18 February 2020

DECEMBER 2019 QUARTERLY UPDATE

Central Petroleum Limited ("**Company**" or "**Central**") is pleased to release the attached presentation which provides a detailed overview of its December 2019 Quarter.

The December 2019 quarter saw a strong performance from Central Petroleum Limited, with sales volumes up 6.7% on the previous quarter and sales revenue up 7.5%. Central also made significant progress on its growth strategy, certifying 2C gas resources at its new Range CSG project and announcing a multi-well exploration programme for 2020 in the Amadeus Basin.

The quarterly Operating Activities Report was released to ASX on 30 January and Central's CEO & Managing Director has now recorded a presentation which provides further detail and commentary on the Company's performance and prospects.

The video presentation can be viewed on the Company's website via the following link: http://centralpetroleum.com.au/news-media/company-update-dec19-qtr/

The slide deck presentation can be accessed on the Company's website via the following link: http://centralpetroleum.com.au/20200217-company-update-dec19-qtr/

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Media Enquiries
Helen McCombie at Citadel-MAGNUS
T: +61 (0) 2 8234 0103
M: +61 (0) 411 756 248

Central Petroleum Limited
ABN 72 083 254 308
Level 7, 369 Ann Street, Brisbane, QLD 4000, Australia
GPO Box 292, Brisbane, QLD 4001, Australia

T: +61 (0)7 3181 3800
F: +61 (0)7 3181 3855
info@centralpetroleum.com.au
www.centralpetroleum.com.au

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December 2019 Quarterly Update

17 February 2020

Central Petroleum Limited (ASX:CTP)

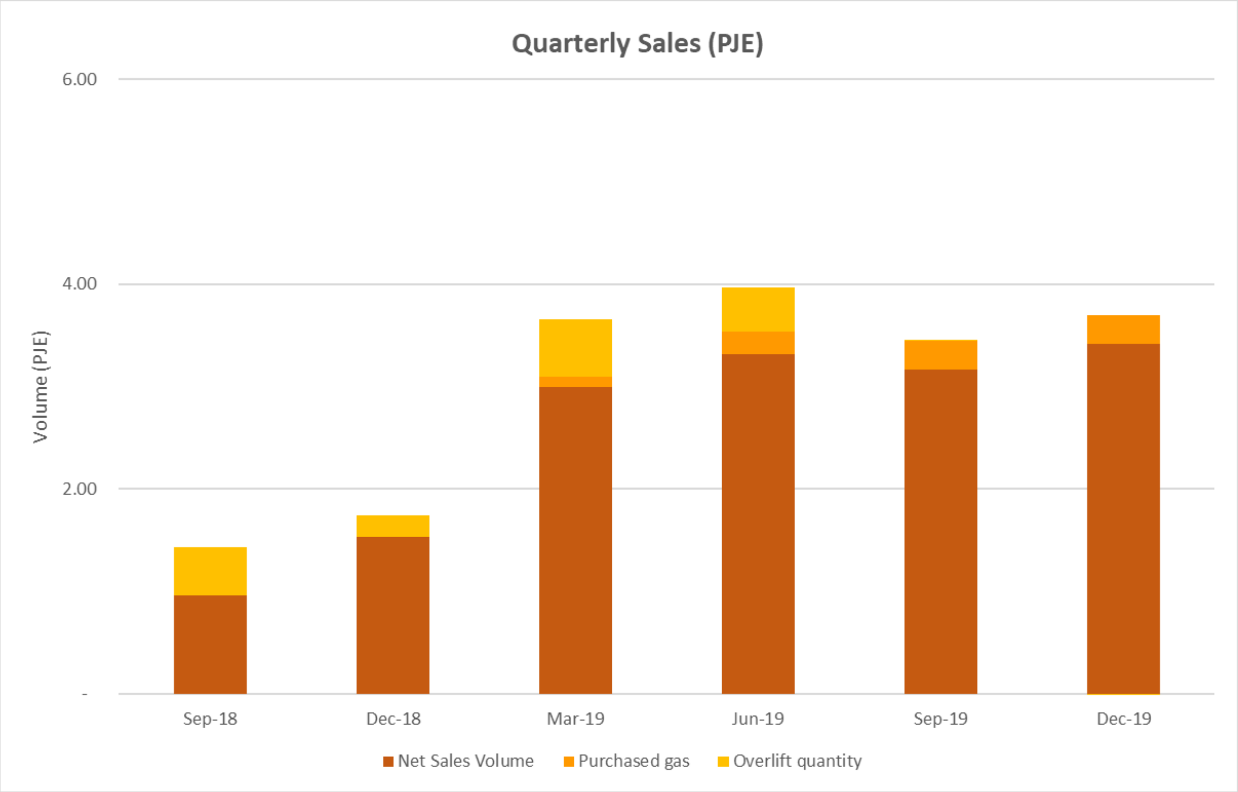
Central Petroleum

December quarter highlights

- Sales volumes up 6.7% to 3.7 PJE
- Revenue up 7.5% to $18.5M
- Announced a major exploration programme for CY2020 to be funded via a farm out
- New joint gas sales agreement signed with AGL (1 January start)
- Range gas project progressing toward FID

Since the end of the quarter:

- Extended loan maturity by 12 months, to September 2021



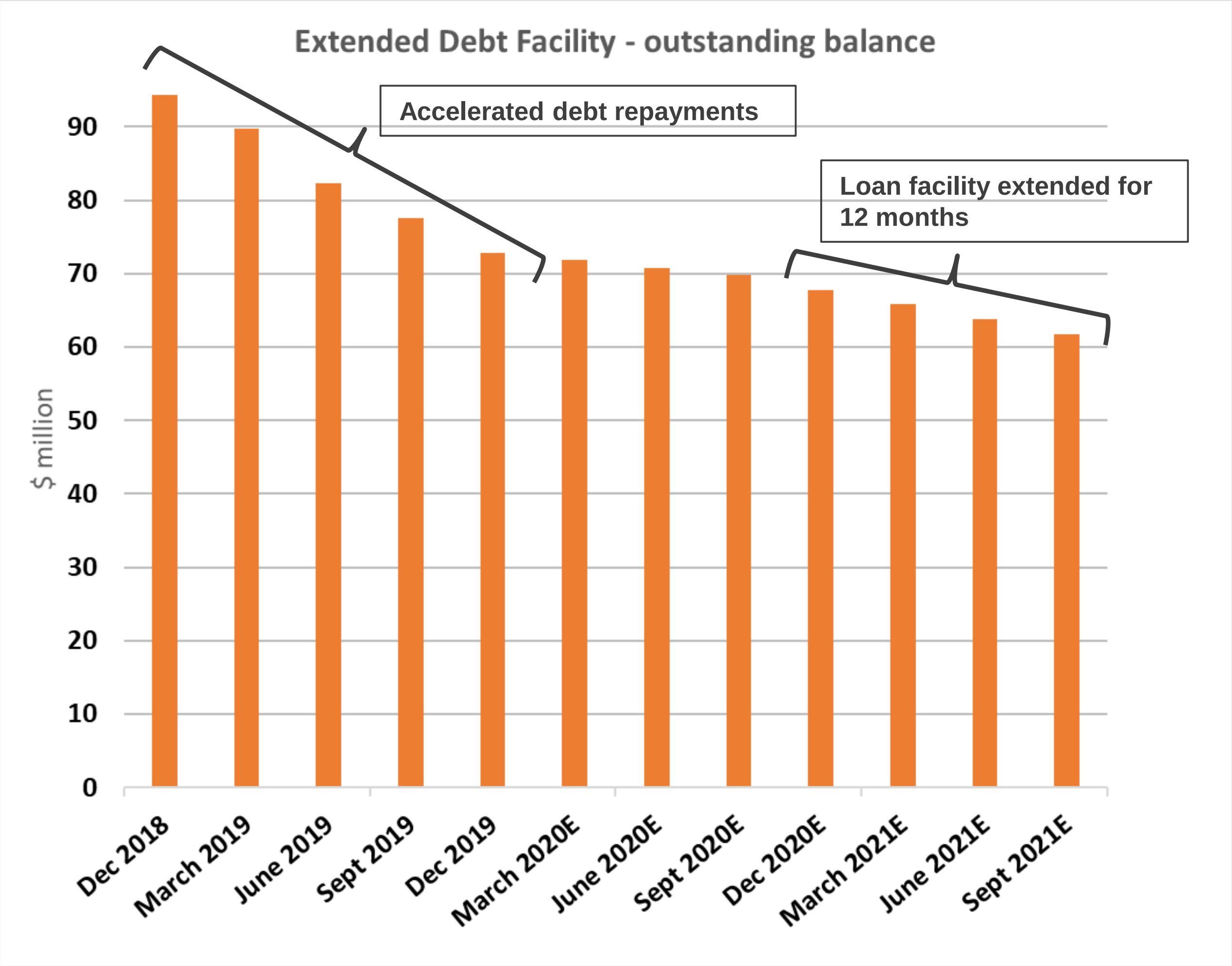
Strong CY2019 Financial Performance

Metric	Unit	March Qtr.	June Qtr.	Sept Qtr.	Dec Qtr.	Comment
Sales volume	PJE	3.7	4.0	3.5	**3.7**	Includes the gas over-lift at Mereenie and purchased gas sold.
- includes overlift	PJE	0.6	0.4	-	**-**	Repayment of overlift gas will begin from the March 2020 quarter.
Sales volume (ex-overlift)	PJE	3.1	3.6	3.5	**3.7**	December quarter sales benefitting from improved NGP reliability (extended outage in September quarter).
Sales revenue	$M	18.8[1]	20.6	17.2	**18.5**	Includes revenue for pre-sale deliveries, sales of purchased gas and overlift gas. Oil revenues lower due to weaker market and new COSPA in September quarter.
Average sales price	$/GJE	5.14	5.18	4.96	**5.02**	December increase due to incremental volumes supplying higher-priced contracts. Includes impact of lower oil prices (weaker market and new COSPA from September).
Net cash flows: - Operating - Investing - Financing	 $M $M $M	 8.5 (3.0) 2.8	 8.4 (2.6) (7.2)	 4.4 (0.8) (4.9)	 **3.9** **(0.6)** **(4.9)**	December quarter included once-off tax-related payment of $0.6M. Lower operating cash flows in September and December quarters have been offset by lower capital expenditure and debt repayments.
Net cash flows	$M	8.3	(1.4)	(1.3)	**(1.6)**	
Debt repaid	$M	4.75	7.25	4.75	**4.75**	Accelerated loan repayments in CY2019. Returns to lower levels in CY2020 before increasing slightly from September 2020.
Net gearing[2]	%	42%	40%	38%	**37%**	
Net cash balance	$M	19.3	17.8	16.5	**14.9**	

1. *Excluding cash payment received in January 2019 for CY2018 take or pay volumes not taken in CY2018*
2. *Net gearing based on Market Capitalisation as at 31 December 2019*

