



CARNARVON
PETROLEUM LTD

ASX: CVN

Investor presentation

March 2016

Disclaimer



The Resource estimates outlined in this report were reviewed by the Company's Chief Operating Officer, Mr Philip Huizenga, who is a full-time employee of the Company. Mr Huizenga has over 20 years' experience in petroleum exploration and engineering. Mr Huizenga holds a Bachelor Degree in Engineering and a Masters Degree in Petroleum Engineering. Mr Huizenga is qualified in accordance with ASX Listing Rules and has consented to the form and context in which this statement appears.

All continent and prospective resources presented in this report are prepared as at 17 March 2016 per the Company's announcement released to the ASX on 17 March 2016. The estimates of contingent and prospective resources included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the SPE-PRMS. RISC is an independent energy advisory group whose expertise is in petroleum reservoir evaluation and economic analysis. The continent and prospective resources presented in this report are based on information compiled by professional staff members who are full time employees RISC. 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.

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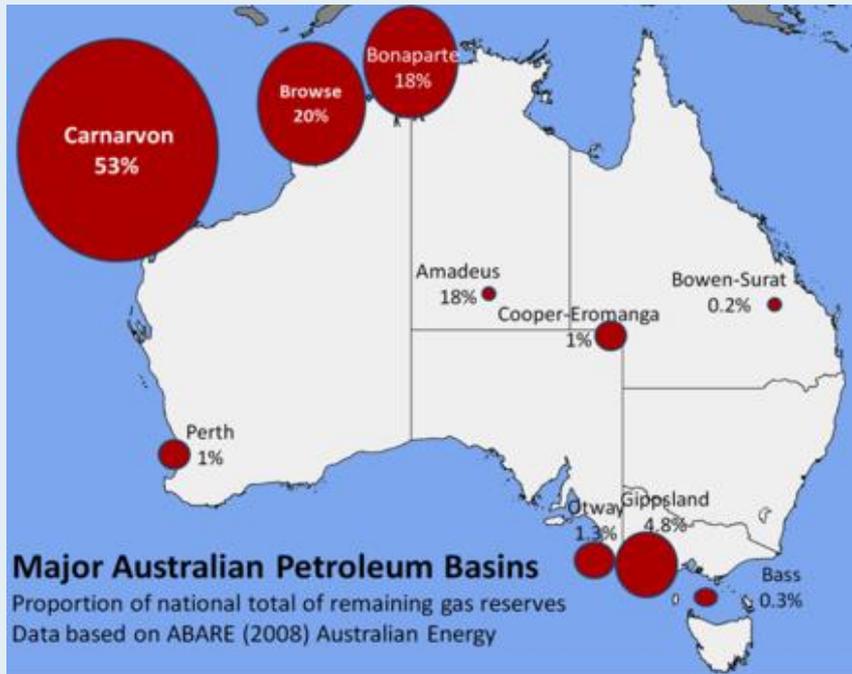
Carnarvon’s strategy is to leverage its intellectual property to **profit** from oil and gas projects on the NWS.

Examples of how we go about achieving our strategy include:

- Early positioning into new untested resource plays - Cerberus;
- Applying new technology or data to previously discovered resources - Phoenix;
- Improving resource scale or cost structures to create economic projects - Outtrim.

Our objective is to be inventive, adaptive and pragmatic.

North West Shelf of Australia



Carnarvon has extensive data, knowledge and experience on the NWS.

This point of difference appeals to current and prospective partners.

The NWS contains a significant portion of Australia's hydrocarbons in the Carnarvon, Browse and Bonaparte basins.

Australia also offers efficient and stable legal and fiscal regimes that make capital investment and profit distributions effective for Australian shareholders.

