Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

# New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000.

Name of entity

#### CARNARVON PETROLEUM LTD

ACN, ARBN or ARSN

002 688 851

We (the entity) give ASX the following information.

## Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 \*Class of \*securities issued or to be issued

ORDINARY SHARES

- 2 Number of \*securities issued or to be issued (if known) or maximum number which may be issued
- 3 Principal terms of the \*securities (eg, if options, exercise price and expiry date; if partly paid \*securities, the amount outstanding and due dates for payment; if \*convertible securities, the conversion price and dates for conversion)

13,513,514 ORDINARY SHARES

FULLY PAID ORDINARY SHARES

<sup>+</sup> See chapter 19 for defined terms.

4	<ul> <li>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</li> <li>If the additional securities do not rank equally, please state:</li> <li>the date from which they do</li> <li>the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>the extent to which they do not rank equally, other than in relation to the</li> </ul>	YES ("CVN" FO SHARES)	R FULLY PAID ORDINARY
	next dividend, distribution or interest payment		
5	Issue price or consideration	3.7 CENTS F	PER SHARE
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	FOR WORKIN	G CAPITAL.
7	Dates of entering <sup>+</sup> securities into uncertificated holdings or despatch of certificates		ORE 8 OCTOBER 2003 BUT WILL AS SOON AS PRACTICALLY
		Number	+Class
8	Number and +class of all +securities	171,591,623	ORDINARY SHARES (CVN)
	quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	10,000,000	ORDINARY OPTIONS EXPIRING 31/12/03 EXERCISABLE AT \$0.20 EACH
9	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	ORDINARY WITH EX SHARES	SHARES RANK PARI PASSU ISTING ISSUED ORDINARY

# Part 2 - Bonus issue or pro rata issue N/A

- 11 Is security holder approval required?
- 12 Is the issue renounceable or non-renounceable?

<sup>+</sup> See chapter 19 for defined terms.

Ratio in which the +securities will be 13 offered \*Class of \*securities to which the offer 14 relates \*Record date to determine entitlements 15 Will holdings on different registers (or 16 subregisters) be aggregated for calculating entitlements? Policy for deciding entitlements in relation 17 to fractions 18 Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. 19 Closing date for receipt of acceptances or renunciations Names of any underwriters 20 21 Amount of any underwriting fee or commission 22 Names of any brokers to the issue 23 Fee or commission payable to the broker to the issue Amount of any handling fee payable to 24 brokers who lodge acceptances or renunciations on behalf of \*security holders 25 If the issue is contingent on \*security holders' approval, the date of the meeting Date entitlement and acceptance form 26 and prospectus will be sent to persons entitled

<sup>+</sup> See chapter 19 for defined terms.

- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do \*security holders sell their entitlements *in full* through a broker?
- 31 How do \*security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do \*security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Despatch date

+ See chapter 19 for defined terms.

# Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34	Type of securities ( <i>tick one</i> )	
(a)	$\checkmark$	Securities described in Part 1
(b)		All other securities Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

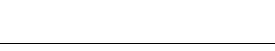
(If the additional securities do not form a new class, go to 43)

Tick to indicate you are providing the information or documents

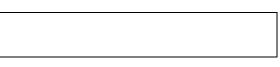
35		If the +securities are +equity securities, the names of the 20 largest holders of the additional <sup>+</sup> securities, and the number and percentage of additional <sup>+</sup> securities held by those holders
36		If the +securities are +equity securities, a distribution schedule of the additional <sup>+</sup> securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over
37		A copy of any trust deed for the additional +securities
(now	go to 43)	

## Entities that have ticked box 34(b)

38 Number of securities for which <sup>+</sup>quotation is sought



39 Class of +securities for which quotation is sought



<sup>+</sup> See chapter 19 for defined terms.

- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do the extent to which they participate • for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank • equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (*including* the securities in clause 38)

Number	+Class	
;		

(now go to 43)

#### All entities

#### Fees

43 Payment method (tick one)

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Cheque to be issued on receipt of invoice from ASX

#### Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

#### Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

#### **Quotation agreement**

<sup>+</sup> See chapter 19 for defined terms.

- <sup>1</sup> <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX's absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.
- 2 We warrant the following to ASX:
  - The issue of the <sup>+</sup>securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the <sup>+</sup>securities for sale within 12 months after their issue will not require disclosure under section 707(3) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under section 737 or 738 of Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before <sup>+</sup>quotation of the <sup>+</sup>securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:	Date: 7 October 2003
e	(Director/Company Secretary)

Print name: T Irwin

<sup>+</sup> See chapter 19 for defined terms.