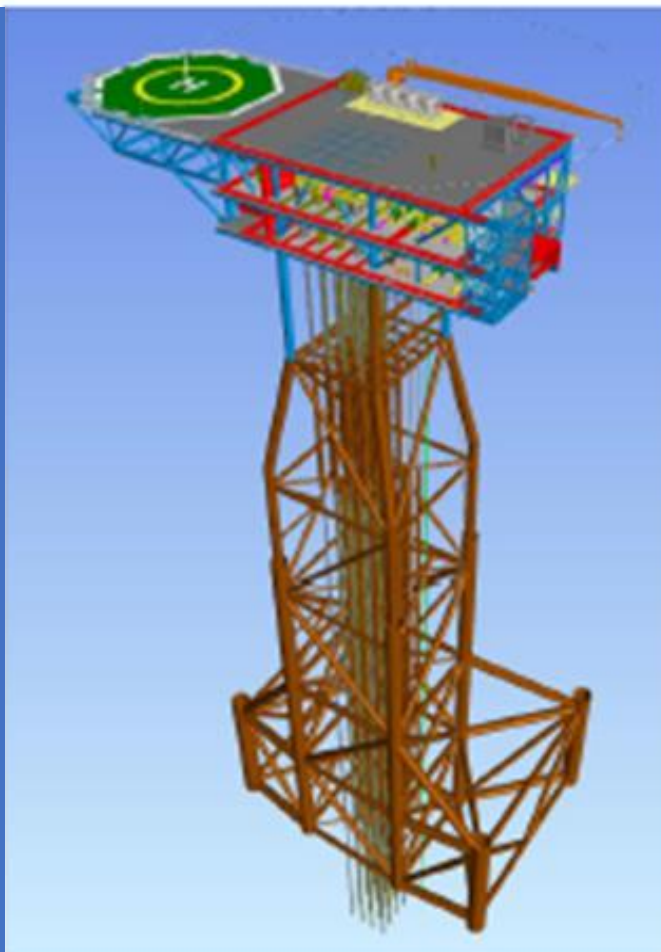
WHP, FPSO and SURF

Preliminary Field Development Plan progressed

Positive feedback received from regulator

Offshore Project Proposal complete

Currently with regulator for review



1

DORADO DEVELOPMENT

CURRENT POSITION

FPSO engineering & design

