

CVN presenting at Good Oil Conference

12 September 2019



Latest Highlights

- Dorado-3 well flow testing is due to commence shortly following positive wireline logging results
- Dorado-2 appraisal well successfully confirmed a large deposit of liquids (oil & condensate) and gas
- Buffalo project is progressing with the recent PSC signing and three well EP being granted

Carnarvon Petroleum CEO Adrian Cook will present at the Good Oil Conference in Perth today and the Company is pleased to share the latest Investor Presentation (attached).

A number of major milestones have been achieved in recent weeks and the Company provides the following update.

Significant Progress at Dorado

As previously reported, wireline logging of the Dorado-3 well has successfully confirmed hydrocarbon bearing reservoir within the Caley, Baxter and Crespin intervals.

In the Caley reservoir, being the primary target, the Dorado-3 well intersected predominantly oil bearing hydrocarbons in high-quality reservoir. Pressure data indicates the reservoir is in communication with the equivalent reservoirs encountered in the Dorado-1 and Dorado-2 wells.

In the Baxter reservoir, a secondary target, the wireline logging also confirmed that a hydrocarbon column was encountered with no water contact identified. Pressure data also indicates the column is in communication with the equivalent reservoirs encountered in the Dorado-1 and Dorado-2 wells.

These results strongly supported proceeding to flow testing operations which are expected to be reported on between late September and early October 2019.

PSC signed with Timor-Leste Government and EP approved for the drilling of three wells

Carnarvon Petroleum CEO Adrian Cook was in Dili a fortnight ago to sign the Buffalo Production Sharing Contract (PSC) with the Timor-Leste Government. The PSC is on Australian fiscal equivalent terms as was agreed with the Australian Government as part of a change in the maritime boundary between the two countries.

The Timor-Leste Government has also adopted the Environmental Plan for Buffalo previously approved by Australia, clearing the way to drill three wells into this oil field project.

Commentary

CEO Adrian Cook said: *"These events mark significant progress in the Company's evolution. Last year was all about the discovery of the Dorado field. In 2019 our focus has been on its appraisal and advancing the Buffalo project. The aim for 2020 is finalise development plans for the Dorado project and to test the Buffalo resource*

so that it too can proceed to development phase. Overall, the Company is in a very strong position with a robust balance sheet and a line of sight to multiple development projects that are expected to generate substantial production outcomes for Carnarvon in the future.”

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**A UNIQUE EXPOSURE
TO THE WORLD CLASS
DORADO DISCOVERY**

SEPTEMBER 2019



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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 and 30 June 2019 pursuant to the Company's ASX announcements released to ASX on 28 August 2017, 23 April 2018, 20 August 2018, 15 October 2018 and 15 July 2019. 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.

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Opening

CARNARVON
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A regional focus proving successful