Carnarvon's financial standing (ASX: CVN)

- **\$80 million** market capitalisation
- **\$100 million** of cash, no debt
- **\$45 million*** receivable from future oil sales (up to)
 - Calculated as 12% of 20% of Thailand oil field revenue
 - Cash of \$1.1 million* received from scheduled first payment
- **\$8 million** cost carry on Roc-2 well net to Carnarvon
- **\$16 million** net profit after tax for the financial year ended 30 June 2014
- **\$25 million** net profit after tax for the financial year ended 30 June 2015

* US\$ converted at an exchange rate of 0.70



Phoenix Project (CVN: 20% - 30%)

Holding a tiger by the tail

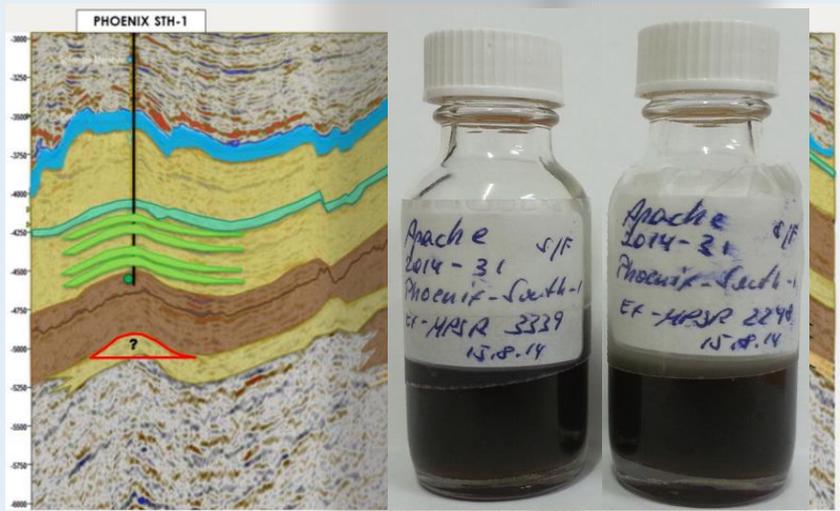
2014 Phoenix South-1 oil discovery

Phoenix South-1 well discovered high quality light oil in the Barrett member in lower Triassic reservoir.

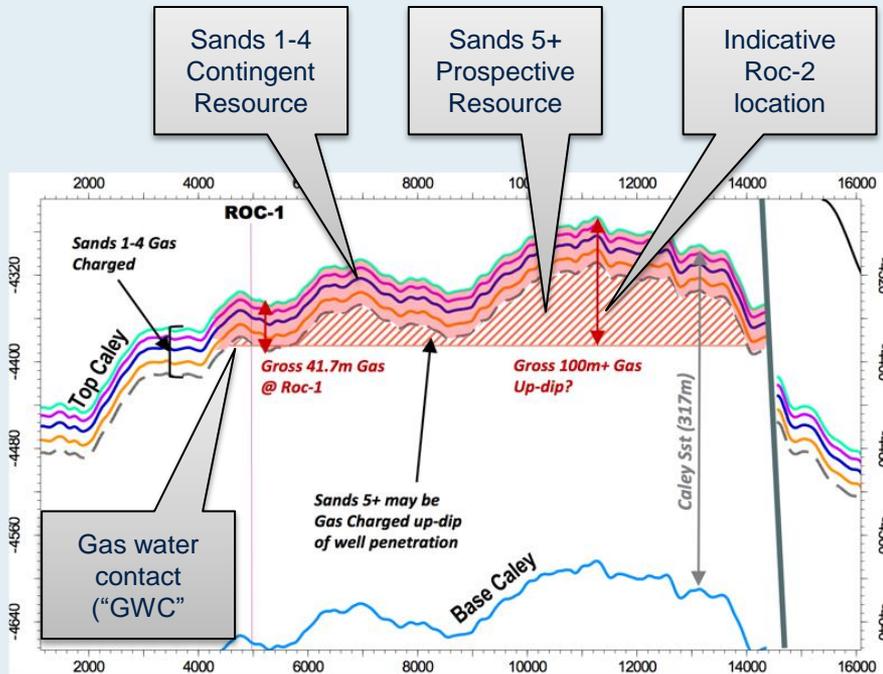
Phoenix South-1 well did not reach the Caley member that contains the condensate rich gas discovered in the Roc-1 well.

