

Phoenix 3D Seismic Commenced

2 December 2010



Carnarvon Petroleum Limited (ASX:CVN) provides the following update on its Bedout sub-basin offshore Western Australia operations.

On the afternoon of 1 December 2010, the seismic vessel Geo Celtic left the Port of Broome for the planned acquisition of 1,100 km² of new, multi-client 3D seismic data over the area highlighted in Figure 1 below. The 3D seismic data are being acquired specifically to assist in the appraisal of the Phoenix gas field in WA-435-P and to target other identified gas prospectivity in WA-435-P and the adjacent WA-437-P. Acquisition of the 3D seismic survey is expected to take approximately six weeks to complete.

In conjunction with the 3D seismic programme, 407 km of 2D multi-client seismic data also will be acquired, providing important well ties and new data over key leads in the area.

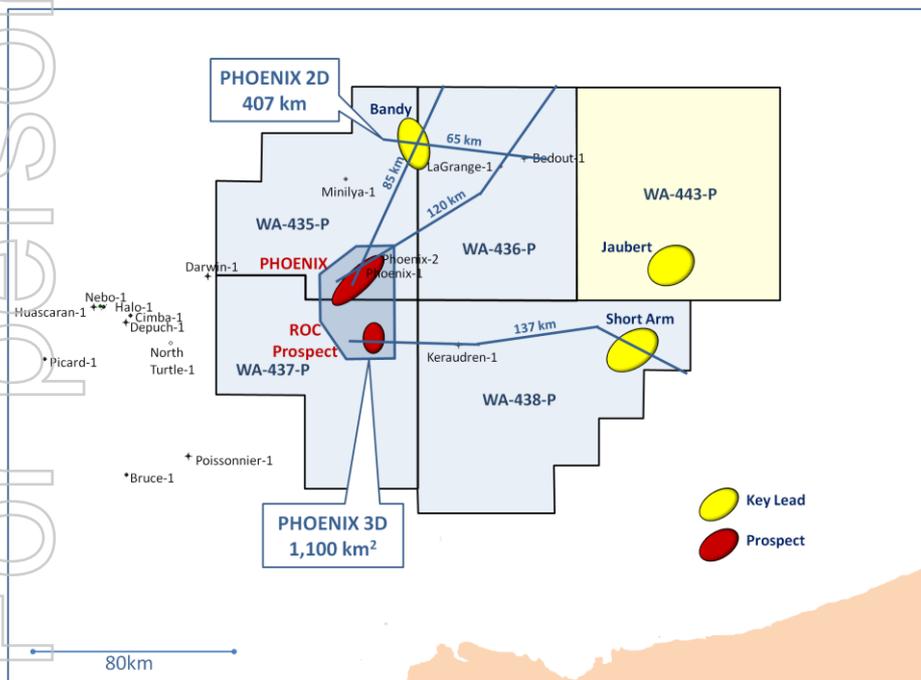


Figure 1: Approximate outline of 2D and 3D seismic surveys

CVN's acreage in the Bedout Sub-Basin:

- Accelerated work program is underway
- 1,100 km² 3D seismic survey
- 407 km 2D seismic survey will accompany 3D survey

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Once the seismic data have been acquired, processed and interpreted, Carnarvon and its joint venture partner (Finder Exploration) plan to commence a process of farming out an interest in the permits. This farm-out is intended to enable the drilling of wells to assist in the next stage of appraisal and development of the Phoenix gas discovery.

The seismic data are being acquired using Fugro's Geo Celtic (Figure 2). This purpose-built seismic vessel is one of the world's largest and incorporates state-of-the-art technology including up to 12 fully-steerable, 8,000-metre-long, solid streamers.



Figure 2: The Fugro-Geoteam seismic vessel, Geo Celtic (image from Fugro).

WA-435, WA-436, WA-437 and WA-439 Permit Holders

Finder Exploration (Operator)	50%
Carnarvon Petroleum	50%

WA-443 Permit Holders

Carnarvon Petroleum (Operator)	100%
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