CARNARVON
PETROLEUM LTD

PRESENTATION TO JP MORGAN INVESTOR DAY

6 FEBRUARY 2019

Disclaimer

CARNARVON PETROLEUM LTD

The resource estimates outlined in this report have been 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 and 15 October 2018 per the Company's announcement released to the 28 August 2017, 23 April 2018, 20 August 2018 and 15 October 2018. 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. 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.

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way. These prospective resource estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

This presentation contains forward looking statements which involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the oil and gas industry, many of which are outside the control of and may be unknown to Carnarvon Petroleum Limited.

No representation, warranty or assurance, express or implied, is given or made in relation to any forward looking statement. In particular no representation, warranty or assumption, express or implied, is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual and future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements were based.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements, and should rely on their own independent enquiries, investigations and advice regarding information contained in this presentation. Any reliance by a reader on the information contained in this presentation is wholly at the readers own risk.

Carnarvon and its related bodies corporate and affiliates and their respective directors, partners, employees, agents and advisors disclaim any liability for any direct, indirect or consequential loss or damages suffered by a person or persons as a result of relying on any statement in, or omission from, this presentation.

Subject to any continuing obligations under applicable law or any relevant listing rules of the ASX, Carnarvon disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in this presentation to reflect any change in expectations in relation to any forward looking statements or any such change in events, conditions or circumstances on which any such statements were based.

Nothing contained in this document constitutes investment, legal, tax or other advice. This document, and the information contained within it, does not take into account the investment objectives, financial situation or particular needs of any recipient. Before making an investment decision, you should consider seeking independent professional advice before seeking to take any action based on the information contained in this document.

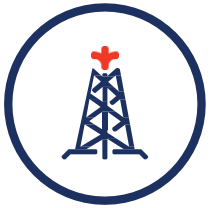
This presentation has been prepared by Carnarvon. No party other than Carnarvon has authorised or caused the issue of this document, or takes responsibility for, or makes any statements, representations or undertakings in this presentation.

Investment summary

CARNARVON PETROLEUM LTD

OIL & GAS DISCOVERED

Over 100mmboe discovered net to CVN[1]

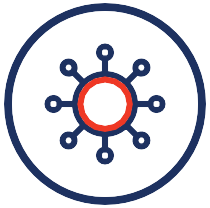


PRIME LOCATION

Ideal for development in shallow water West Australia

CONVENTIONAL RESERVOIRS

Of high quality with similar prospects nearby



APPRAISE TO DEVELOP

Early oil development focus ahead of gas development

PREMIER PARTNER

Australia's 2nd largest O&G company Santos is 80% partner on Dorado

INVESTOR INTEREST

Increasing institutional investor interest in Carnarvon

CORPORATE GOVERNANCE

Experienced Board and management team in place

FOCUS ON VALUE

Value per share focus underpinned by fiscal discipline

1. Refer resource information contained in slides 30 & 31

Capital overview & 52 week share price

CARNARVON PETROLEUM LTD

Ordinary shares on issue	m	1,191
Share price as at 30 Jan 2019	A$/sh	0.38
Market capitalisation	**A$'m**	**452**
Debt (as at 31 Dec 2018)	A$'m	-
Cash (as at 31 Dec 2018)	A$'m	48
Enterprise value	**A$'m**	**404**

Core business streams

CARNARVON PETROLEUM LTD

Exciting appraisal well program and field development planning scheduled for 2019. Program to build on the existing value in the light oil & gas discovery. Final Investment Decision in 2020 for field development

Drill first well in late 2019 / early 2020 after key milestones completed. First well to confirm the oil volumes and then progress into the development phase in 2020. First oil production targeted for 2022

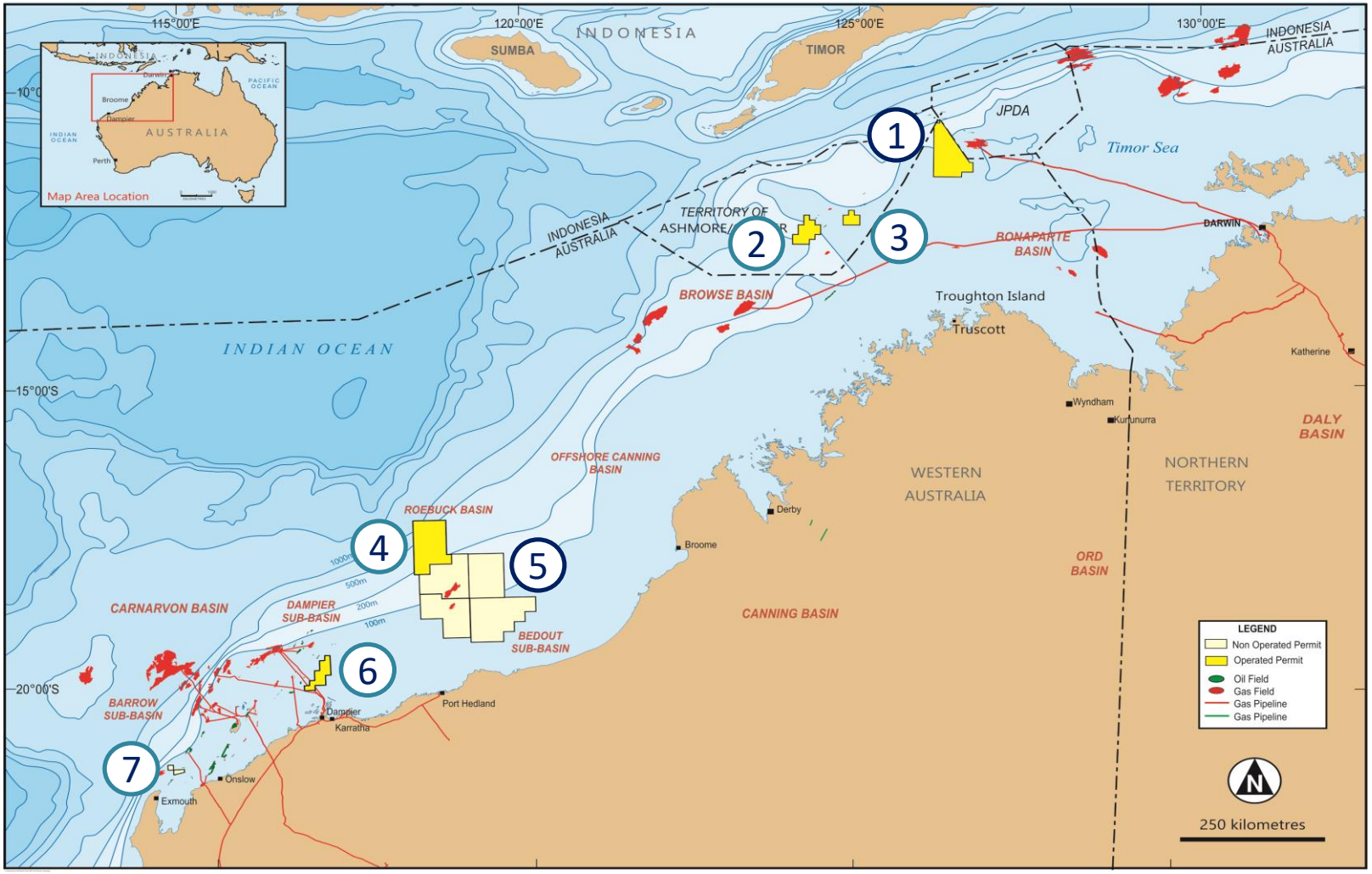
Continue to build a quality portfolio of highly attractive drill ready prospects using knowledge and data focused on the North West Shelf. The Labyrinth project is well advanced in its farm-out process