Carnarvon is of the view that the Phoenix South structure warrants future appraisal and work continues on this resource.

The Phoenix South structure could be an attractive and highly valuable tie back resource to a Roc development hub.



2016 Roc-1 Gas-condensate discovery



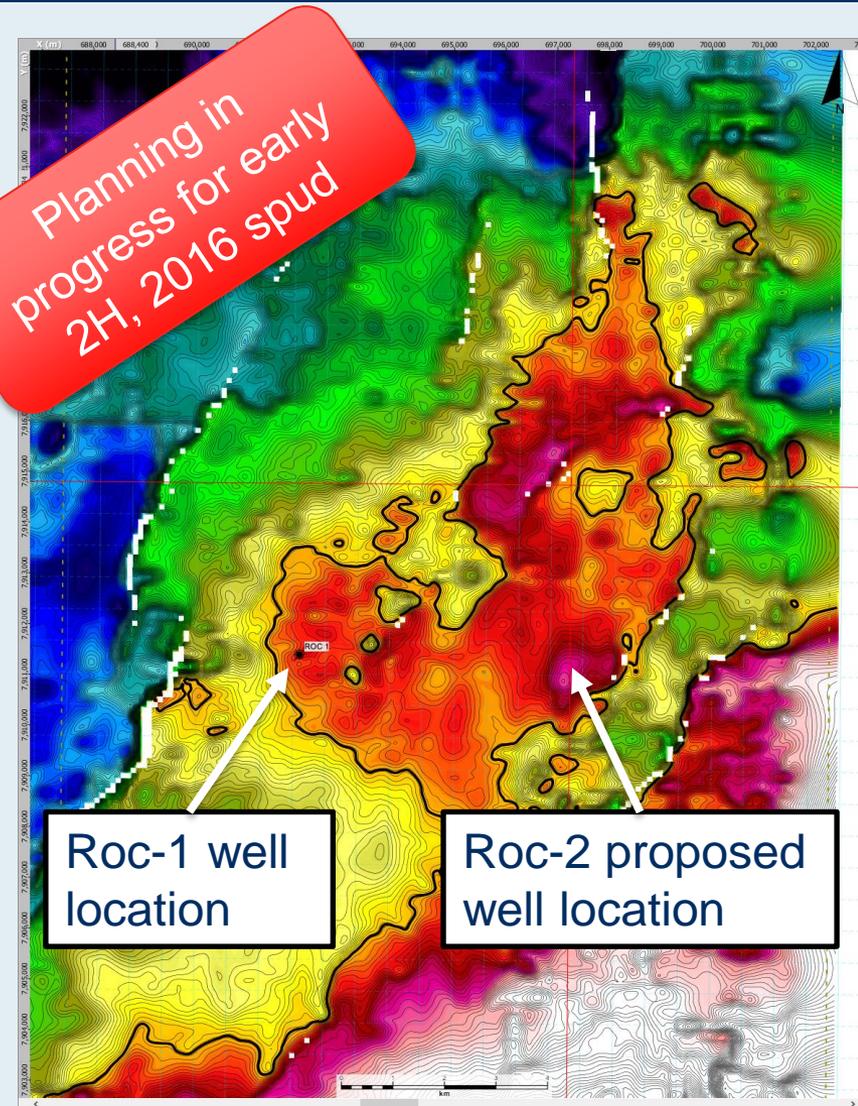
Roc-1 well discovered condensate rich gas in conventional quality reservoir around 20 kilometres from the Phoenix South-1 well.

Roc-1 well intersected the edge of a large structure and importantly intersected the gas water contact ("GWC").

The joint venture partners agree the Roc structure warrants appraisal.

Roc-2 well is being planned to appraise the extent to which hydrocarbons exist up dip of Roc-1.