85

Dorado & Roc net 2C volume (mmbboe)¹

31

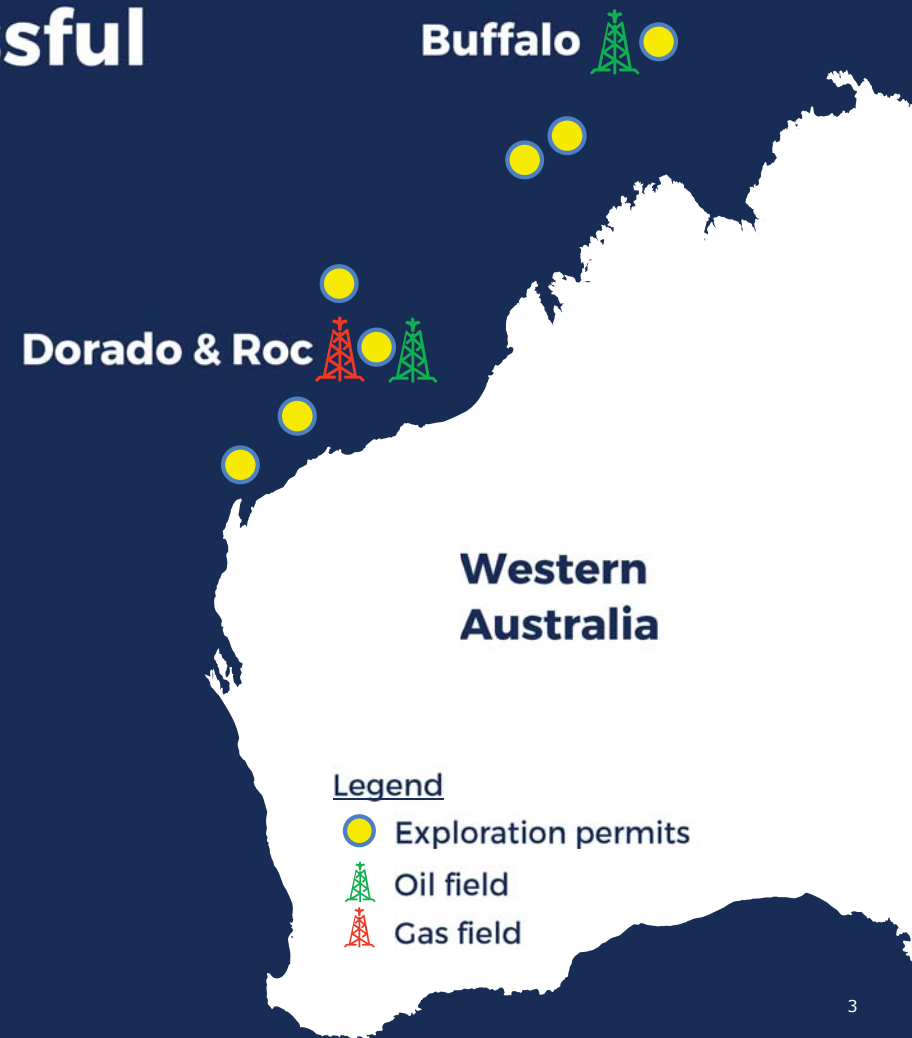
Buffalo net 2C volume (mmbbls)¹

139

Cash as at 30 August 2019 in A\$m and no debt

585

Market value at 37.5 cps in A\$m (ASX code : CVN)



1. Refer to resources information contained in annexure slides

Dorado

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A local world class resource

4

Hydrocarbon bearing sands

present across Caley, Baxter, Crespin and Milne

3

Hydrocarbon “products”

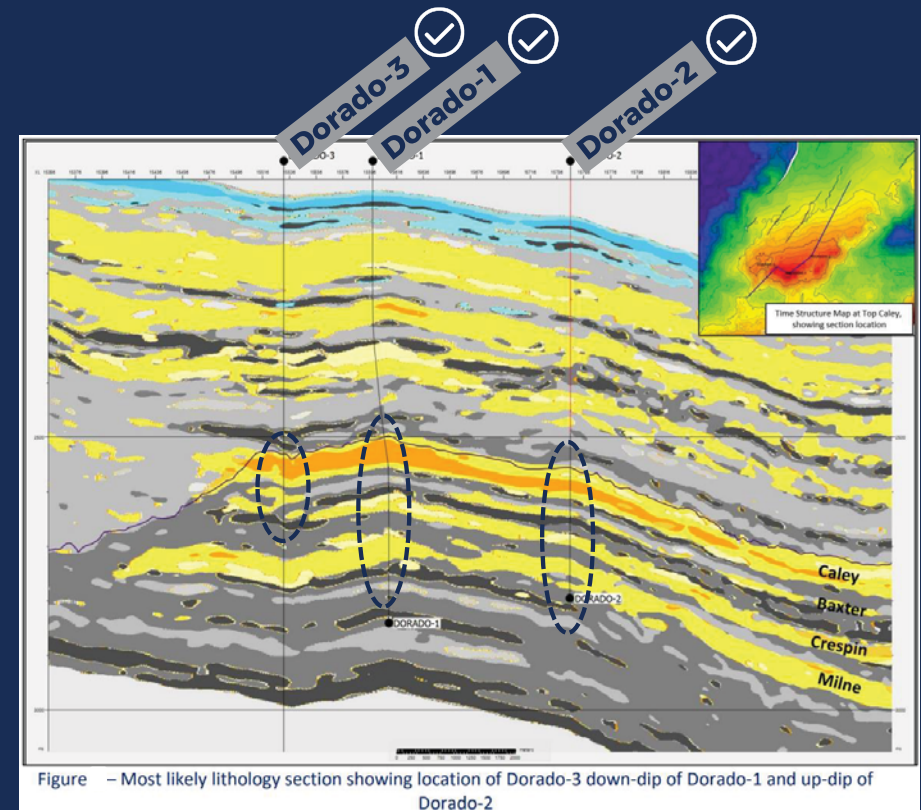
in terms of liquids (oil & condensate), gas and LPG's

