



Market Update

4 August 2022

Central Petroleum Limited (ASX:CTP)



June Quarter Highlights

Strong June Quarter Performance

- Revenue up 18% from March quarter
- Average sales price up to \$8.49 / GJe

Strong markets and access to spot sales

- Newly gained access to the strong east coast spot markets
- May/June spot sales revenue of >\$2m (\$34/GJ delivered price)

Drilling program update

- Current program revised to
 - replace PV Deep with P3 appraisal target which is lower risk than deep target and potentially comparable size, and
 - replace Dingo well with investment in new near-term production increases
- Investment in near-term production targeting new sales into strong gas markets.
- PV12 currently drilling laterally at circa 2,070m

Debt Refinanced

- 3 year extension
- Reduced principal repayments, same interest rate
- Ability to expand if needed

Range testing continues

- Local de-watering process underway
- Initial visibility anticipated toward the end of year
- Early gas production indicates good gas saturation with longer de-watering times



Strong June Quarter Performance

Sales volume 1.19 PJe Down 6.5%
Planned maintenance on Northern Gas Pipeline

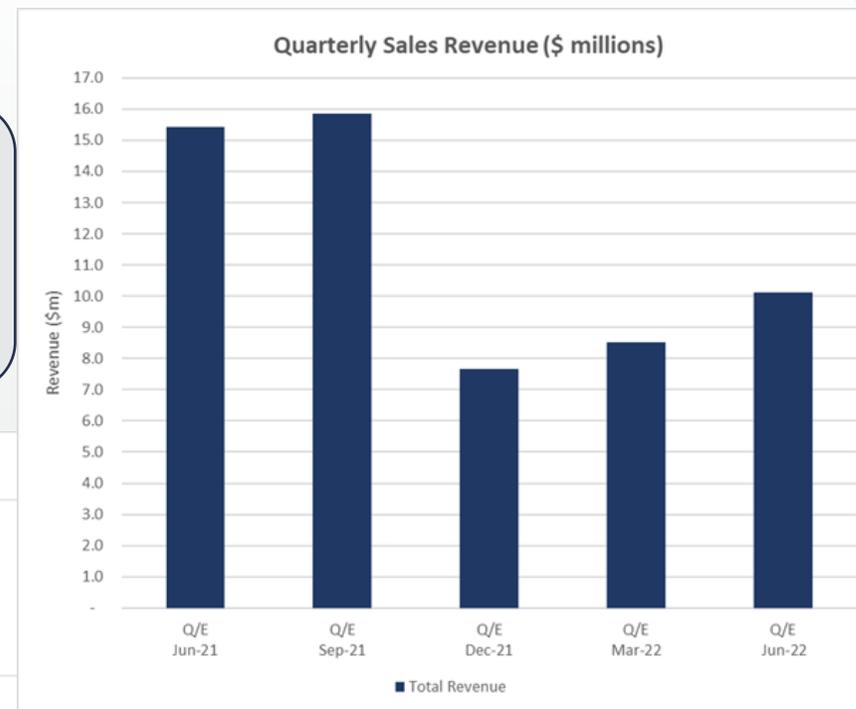
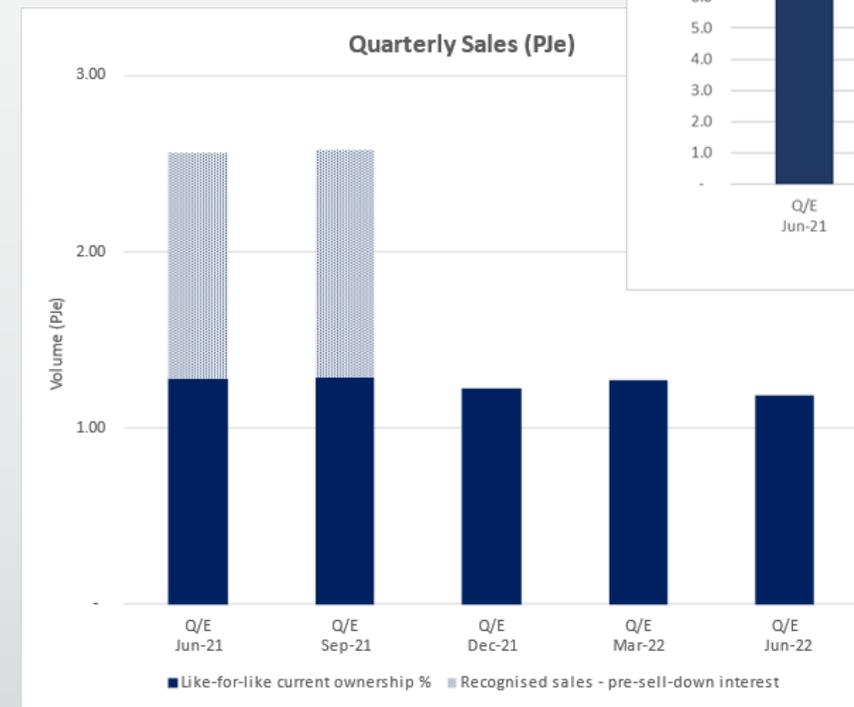
Sales revenues \$10.1m Up 18.7%
Stronger commodity prices
15% of gas sold into east coast spot gas market