Extended finance facility

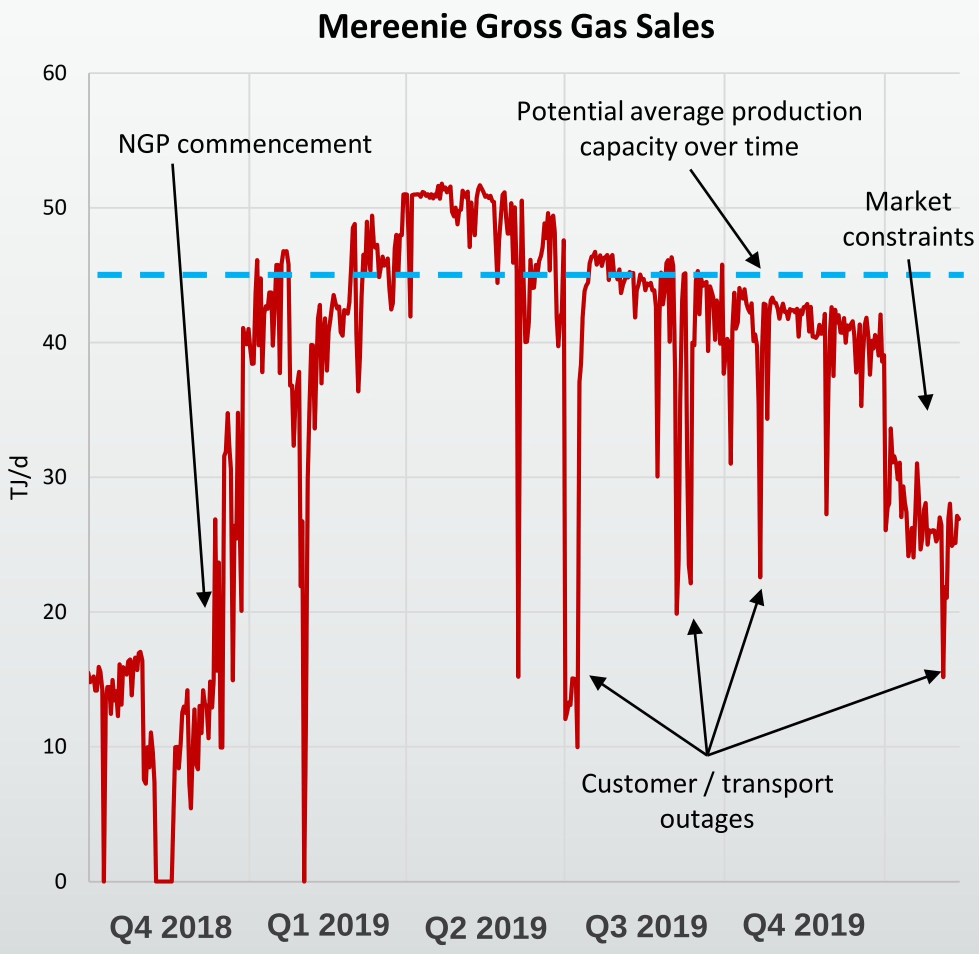
- Existing facility term extended by 12 months to September 2021
- Refinancing facility reduces from $70M September 2020 to $62M September 2021
- Creates efficiencies
  - Maturity aligns with Project Range financing
  - Preserves negotiation position
  - Could result in better refinancing terms and pricing if arranged in a more buoyant energy market
- Reduces risk:
  - Results in a lower refinancing quantum
  - Reduces current liabilities
  - Extends refinancing beyond development wells planned later this year



Field Performance Review

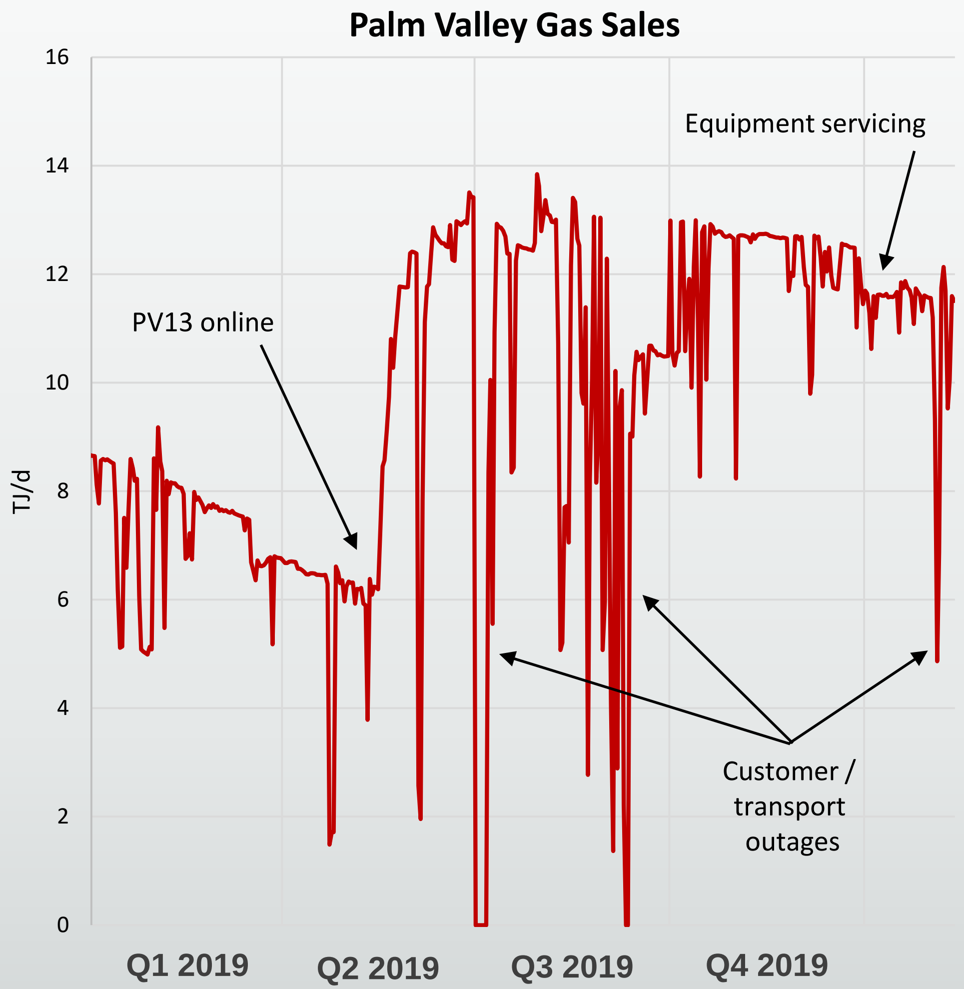
Mereenie Field Gross Gas Production

- GAP investment in late 2018 enabled higher production capacity in 2019 through existing well stock (>50TJ/d in H1 2019)
- Existing wells are almost exclusively located around the field perimeter (originally for the oil rim) and are demonstrating a natural decline which is expected
- In order to maintain field production capacity, new wells located along the crest are required on a periodic basis
- 2 development projects are being planned for late 2020 to boost field production capacity
  - Drill 1 - 2 new crestal wells into the underdeveloped gas cap
- Mereenie's 2019 average production capacity of around 44TJ/d (100% JV) could be a sustainable average target for Mereenie over several years based on current modelling