2019

Dorado-2 de-risked static uncertainties
such as reservoir connectivity and volumes in 2019

Now

Dorado-3 flow testing to answer
production flow uncertainties and fluid properties



Initial focus on developing large liquids resource

162

Liquids production (oil & condensate)
initial focus (Gross 2C mmbbls: CVN 20%)¹

90

Shallow water depth (metres)

2020

Engineering design work (FEED)
expected to commence in early 2020

FID

Final investment decision for oil field
development expected to follow FEED completion



1. Refer to resources information contained in annexure slides

Gas potential in oil recovery & future production

748

Gas in Dorado field

(Gross 2C bcf : CVN 20%)¹

332

Gas in Roc field

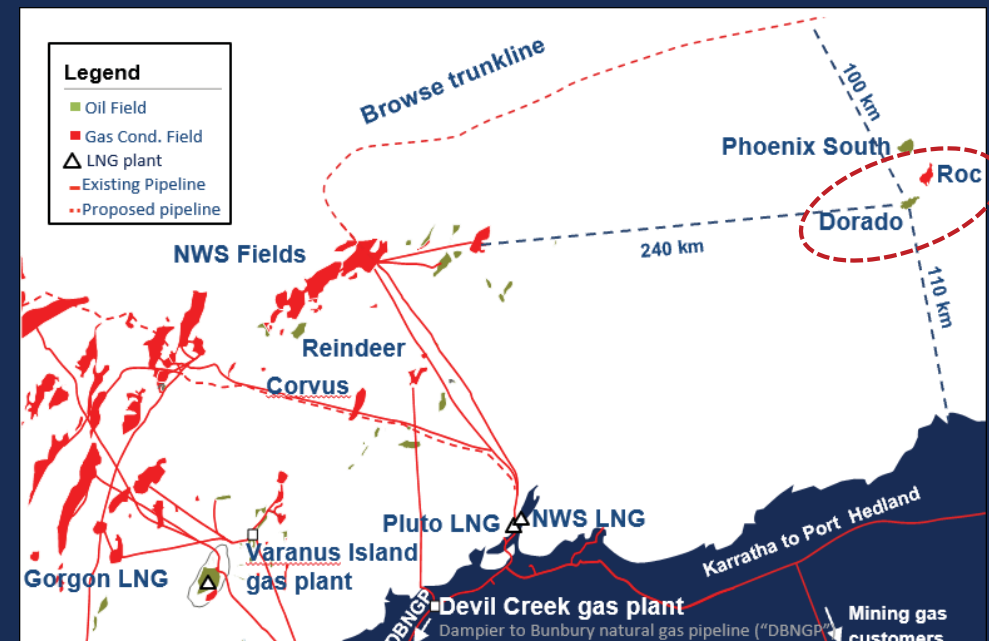
(Gross 2C bcf : CVN 20%)¹

110

Fields proximal to shore and domestic gas infrastructure (Distance in kilometres)

240

Fields proximal to existing LNG infrastructure (Distance in kilometres)



1. Refer to resources information contained in annexure slides

Dorado

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Extensive exploration opportunities