Higher prices \$8.49/GJe Up 26.9%
Gas up 31%: spot sales and contract escalation
Oil up 9%

Cash balance \$21.6m Up \$2.7m
+ \$6.8m net cash flow from operations/corporate
- \$2.5m debt service
- \$0.6m sustaining CAPEX
- \$0.9m exploration: Range & Amadeus sub-salt program

Net debt \$10.2m Down \$4.8m
Loan Balance \$30.8m

Annual sales revenue \$42.2m
Up 12.7% on a like-for-like basis
2021: \$59.8m
(\$37.1m like-for-like ownership %)



Annual sales volume 6.27 PJe
Down 2% on a like-for-like basis
2021: 10.3 PJe
(6.4 PJe like-for-like ownership %)

Extension of Debt Facility

Net debt \$10.2m (down \$4.8m)
 Loan Balance \$30.8m

Facility extended
 Extended by 3 years to September 2025
 Substantially the same terms as existing facility

Flexibility to fund additional development
 Provision for additional draw-down of \$5m, subject to bank approval

	Existing facility	New facility
Expiry	30 September 2022	30 September 2025
Principal repayments	\$2.0m per quarter	\$1.125m per quarter
Early termination fee	Lesser of: <ul style="list-style-type: none"> • 2.5% of prepayment; and • Interest on remaining term 	Nil

Debt balance



Access to Strong East Coast Gas Markets

Well-timed new transport and trading arrangements allow access to east coast spot markets

Improves the opportunity to sell all of our non-firm production on a day

Approximately 15% of production

Averaged \$34/GJ in June Quarter (delivered) brought on by unexpected demand for gas powered generation due primarily to coal generation outages & colder weather

Term gas markets remain strong

Existing gas contracts escalate with inflation

Very strong market interest in new firm gas contracts from 2023

Prioritising new gas supply

PV 12 appraisal well targeting new gas resource – could commence production this year if successful

Plans for additional production capacity at Mereenie – recompletions and new wells over next 12 months



Drilling Program Update

PV12 drilling progress

Original target (PV Deep) at 3,560m
Difficult drilling conditions – heavily fractured zones resulted in lost circulation of drilling fluids
Gas shows detected while drilling through lower P2/P3 at approximately 2,060m