Increasing per share value is the principal financial objective of the Company, whilst maintaining strong financial discipline. Carnarvon's success to date has been self generated through new discoveries of oil and gas.

Portfolio map & CVN's interests

CARNARVON PETROLEUM LTD

1. **Buffalo oil**
   WA-523-P 100%
2. **Eagle Project**
   AC/P63 100%
3. **Condor Project**
   AC/P62 100%
4. **Labyrinth Project**
   WA-521-P 100%
5. ***Dorado oil & gas***
   WA-435-P & WA-437-P 20%
   WA-436-P & WA-438-P 30%
6. **Maracas Project**
   WA-524-P 100%
7. **Outtrim Project**
   WA-155-P 28.5%



2019 Investment Activities

CARNARVON PETROLEUM LTD

	DEVELOPMENT FOCUS	GROWTH FOCUS
DORADO-2 APPRAISAL WELL	✓	✓
DORADO-3 APPRAISAL WELL	✓	
DORADO DEVELOPMENT PREPARATION	✓	
ROC SOUTH-1 EXPLORATION WELL		✓
BUFFALO WELL	✓	✓

Investment opportunity

CARNARVON PETROLEUM LTD

UNIQUE

Exposure to Australia's most exciting exploration province

VALUE

Proposition enhanced with more than 100 mmboe in discovered resources[1]

CATALYSTS

Multiple share-price catalysts over the next 12 to 18 months

RISK PROFILE

Attractive given the quality of the resources, jurisdiction and partner

FUNDING

Range of funding options to drive growth potential with A$48m cash

FOCUS

Board and management team focused on value per share

CORPORATE INFORMATION

Our strategic framework

CARNARVON
PETROLEUM LTD

DISCOVER

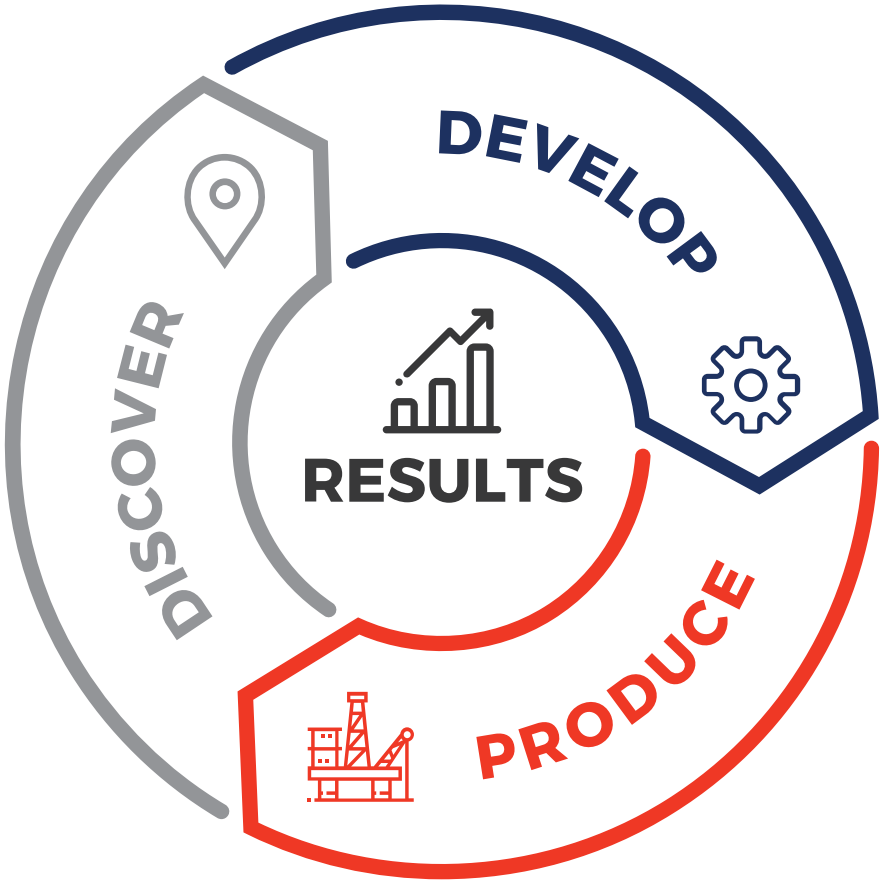
Unlock the oil and gas assets strategically located within close-proximity to existing infrastructure and in the shallow water of Timor and the renowned North West Shelf of Western Australia: Dorado; Buffalo; Phoenix; Roc; Labyrinth; Condor & Eagle; Outtrim; and Maracas.

DEVELOP

Using knowledge and data focused on the North West Shelf, commercialise the world class discovery at Dorado-1 and Buffalo. Further appraise the feasibility of the remaining assets on the North West Shelf.

PRODUCE

Establish Carnarvon as a mid-tier producer with a sustainable production model capitalizing on the hydrocarbons of Dorado-1, Buffalo and the remaining nearby portfolio assets.



