

New Permit Award: Project Condor

3 November 2017



Highlights

- **Another highly prospective North West Shelf oil prone permit secured by Carnarvon**
- **This large 1,512km² permit is on trend with and in the vicinity of numerous oil and gas fields**
- **Multiple Jurassic oil leads have been identified akin to the Jabiru, Montara and Skua oil fields**
- **Water depths of circa 100 metres indicate jack-up drilling possible**

Carnarvon Petroleum Limited (“Carnarvon”) (ASX:CVN) is pleased to inform shareholders that it has been awarded the AC/P62 permit within the Southern Vulcan Sub-basin, situated in the highly prospective Bonaparte Basin, on Western Australia’s North West Shelf.

This large 1,512km² permit is in shallow water and contains multiple attractive leads in the same proven producing basin that includes the Montara, Jabiru, Skua and Challis oil fields.

Carnarvon prides itself on applying leading technologies to its technical work to assist in unlocking an area’s potential. The recent Cygnus 3D survey acquired by Polarcus over 682 km² of the recently awarded AC/P62 acreage is expected to create a new standard in the interpretation of the prospectivity in the Vulcan Sub-basin. Previous seismic interpretation in this area has been hampered by poor quality vintage seismic data.

Carnarvon aims to mature the prospects within the block with a number of geoscience work-flows as part of the work program, including a satellite seep survey, high-resolution biostratigraphy, fluid inclusion analysis, petrophysical reviews, burial modelling, fault seal analysis, rock physics analysis and seismic inversion of the Cygnus 3D.

Carnarvon has identified several large, robust Jurassic leads, over multiple reservoir levels. There is also potential for secondary plays in the shallower, Late Cretaceous stratigraphy that will be the focus of Carnarvon’s ongoing technical investigations.

Managing Director, Adrian Cook said, *“AC/P62 is another demonstration of our team’s ability to acquire oil prone exploration permits within proven petroleum systems. This is Carnarvon’s first permit within the Vulcan Sub-basin, adjacent to the Skua and Montara oil fields. Given the shallow water depths, jack-up drilling is possible, meaning the potential for lower cost drilling and field developments in the permit. I look forward to seeing the next phase of our team’s technical work and having the prospects within AC/P62 matured to drillable status.”*

Forward Looking Statements

This document may contain forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this document includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of reserves and potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this news release require Carnarvon and its management to make assumptions that may not materialize or that may not be accurate. The forward-looking information contained in this news release is subject to known and unknown risks and uncertainties and other factors, which could cause actual results, expectations, achievements or performance to differ materially, including without limitation: imprecision of reserve estimates and estimates of recoverable quantities of oil, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling and related activities, demand for oil and gas, commercial negotiations, other technical and economic factors or revisions and other factors, many of which are beyond the control of Carnarvon. Although Carnarvon believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct.