ASX ANNOUNCEMENT

Quarterly Activities Report

For the period ended 30 September 2026

9 October 2026

Carnarvon Energy Limited (**ASX:CVN**)(**Carnarvon** or **the Company**) provides an update on the Company's activities and financial position as at 30 September 2026.

Company Snapshot

Bedout Sub-basin (Dorado, Pavo and Exploration)

- Transocean Equinox has been contracted for the 2027 Bedout drilling campaign.
- Environmental plans approval on track for drilling to commence from April 2027.
- One firm plus one contingent well in the campaign in Carnarvon's exploration permits.
- Ara, the most likely firm well, is a play-opening prospect, with a 37% geological chance of success and 191 mmboe of prospective resources (gross, unrisked Pmean)*.
- Dorado remains FEED-ready, with the renewed focus on Australian energy security returning it to the forefront as a strategic project capable of producing ~60,000 barrels of oil per day.

Corporate

- Maintained a strong balance sheet with A$97 million in cash, no debt, and a US$90 million development carry for the Dorado project.
- Strategic 19.9% holding in Strike Energy Ltd (ASX:STX), which recently announced a path forward for its West Erregulla development.

*Refer to ASX announcement on 23 June 2026 - Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

Carnarvon's CEO, Philip Huizenga, commented:

"On the back of the recent signing of the Transocean Equinox semi-submersible rig for a multi-well campaign in 2027, we are working on finalising the wells we will be targeting. The multi-well, multi-year Environment Plans that we are progressing allow us flexibility on drilling targets as we progress with the necessary joint venture planning and budgeting – not only for 2027 but also beyond.

Ara remains the standout target which is expected to commence our 2027 drilling campaign. Ara is a very large prospect in the north of WA-435-P, and one reason we are attracted to it, aside from its size and quality, is that it is a genuine play-opening test for the northern part of our acreage.

While progressing our exciting drilling campaign for next year, we retain our financial strength, with the campaign anticipated to cost the Company less than $20 million, if two wells are drilled. This will be comfortably funded from our current cash reserves of around A$97 million.

Finally, the importance of our already discovered, appraised and tested field in Dorado was again reinforced, with Industry data published in September 2026 showing Australia's crude oil production fell to around 32,000 bopd (total of 2.9 million barrels) in the June 2026 quarter[1]*. Dorado has been highlighted as the only major new oil project on the horizon in Australia. Pre-FEED work completed in 2024 has shown that Dorado can produce at a plateau rate of approximately 60,000 barrels of oil per day, almost double the production for the whole of Australia reported in the June 2026 quarter.*

Dorado remains a high quality, liquids-rich project that can play an important role for Australia's oil supply security."

Bedout Exploration

WA-435, 436, 437 & 438-P (Carnarvon 10-20%, Santos is the operator)

The Bedout Sub basin, located offshore Western Australia, remains one of the most prospective and technically advanced exploration regions in the country, with another exploration campaign expected to commence from April 2027.

During the previous quarter, the Company contracted the Transocean Equinox semi-submersible mobile offshore drilling unit as part of a multi-well drilling campaign[2], with one firm well in Carnarvon's exploration permits, and one contingent well.

Work on the environmental plans continued during the quarter, which remain on track for approval well before the commencement of activities in April 2027. This start date has been selected to largely avoid the Western Australia's main cyclone season. The proposed contingent well is also expected to be firmed up during the upcoming quarter, in line with the joint venture budgeting and approvals process.

If the firm and contingent wells are both drilled, the total expected cost to Carnarvon will be approximately A$20 million, which would be funded from Carnarvon's current cash balance.

The objective of the 2027 Bedout exploration campaign is to further define the scale of the Bedout Sub-basin's resource potential and will target some of the largest prospects in the exploration portfolio. Assessment of these prospects has been greatly enhanced by the completion of recent technical work which has significantly expanded the Company's prospective resource estimates across its permits.

The most likely firm well for the 2027 campaign would target Ara, which will be testing a new basin play fairway some 80km north of the Dorado field.

[1] https://www.afr.com/companies/energy/fuel-security-ambitions-dealt-blow-as-oil-self-sufficiency-slumps-20260907-p60v2h
[2] CVN ASX Announcement 1 June 2026 - Rig Contracted for 2027 Bedout sub-Basin Drilling Campaign

Ara (WA-435-P, Carnarvon 10%) has dual objectives: a primary target in a stratigraphic pinch-out trap within the Archer Formation, of comparable reservoir age to Dorado, and a secondary target in the Late Triassic Cuvier Member, a fluvial channel belt system analogous to the Mungaroo Formation, which hosts some of the largest accumulations on Australia's North-West Shelf. Ara has an estimated geological chance of success of 37% and prospective resources of 191 mmboe (gross, unrisked Pmean) (Refer to ASX announcement on 23 June 2026 and cautionary statement on page 1.)

While 3D seismic provides good definition of the reservoir, seal and trap, fluid type cannot be reliably determined pre-drill, meaning Ara may contain oil and/or gas. Success at either objective would be play-opening and would unlock significant exploration running room in some large prospects across the northern part of Carnarvon's acreage.

Exploration in the Bedout Sub-basin has achieved an outstanding success rate of approximately 67% since the application of modern 3D seismic, with four discoveries (Phoenix South, Roc, Dorado and Pavo) from six wells drilled on this modern 3D data.

Project Development

Dorado WA-64-L (Carnarvon 10%, Santos 80%, operator)

The Dorado oil and gas field, situated about 150 kilometres offshore from Port Hedland in Western Australia at a water depth of around 90 metres, stands as one of the country's most significant undeveloped oil discoveries. Port Hedland itself plays a crucial role as a fuel import hub for Western Australia's iron ore mining industry, handling between 1.5 and 2 billion litres of diesel imports annually.

A preliminary development plan has been completed for the field, which considers a staged approach, beginning with liquids production (Phase 1) followed by a potential gas export phase (Phase 2).

The Phase 1 liquids development concept, refined in 2024, is based on a single wellhead platform supporting up to twelve wells tied back to a Floating Production Storage and Offloading (FPSO) facility. This configuration has been designed to deliver efficient liquids production while allowing for potential future tiebacks from nearby fields in the Bedout Sub-basin, such as Pavo.

Carnarvon estimates that the Dorado and surrounding fields contain gross 2C resources of 249 million barrels of light oil and condensate and 1.1 trillion cubic feet of gas.

Recent geopolitical events, including disruption to shipping lanes through the Strait of Hormuz, and the resulting focus on energy security have returned Dorado to the forefront as a strategic project. The operator of the field has recently reinforced that Dorado has the potential to play a significant role in addressing energy security challenges for Australia and the region.

Pre-FEED work completed in 2024 has shown that Dorado can produce at a plateau rate of approximately 60,000 barrels of oil per day, which could provide important domestic production.

Dorado remains FEED-ready and the project is expected to be FID-ready following an abbreviated FEED process based on previously completed work, with first oil approximately

three years from FID. Carnarvon's net upfront capital expenditure is estimated to be below approximately US$200 million, of which US$90 million is funded by its existing development carry.

With drilling activity in the region resuming in April 2027, the Operator has indicated that project development work will recommence in line with the evaluation of further Bedout basin resources. Carnarvon is working with the operator and joint venture on the timing for recommencing Dorado development activities and will update the market as decisions are made.

Cash and liquidity position

The Company remains well funded and ended the quarter with approximately A$97 million in cash, no debt, and a 19.9% stake in Strike Energy Ltd (ASX:STX).

Carnarvon also maintains US$90 million in future Dorado development cost carry.

Carnarvon's strategic 19.9% investment in Strike Energy provides exposure to onshore Perth Basin gas and power. During the quarter, Strike announced a proposed pathway forward to unlock the development of the significant West Erregulla gas field, including a binding heads of agreement for gas processing through the planned Belisama gas plant.

During the quarter, the administrative, corporate and staff costs of the Company were funded by the interest earned on the Company's cash holdings.