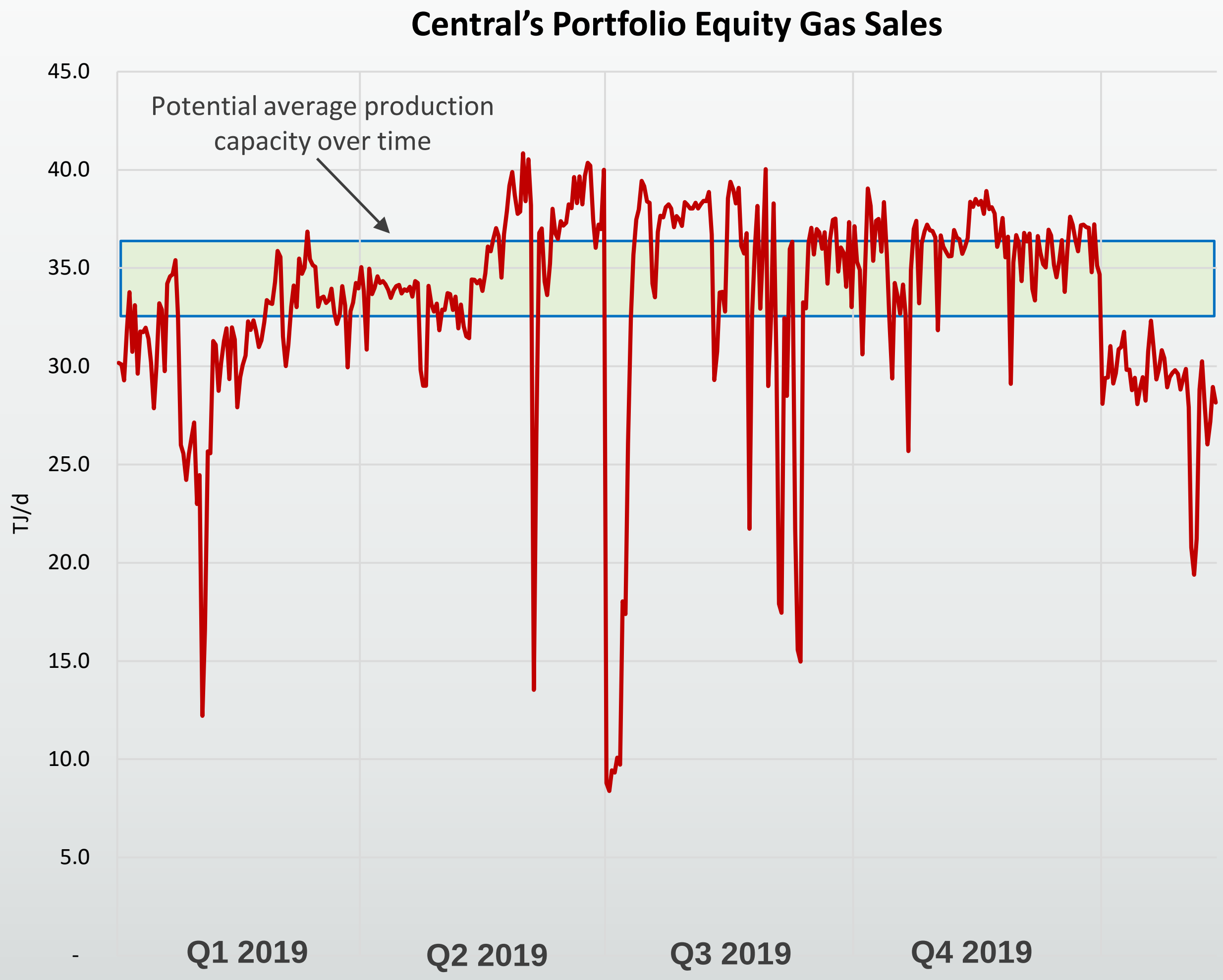
Palm Valley Field Gas Production

- Field Recap
  - Tight gas with natural fractures – effectively segments the reservoir into a series of poorly connected ‘smaller reservoirs’
  - Use horizontal wells to intersect more natural fractures and access several of the ‘smaller reservoirs’ – PV13 was a successful test of this concept
- PV13 continues to outperform
  - Still on plateau at 7 TJ/d (wellhead skid constrained)
  - Extrapolating well data suggests 5 PJ recovery from PV13 with only 300m of lateral drilling (longer laterals could increase recovery)
  - No evidence of production impact on neighbouring wells which indicates a significant portion of PV13 production is new or highly accelerated
- Replicate PV13 success
  - Three additional well locations have been high-graded with similar reservoir characteristics
  - Sidetrack from PV Deep exploration well later this year provides a lower cost opportunity to replicate PV13
  - Future wells with longer laterals could lead to reserve additions and increase production to support a target plateau of 15TJ/d



