

1 October 2021

AMADEUS ASSET SALE COMPLETES

Central Petroleum Limited (**ASX:CTP**) (“Central” or “Company”) advises it has today completed the sale of 50% of its interests in its Amadeus Basin producing gas and oil fields to New Zealand Oil & Gas Limited (**ASX:NZO; NZX:NZO**) (“NZOG”) and Cue Energy Resources Limited (**ASX:CUE**) (“Cue”).

Ownership Interests

Ownership interests in the key assets subject to the sale are now as follows:

	Central Petroleum Limited¹	New Zealand Oil & Gas Limited ¹	Cue Energy Resources Limited ¹	Macquarie Mereenie Pty Ltd
Mereenie (OL4/OL5)	25%	17.5%	7.5%	50%
Palm Valley (OL3)	50%	35%	15%	-
Dingo (L7)	50%	35%	15%	-

¹ Ownership interests are held through controlled entities

Central remains operator of these fields.

Consideration

The transaction had an effective date of 1 July 2020, with completion adjustment for net cash flows generated between the effective date and the completion date (1 October 2021).

Accordingly, Central has received \$30 million in cash, net of a working capital adjustment and including reimbursement of \$9 million of costs already incurred by Central on activities which are included in the \$40 million of future costs to be carried by NZOG and Cue. Of the \$40 million in carried costs, a total of \$31 million currently remains available to cover Central’s share of costs for the completion of the upcoming exploration program, as well as other future development and appraisal activities throughout the permit.

NZOG and Cue have also assumed obligations to supply up to 4 PJ of gas (50% interest acquired at completion) under the existing pre-sale and accumulated ‘take-or-pay’ balances. Central has previously received cash payments from both the pre-sale and take-or-pay arrangements, with the associated liabilities transferred to NZOG and Cue valued at \$20.2 million on Central’s books as at the completion date.

Central expects to recognise a book profit of circa \$35 million on the transaction which will appear in its FY2022 accounts.

Reserves and Resources

Central's interests in Reserves and Resources as at 30 June 2021, following completion are as follows:

		As at 30/06/2021	Comprising	
			Developed	Undeveloped
Oil				
Proved reserves (1P)	mmbbl	0.34	0.23	0.11
Proved plus probable reserves (2P)	mmbbl	0.44	0.37	0.07
Contingent Resources (2C)	mmbbl	0.05	—	—
Gas				
Proved reserves (1P)	PJ	55.32	38.84	16.48
Proved plus probable reserves (2P)	PJ	71.48	56.02	15.46
Contingent Resources (2C)	PJ	187.44	—	—

Full reserves and resources by field are set out in the Appendix.

Cash and Debt balances

Central's loan facility balance at 1 October 2021 is \$36.8 million (down from \$66.8 million) after loan repayments totalling \$30 million were made this week. Cash balances after completion and the loan repayments are circa \$24 million. Future scheduled loan repayments are \$2 million per quarter with the loan Facility Agreement expiring on 30 September 2022. Central is currently considering options to refinance or extend the existing facility at expiry.

Central's Managing Director and CEO, Leon Devaney welcomed NZOG and Cue as new joint venturers in the Amadeus Basin. "I am excited to be working with NZOG and Cue who are aligned with us to extract further value from our fields in the Amadeus Basin", he said. "The injection of new capital through the transaction has already resulted in an increase in field capacity at Mereenie, with the recompletions and two new production wells to be online over the next couple of weeks. With a major two-well exploration drilling program scheduled to commence shortly and conceptual planning already underway for appraisal of the Stairway at Mereenie, we are looking forward to successful results from this new phase of growth in the Amadeus".

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This ASX announcement was approved and authorised for release by Leon Devaney, Managing Director and Chief Executive Officer.

About Central Petroleum

Central Petroleum Limited (Central) is a well-established, and emerging ASX-listed Australian oil and gas producer (ASX: CTP). In our short history, Central has grown to become the largest onshore gas producer in the Northern Territory (NT), supplying industrial customers and senior gas distributors in NT and the wider Australian east coast market.

Central is positioned to become a significant domestic energy supplier, with exploration and development plans across 180,000 km² of tenements in Queensland and the Northern Territory, including some of Australia's largest known onshore conventional gas prospects. Central has also completed an MoU with Australian Gas Infrastructure Group (AGIG) to progress the proposed Amadeus to Moomba Gas Pipeline to a Final Investment Decision.

We are also seeking to develop the Range gas project, a new gas field located among proven CSG fields in the Surat Basin, Queensland with 135 PJ (net to Central) of development-pending 2C contingent resource.

APPENDIX: RESERVES AND RESOURCES STATEMENT

(Central's post-sale interests in Reserves and Resources as at 30 June 2021)

Aggregate Reserves and Resources		As at 30/06/2021	Comprising	
			Developed	Undeveloped
Oil				
Proved reserves (1P)	mmbbl	0.34	0.23	0.11
Proved plus probable reserves (2P)	mmbbl	0.44	0.37	0.07
Contingent Resources (2C)	mmbbl	0.05	—	—
Gas				
Proved reserves (1P)	PJ	55.32	38.84	16.48
Proved plus probable reserves (2P)	PJ	71.48	56.02	15.46
Contingent Resources (2C)	PJ	187.44	—	—

Reserves and resources by field		As at 30/06/2021
Mereenie, oil¹		
Proved reserves (1P)	mmbbl	0.34
Proved plus probable reserves (2P)	mmbbl	0.44
Contingent Resources (2C)	mmbbl	0.05
Mereenie, gas¹		
Proved reserves (1P)	PJ	30.55
Proved plus probable reserves (2P)	PJ	41.84
Contingent Resources (2C)	PJ	45.60
Palm Valley¹		
Proved reserves (1P)	PJ	10.74
Proved plus probable reserves (2P)	PJ	12.21
Contingent Resources (2C)	PJ	6.84
Dingo¹		
Proved reserves (1P)	PJ	14.02
Proved plus probable reserves (2P)	PJ	17.43
Range (Surat Basin, Qld)²		
Contingent Resources (2C)	PJ	135.00

¹ First reported to the ASX on 24 July 2020 with the latest figures updated in Central Petroleum Limited's 2021 Annual Report (page 21) and subject to the Assumptions Note below.

² First reported to the ASX on 21 August 2019 subject to the Assumptions Note below.

Note: Estimates may not arithmetically balance due to rounding.

Assumptions Note: Central is not aware of any new information or data that materially affects the information included in the relevant market announcement and all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed, other than taking into account completion of the partial asset sale on 1 October 2021 as referred in this announcement where Central's interest in the reserves and resources set out above at Mereenie, Palm Valley and Dingo have been reduced by approximately 50% (subject to rounding) as compared to the figures in Central Petroleum Limited's 2021 Annual Report (page 21).

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in this Reserves and Resources Statement is based on, and fairly represents, information and supporting documentation reviewed by Mr Kevan Quammie who is a full-time employee of Central Petroleum holding the position of Development & Appraisal Manager. Mr Quammie holds an M.Sc. Petroleum and Natural Gas Engineering from the Pennsylvania State University, is a member in good standing of the Society of Petroleum Engineers, is qualified in accordance with ASX listing rule 5.41. and has consented to the inclusion of this information in the form and context in which it appears.

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