Financial analysis of selected items within Appendix 5B

Appendix 5B reference	ASX description reference	Carnarvon commentary
1.2 (d)	Staff costs	Staff costs include employee salaries and on costs.
1.2 (e)	Administration and corporate costs	This item includes costs for and associated with operating the Company's office, ASX listing fees, insurances, software licences, investor relations and travel.
1.4	Interest received	Carnarvon holds a significant portion of its cash in term deposits, which generate interest income during the year. Interest is recorded in the Appendix 5B when received, namely when deposits mature. Accordingly, the amount varies each quarter based on the interest rate, the amount on term deposit and the timing of the maturity of the term deposits.
2.1 (d)	Exploration and evaluation costs capitalised	During the quarter, Carnarvon incurred a net outflow of A$496k in exploration and evaluation activities, primarily related to exploration Environmental Plan preparation for 2027 exploration drilling and ongoing G&A expenses to keep the permits in good standing.
4.5	Effect of movement in exchange rates on cash held	This reflects the impact of an appreciation of AUD compared to USD on the portion of the Company's funds held in USD.
6.1	Payments to related parties and their associates	These costs pertain to remuneration paid to Non-Executive Directors.
8.0	Future operating activities	For the upcoming quarter, Carnarvon has forecast A$900k - $1.2 million of exploration expenditure in the Bedout Sub-basin and A$500k - $800k in corporate and other costs.

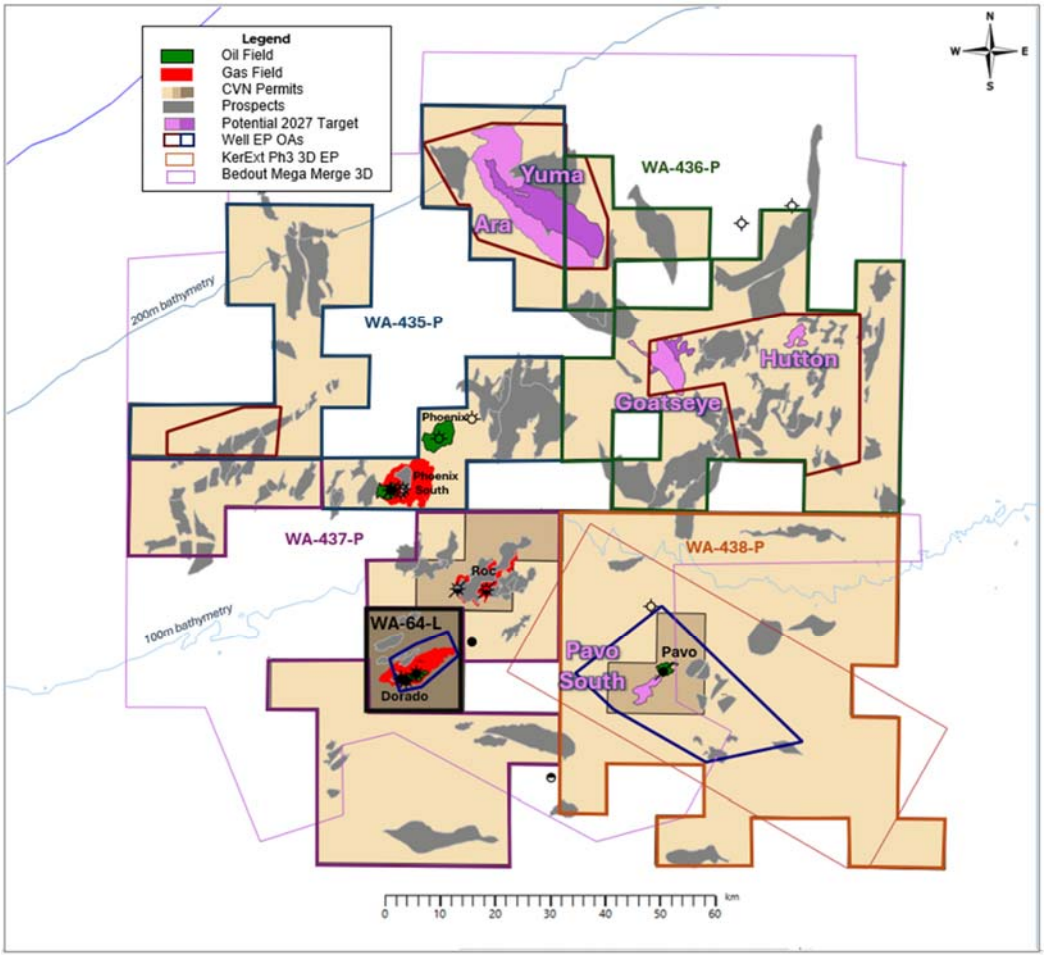

Figure 1: Project Map with Carnarvon having an interest in around 11,000 km^2 acreage