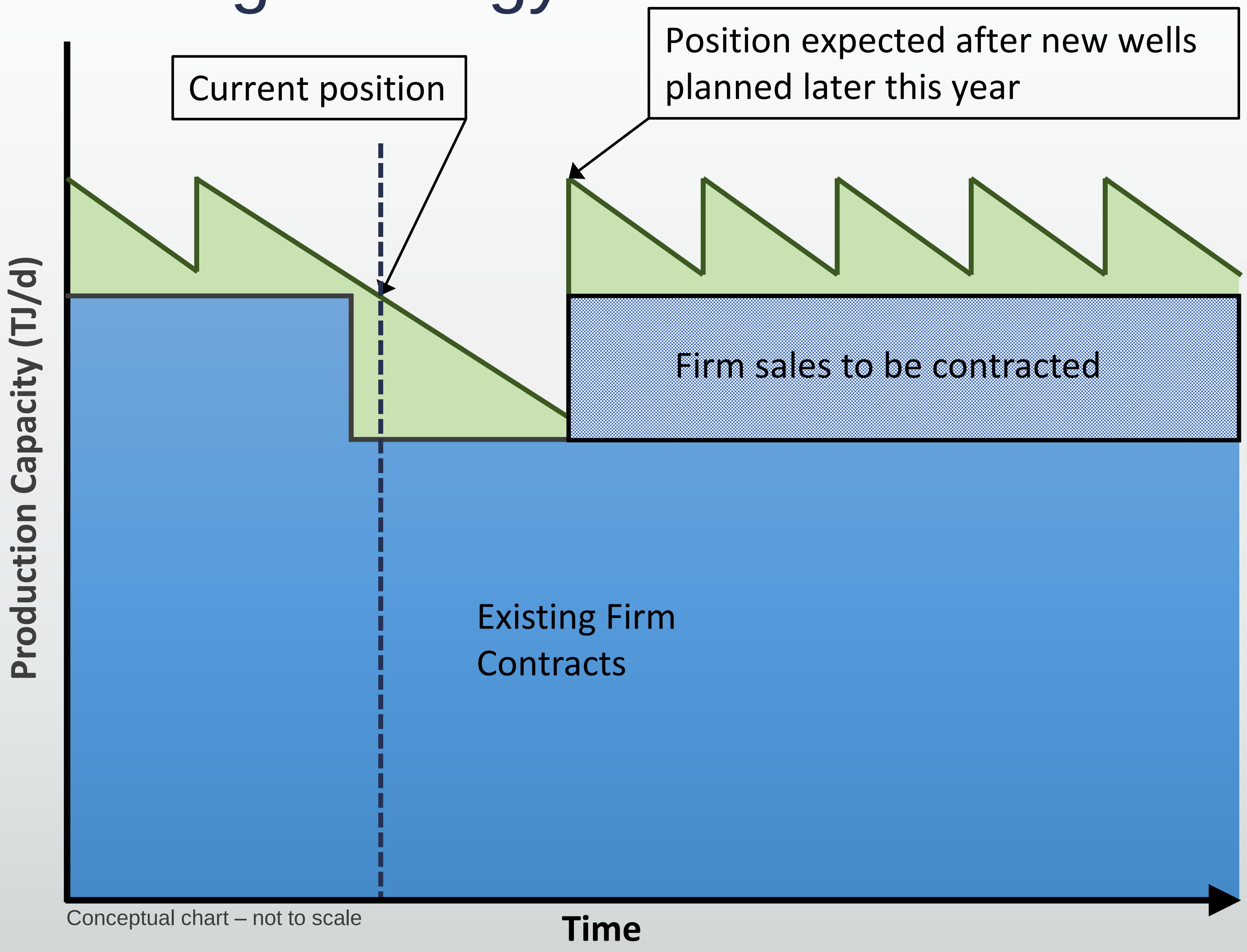
Portfolio Equity Gas Production

- Potential to gravitate around average equity gas production across portfolio of between 12 – 13 PJs/year (excluding oil)
- Long production lives: Gas reserve life >11 years at these rates
- Portfolio equity production to increase from January levels later this year:
  - Actively marketing non-firm production to increase sales at acceptable prices
  - Anticipate production capacity to exceed 2019 levels after drilling later this year (assumes successful completion of one crestal well at Mereenie and one at Palm Valley)
  - Additional production can largely be sold under long-term fixed price contracts



