

Phoenix project update

14 December 2017



Highlights

- Joint Venture partner meeting held on 11 December 2017
 - Phoenix South-3 well is expected to commence drilling in March 2018
 - Dorado-1 well is expected to commence drilling in May 2018
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Joint Venture partner meeting

The Joint Venture partners met recently to review progress on the Phoenix project. The key work flows presented included preparing for drilling the Phoenix South-3 and Dorado-1 wells in 2018, advancing technical work to improve the understanding of the basin's geology and refining additional drill prospects to pursue in the future, considering potential development concepts and initiating some long lead items for development.

Phoenix South-3 well

The Development Driller-1 rig is about to commence its voyage to Western Australia where it will drill a number of wells, one of which being this Joint Venture's Phoenix South-3 in 2018 which is scheduled to be the first well in the program. On the current schedule the well is expected to commence in March 2018 and take around 90 days to drill to the target depth of around 5,156 metres (TVDSS). The primary target is the Caley interval that contained oil and gas some 550 metres away in the Phoenix South-2 well in 2017.

Dorado-1 well

The Dorado-1 well will be drilled with the Ensco 107 jack-up drilling rig. The rig is expected to commence its mobilisation to Western Australia in April 2018 for multi-activity campaign, with this Joint Venture's Dorado-1 well scheduled to be the first well. The well is expected to take around 45 days to complete as it drills to a total depth of approximately 4,400 metres (TVDSS). The primary target is the Caley interval at 3760 metres (TVDSS), being the same interval that contained oil and gas at the Roc and Phoenix South locations. There are also a number of secondary targets beneath the Caley interval that are planned to be evaluated in the Dorado-1 well.

Joint Venture partner interests in WA-435-P and WA-437-P

Carnarvon Petroleum Limited 20% and Quadrant Energy (operator) 80%

Yours faithfully

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

Adrian Cook
Managing Director

Shareholder enquiries:

Mr Thomson Naude

Company Secretary

Phone: (08) 9321 2665

Email: investor.relations@cvn.com.au