Business activities over next 12 – 18 months

CARNARVON PETROLEUM LTD

Dorado-2 appraisal well	This 2019 well is seeking to confirm the extent of the oil in the Caley sand (down dip well location) Penetrating the Baxter and Milne sands will also enable an assessment of the resources at this location New data is expected to result in a re-assessment of the volume estimates within the Dorado structure
Dorado-3 appraisal well	This 2019 well will collect more information on reservoir and hydrocarbon properties in the Caley sand Penetrating the Baxter & Milne sands will also provide additional information on the sands at this location The appraisal program is expected to include coring and flow testing activities in this up dip well location
Dorado oil field development	Work is underway on development plans for producing oil from the Caley sand With shallow water, jack up drilled wells expected to be tied back to an FPSO Compiling resource and economic data for the purpose of achieving the Final Investment Decision
Roc South-1 exploration well	2019 exploration well targeting a quality prospect located between the Dorado and Roc discoveries This is a high chance of success well with the potential to surprise if hydrocarbons connect to Dorado The objective is to increase the volume of oil and gas for development planning purposes
Buffalo well	The well will confirm the attic and therefore the quantum of producible oil The well is expected to be retained as the first of three production wells Reporting on the Final Investment Decision and progress to development and production phase

Dorado & Roc South wells rig contracted

CARNARVON PETROLEUM LTD

NOBLE TOM PROSSER JACK UP DRILLING RIG UNDER CONTRACT FOR DORADO APPRAISAL WELLS COMMENCING APRIL 2019

Board of Directors

CARNARVON PETROLEUM LTD

INDEPENDENT CHAIRMAN

PETER LEONHARDT

MANAGING DIRECTOR

ADRIAN COOK

INDEPENDENT NED

WILLIAM (BILL) FOSTER

INDEPENDENT NED

DR PETER MOORE

INDEPENDENT NED

GAVIN RYAN

Management team

CARNARVON PETROLEUM LTD

CEO

ADRIAN COOK

- 25+ years experience in finance, primarily in the petroleum industry
- Former Managing Director of ASX Listed O&G explorer, Buru Energy Limited and Fellow of the Australian Institute of Company Directors

COO

PHILIP HUIZENGA

- 25+ years experience in O&G industry as petroleum engineer
- Member of: Society of Petroleum Engineers, Industry Advisory Council to the Dept of Petroleum Engineering at Curtin University

CFO

THOMSON NAUDE

- Chartered Accountant with 10+ years experience in financial management
- Experience in commercial transactions including the divestment of Carnarvon's Thailand production assets

HEAD OF EXPLORATION

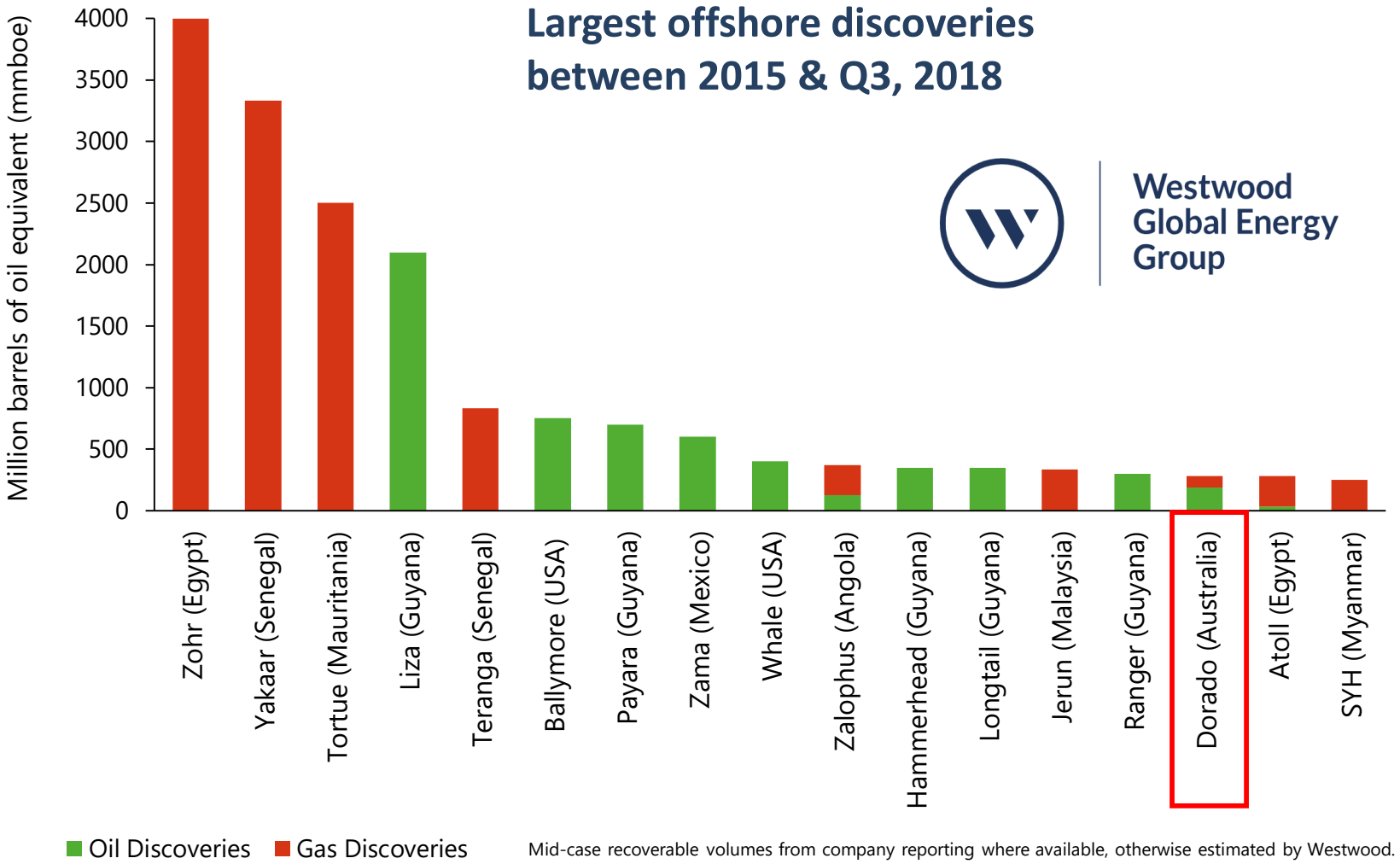
STEPHEN MOLYNEUX

- PhD in Geology and Geophysics from Imperial College London
- 25+ years of experience in O&G exploration, discovered over 5 billion barrels of recoverable oil

DORADO & ROC INFORMATION

Dorado discovery world class

CARNARVON PETROLEUM LTD



Mid-case recoverable volumes from company reporting where available, otherwise estimated by Westwood.