Gas Contracting Strategy

Gas Contracting Strategy

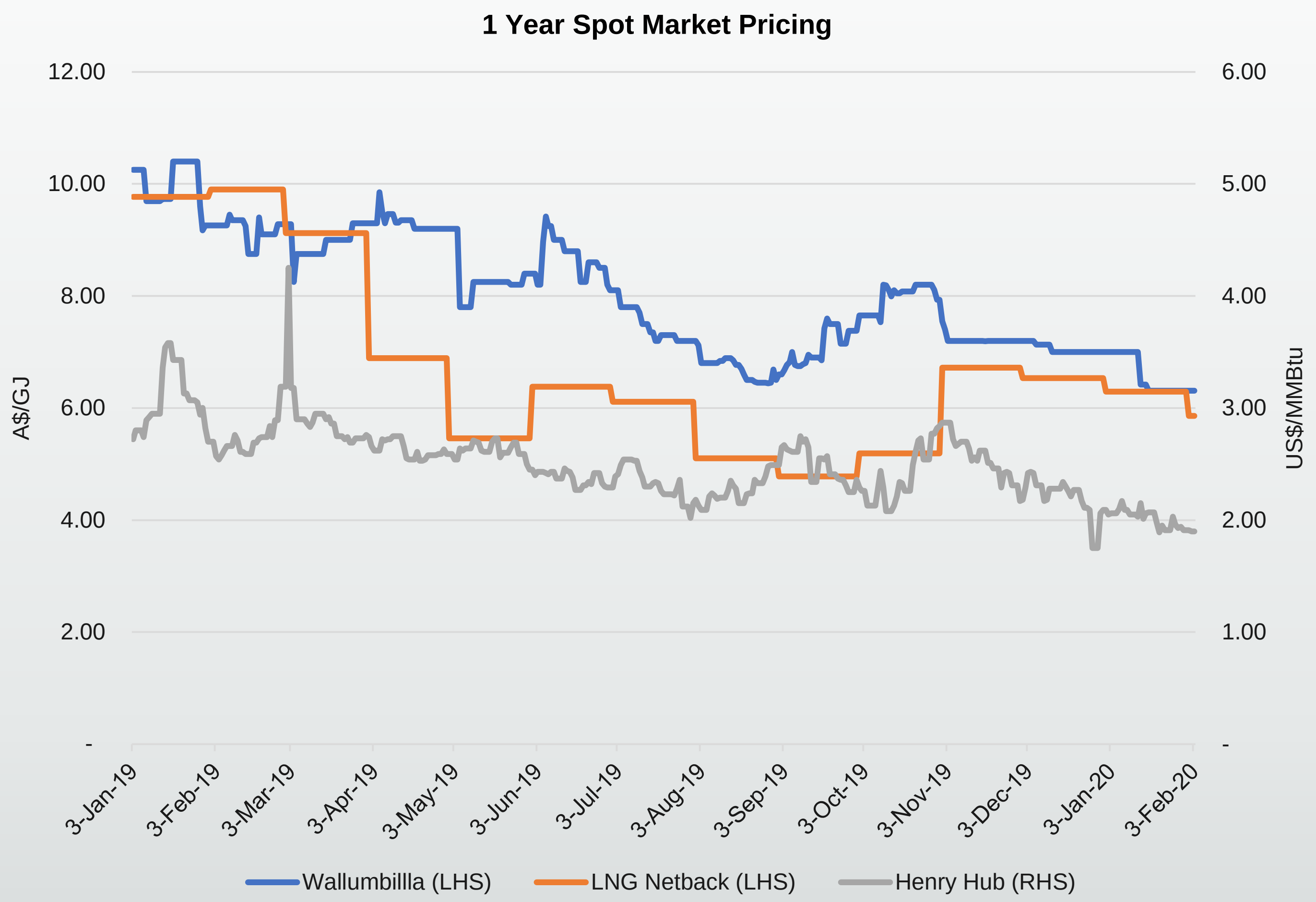


Conceptual chart – not to scale

Gas Markets and Sales

Weak spot gas markets

- Sales below 2019 levels are anticipated in the near term:
  - Weak spot gas market conditions
  - Declining production from existing wells prior to production adds
- Sales to increase following new production wells planned for later this year:
  - Anticipate production capacity to exceed 2019 levels after drilling
  - Additional production can largely be sold under long-term fixed price contracts
  - Market for long-term fixed price contracts appears more robust than spot



Source: Australian Energy Market Operator (AEMO), Australian Competition and Consumer Commission (ACCC), US Energy Information Administration

Weathering low gas price cycles

- Solid financial foundations:
  - Quality operating assets with demonstrated strong cash flow
  - ~10PJs / year of gas under fixed-price long-term contracts.
  - ~85% of contracted gas under Take-or-Pay arrangements
  - Long term gas market still appears strong – primary target for new gas production
- Central is responding to changing market conditions:
  - Actively managing our balance sheet,
  - Prudently reviewing all expenditures
  - Focus on securing new non-firm sales at acceptable prices
  - Actively refining business strategies and priorities.

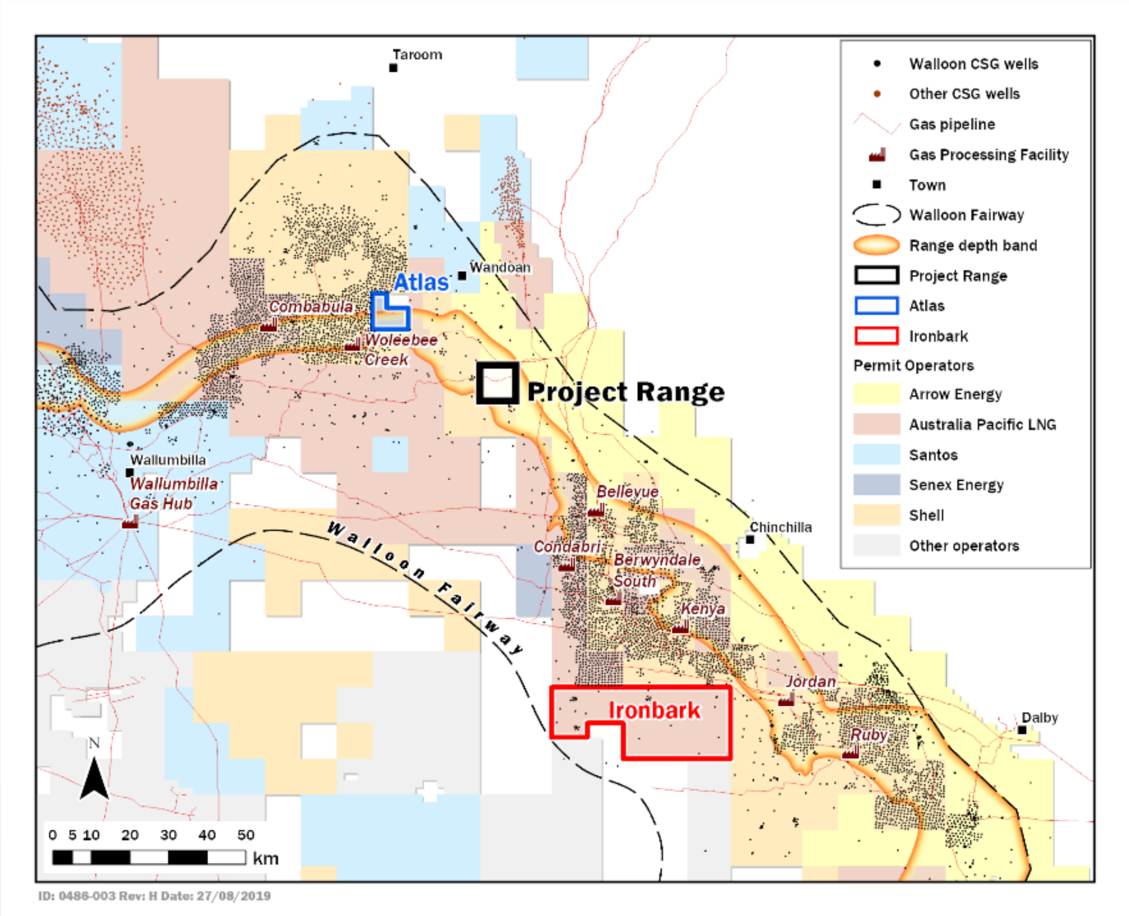
Range Gas Project

East coast gas

Range Gas Project progress

Range Gas Project acreage is 77km² with 270 PJ 2C Resource* surrounded by major CSG developments and infrastructure

- Project office established in Brisbane with joint venturer – Incitec Pivot
- Planning well advanced for 3 well pilot to be drilled in next quarter (Q2)
- Pre-FID work underway: environmental studies, approvals, engineering etc.