2016 Roc-2 appraisal well



Extensive formation evaluation of the Roc-2 well is being planned, including:

- coring 120 metres through the reservoir section; and
- drill stem test to flow hydrocarbons to surface

Roc-2 appraisal well location is around 5 kilometres east and around 65 metres up dip of Roc-1.

The Roc structure covers a substantial 45km² at the best or mid case volume estimate.

2016 Roc field volumetric estimate*

The Roc-1 well discovered a 2C recoverable resource of 270 bscf of gas and 13 million barrels of condensate.

This Contingent Resources reflect the assessment of the discovered hydrocarbon column across the entire structure.

In addition the best estimate of recoverable Prospective Resources in the Roc structure is 193 bscf of gas and 9 million barrels of condensate.

The additional Prospective Resources reflect the assessment of the good quality reservoir sands intersected in the Roc-1 well below the interpreted gas water contact which are anticipated to be hydrocarbon bearing in the updip location as targeted by the proposed Roc-2 well.

The estimated minimum economic field size is 325 bscf of gas and 17 million barrels of condensate.

** Refer Carnarvon's ASX announcement of 17 March 2016 for full details of the volume estimate. Carnarvon has a 20% interest in the above resources.*

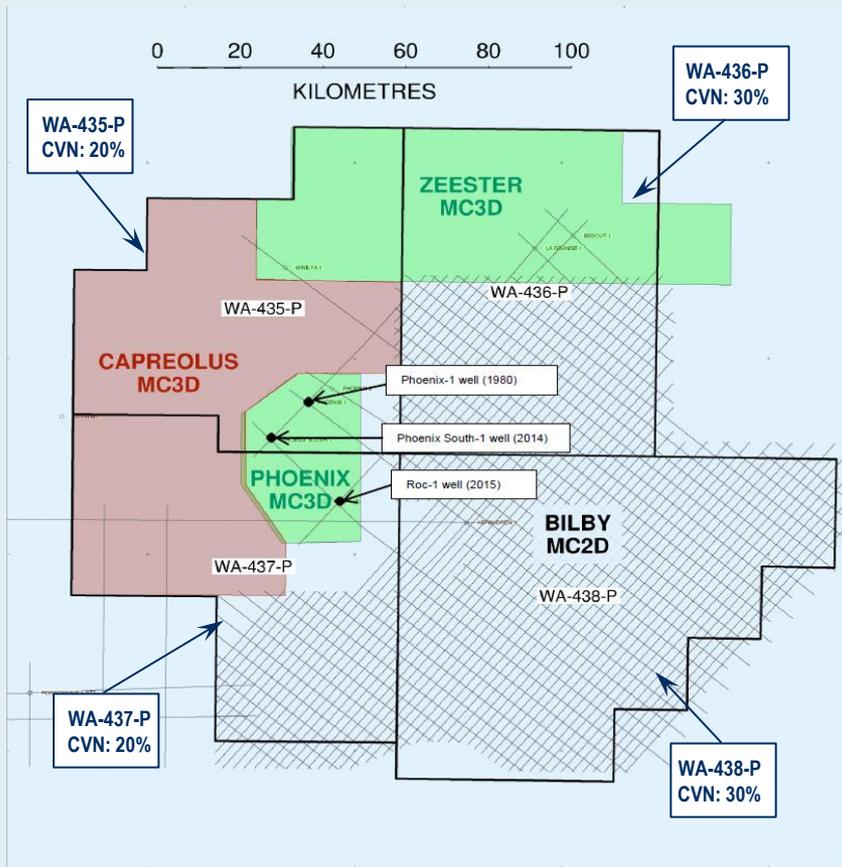
Roc field volumetric estimate*

Contingent Resource	Low Estimate (1C)	Mid or best Estimate (2C)	High Estimate (3C)
Recoverable gas (Bscf)	42	270	372
Recoverable condensate (MMSTB)	2	13	18

Prospective Resource	Low Estimate	Mid or best Estimate	High Estimate
Recoverable gas (Bscf)	87	193	328
Recoverable condensate (MMSTB)	4	9	16

* Refer Carnarvon's ASX announcement of 17 March 2016 for full details of the volume estimate. Carnarvon has a 20% interest in the above resources. These resources are calculated using probabilistic methodology.