Revised PV12 exploration target

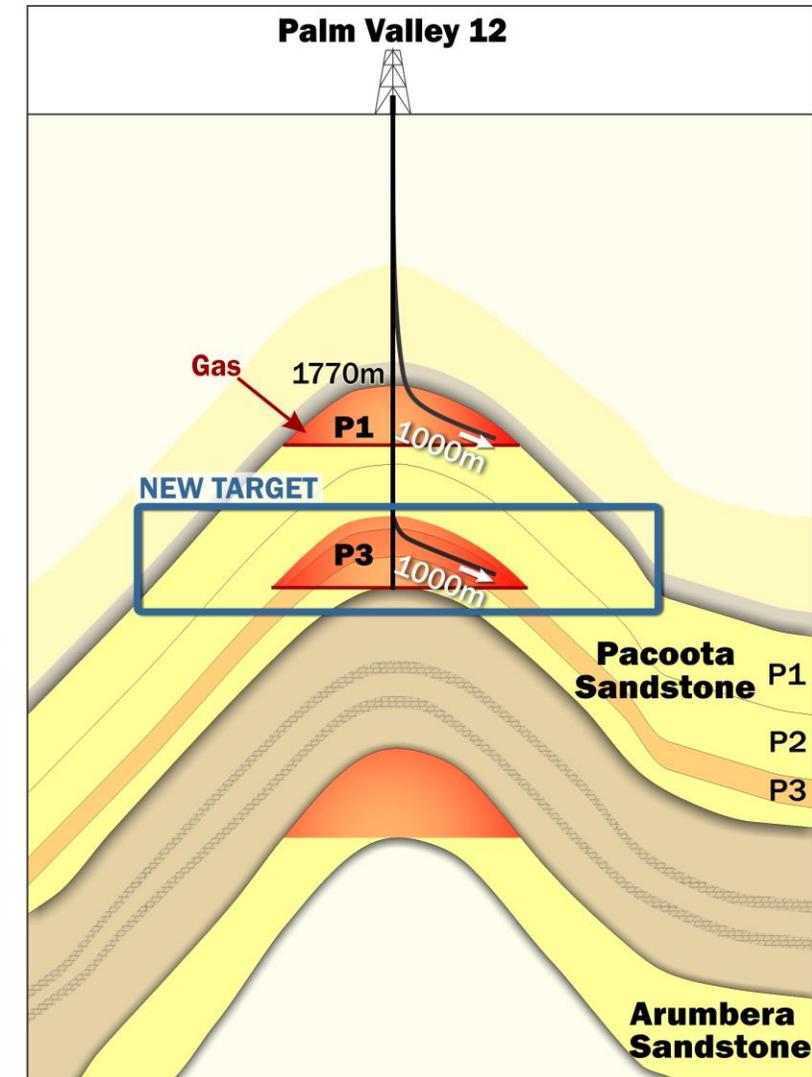
Target switched from PV Deep to lower P2/P3
Potential target could be comparable in size to PV Deep resource
Reduced drilling risk (compared to drilling a further 1,225m to PV Deep target)
Higher chance of success (gas already detected)
Can be more quickly and cheaply brought to market through existing Palm Valley facilities

Production enhancements prioritized over Dingo Deep exploration

Dingo Deep exploration well deferred
Prompted by strong gas market pricing / east coast demand
Capital to be re-deployed to increase near term production at Mereenie / Palm Valley
Mereenie recompletions and new wells over next 12 months

Palm Valley 12 ST1 lateral currently drilling

Drilling horizontally into lower Pacoota P2/P3 sandstones
Currently at 2,070m



Drawing not to scale.

Range CSG Pilot Update

Production testing commenced

Two new step-out pilot wells (Range 9 and 10) commenced testing in April

One of the original pilot wells (Range-6) is also being tested

Increasing gas flows

Gas breakthrough was observed immediately upon commencement of pumping – indicates presence of fully saturated coals