Three parties in bid process

WHP engineering & design

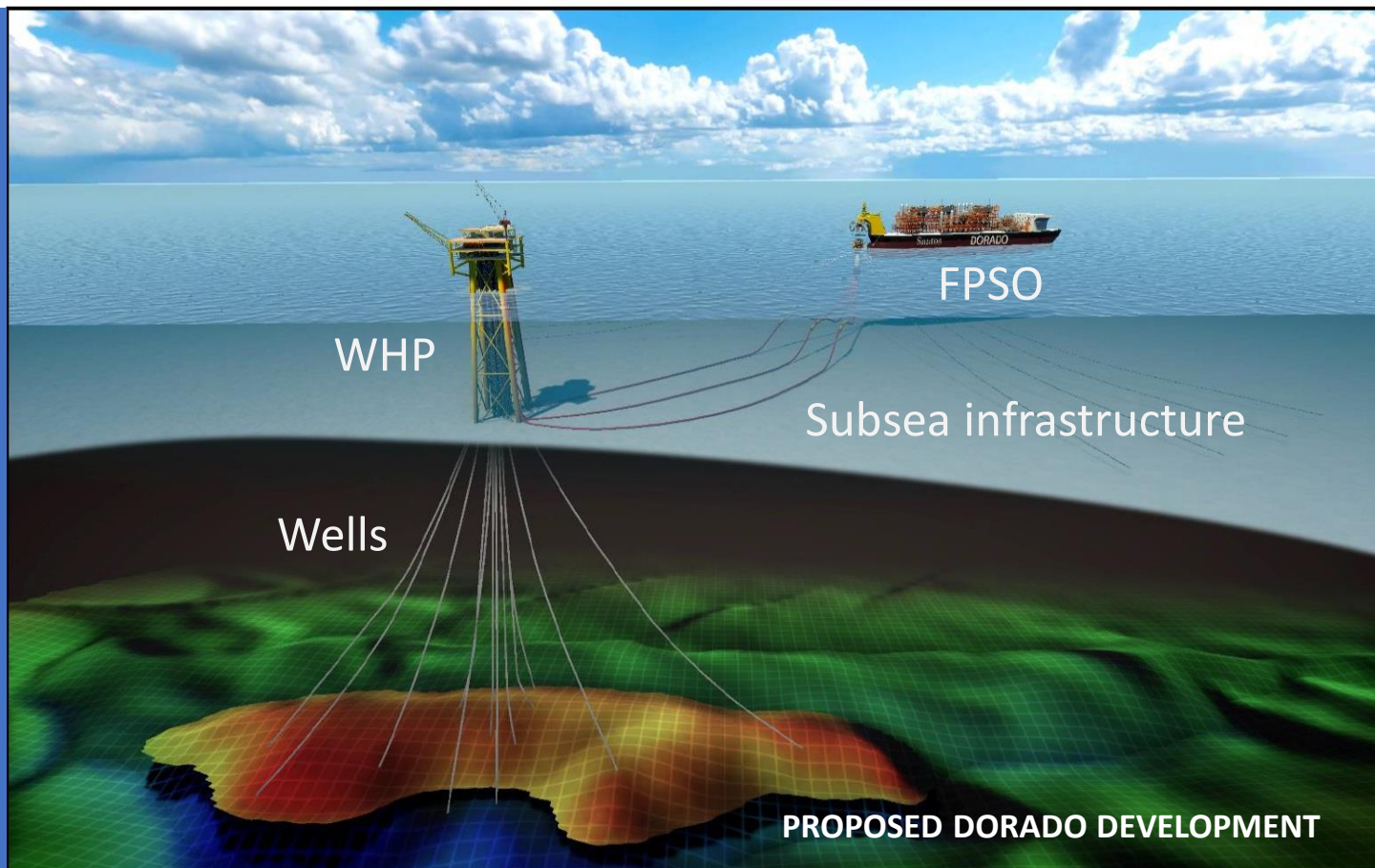
Three parties in bid process

Subsea infrastructure

In engineering phase

Field optimization planning

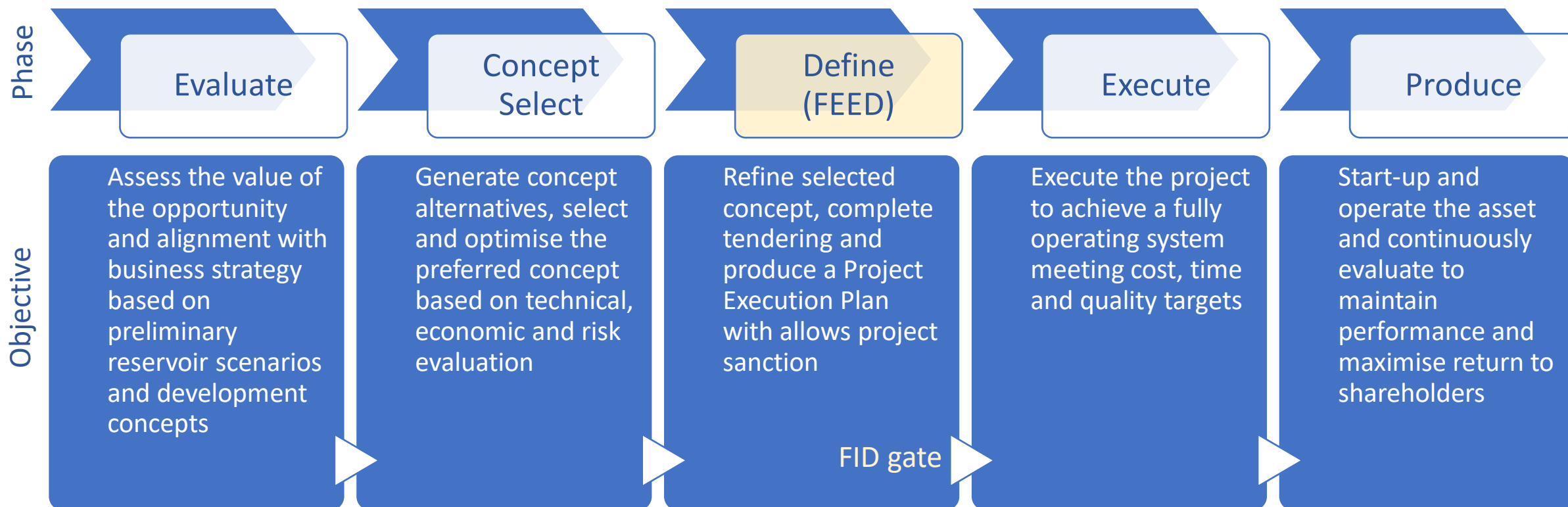
Well count and positioning
Well completion techniques