** Resources are as at 15 August 2019 and were independently certified by Netherland, Sewell & Associates; 135PJ 2C net to Central. These resources were first reported to the market on 20 August 2019. PJs rounded to nearest full PJ. Central Petroleum Limited is not aware of any new information or data that materially affects the information included in this presentation and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.*

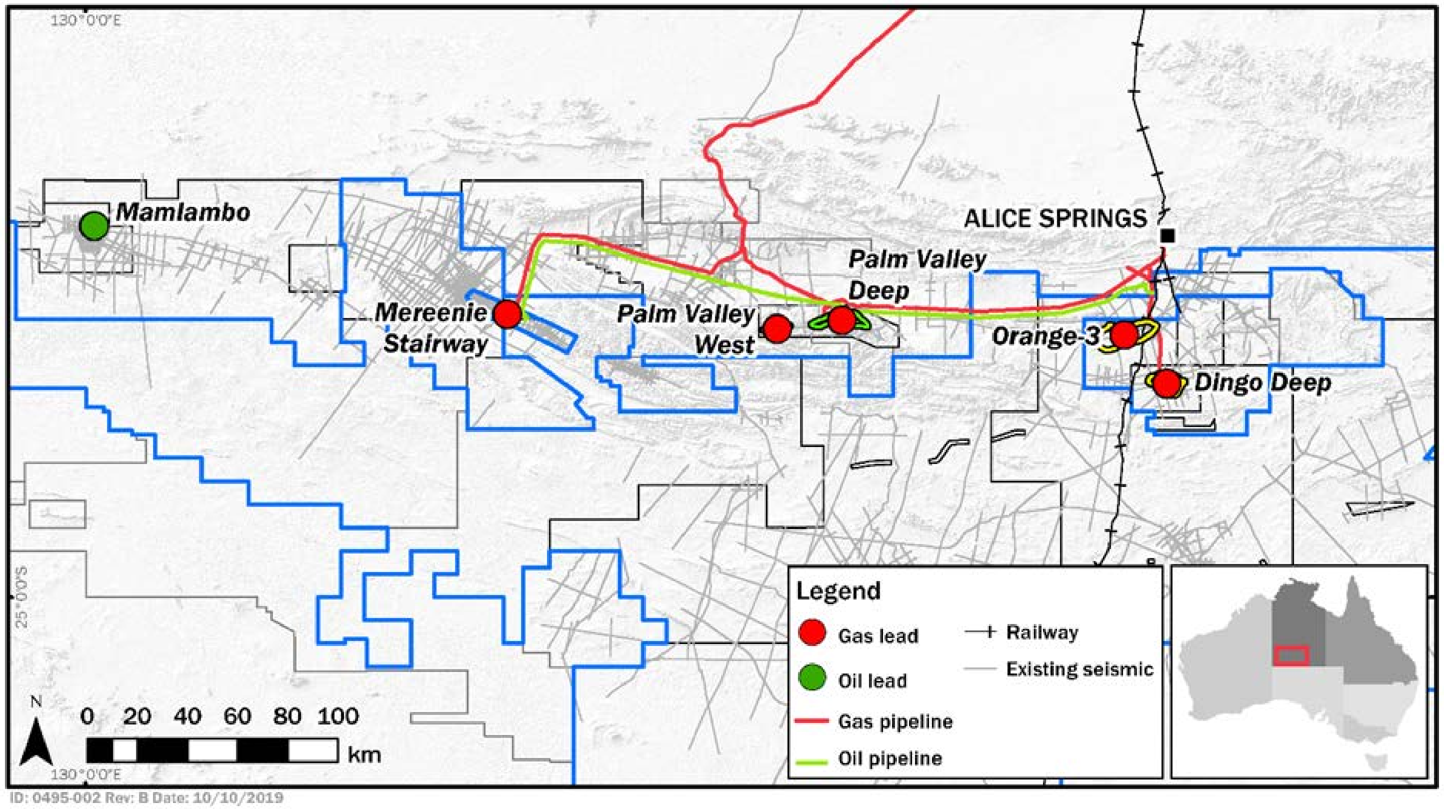
CY2020 Exploration Programme

CY2020 Exploration Programme

- Five high-graded drillable prospects targeting:

	Unit	Mean[1]	Risked Mean[1]
Gas	Petajoules	505	205
Oil	Million barrels	29	9.5

- Two appraisal tests targeting another 54 PJ[2] of gas
- Planning work is underway:
  - Finalising well designs
  - Ecological assessments undertaken
  - Cultural heritage applications lodged
  - Environmental management plans well advanced



Resources Estimates

The volumes of Prospective Resources included in this presentation represent the unrisked recoverable volumes derived from Monte Carlo probabilistic volumetric analysis for each prospect as at 11 October 2019.