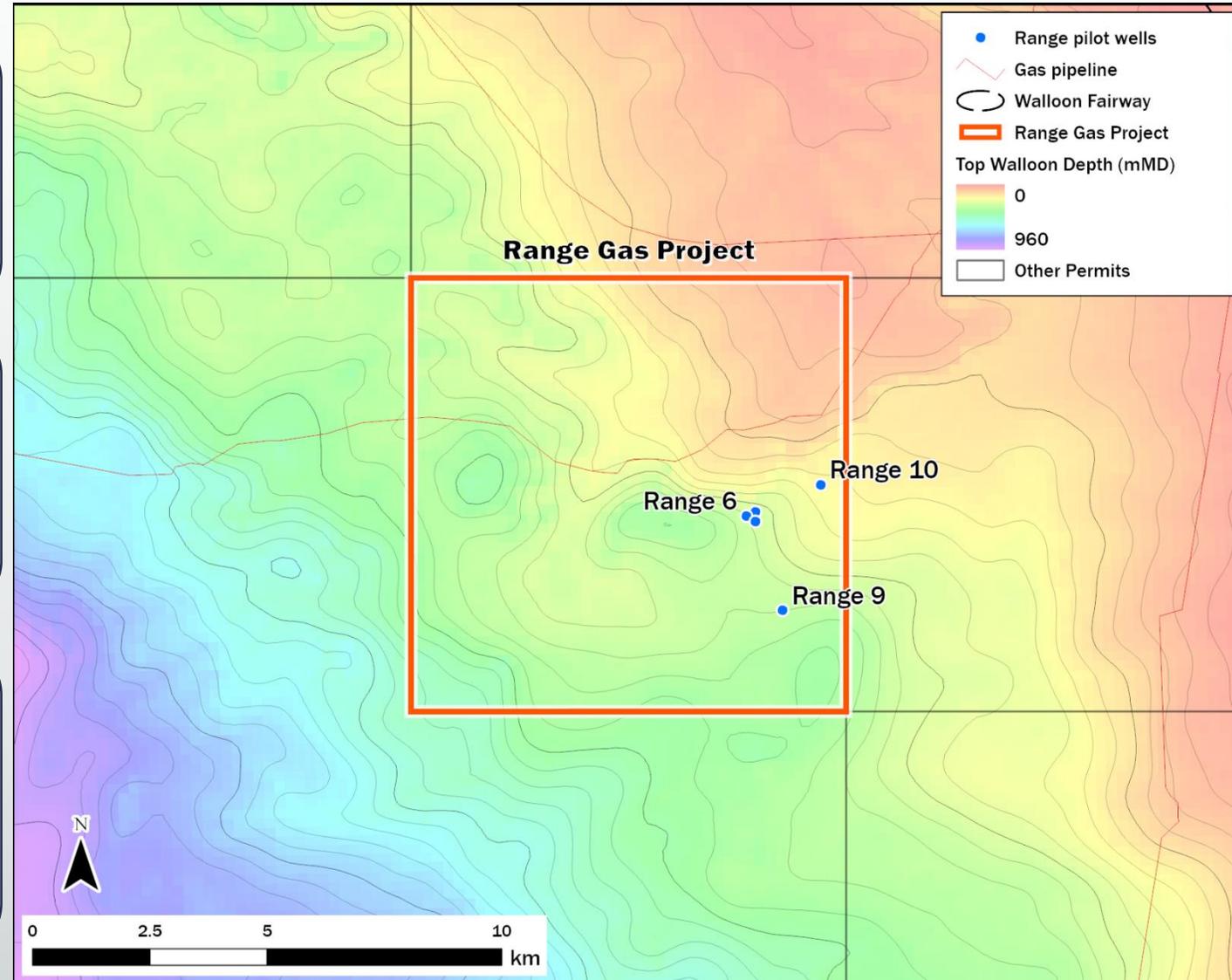
Gas rates from the 3 wells is gradually increasing
Aggregate pilot gas production is now at 40,000 scfd

Future operations

Ongoing testing to continue for several months

Visibility on potential field performance anticipated by end of year

Data swap recently with a neighbouring permit could provide additional technical insights