1

DORADO DEVELOPMENT

MOVING TO FEED PHASE SHORTLY



1

DORADO DEVELOPMENT

STRONG PROJECT FUNDAMENTALS

**Attractive
investment
proposition**

Australian based asset
Large resource
Quality reservoir
High initial flow rates
Standard industry development
Shallow water depth
Experienced operator
Low production cost
Short capital payback
Meaningful near field tie back upside
Oil price linked resource

**Attractive
risk
proposition**

DORADO DEVELOPMENT

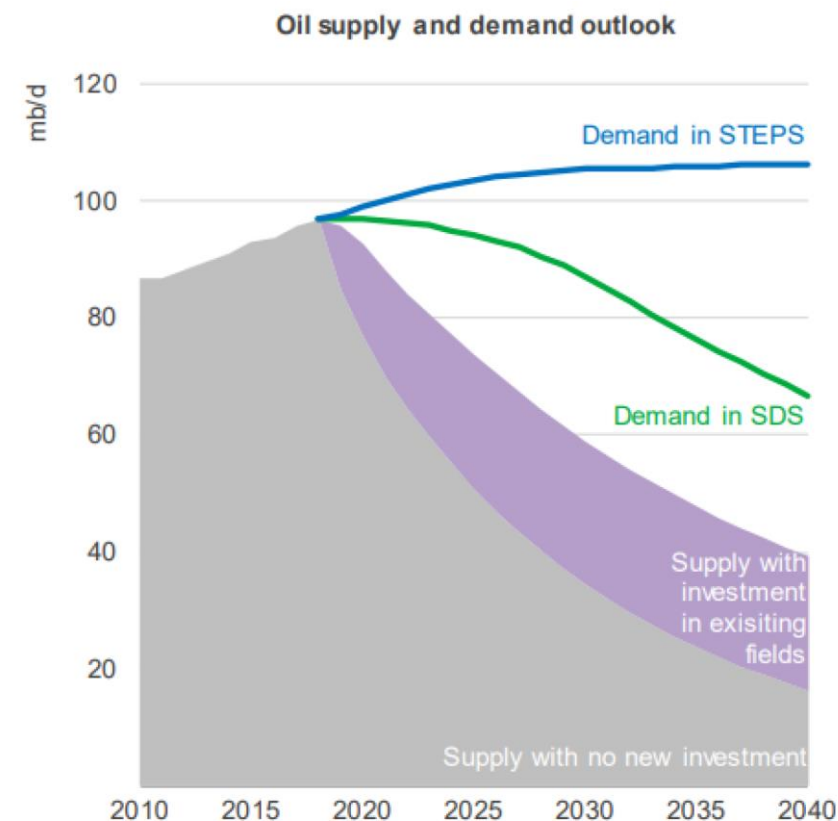
UNDER INVESTMENT AN UPSIDE RISK FOR OIL PRICES

Short term oil price outlook improving slowly

Demand recovering slowly from COVID-19 shock
Large inventory stockpiles present
Additional supply capacity exists

Medium / long term oil price outlook is strong

Oil is an important contributor to the energy supply mix
Current resources are being depleted as produced
Risk that the industry has under invested since 2016



