

Roc-2 well drilling update

19 July 2016



Carnarvon Petroleum Limited ("Carnarvon") (ASX:CVN) provides the following update on drilling operations as advised by the operator of the Roc-2 well, Quadrant Energy.

Progress

Since the last report the 26" (660 mm) hole has been drilled to around 1,275 metres measured depth and the 20" (510 mm) casing has been set and cemented in place.

Current Operations

The well has commenced drilling in the 17 ½" (445 mm).

Forward Plan

The rig is expected to take between 1 to 2 weeks to drill the 17 ½" (445 mm) hole down to a depth of approximately 3,500 metres measured depth before running the 13 5/8" (346 mm) intermediate casing. No reservoir objectives are anticipated to be intersected in this hole section.

The Roc-2 well is located within the WA-437-P exploration permit in the North West Shelf of Australia. The equity interest holders are:

Carnarvon Petroleum	20%
Quadrant Energy (<i>Operator</i>)	80%

Yours faithfully

A handwritten signature in black ink, appearing to read "AC", written over a light blue horizontal line.

Adrian Cook

Managing Director
Carnarvon Petroleum

Shareholder enquiries:

Mr Thomson Naude
Company Secretary
Phone: (08) 9321 2665
Email: investor.relations@cvn.com.au

Media enquires:

Mr Tony Dawe
Professional Public Relations
(08) 9388 0944 / 0405 989 743
tony.dawe@ppr.com.au

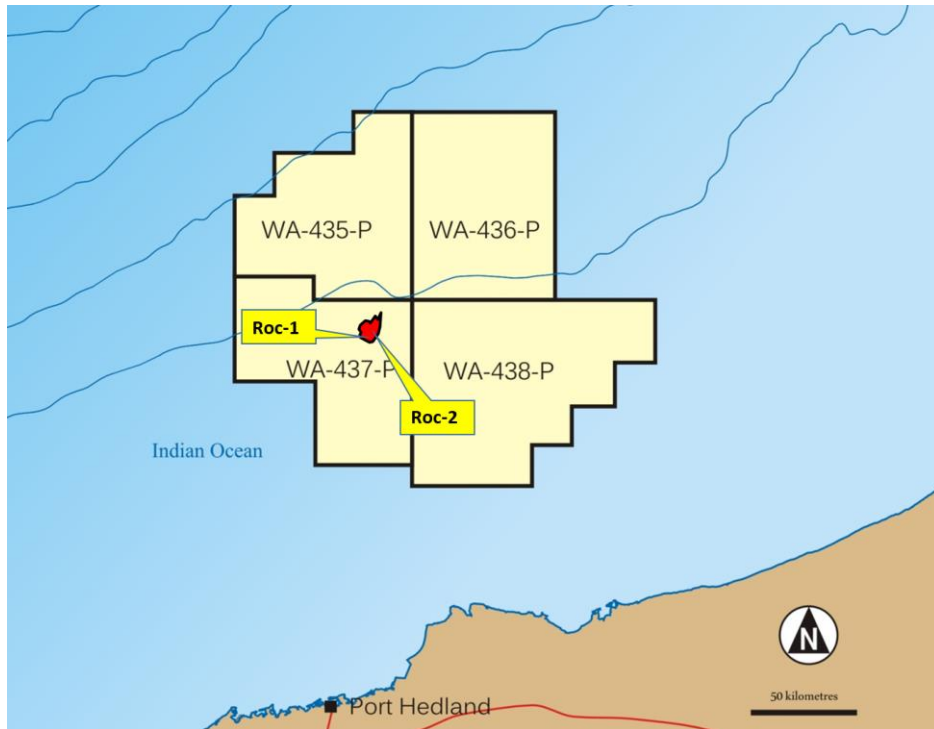


Figure 1: Location of Roc-2 within WA-437-P in the North West Shelf of Western Australia

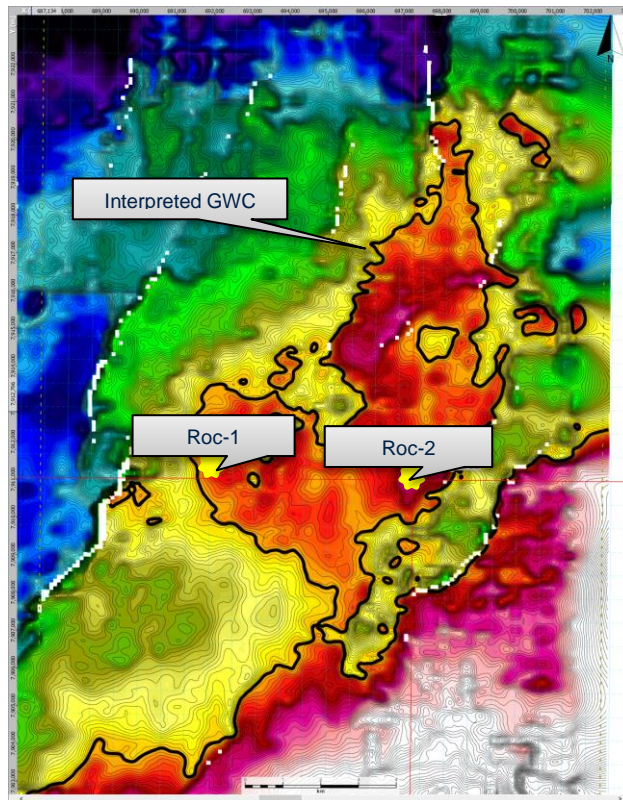


Figure 2: Location of Roc-2 within the Roc structure based on depth map from 3D seismic