Sub-salt Exploration Program Update

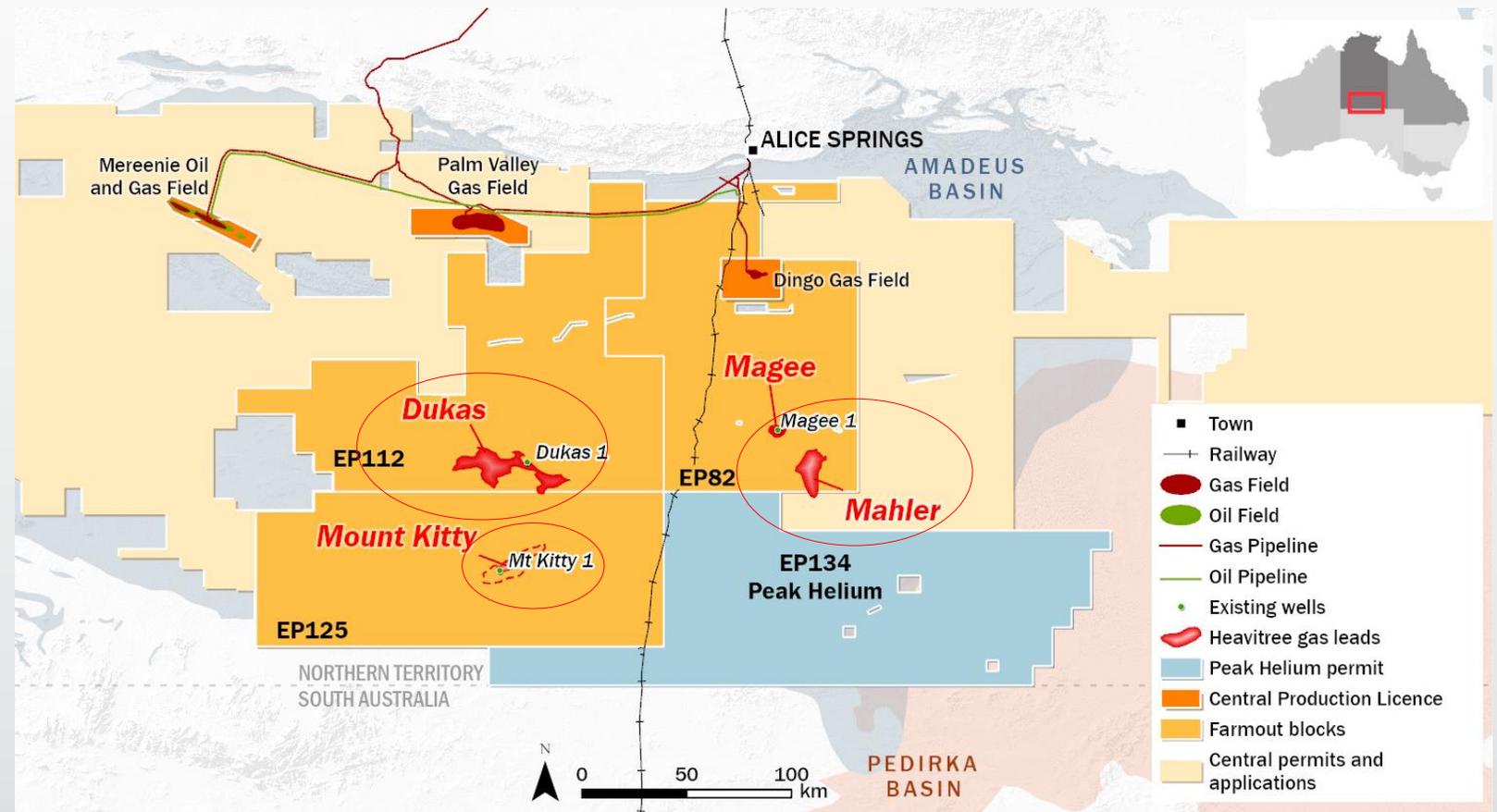
Key activities underway
Santos (operator) has commenced procurement, rig contracting, approvals

Three wells commencing in 2023
Dukas, Mt Kitty and Mahler
Targeting helium, naturally-occurring hydrogen and hydrocarbons

Peak farm-out
Peak Helium will fund Central's costs for Mt Kitty and Mahler (capped at \$20m gross cost per well)
Satisfaction of conditions precedent extended to 31 August 2022

