CARNARVON PETROLEUM LIMITED
ABN 60 002 688 851
AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT
31 December 2018

CORPORATE DIRECTORY

Directors
PJ Leonhardt (Chairman)
AC Cook (Managing Director)
W Foster (Non-Executive Director)
P Moore (Non-Executive Director)
SG Ryan (Non-Executive Director)

Company Secretary
TO Naude

Auditors
Ernst & Young

Bankers
Australia and New Zealand Banking Group Limited
Commonwealth Bank of Australia
National Australia Bank Limited
HSBC (Thailand)

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Share Registry
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Stock Exchange Listing
Securities of Carnarvon Petroleum Limited are listed on the Australian Securities Exchange.
ASX Code: CVN - Ordinary shares

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DIRECTORS' REPORT

The directors present their report together with the consolidated interim financial report for the half-year ended 31 December 2018, and the independent review report thereon.

Directors

The directors of the Company in office at any time during or since the end of the half-year are as follows. Directors were in office for this entire period unless otherwise stated.

Peter Leonhardt
Adrian Cook
William (Bill) Foster
Peter Moore
Stephen (Gavin) Ryan (Appointed 30 July 2018)

Review of Operations

The Group's operations comprise oil and gas exploration in Australia with the Group's main interests located in the North West Shelf of Western Australia.

The Group's loss after tax from continuing operations for the half year ending 31 December 2018 was $1,927,000 (2017: Profit $391,000).

The half year was a landmark period for Carnarvon. The Dorado-1 well was completed with the discovery of light oil, gas and condensate in a number of reservoirs. Given the significant nature of the discovery, Carnarvon and its Joint Venture partner Santos Limited, have commenced preparations to appraise the discovery and test the potential of the follow-up prospects.

The Phoenix South-3 well was also completed and encountered hydrocarbons in the targeted Caley interval. The discovery adds to the Roc gas and condensate field which had a successful flow test in late 2016. The Joint Venture will continue to analyse the results of the Phoenix South-3 well to determine the next steps.

Preparations to redevelop the Buffalo oil field have also been advanced. The field is being transitioned to fall under the exclusive jurisdiction of Timor-Leste as a result of the Maritime Boundary Treaty between Australia and Timor-Leste. Discussions between Carnarvon and the Government of Timor-Leste continued with both parties having agreed in principle to the fundamental terms of the Production Sharing Contract. In addition, Carnarvon is developing its operational readiness and has commenced seeking the relevant approvals to drill the Buffalo East-1 well which is the key first step to redeveloping the oil field.

From the above activities, Carnarvon capitalised an additional $16,498,000 (2017: $1,054,000) in exploration expenditure during the period. These costs were primarily related to drilling costs for the Dorado-1 and Phoenix South-3 wells, and the preparations for the drilling of Buffalo East-1.

Carnarvon incurred $1,135,000 (2017: $1,481,000) in new ventures and advisory costs as the Company continues to build its significant regional geological database which has been integral in identifying highly prospective opportunities within the North-West shelf of Australia. This work has led to the award of a new permit during the period, ACP/63, in the Vulcan Sub-basin which is called the Eagle project.

In addition, the Company's administrative and head office costs during the period were $1,218,000 (2017: $637,000). The increase in administrative costs reflects the increased corporate and planning activity following the monumental Dorado discovery.

At the end of the period, Carnarvon recorded other financial assets of $1,341,000 (June 2018: $2,297,000). This represents the current value of the shares held by Carnarvon in CWX Global Limited (formerly Loyz Energy). The shares were received as settlement of the deferred consideration asset relating to 2014 sale of half of Carnarvon's former interests in its producing concessions in Thailand.

During the half year, there was an unrealised profit on foreign exchange movements of $2,026,000 (2017: Loss $730,000) due to the depreciation of the AUD against the Company's USD cash and financial assets. The Company manages its cash position in US Dollars and Australian Dollars to naturally hedge its foreign exchange exposures.

Subsequent events

On 11 February 2019, the Company's insurance underwriters had agreed to pay US$1,913,000 as a part payment for a successful insurance recovery claim ("Claim"). The Claim will reimburse a significant portion of the costs incurred to drill the Phoenix South-3 well which was designed as a re-drill of the Phoenix South-2 well. The Phoenix South-2 well was successfully controlled following higher than expected pressures, which enabled the Claim.