8

Successful wells drilled by CVN and partners proves new working petroleum system

1

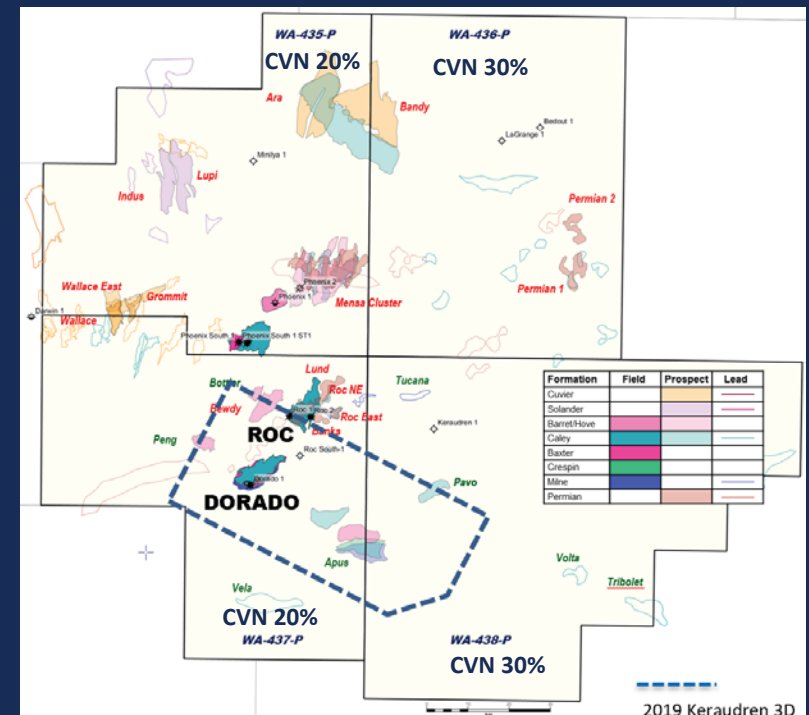
Roc South-1 exploration well in 2019 did not discover hydrocarbons – will refine our modelling

2,140

New 3D survey completed in 2019 for Dorado development + new near field exploration (km²)

2020

Plan is to assess new 3D data in early 2020 while preparing for future exploration programs



Buffalo

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Bordering on a new future

New

PSC signed with Timor-Leste in August 2019
on Australian fiscal equivalent terms

3

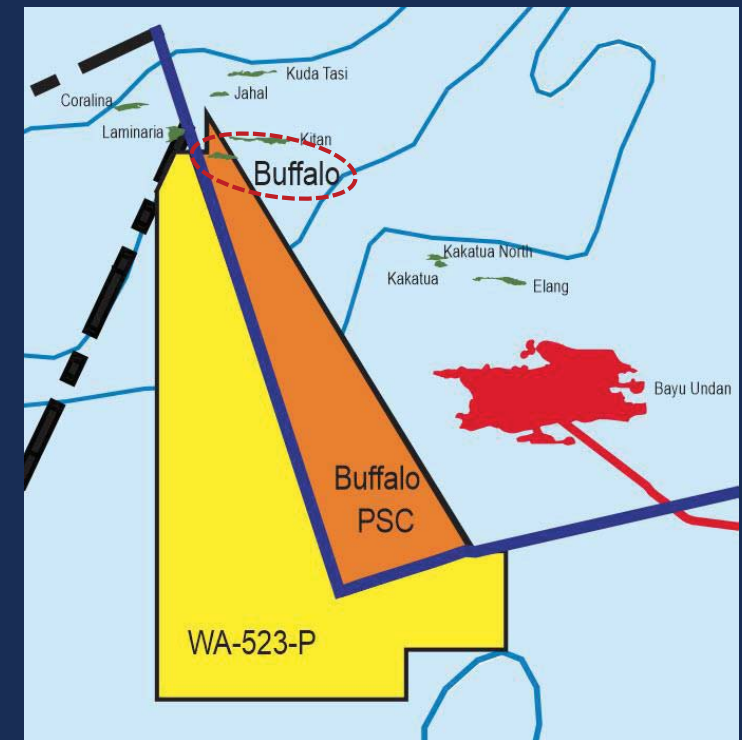
EP wells approved by the Australian
Government and adopted by Timor-Leste