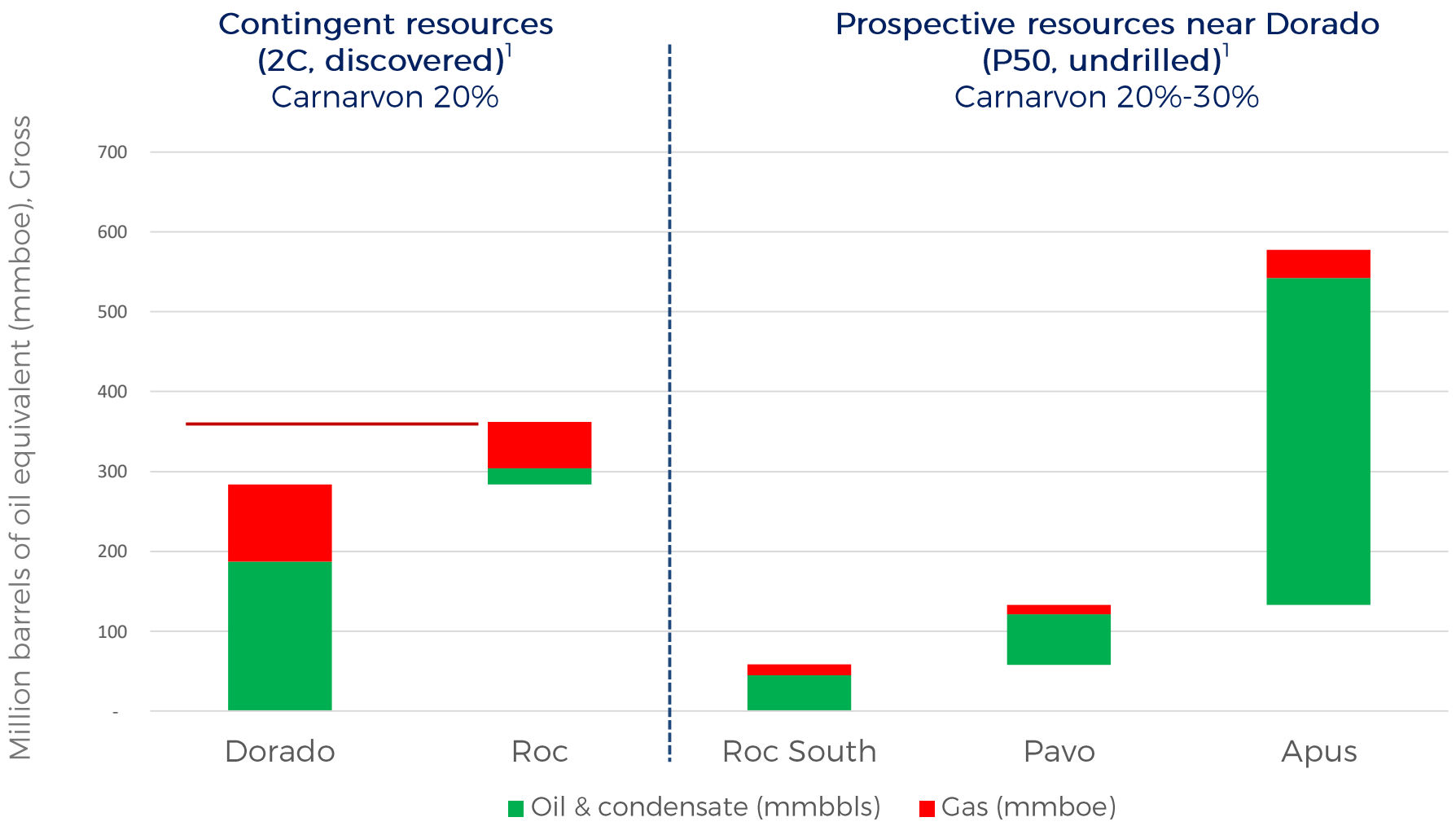
Near Dorado
Roc discovered & appraised

CARNARVON
PETROLEUM LTD

Photo of the Roc-2 well flowing at commercial rates on test in late 2016
Flow rates of 53 mmscf/d and 3,000 barrels of condensate per day were at maximum test equipment capacity