On 19 February 2019, the Company completed a placement to institutional and sophisticated investors which raised $50,028,000 ("Placement"). The Placement comprised an issue of 151.6 million new Carnarvon shares at an issue price of $0.33 per share.

No other matter or circumstance has arisen since 31 December 2018 that in the opinion of the directors has significantly affected, or may significantly affect in future financial years:

(i) the Group's operations, or

(ii) the results of those operations, or

(iii) the Group's state of affairs

Rounding of amounts

The Company is an entity of the kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016. As a result, amounts in these interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Auditors' Independence Declaration

The lead auditors' Independence Declaration, as required under section 307C of the Corporations Act 2001, is set out on page 5 and forms part of this directors' report for the half-year ended 31 December 2018.

Signed in accordance with a resolution of the directors.

PJ Leonhardt
Director

Perth
25 February 2019.

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Auditor's Independence Declaration to the Directors of Carnarvon Petroleum Limited

As lead auditor for the review of the half-year financial report of Carnarvon Petroleum Limited for the half-year ended 31 December 2018, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Carnarvon Petroleum Limited and the entities it controlled during the financial period.

Ernst & Young

R J Curtin
Partner
25 February 2019

CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 December 2018

	Note	Half-year 31 December 2018 $000	Half-year 31 December 2017 $000
Other income	4	483	3,811
Administrative expenses		(1,218)	(637)
Employee benefits expense		(956)	(433)
Directors' fees		(171)	(139)
Unrealised foreign exchange gain		2,026	(730)
New venture and advisory expenditure		(1,135)	(1,481)
Movement in fair value of financial assets		(956)	-
(Loss) / profit before tax from continuing operations		(1,927)	391
Income tax expense		-	-
Net (loss) / profit after tax from continuing operations		(1,927)	391
Net (loss) / profit for the period attributable to members of the entity		(1,927)	391
(Loss) / profit per share:			
Basic, (loss) / profit per share for the period attributable to members of the entity (cents per share)		(0.17)	0.04
Diluted, (loss) / profit per share for the period attributable to members of the entity (cents per share)		(0.17)	0.04

The consolidated income statement should be read in conjunction with the notes to the consolidated interim financial report.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 December 2018

	Half-year 31 December 2018 $000	Half-year 31 December 2017 $000
Net (loss) / profit for the period	(1,927)	391
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):		
Change in fair value of available for sale financial asset	-	(653)
Exchange differences arising in translation of foreign operations	-	(15)
Total other comprehensive loss net of tax	(1,927)	(668)
Total comprehensive loss for the period attributable to members of the entity	(1,927)	(277)

The consolidated statement of comprehensive income should be read in conjunction with the notes to the consolidated interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 December 2018

	Notes	31 December 2018 $000	30 June 2018 $000
Current assets			
Cash and cash equivalents		48,290	63,606
Trade and other receivables		311	324
Other assets		165	555
Total current assets		48,766	64,485
Non-current assets			
Property, plant and equipment		21	35
Other financial assets	5	1,341	2,297
Exploration and evaluation expenditure	6	69,941	53,443
Total non-current assets		71,303	55,775
Total assets		120,069	120,260
Current liabilities			
Trade and other payables		1,680	902
Employee benefits		405	386
Total current liabilities		2,085	1,288
Non-current liabilities			
Employee benefits		237	196
Total non-current liabilities		237	196
Total liabilities		2,322	1,484
Net assets		117,747	118,776
Equity			
Issued capital		116,303	115,508
Reserves		(275)	(1,595)
Retained earnings		1,719	4,863
Total equity		117,747	118,776

The consolidated statement of financial position should be read in conjunction with the notes to the consolidated interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 December 2018