31

Drilling plans in progress for first well to confirm
31 mmbbls in recoverable oil estimate (2C : CVN 100%)¹

Now

Expressions of interest sought from potential
partners to join CVN in the project [in progress]



1. Refer to resources information contained in annexure slides

Buffalo

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Working in a proven hydrocarbon region

1996

Buffalo field discovered by BHP with the field brought into production in 1999

20

Million barrels produced from the Buffalo oil field between 1999 and 2004

50,000

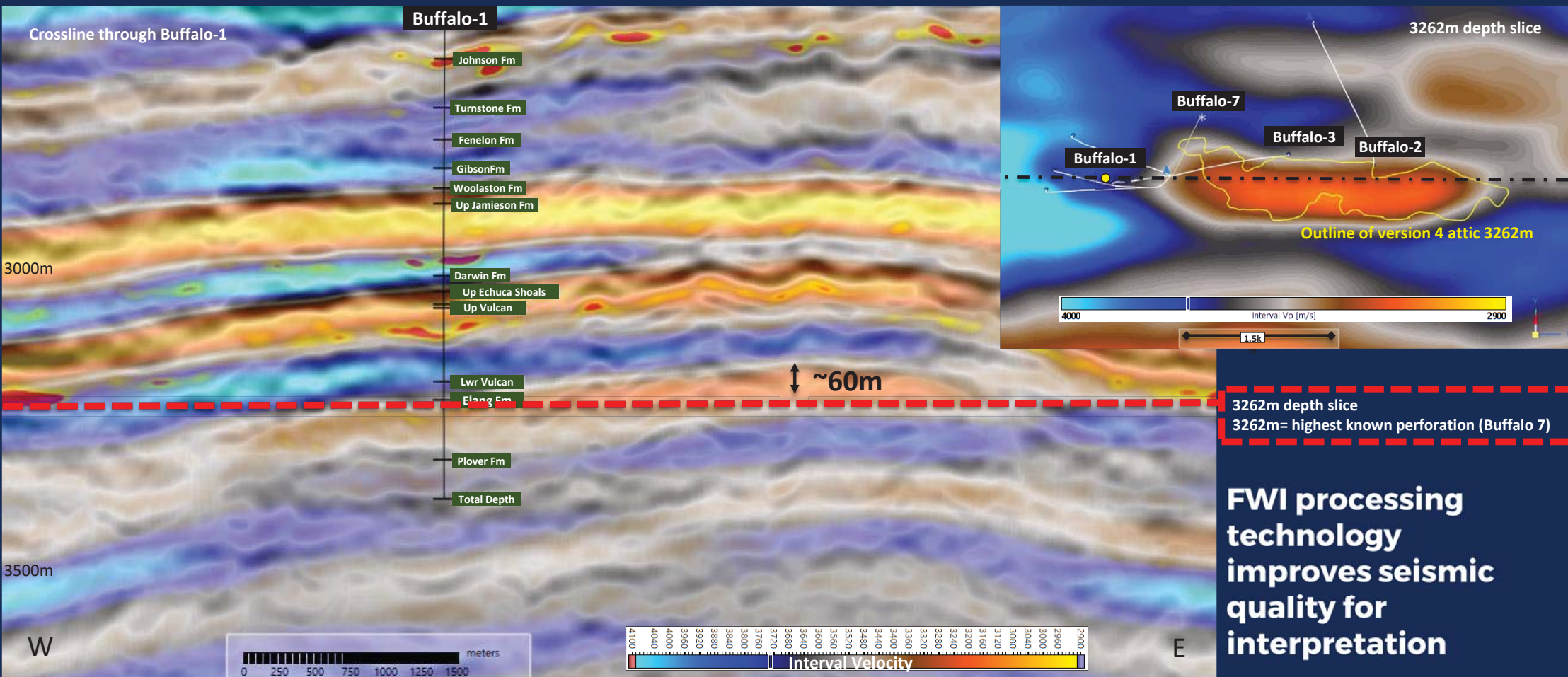
Initial oil flow rate in the Buffalo oil field in 1999 (Barrels of oil per day)