2017+ Detailed basin evaluation



Carnarvon is a leader in discovering a new hydrocarbon province on the NWS with its partners.

- Phoenix South-1 well discovered high quality light oil in late 2014
- Roc-1 well discovered condensate rich gas in early 2016

Science shows the basin holds prolific hydrocarbon generating source rocks.

New 3D & 2D data shows significant volume potential from additional prospects and leads in ~22,000km² acreage position.

We're potentially holding a tiger by the tail in this acreage!

2017 to 2020+ Planning, design and development

Preliminary Roc development concept incorporates:



- Standalone FPSO with expansion for additional resource tie backs;
- Central well head platform
- Gas export pipeline to shore for domestic gas supply
- Initial plateau rates of 250mm scf/day and 20,000 bbls/day liquids

First gas / condensate anticipated 2020+.

Indicative 500Bcf and 25 mmbbl field development has a capital investment of US\$1.6 billion gross and produces free cash flow of US\$2.8 billion gross.

2020+ Development tie ins



Economics significantly enhanced with additional tie-in's to a Roc development.

Phoenix South being considered for potential tie in resources.

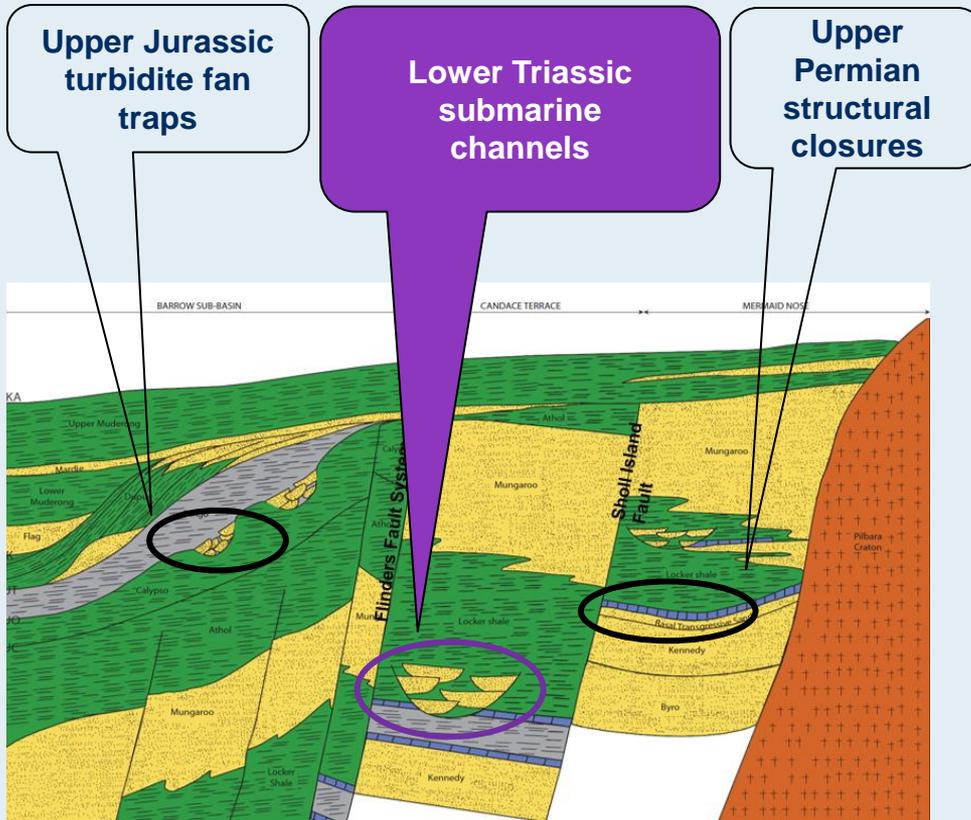
Significant prospective resources also being identified on the new 3D and 2D seismic within a ~40 kilometre tie in radius.