Table 1: Carnarvon permits

Project	Permit(s)	Operator	Interest Held	Interest Change Q/Q
Bedout	WA-64-L	Santos	10%	-
Bedout	WA-435-P	Santos	10%	-
Bedout	WA-436-P	Santos	20%	-
Bedout	WA-437-P	Santos	10%	-
Bedout	WA-438-P	Santos	20%	-

Acronym	Definition
bopd	barrels of oil per day
bbls	Barrels of oil
CVN	Carnarvon Energy Limited
FEED	Front end engineering and design
FID	Final Investment Decision
JV	Joint Venture
km	Kilometres
km^2	Square kilometres
m	Millions
Qtr	Quarter
Q/Q	Quarter on quarter
Tcf	Trillion cubic feet (gas)
WHP	Wellhead platform
2D	Two-dimensional seismic data
3D	Three-dimensional seismic data
USD	United States of America dollar

Cautionary Statement*

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment are subjective processes of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way. Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

Resources

All prospective resources in this update are prepared as at 23 June 2026 and 30 June 2026 pursuant to the announcements released to the ASX on 23 June 2026 and 29 September 2026. The estimates of prospective resources included in this update have been prepared in accordance with the definitions and guidelines set forth in the SPE-PRMS. Carnarvon is not aware of any new information or data that materially affects the information included in this update, and that all material assumptions and technical parameters underpinning the estimates in this update continue to apply and have not materially changed.

Prospective resources have been reported using the best estimate. Prospects are made up of multiple potential reservoir horizons and these are "rolled-up" statistically into a single prospective resource. These prospective resources are statistically aggregated up to the field level and arithmetically summed to the project level.

Conversion from gas to barrels of oil equivalent is based on Gross Heating Value. Carnarvon uses a constant conversion factor of 5.7 Bscf/MMboe. Volumes of oil and condensate, defined as 'C5 plus' petroleum components, are converted from MMbbl to MMboe on a 1:1 ratio.

Competent Person Statement Information

The resource estimates outlined in this report were compiled by Carnarvon's Chief Executive Officer, Mr Philip Huizenga, who is a full-time employee of the Company.

Mr Huizenga has over 25 years' experience in petroleum exploration and engineering. Mr Huizenga holds a Bachelor's Degree in Engineering, a Master's Degree in Petroleum Engineering and is a member of the Society of Petroleum Engineers. Mr Huizenga is qualified in accordance with ASX Listing Rules and has consented to the form and context in which this statement appears.

Forward Looking Statements

This report contains certain "forward-looking statements", which can generally be identified by the use of words such as "will", "may", "could", "likely", "ongoing", "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "forecast", "goal", "objective", "aim", "seek" and other words and terms of similar meaning. Carnarvon cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on any forward-looking statement.

Approved for release by:

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
CARNARVON ENERGY LIMITED	
ABN	**Quarter ended ("current quarter")**
60 002 688 851	30 September 2026

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(467)	(467)
	(e) administration and corporate costs	(790)	(790)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1,283	1,283
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**26**	**26**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2)	(2)
	(d) exploration & evaluation	(531)	(531)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(533)**	**(533)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(53)	(53)
3.10	**Net cash from / (used in) financing activities**	**(53)**	**(53)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	97,678	97,678
4.2	Net cash from / (used in) operating activities (item 1.9 above)	26	26
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(533)	(533)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(53)	(53)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(80)	(80)
4.6	**Cash and cash equivalents at end of period**	**97,038**	**97,038**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	8,495	7,671
5.2	Call deposits	88,543	90,007
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**97,038**	**97,678**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	75
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	26
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(531)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(505)
8.4	Cash and cash equivalents at quarter end (item 4.6)	97,038
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	97,038
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**192**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: n/a

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: n/a

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: n/a	
Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 9 October 2026

Authorised by: By the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.