Dorado & Roc aggregation with more prospective potential

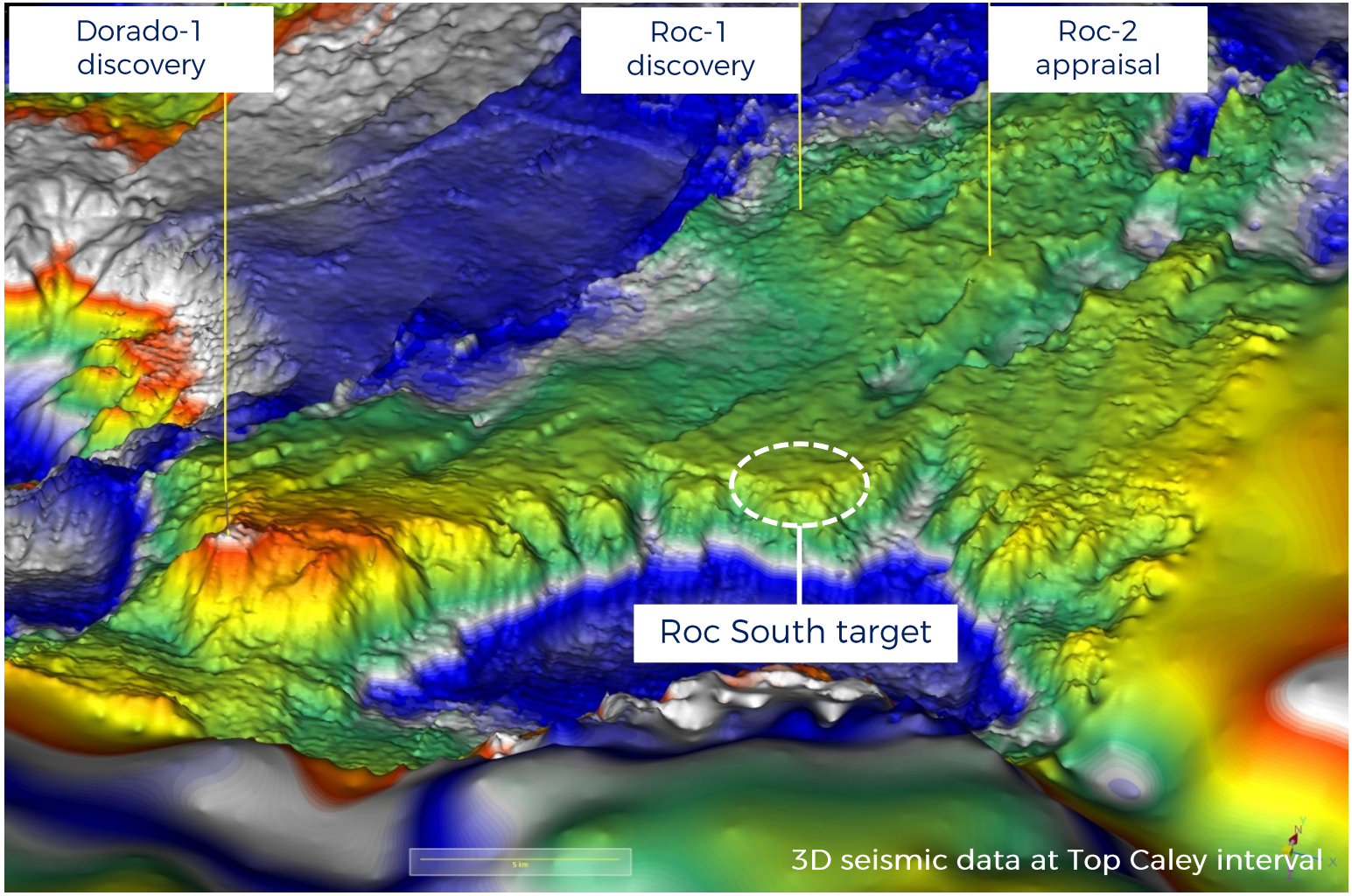
CARNARVON PETROLEUM LTD



1. Refer resource information contained in slides 30 & 31

Dorado & Roc with Roc South to be drilled in 2019

CARNARVON PETROLEUM LTD

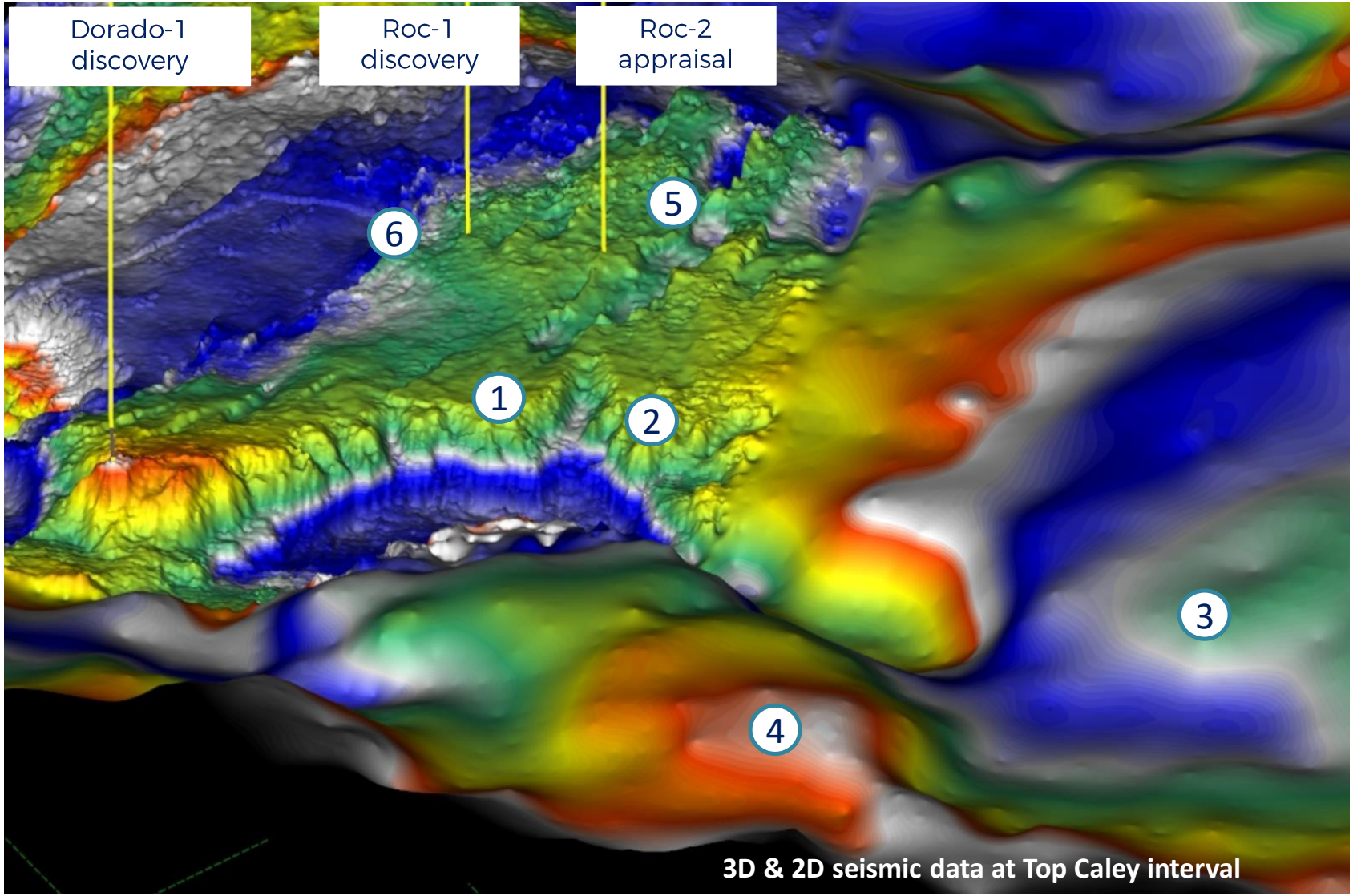


ROC SOUTH IS SITUATED BETWEEN THE DORADO & ROC DISCOVERIES AND IS STRUCTURALLY SIMILAR TO DORADO

Dorado & Roc & targets within tie back distance

CARNARVON PETROLEUM LTD

1. Roc South
2. Roc South East
3. Pavo
4. Apus
5. Roc Satellites
6. Bewdy & Bottler