	Issued Capital $000	Reserve shares $000	Retained earnings $000	Translation reserve $000	Fair value reserve $000	Share based payments reserve $000	Total $000
Balance at 1 July 2017	95,865	(3,654)	3,438	26	-	3,253	98,928
Comprehensive income							
Profit for the period	-	-	391	-	-	-	391
Other comprehensive loss	-	-	-	(15)	(653)	-	(668)
Total comprehensive loss for the half year	-	-	391	(15)	(653)	-	(277)
					-		
Transactions with owners and other transfers							
Share based payments	-	-	-	-	-	80	80
Issue of ESP shares	80	(80)	-	-	-	-	-
Total transactions with owners and other transfers	80	(80)	-	-	-	80	80
Balance at 31 December 2017	**95,945**	**(3,734)**	**3,829**	**11**	**(653)**	**3,333**	**98,731**
Balance at 1 July 2018	115,508	(4,276)	4,863	26	(1,217)	3,872	118,776
AASB 9 adjustment to opening balances (Note 2)	-	-	(1,217)	-	1,217	-	-
Restated balance 1 July 2018	115,508	(4,276)	3,646	26	-	3,872	118,776
Comprehensive income							
Loss for the period	-	-	(1,927)	-	-	-	(1,927)
Total comprehensive loss for the half year	-	-	(1,927)	-	-	-	(1,927)
Transactions with owners and other transfers							
Share based payments	-	-	-	-	-	346	346
Issue of ESP shares	347	(347)	-	-	-	-	-
Exercise of ESP shares	448	104	-	-	-	-	552
Total transactions with owners and other transfers	795	(243)	-	-	-	346	898
Balance at 31 December 2018	**116,303**	**(4,519)**	**1,719**	**26**	**-**	**4,218**	**117,747**

The consolidated statement of changes in equity should be read in conjunction with the notes to the consolidated interim financial report.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 December 2018

	Half-year 31 December 2018 $000	Half-year 31 December 2017 $000
Cash flows from operating activities		
Payments to suppliers and employees	(2,052)	(3,047)
Income taxes refunded	-	-
Interest received	542	287
Net cash flows used in by operating activities	(1,510)	(2,760)
Cash flows from investing activities		
Exploration and evaluation expenditure	(16,498)	(1,054)
Acquisition of property, plant and equipment	(12)	(6)
Net cash flows used in investing activities	(16,510)	(1,060)
Cash flows from financing activities		
Proceeds from exercise of ESP shares	552	-
Net cash provided by financing activities	552	-
Net decrease in cash and cash equivalents	(17,468)	(3,820)
Cash and cash equivalents at beginning of the half-year	63,606	53,050
Effects of exchange rate fluctuations on cash and cash equivalents	2,152	(735)
Cash and cash equivalents at end of the half-year	48,290	48,495

The consolidated statement of cash flows should be read in conjunction with the notes to the consolidated interim financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Reporting entity

Carnarvon Petroleum Limited ("Carnarvon") is a company domiciled in Australia.

The consolidated interim financial report as at and for the six months ending 31 December 2018 comprises the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in jointly controlled assets.

The 31 December 2018 interim financial statements were authorised for issue by the board of directors on 22 February 2019.

2. Basis of preparation

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements made during the half year.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for available for sale financial assets that have been measured at fair value. All amounts are presented in Australian dollars, unless otherwise noted.

The Company is an entity of the kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016. As a result, amounts in these interim financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Changes in accounting policies and disclosures

As of 1 July 2018, the Group has adopted *AASB 9 Financial Instruments* ("AASB 9"). AASB 9 is a new standard which replaces *AASB 139 Financial Instruments: Recognition and Measurement*. The impact for the Group is outlined in the consolidated statement of changes in equity. The Company has elected not to restate the prior year comparatives and has adjusted the opening balances of retained earnings and reserves as per the transitional provisions in *AASB 7 Financial Instruments: Disclosures*.

AASB 9 introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and are solely payments of principal and interest (SPPI). All other financial instrument assets are to be classified and measured at fair value through profit or loss (FVTPL) unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for trading) in other comprehensive income (OCI).

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements more closely align the accounting treatment with the risk management activities of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Basis of preparation (continued)

Impairment requirements use an 'expected credit loss' (ECL) model to recognise an allowance. Impairment is measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted.

The key changes to the Group's accounting policies resulting from the adoption of AASB 9 are summarised below:

Financial assets
Trade receivables, previously classified as Loans and receivables: these were assessed as being held to collect contractual cash flows and give rise to cash flows representing SPPI. These are now classified and measured as Debt instruments at amortised cost.