Source: IEA, 2020

BEDOUT EXPLORATION

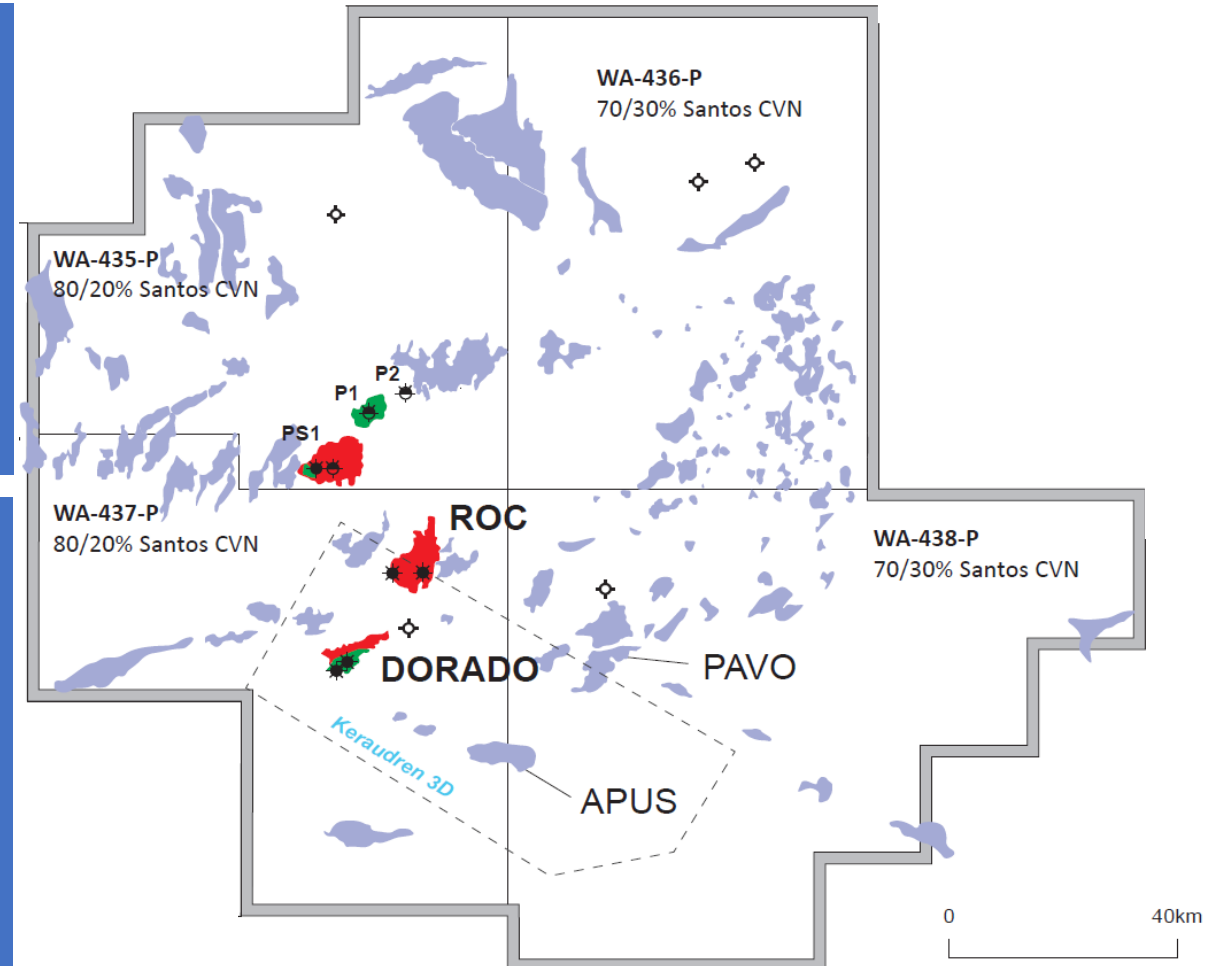
EXCITING NEW SUB-BASIN

Extensive suite of opportunities

- Liquids rich petroleum system
- Multiple play types exist
- Lightly explored region
- High drilling success in current JV

Carnarvon well positioned

- CVN an originator in unlocking sub-basin
- CVN holds 20%-30% across sub-basin
- Strategic holding now in “hot acreage”