Dorado & Roc confirm new hydrocarbon basin

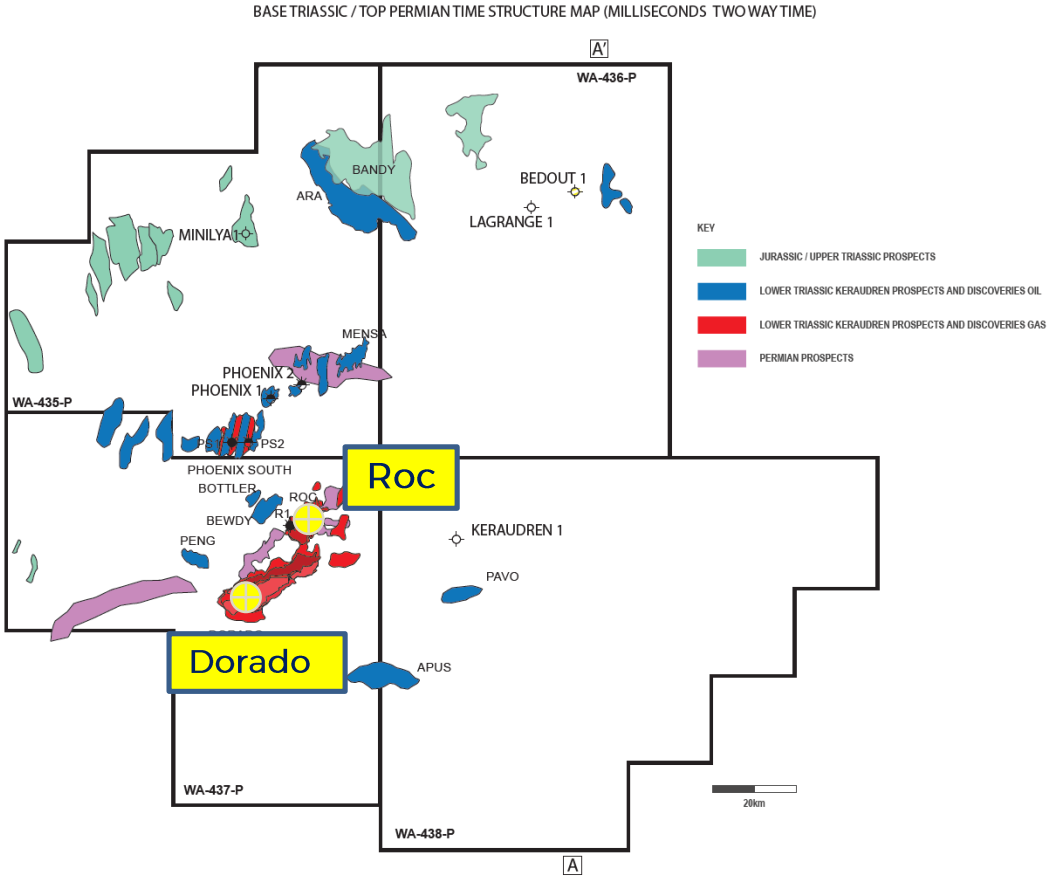
CARNARVON PETROLEUM LTD

Four exploration permits cover the basin

Carnarvon interests in each permit:

- WA-435-P 20%
- WA-436-P 30%
- WA-437-P 20%
- WA-439-P 30%

Multiple targets exist across a number of intervals providing extensive future exploration potential.



Dorado & Roc commercial play openers

CARNARVON PETROLEUM LTD

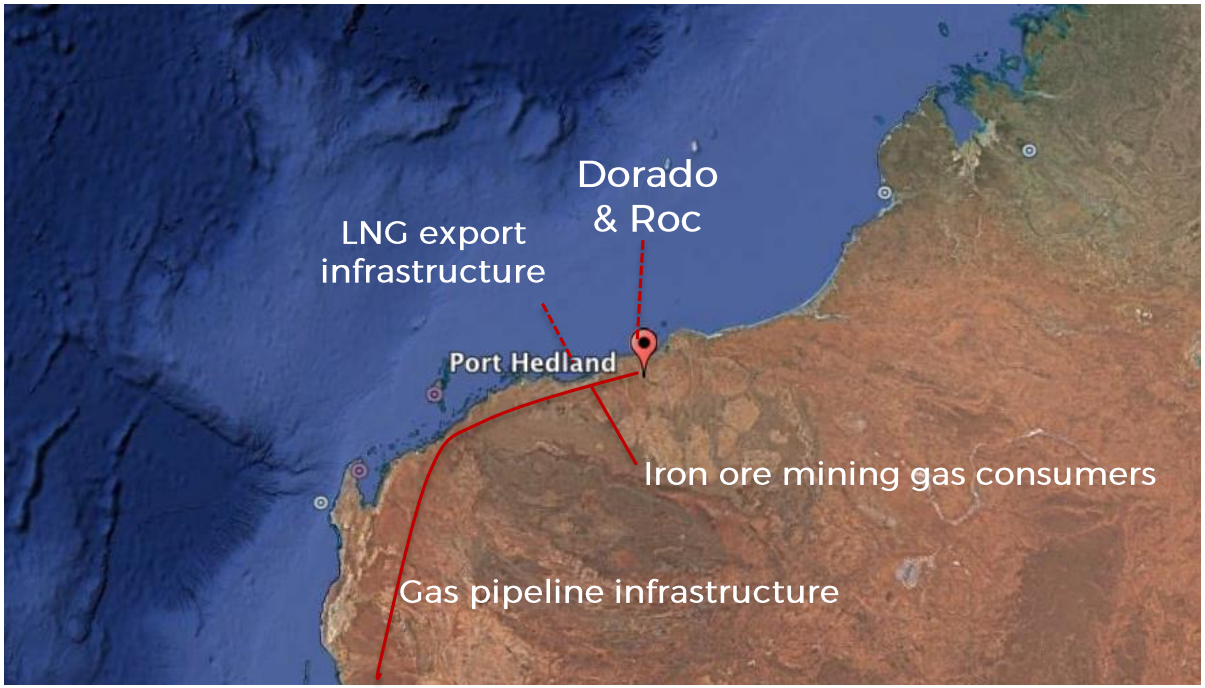
Oil field development first generate cash for full field development

Long life asset expected on 362 mmboe gross 2C (including Roc)[1]