4,000

Last oil flow rate when production ceased in 2004 (approximate) (Barrels of oil per day)



Buffalo – recognizing the potential of new technology



Two logical redevelopment options in 25m of water

Well Head Platform
and FPSO



Similar to original
Buffalo Oil Field Development

or

Mobile Offshore Production Unit
and FSO



Ideal for early oil production
and smaller field developments

We are delivering on our strategic objectives



Dorado-2 reservoir connection and volumes confirmed
Dorado-3 flow properties being tested now



Buffalo EP approved to drill three wells
Buffalo PSC signed with Australian fiscal equivalency



116 mmboe¹ in contingent resources net to CVN being advanced, focus on Dorado and Buffalo projects



Financial strength with \$139m cash and Dorado liquids project expected to support debt funding with FEED work.



Photo above is of the Roc-2 flow test in 2016
The Dorado-3 flow tests are in progress

1. Refer to resources information contained in annexure slides

ANNEXURE SLIDES



Oil & gas volume summary

Selected contingent resources

Gross Resources (100% basis)

	Oil & Condensate			Natural Gas			Barrels of Oil Equivalent ¹		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	86	162	285	367	748	1,358	176	344	614
Roc	12	20	35	205	332	580	48	78	137
Phoenix Project Sub-Total	98	182	320	572	1,080	1,938	224	422	751
Buffalo	15	31	48	-	-	-	15	31	48

Net Resources (CVN's share)

	Oil & Condensate			Natural Gas			Barrels of Oil Equivalent ¹		
	MMbbl			BCF			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	17	32	57	73	150	272	35	69	123
Roc	2	4	7	41	66	116	10	16	27
Phoenix Project Sub-Total	20	36	64	114	216	388	45	85	150
Buffalo	15	31	48	-	-	-	15	31	48

1. Refer to Dorado resource information reported to ASX on 15 July 2019

Oil & gas volume summary

Selected prospective resources

Gross Resources (100% basis)

	Light Oil				Natural Gas				Barrels of Oil Equivalent				Pg
	MMbbl				BCF				MMboe				%
	P90	P50	Mean	P10	P90	P50	Mean	P10	P90	P50	Mean	P10	
Pavo	11	63	82	179	3	31	108	249	11	68	101	223	34%
Apus Caley ⁱ	12	91	125	279	3	44	163	373	12	98	154	344	21%
Apus Baxter ⁱ	6	52	105	278	2	27	139	302	6	57	129	331	21%
Apus Crespini ⁱ	7	103	161	391	2	48	212	474	7	111	198	474	21%
Apus Milne ⁱ	32	163	221	483	8	82	291	654	34	177	272	598	21%
Phoenix Project Total	68	472	694	1610	18	232	913	2,052	70	511	854	1,970	

Net Resources (CVN's share)

	Light Oil				Natural Gas				Barrels of Oil Equivalent				Pg
	MMbbl				BCF				MMboe				%
	P90	P50	Mean	P10	P90	P50	Mean	P10	P90	P50	Mean	P10	
Pavo	3	19	25	54	1	9	32	75	3	20	30	67	34%
Apus Caley ⁱ	2	18	25	56	1	9	33	75	2	20	31	69	21%
Apus Baxter ⁱ	1	12	24	63	-	6	31	68	1	13	29	74	21%
Apus Crespini ⁱ	2	25	39	96	1	12	52	116	2	27	49	116	21%
Apus Milne ⁱ	8	41	55	121	2	21	73	164	8	44	68	149	21%
Phoenix Project Total	16	115	168	390	5	57	221	498	16	124	207	475	

(i) Note Apus prospect lies across WA-437-P and WA-438-P in which Carnarvon has 20% and 30% equity respectively

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