Ownership interests

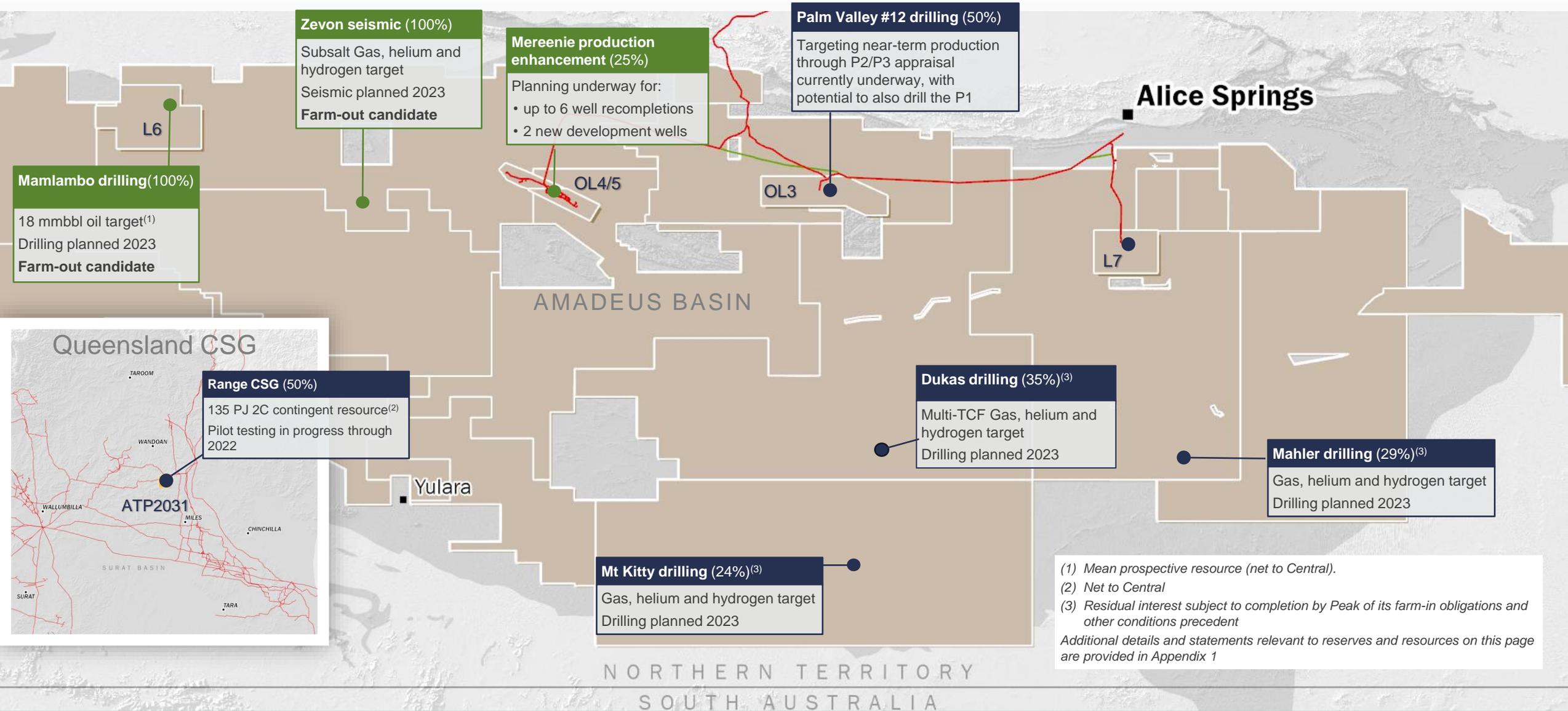
Exploration Permit	After farmouts*		
	Central	Peak	Santos
EP 82	29%	51%	20%
EP 112	35%	35%	30%
EP 125	24%	56%	20%



Completion of Central's farmout with Peak is subject to the usual conditions precedent for a transaction of this nature being met by 31 August 2022 (which may be extended by mutual agreement), including Joint Venture, Central Land Council, royalty holders and NT regulatory approvals.

* Subject to satisfaction of conditions precedent under the relevant farmouts

Near-term activity (CTP Share)



Zevon seismic (100%)
 Subsalt Gas, helium and hydrogen target
 Seismic planned 2023
Farm-out candidate

Mereenie production enhancement (25%)
 Planning underway for:
 • up to 6 well recompletions
 • 2 new development wells

Palm Valley #12 drilling (50%)
 Targeting near-term production through P2/P3 appraisal currently underway, with potential to also drill the P1

Alice Springs

Mamlambo drilling (100%)
 18 mmbbl oil target⁽¹⁾
 Drilling planned 2023
Farm-out candidate

AMADEUS BASIN

Range CSG (50%)
 135 PJ 2C contingent resource⁽²⁾
 Pilot testing in progress through 2022

Dukas drilling (35%)⁽³⁾
 Multi-TCF Gas, helium and hydrogen target
 Drilling planned 2023

Mahler drilling (29%)⁽³⁾
 Gas, helium and hydrogen target
 Drilling planned 2023

Yulara

Mt Kitty drilling (24%)⁽³⁾
 Gas, helium and hydrogen target
 Drilling planned 2023

