

ASX ANNOUNCEMENT

Bedout divestment update

10 July 2023

Highlights

- ▶ Satisfaction of final condition for Carnarvon's divestment of a 10% interest in its Bedout assets to CPC Corporation, Taiwan, progressing well
- ▶ Parties targeting satisfaction of the final condition, and transaction completion, in this current quarter (Q3, 2023)
- ▶ Carnarvon to hold ~A\$178 million cash, and an entitlement to a further ~A\$129 million contribution towards its share of Dorado development costs, upon divestment completion

As previously announced on 22 February 2023, Carnarvon Energy Limited (**Carnarvon**) entered into a binding agreement to divest a 10% interest in its Bedout assets to OPIC Australia Pty Limited, a wholly owned subsidiary of CPC Corporation, Taiwan (**CPC**), Taiwan's national oil and gas company (**Sale Agreement**).

Under the Sale Agreement, Carnarvon will receive total cash consideration of US\$146 million. This comprises an upfront payment of US\$56 million (equivalent to ~A\$80 million) on completion of the transaction, and a further carry of US\$90 million (equivalent to ~A\$129 million) towards Carnarvon's share of the Dorado development costs once a Final Investment Decision is taken.

As further advised on 24 May 2023, only one condition relating to the transaction remains to be satisfied. Satisfaction of this final condition, which is the approval of the Foreign Investment Review Board (**FIRB**), remains in progress. CPC continues to work diligently with FIRB to obtain approval, noting that this process can take several months.

The parties are targeting satisfaction of the final condition, and completion of the transaction under the terms of the Sale Agreement, in this current quarter (Q3, 2023).

Carnarvon Managing Director and CEO, Adrian Cook, commented:

"The CPC transaction is on track to complete in this current quarter.

All conditions other than FIRB approval have been satisfied, including importantly the approval of our partner, Santos, for the divestment to proceed and CPC to join the Joint Venture.

CPC is already an established investor in oil and gas assets in Australia, with interests in the Prelude FLNG and Ichthys LNG projects. CPC has also more recently received FIRB approval to acquire an interest in Exploration Permit WA-533-P from INPEX.

We look forward to concluding the divestment this quarter, and progressing the Dorado development and wider Bedout exploration in partnership with CPC and Santos.”

Approved for release by:



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