Competitive cost per boe expected due to shallow water, near gas infrastructure & support services

De-risked play type with similar play types nearby being progressed

Production hub at Dorado expected to enable tie back of other resources over time



1. Refer resources information contained in slides 30 & 31

BUFFALO INFORMATION

Buffalo oil field highlights

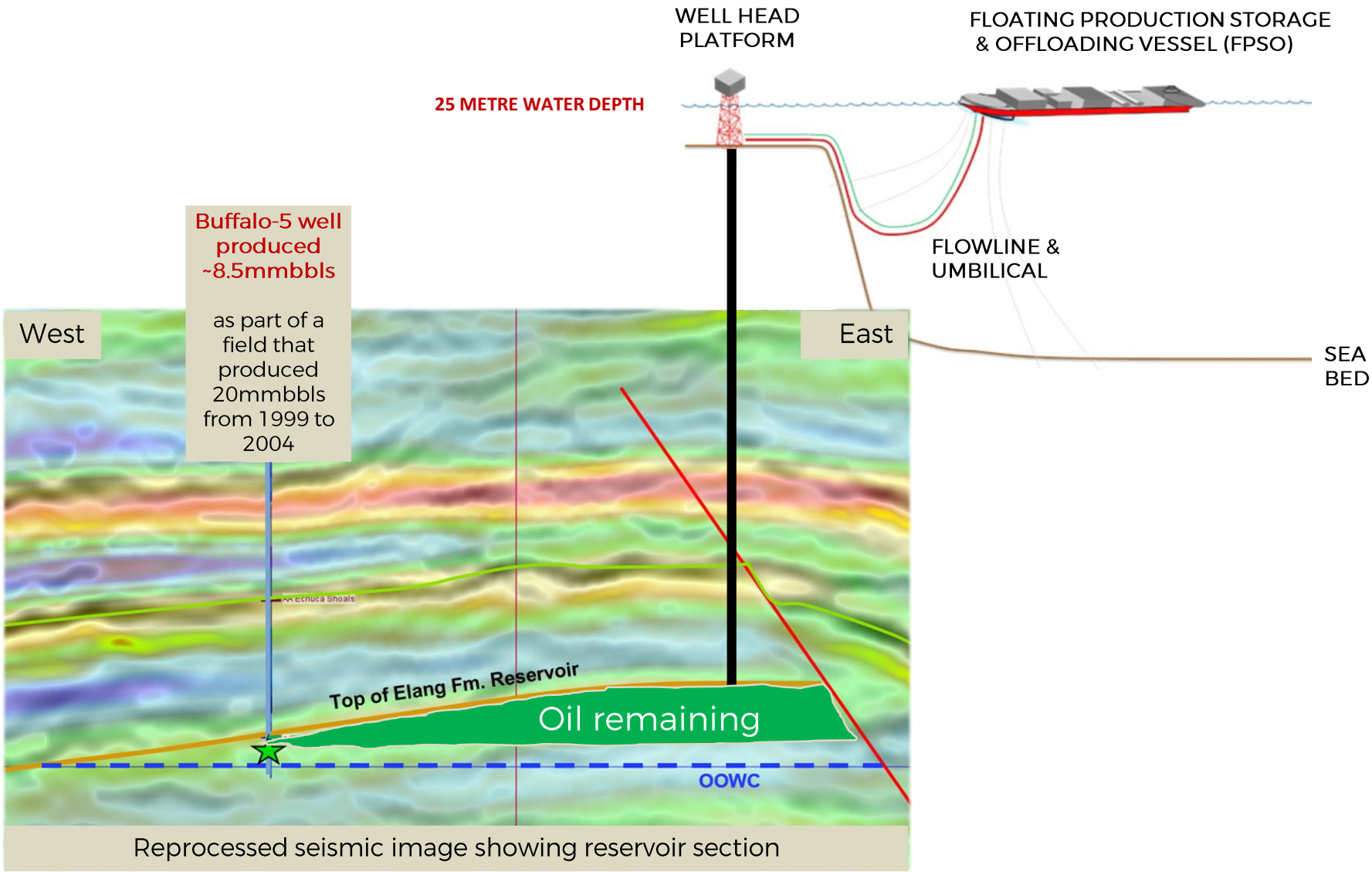
CARNARVON PETROLEUM LTD

Proven oil field	50,000 barrels of oil per day (bopd) flowed from the first two wells in 1999 (BHP operator) 20 million barrels were produced from four wells between 1999 and 2004 4,000 bopd were still flowing when production stopped in 2004
Low risk	Carnarvon's planned wells will re-enter the former producing area of the oil field Additional oil is expected from newly mapped attic within the field The greatest risk is expected to be the quantum (not presence) of oil
Field re-development	31 million barrels of recoverable oil is remaining on a best estimate basis[1] 40,000 bopd initial flow rate modelled from three wells A conventional well head platform development with flowlines supplying a leased FPSO
Low cost	Capital cost estimate is US$150m (low due to shallow 25m water depths)[2] Operating cost estimate is US$80m to $100m per annum[2] A leased FPSO is planned in order to keep upfront capital to a minimum
Forward plan	Execute Production Sharing Contract as permit transitions to Timor-Leste Complete planning & approvals to drill the first well in late 2019 / early 2020 Investigate partnering to assist with financing the drilling and development activities

1. Refer resource information contained in slides 29 & 31
2. Based on Carnarvon's pre-field development plan & independent studies commissioned by Carnarvon Petroleum

Buffalo oil field development (CVN 100%)

CARNARVON PETROLEUM LTD



Reprocessed seismic image showing reservoir section

Buffalo oil field images from BHP's operations

CARNARVON PETROLEUM LTD

WELL HEAD PLATFORM

FLOATING PRODUCTION STORAGE & OFFLOADING VESSEL (FPSO)

