

# Additional Australian Block Award

2 June 2014



## Highlights

- Carnarvon awarded an additional 2 blocks covering a substantial 1,750 km<sup>2</sup>
- Located on trend to producing oil and gas fields
- Blocks already substantially covered by quality 3D seismic data
- Shallow water, shallow targets suitable for jack-up rig drilling
- Minimal work commitments added to the portfolio

Carnarvon Petroleum Ltd ("Carnarvon") is pleased to announce the award of two contiguous blocks on the eastern flank of the prolific oil producing Barrow Sub basin: Petroleum Exploration Permit EP-490 (bid block L11-6) and TP/27 (bid block T11-3). Carnarvon is Operator and 100% working interest holder in these blocks that cover a total area of around 1,750 km<sup>2</sup>.

Two major hydrocarbon accumulations occur immediately to the north of the blocks. The Wandoo Oilfield is located around 46kms to the north of the blocks with its primary reservoir at a depth of approximately 600 metres in the Early Cretaceous M.australis Sandstone of the Muderong Shale. Recoverable oil is estimated to be approximately 100 million barrels. The Stag Oilfield is located only 24 kms to the north of these blocks with its primary reservoir at a depth of approximately 700 metres. Recoverable oil is estimated to be around 50 million barrels. Both fields lie in approximately 50 metres of water.

These new blocks are already substantially covered by modern 3D seismic data which will aid in identifying analogous traps to the Stag and Wandoo oilfields.

Numerous oil and gas fields have also been discovered throughout the area to the west of the blocks, including the significant hydrocarbon accumulations in the Harriet area, reservoired within the highly productive Flag Sandstone.

Water depth over the blocks does not exceed 70m, which when combined with shallow target depths, allows for cost effective drilling using offshore jack-up rigs.

Work commitments for the primary 3 year period are limited to reprocessing the existing 3D seismic and geological studies and will not add any significant cost exposure to Carnarvon's already low future commitments.

## Managing Director's Comments:

*"Securing a significant acreage position just to the south of two major oil fields with minimal commitments further compliments Carnarvon's strategy for expansion on the North West Shelf. That the blocks are already covered by extensive modern 3D data, combined with shallow water depths and reservoir targets, means that future exploration costs will be kept to a minimum as we pursue significant oil prospects in the acreage. These blocks, together with the contiguous EP-491 award announced on 29 May 2014, provide an exciting new phase for growth for the Company." Managing Director Adrian Cook said.*

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Yours faithfully



**Adrian Cook**  
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