

Phoenix South-1 Well Update

20 August 2014



Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) is pleased to advise that the Phoenix South-1 well has completed drilling to a depth of 4,595 metres measured depth ("MD") after encountering the Locker shale.

A further two minor sands were encountered during the additional 55m of drilling. While quantitative analysis has not been undertaken on these two 10m sands, preliminary indications from the real-time logging data are that these are both hydrocarbon bearing.

Currently the rig is undertaking activities to leave the well in a safe condition, and it is anticipated that the rig will leave location by the end of this month. The cost estimate for the well to completion, including additional drilling, is within the previous guidance of approximately A\$6 million net to Carnarvon.

The equity interest holders in WA-435-P are:

Carnarvon Petroleum	20%
Apache Energy (Operator)	40%
JX Nippon	20%
Finder Exploration	20%

For all enquiries please contact:

Shareholder Enquiries

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Yours faithfully

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

Adrian Cook
Managing Director
Carnarvon Petroleum