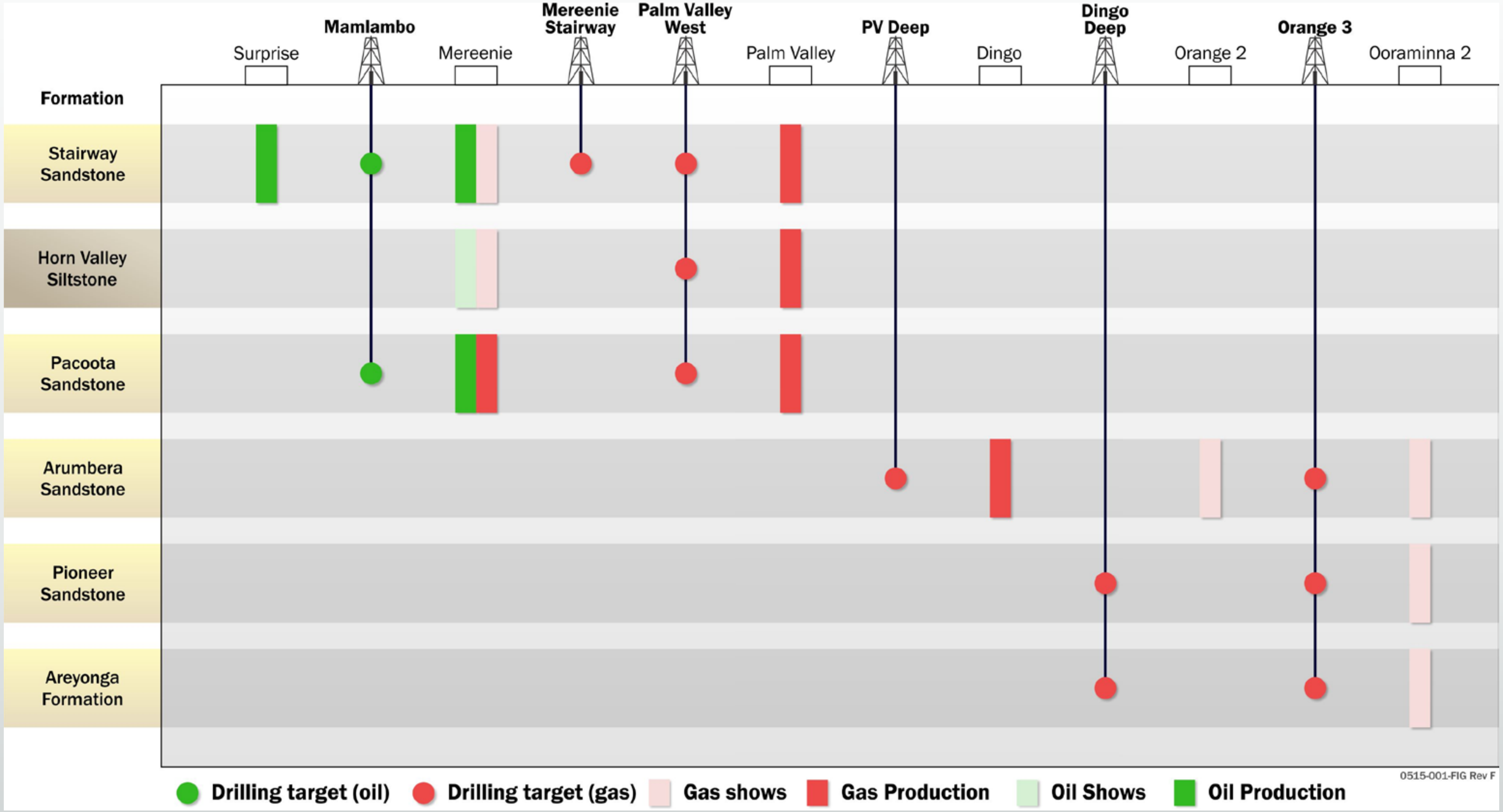
Inputs required for these analyses have been derived from offset wells and fields relevant to each play and field. Recovery factors used have been derived from analogous field production data.

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 moveable hydrocarbons.

The Prospective Resources were first reported to ASX on 11 October 2019 and the Contingent Resources are as reported in the 30 June 2019 Annual Report. 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 estimates continue to apply and have not materially changed.

1. *Prospective resource*
2. *2C Contingent Resource net to CTP*

Lower Risk / High Potential



Farm out process underway

The estimated ~$50 million cost of the proposed CY2020 exploration programme is to be funded by a farm-out of the exploration programme and minority interests in the producing NT gas and oil fields.

- Flagstaff Partners appointed as advisors for the farm-out
- Strong interest from multiple parties
- Short list to be compiled for due diligence access
- Targeting mid-year completion

Dukas-1

Dukas-1 Current Status

Dukas-1 is located approximately 175km south west of Alice Springs with multi-TCF gas potential (Central interest is 30%)

- Currently suspended at 3,704m just short of the target – encountered high formation pressures
- Central and Santos are working on options to accelerate completion of the Dukas-1 well
- Dukas-1 completion would require a larger capacity rig and blow-out preventor (15,000psi), new well design, and full suite of approvals
- A potential return to Dukas is not anticipated before 2021
- A definitive forward plan will be announced once formally agreed by the JV

Play Element Presence		
Source	Presence of hydrocarbons in mud gas	✓
Seal	Overpressure and thick evaporite section confirmed	✓
Trap	Overpressure and thick evaporite section confirmed	✓
Reservoir	Primary target not yet intersected. VSP data interpretation indicates somewhere between 100 to 500m deeper	?

Summary

Key Takeaways

- Strong operating performance and cash flow provides a foundation for long term growth
  - Average gas sales in the range of 12 PJ to 13 PJ each year as new wells are added periodically
  - Soft spot market conditions and field decline expected to reduce sales until the new wells are added later this year
  - Underwritten by firm long-term contracts with take-or-pay arrangements that provide some protection from current market weakness
- Debt financing extended to September 2021 to reduce financial risk and create efficiencies
- Growth strategy targeting a tripling of current gas resources and production from 2022
  - CY2020 exploration programme - low risk-targets close to existing infrastructure to be funded from farm-in proceeds
  - Range coal seem gas project progressing towards FID
- We are actively managing market conditions, with a continued emphasis on prudent balance sheet and cost management.
- Well-positioned oil and gas E&P company with solid operations and several growth prospects

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Contact and Further Information

Investor and media enquiries:

Helen McCombie at Citadel-MAGNUS
T: +61 (0)2 8234 0103
M: +61 (0)411 756 248

Level 7, 369 Ann Street
Brisbane QLD 4000
Australia

+61 (0)7 3181 3800

info@centralpetroleum.com.au

www.centralpetroleum.com.au