Cerberus Project (CVN: 100%)

Leveraging Triassic knowledge

Playing to Carnarvon's technical strength



Carnarvon secured the Cerberus project in 2014 for its lower Triassic potential, similar to that subsequently discovered in the Phoenix South-1 and Roc-1 wells.

Carnarvon is building important knowledge of the Triassic stratigraphy on the NWS.

Technical work in there permits have identified substantial resource bearing prospects in Triassic stratigraphy and in “classic” North West Shelf Jurassic and Permian stratigraphy.

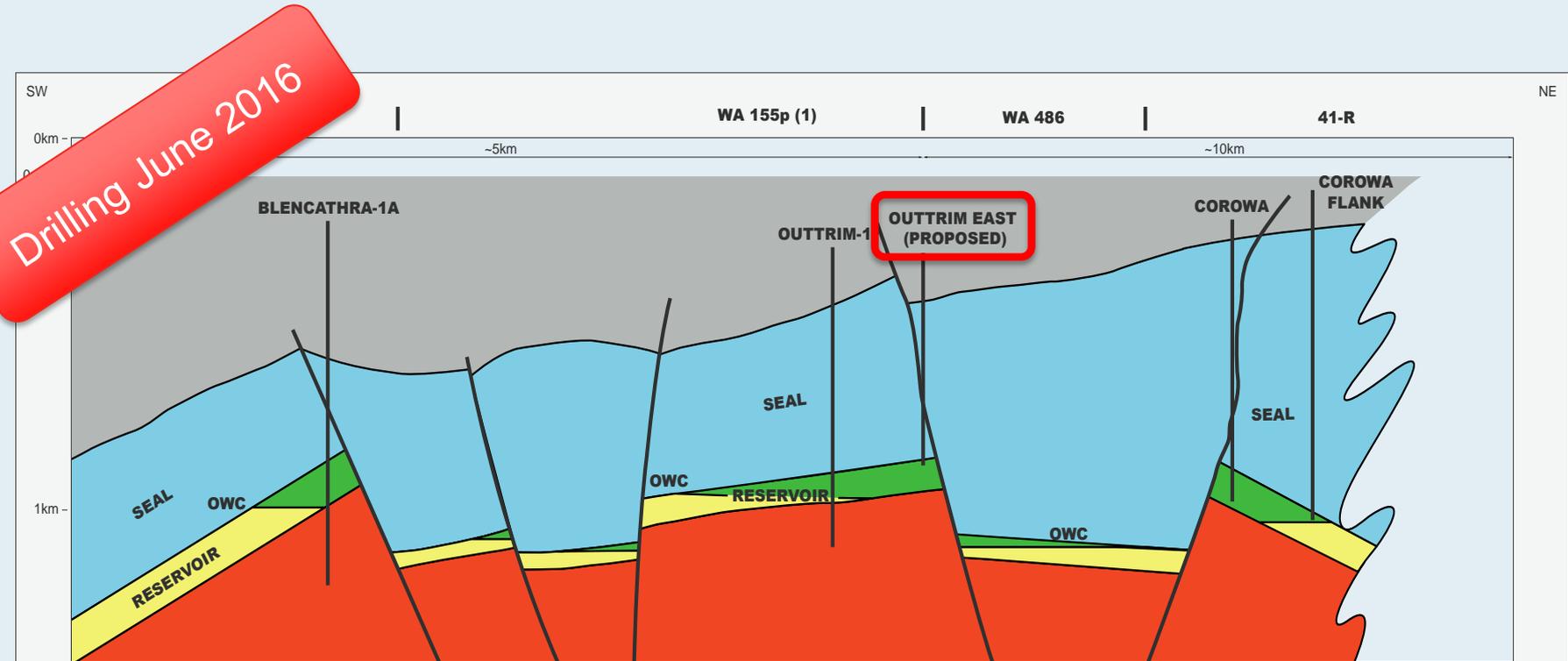
Application for approvals for drilling operations are currently in progress.