BEDOUT EXPLORATION

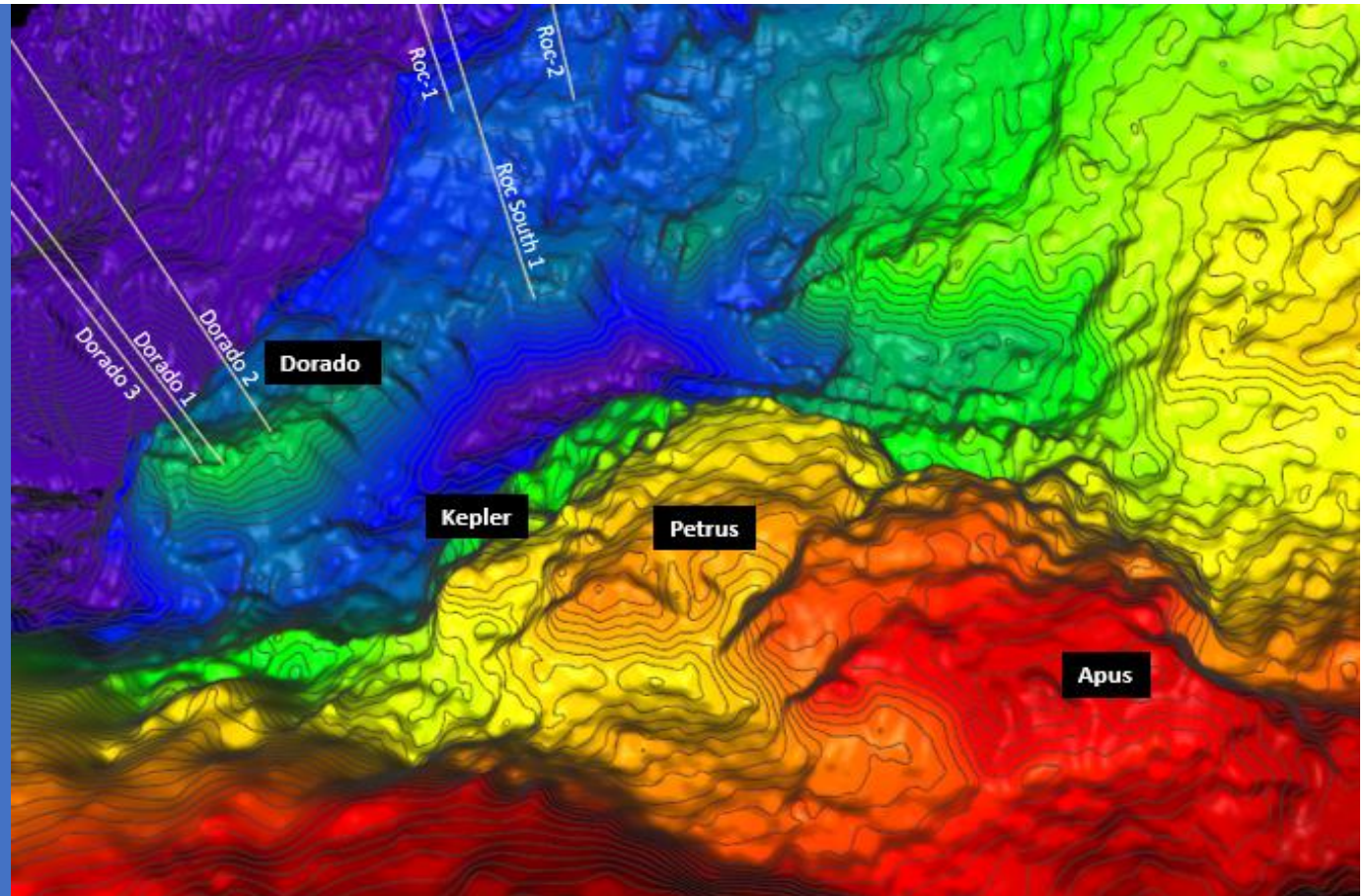
NEW SEISMIC OPENING NEAR FIELD OPPORTUNITIES

Keraudren 3D acquired in 2019

New acquisition technique used
Resulted in improved quality data
Supporting better prospect imaging

Key prospects near Dorado

Attractive targets being matured
Tie back & stand alone potential
Maturing next drilling targets
(including *Petrus*, *Apus* & *Pavo*)