Equity investments
Listed equity investments previously classified as available-for-sale financial assets are now classified and measured as other financial assets at FVTPL. In the comparative periods, the financial assets which were classified as available-for-sale assets with the movements in fair value recorded through other comprehensive income resulted in a fair value reserve. The fair value reserve of $1,217,000 has been reclassified to the opening retained earnings balance as detailed in the consolidated statement of changes in equity

Financial liabilities
The Group has not designated any financial liabilities at FVTPL. There are no changes in classification and measurement for the Group's financial liabilities.

Classification of financial assets and financial liabilities on date of initial application of AASB 9:

Class of financial instrument presented in the statement of financial position	Original AASB 139 classification	New AASB 9 classification
Cash and cash equivalents	Loans and receivables	Amortised cost
Trade and other receivables	Loans and receivables	Amortised cost
Equity investments	Available-for-sale	Fair value through profit and loss
Trade and other payables	Other financial liabilities	Other financial liabilities

Other than the changes due to AASB 9, the accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2018 annual financial report for the financial year ended 30 June 2018.

Other than the changes due to AASB 9, the adoption of any new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior periods.

3. Contingent assets and liabilities

The Company has a contingent asset which relates to the future receipt of an insurance refund. The successful insurance claim related to the completion of well control activities for the Phoenix South-2 well in January 2017 due to the well encountering higher than expected pressures. The Phoenix South-3 well was designed as a re-drill with a significant portion of the costs of the Phoenix South-3 well to be reimbursed by the insurance claim.

As at 31 December, the Company's insurance underwriter had agreed to the refund, however the exact amount of the refund was still being determined by the underwriting process.

There were no contingent liabilities as at 31 December 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Other income

	31 December 2018 $000	31 December 2017 $000
Gain on settlement of deferred consideration asset (see note 5)	-	3,514
Gain on asset transactions	1	-
Finance income on bank deposits	541	287
Net (loss) gain on foreign currency transactions	(59)	10
Balance at end of financial year	483	3,811

5. Other financial assets

	Half-year ending 31 December 2018 $000	Year ended 30 June 2018 $000
Financial assets	1,341	2,297

Reconciliation
Reconciliation of the fair values at the beginning and end of the current financial year are set out below:

Carrying value at the beginning of period	2,297	-
Receipt of shares in CWX Global Limited	-	3,514
Fair value movements	(956)	(1,217)
Carrying value at the end of period	1,341	2,297

On 6 September 2017, CWX Global Limited (formerly Loyz Energy Limited) ("CWX") issued 331,653,000 shares to Carnarvon. The shares were received as settlement for a deferred consideration asset relating to the sale of Carnarvon's share in oil producing Concessions in Thailand to CWX in 2014. The value of the deferred consideration asset had been fully impaired by Carnarvon in a prior reporting period. As a result, the settlement created a gain of $3,514,000 in the 30 June 2018 financial year.

As part of the settlement, Carnarvon is also entitled to 12% of any sale proceeds over US$45m, should CWX sell the Concessions.

The shares in CWX held by Carnarvon at 31 December 2018 have been accounted for as a fair value through profit and loss financial asset under Australian Accounting Standards and classified as a "level 1" financial asset under the fair value hierarchy.

6. Exploration and evaluation expenditure

	31 December 2018 $000	31 December 2017 $000
Carrying value at the beginning of period	53,443	46,938
Additions	16,498	1,054
Carrying value at the end of period	69,941	47,992

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Equity securities issued

	31 December 2018 Shares	31 December 2017 Shares
Issue of ordinary shares during the half-year		
Shares issued under the Employee Share Plan	1,238,108	1,600,000

	Number of Shares	Nominal Value $000
Movements in employee share plan issued with limited recourse employee loans		
Opening balance – 1 July 2018	53,602,608	4,276
Issued during period	1,238,108	102
Exercised during period	(6,132,000)	(104)
Closing balance – 31 December 2018	48,708,716	4,274

All of the 1,238,108 plan shares issued during the period were issued to Mr. Adrian Cook. Under the terms of the Carnarvon Employee Share Plan ("ESP"), as approved by shareholders, the Company may, in its absolute discretion, make an offer of ordinary fully paid shares in the Company to any Eligible Person, to be funded by a limited recourse interest free loan granted by the Company.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in plan shares during the year:

	Number December 2018	WAEP December 2018	Number June 2018	WAEP June 2018
Outstanding at beginning of period/year	53,602,608	0.15	45,453,192	0.15
Granted during the year	1,238,108	0.17	8,149,416	0.15
Forfeited during the year	-	-	-	-
Exercised during the year	(6,132,000)	0.09	-	-
Expired during the year	-	-	-	-
Outstanding at end of period/year	48,708,716	0.16	53,602,608	0.15
Exercisable at end of period/year	48,708,716	0.16	53,602,608	0.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Equity securities issued (continued)

Shares granted under the ESP are accounted for as "in-substance" options due to the limited recourse nature of the loan between the employees and the Company to finance the purchase of ordinary shares. The fair value at grant date for the various tranches of shares issued under the ESP is determined using a Black Scholes methodology using the following model inputs:

Fair value of ESP shares and related assumptions	Key management personnel December 2018	Other employees December 2018
Fair value at measurement date (cents)	28.0	-
Share price at date of issue (cents)	38.0	-
Exercise price (cents)	16.5	-
Expected volatility	68%	-
Expected life of ESP share	5 years	-
Expected dividends	Nil	-
Risk-free interest rate	1.5%	-
Share-based expense recognised	$346,912	-

8. Segment information

The Group reports one segment, oil and gas exploration, development and production, to the chief operating decision maker, being the board of Carnarvon Petroleum Limited, in assessing performance and determining the allocation of resources. The financial information presented in the statement of cash flows is the same basis as that presented to the chief operating decision maker.

9. Subsequent events

On 11 February 2019, the Company's insurance underwriters had agreed to pay US$1,913,000 as a part payment for a successful insurance recovery claim ("Claim"). The Claim will reimburse a significant portion of the costs incurred to drill the Phoenix South-3 well which was designed as a re-drill of the Phoenix South-2 well. The Phoenix South-2 well was successfully controlled following higher than expected pressures, which enabled the Claim.

On 19 February 2019, the Company completed a placement to institutional and sophisticated investors which raised $50,028,000 ("Placement"). The Placement comprised an issue of 151.6 million new Carnarvon shares at an issue price of $0.33 per share.

No other matter or circumstance has arisen since 31 December 2018 that in the opinion of the directors has significantly affected, or may significantly affect in future financial years:

(i) the Group's operations, or

(ii) the results of those operations, or

(iii) the Group's state of affairs

DIRECTORS' DECLARATION

The directors of the Carnarvon Petroleum Limited (the "Company") declare that:

1. The financial statements and notes, as set out on pages 6 to 15 are in accordance with the *Corporations Act 2001*, including:
   a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
   b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

PJ Leonhardt

PJ Leonhardt
Director

Perth
25 February 2019.

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Independent auditor's review report to the members of Carnarvon Petroleum Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Carnarvon Petroleum Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's consolidated financial position as at 31 December 2018 and its consolidated financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Ernst & Young

R J Curtin
Partner
Perth
25 February 2019

ADDITIONAL SHAREHOLDER INFORMATION

Details of associates and joint venture assets

Joint venture	*Principal activities*	*31 December 2018 Ownership interest %*	*31 December 2017 Ownership interest %*
Western Australia			
WA-435-P, WA-437-P, Roebuck Basin	Exploration for hydrocarbons	20%	20%
WA-436-P, WA 438-P, Roebuck Basin	Exploration for hydrocarbons	30%	30%
WA-521-P, Roebuck Basin	Exploration for hydrocarbons	100%	100%
WA-155-P(1), Barrow Basin	Exploration for hydrocarbons	28.5%	28.5%
EP-490, EP491, TP/27, EP475, Barrow Basin	Exploration for hydrocarbons	-	100%
EP-497, Barrow Basin	Exploration for hydrocarbons	-	100%
WA-523-P, Bonaparte Basin	Exploration for hydrocarbons	100%	100%
WA-524-P, Dampier Basin	Exploration for hydrocarbons	100%	100%
AC/P62, Bonaparte Basin	Exploration for hydrocarbons	100%	100%
AC/P63, Bonaparte Basin	Exploration for hydrocarbons	100%	-