Outtrim Project (CVN: 28.5%)

Proving upside potential

Outtrim East-1 well



The Outtrim East-1 well is scheduled to be drilled with the Noble Tom Prosser rig, to test the extent of the Outtrim-1 oil discovery and new oil charged sands to the north and east of the Outtrim-1 well. Reinterpretation of 3D seismic data indicates significant pay potential in this proven oil bearing target.



Board and management

Relevant experience

Carnarvon Board of Directors



Peter Leonhardt – Chairman

Peter has been a non-executive director in public listed companies for over 15 years and has extensive business, financial and corporate experience. He is a former Senior Partner with PricewaterhouseCoopers and Managing Partner of Coopers & Lybrand in Western Australia. His professional career with the firm spanned 35 years in Australia and overseas.



Adrian Cook – Managing Director & Chief Executive Officer

Adrian's executive experience is in commercial and financial management. Immediately prior to joining Carnarvon, Adrian was the Managing Director of Buru Energy Limited and held senior executive positions within Clough Limited's oil and gas construction business and with ARC Energy Limited, a former ASX listed oil and gas exploration and production company that he was involved in merging with AWE Limited.



Ted Jacobson – Non-Executive Director

Ted is a petroleum geophysicist with extensive experience in petroleum exploration in Australia. Ted's entrepreneurial initiatives include co-founding Discovery Petroleum and Tap Oil Ltd, the later growing to a market capitalization of over \$400 million under his technical leadership. Ted has a strong technical understanding of the North West Shelf of Western Australian.



Bill Foster – Non-Executive Director

Bill is an engineer with extensive technical, commercial and managerial experience in the energy industry, covering particularly M&A, project financing and marketing. Bill has held several independent director positions in public listed companies and was a senior advisor to a major Japanese trading company in the development of their global E&P and LNG activities.



Dr Peter Moore – Non-Executive Director

Peter has extensive experience in exploration and production in Australia and internationally gained through senior roles with a number of globally recognised companies. Peter led Woodside's worldwide exploration efforts as the Executive Vice President Exploration reporting to the CEO and was the Head of the Geoscience function (Exploration, Development, Production, M&A).

Carnarvon executive team



Philip Huizenga – Chief Operating Officer

Philip is a petroleum Engineer with nearly 20 years in the oil and gas industry encompassing drilling, logging and production on offshore and remote locations throughout Australian, Asia and the Americas. Phil was previously with Tap Oil during an active period exploring and producing in the North West Shelf.



Dr Stephen Molyneux – Exploration Manager

Stephen has significant experience in exploration seismic interpretation and development geology. He has had a successful career discovering oil and gas in senior roles with Origin Energy, Premier Oil Norway, Oilexco North Sea, PanCanadian and Enterprise Oil North Sea.



Dr Jeff Goodall – Chief Geologist

Jeff has over 30 years experience in exploration and development geology throughout Australia, South East Asia and the North Sea. He was a Senior Staff Geologist for 14 years with Santos experiencing significant exploration success during that time in Australia and South East Asia.



Andrew Padman – Exploration Advisor

Andrew has nearly 40 years experience in the upstream petroleum exploration & production industry, working on new venture, exploration and exploitation projects in the sedimentary basins of S.E. Asia for companies including Exxon, Woodside Petroleum, Premier Oil, Newfield and ARC Energy.



Thomson Naude – Chief Financial Officer and Company Secretary

Thomson is a finance executive responsible for the overall financial management of the Carnarvon business. Thomson is a Chartered Accountant with experience in auditing, financial reporting and commercial transactions including the divestment of Carnarvon's Thailand production assets.



Conclusion

NWS exploration specialist

Clear strategy and tactics for growth





Think different

Act different