(1) Mean prospective resource (net to Central).
 (2) Net to Central
 (3) Residual interest subject to completion by Peak of its farm-in obligations and other conditions precedent
 Additional details and statements relevant to reserves and resources on this page are provided in Appendix 1

NORTHERN TERRITORY
 SOUTH AUSTRALIA

Near-term growth activities

	Q3 2022	Q4 2022	CY 2023
PV12	Drilling ●● P2/P3 appraisal with potential to drill P1 lateral		
Mereenie recompletions* & development wells* x 2		Recompletions	Production well #1 Drilling ●● Production well #2
Range	Extended testing		
Dukas*	Planning, approvals, mobilisation		● Drilling 2023
Mt Kitty*	Planning, approvals, mobilisation		● Drilling 2023
Mahler*	Planning, approvals, mobilisation		● Drilling 2023
Mamlambo	Planning, approvals and farmout discussions underway		● Drilling**
Zevon	Planning, approvals and farmout discussions underway		Seismic survey** ● Seismic results

* Subject to JV approvals. Timing subject to rig and equipment availability and regulatory approvals

** Subject to farmout discussion or alternative funding strategies



Appendix 1

Reserves and Resources Information

Appendix 1: Reserves and Resources information

Reserves and contingent resources

Central – existing fields (Central share)	Units	Reserves			Contingent Resources
		Proved	Proved & Probable	Proved, Probable & Possible	Best estimate
		1P	2P	3P	2C
Mereenie oil	mmbbl	0.39	0.43	0.49	0.05
Mereenie gas	PJ	31.5	40.3	51.3	45.6
Palm Valley	PJ	11.8	13.3	15.6	6.8
Dingo	PJ	16.6	19.4	22.5	—
Total Amadeus (oil converted at 5.816 PJ/mmbbl)	PJe	62.2	75.4	92.2	52.7
Range CSG	PJ	—	—	—	135.1
Total Central reserves and resources	PJe	62.2	75.4	92.2	187.8

Reserves and contingent resources

The reserves and contingent resources for the Mereenie, Palm Valley and Dingo fields in this report are as at 31 December 2021 and were first reported to ASX on 3 March 2022.

The contingent resources for the Range Gas Project were first reported to ASX on 21 August 2019.

The Mereenie contingent gas resources include 27 PJ attributable to the Mereenie Stairway formation.

The total aggregated reported 1P reserves may be a very conservative estimate and the aggregate 3P may be a very optimistic estimate due to the portfolio effects of arithmetic summation.

Central confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

Appendix 1: Reserves and Resources information

Prospective Resources – Amadeus exploration targets (Central Share)

Lead / Prospect	Target formation	Permit	Permit Interest	Low Estimate P90 Recoverable (PJ)	Best Estimate P50 Recoverable (PJ)	High Estimate P10 Recoverable (PJ)	Mean Recoverable (PJ)
Dingo Deep	Pioneer	L7	50%	2.5	8.5	27.5	13.0
	Areyonga	L7	50%	5.0	16.0	44.0	21.5
Orange-3	Arumbera	EP82(DSA)	100%	14	49	148	71
	Pioneer	EP82(DSA)	100%	15	67	233	107
	Areyonga	EP82(DSA)	100%	49	168	456	223
Palm Valley Deep	Arumbera	OL3	50%	13	37.5	140	61.5
Aggregate Gas					344		497
Oil prospects				mmbbls	mmbbls	mmbbls	mmbbls
Mamlambo	Pacoota	L6	100%	3	13	39	18

Resources Estimates

The volumes of Prospective Resources included in this presentation represent the unrisks recoverable volumes derived from Monte Carlo probabilistic volumetric analysis for each prospect as first reported to ASX on 7 August 2020 for Dingo, Orange and Palm Valley, adjusted for Central's reduced interests as a result of the asset sale which completed on 1 October 2021.

The volumes of Prospective Resources included in the presentation for the Mamlambo oil prospect are as at 9 February 2022 as first reported to ASX on 10 February 2022.

Inputs required for these analyses have been derived from offset wells and fields relevant to each play and field. Recovery factors used have been derived from analogous field production data.

Cautionary statement: the estimated quantities of petroleum that may *potentially be recovered* by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated 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.

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This presentation was approved and authorised for
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