LABYRINTH PROJECT INFORMATION

Labyrinth project farm out process underway

CARNARVON PETROLEUM LTD

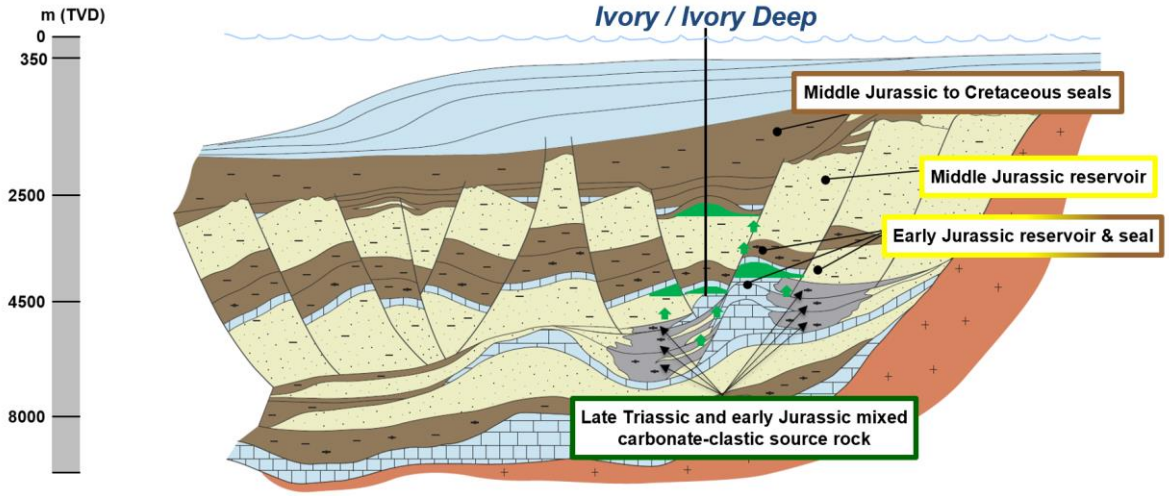
Project secured low oil price environment for very minimal work commitments

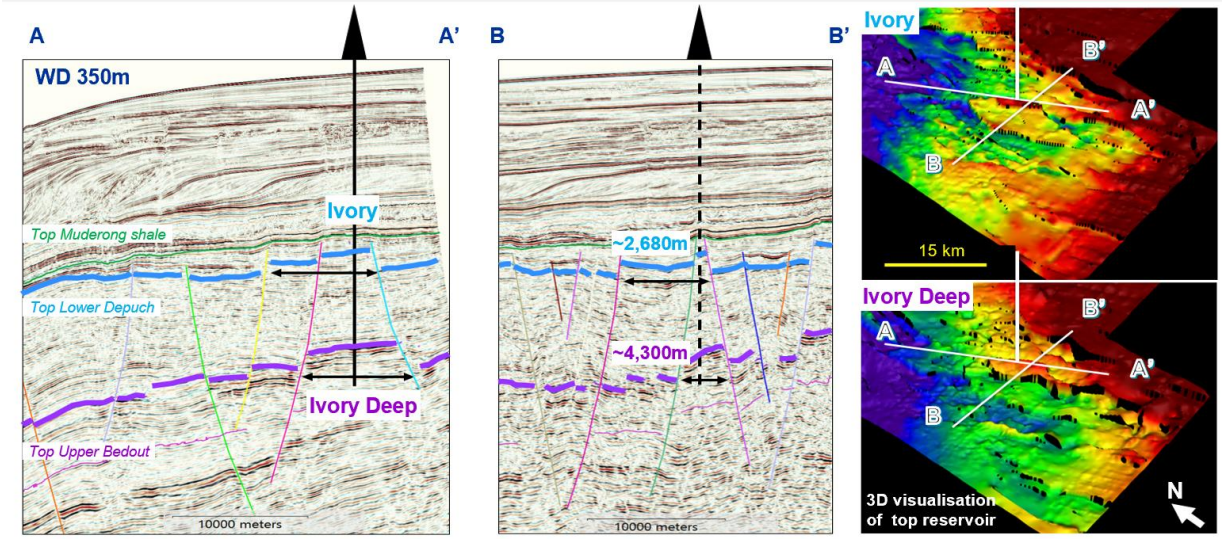
Technical work drew on proprietary knowledge from Roc & Dorado wells

High quality Ivory prospect identified

The plan is to acquire additional 3D seismic data over the Ivory prospect

Followed by drilling the Ivory prospect with a partner (farm down from 100%)





RESOURCE INFORMATION

Oil & gas volume summary
Contingent resources

CARNARVON PETROLEUM LTD

Gross Resources (100% basis)

	Light Oil			Natural Gas			Condensate			Barrels of Oil Equivalent		
	MMbbl			BCF			MMbbl			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	82	171	320	229	552	1,197	6	16	36	128	283	566
Roc	-	-	-	205	332	580	12	20	35	48	78	137
Phoenix South	7	17	30	-	-	-	-	-	-	7	17	30
Phoenix	2	7	16	-	-	-	-	-	-	2	7	16
Phoenix Project Sub-Total	**91**	**195**	**366**	**434**	**884**	**1,777**	**18**	**36**	**71**	**185**	**385**	**748**
Buffalo	15	31	48	-	-	-	-	-	-	15	31	48

Net Resources (CVN's share)

	Light Oil			Natural Gas			Condensate			Barrels of Oil Equivalent		
	MMbbl			BCF			MMbbl			MMboe		
	1C	2C	3C	1C	2C	3C	1C	2C	3C	1C	2C	3C
Dorado	17	34	64	46	110	240	1	3	7	26	57	113
Roc	-	-	-	41	66	116	2	4	7	10	16	27
Phoenix South	1	3	6	-	-	-	-	-	-	1	3	6
Phoenix	0	1	3	-	-	-	-	-	-	0	1	3
Phoenix Project Sub-Total	**19**	**39**	**73**	**87**	**176**	**356**	**3**	**7**	**14**	**37**	**77**	**149**
Buffalo	15	31	48	-	-	-	-	-	-	15	31	48
Total	**34**	**70**	**121**	**87**	**176**	**356**	**3**	**7**	**14**	**52**	**108**	**197**

Oil & gas volume summary
Selected prospective resources

CARNARVON PETROLEUM LTD

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	
Roc South	9	45	56	118	15	76	100	217	12	59	74	156	63%
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 Crespin[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	**77**	**517**	**750**	**1728**	**32**	**308**	**1013**	**2269**	**82**	**571**	**928**	**2126**	

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	
Roc South	2	9	11	24	3	15	20	43	2	12	15	31	63%
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 Crespin[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	**18**	**124**	**179**	**412**	**7**	**72**	**241**	**540**	**20**	**136**	**221**	**507**	

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

CONTACT

HEAD OFFICE

Level 2, 76 Kings Park Road
West Perth WA 6005

T. +61 8 93212665
E. admin@cvn.com.au

CARNARVON
PETROLEUM LTD