EXPLORATION PORTFOLIO

NORTH WEST SHELF FOCUS

Broad exploration portfolio

With a suite of different play types

Low commitment holdings

Acquired in low oil price cycles

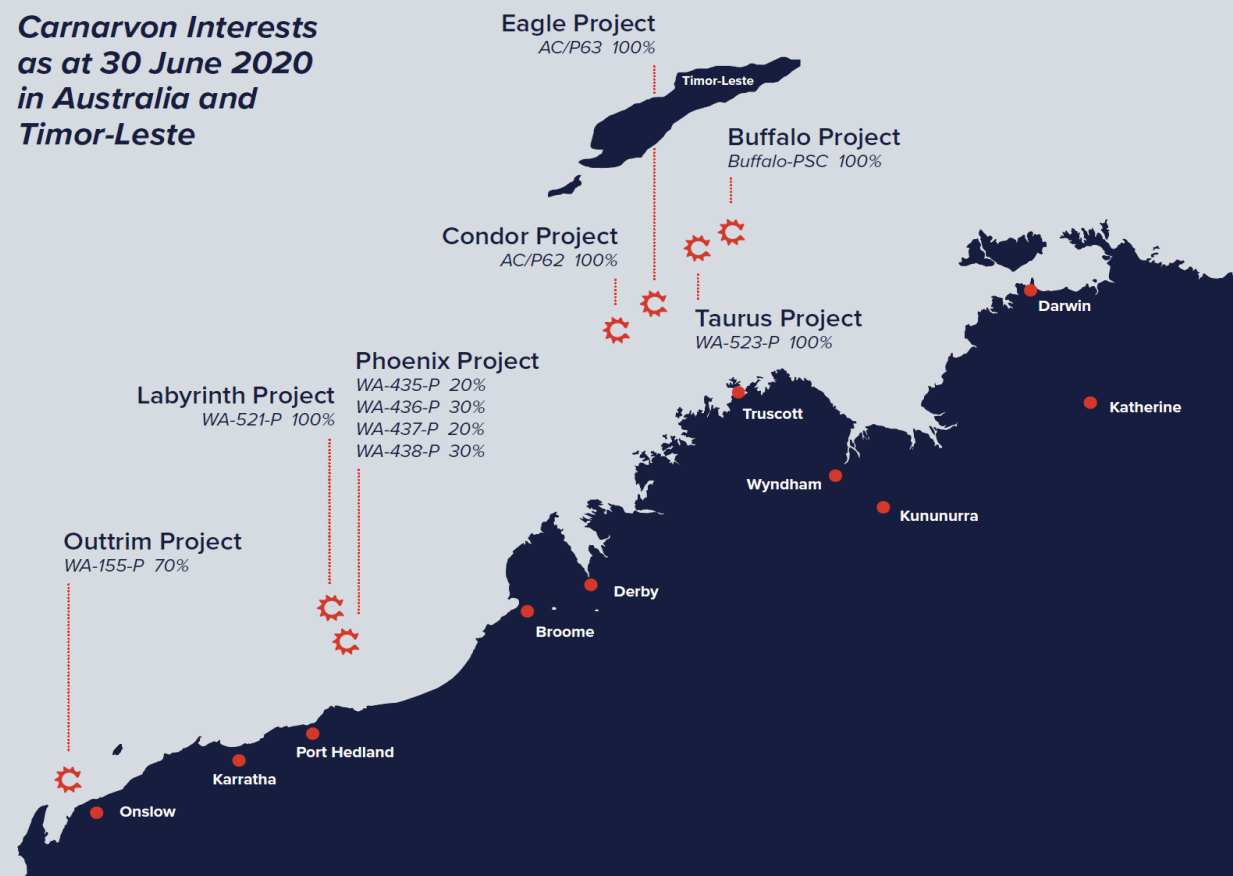
Valuable resource potential

In shallow water & liquids focused

High equity levels to farm down

Enables appropriate risk sharing

*Carnarvon Interests
as at 30 June 2020
in Australia and
Timor-Leste*



3

DIVERSE PORTFOLIO

BUFFALO OIL FIELD OPPORTUNITY

Former oil field

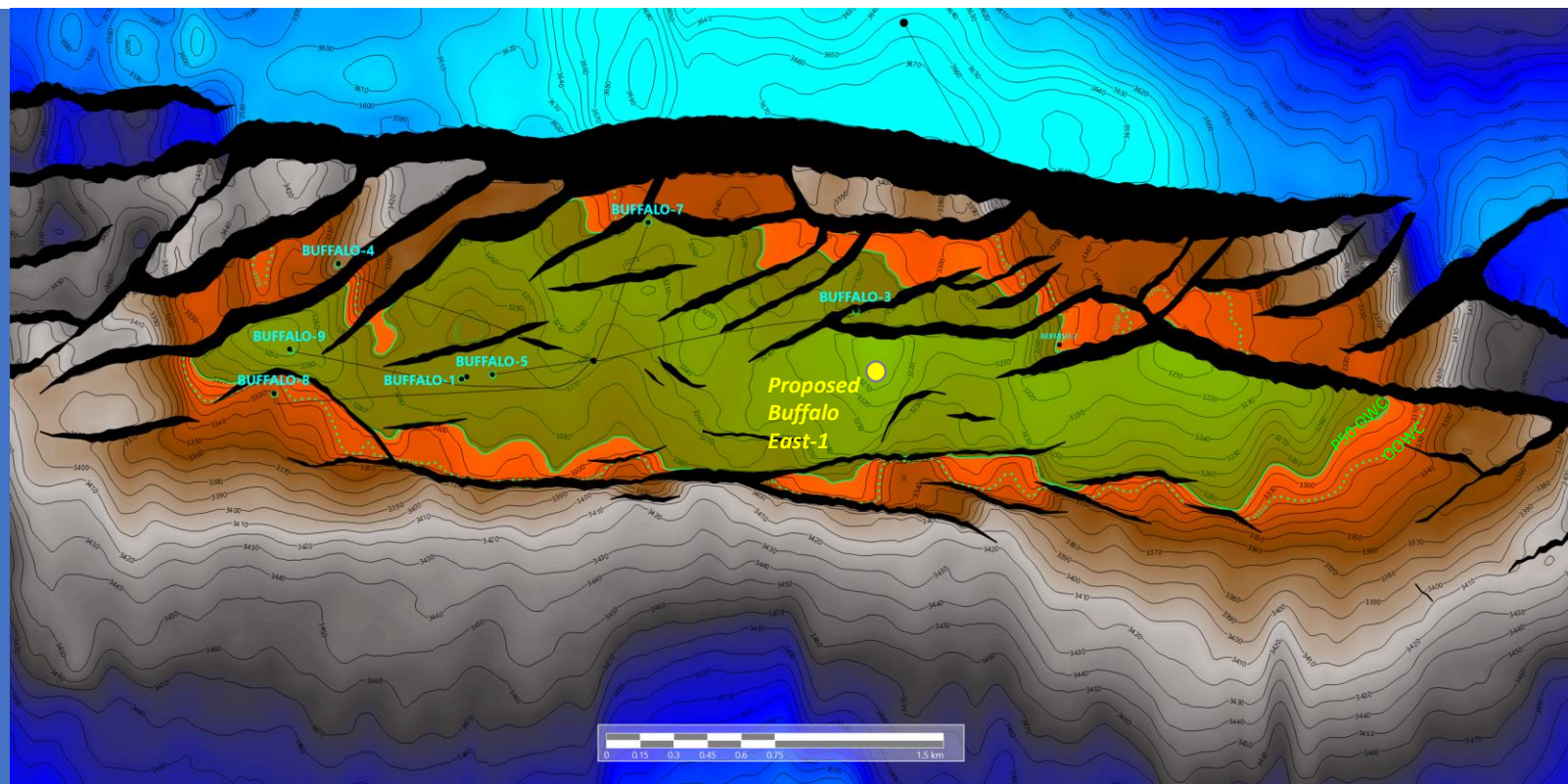
Produced 20 mmbbls

Redevelopment

Test unproduced attic

Robust economics

Low cost development



FINANCIAL OVERVIEW

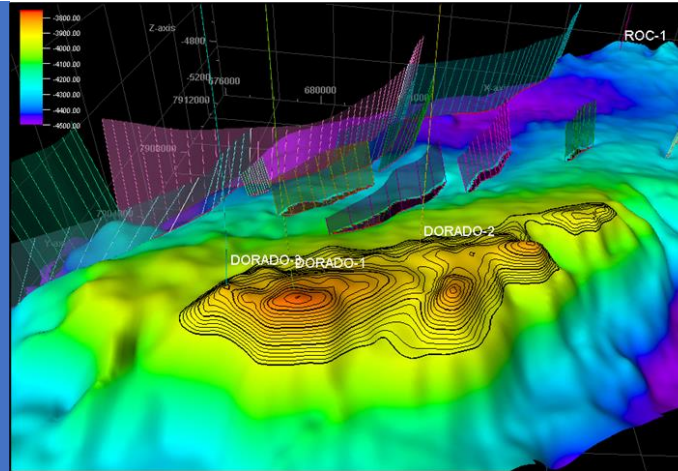
STRONG BALANCE SHEET & FUNDING OPTIONS

Balance sheet remains strong

Cash in excess of \$110 million

No debt

No material near term commitments



Dorado oil & gas field

Very large resource

In Australia

Near field upside

CVN holds 20%

Capital management and maturing multiple funding options will be a key focus in 2021

Significant in bound bank and capital provider interest in funding the Dorado development

Dorado construction costs to firm as bids finalized with contractors in late 2020 / early 2021

Dorado aiming to be investment ready in 2021 with FID timing subject to business conditions

QUESTIONS

1

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