

Central Petroleum Limited (ASX: CTP).

**It's Time....
The Domestic Gas Company – NEGI is Now**

26 October 2015.



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Corporate Profile



Central Petroleum Limited (“Central”) is an oil and gas explorer and producer with technical expertise over the on-shore basins of Central Australia.

- Listed on the Australian Securities Exchange (“ASX”) on 3 March 2006
- 368,718,957 Ordinary Shares on issue: ~\$80M current market capitalisation
- Top 20 Shareholders hold 24% of the shares on issue

Central’s core objectives:

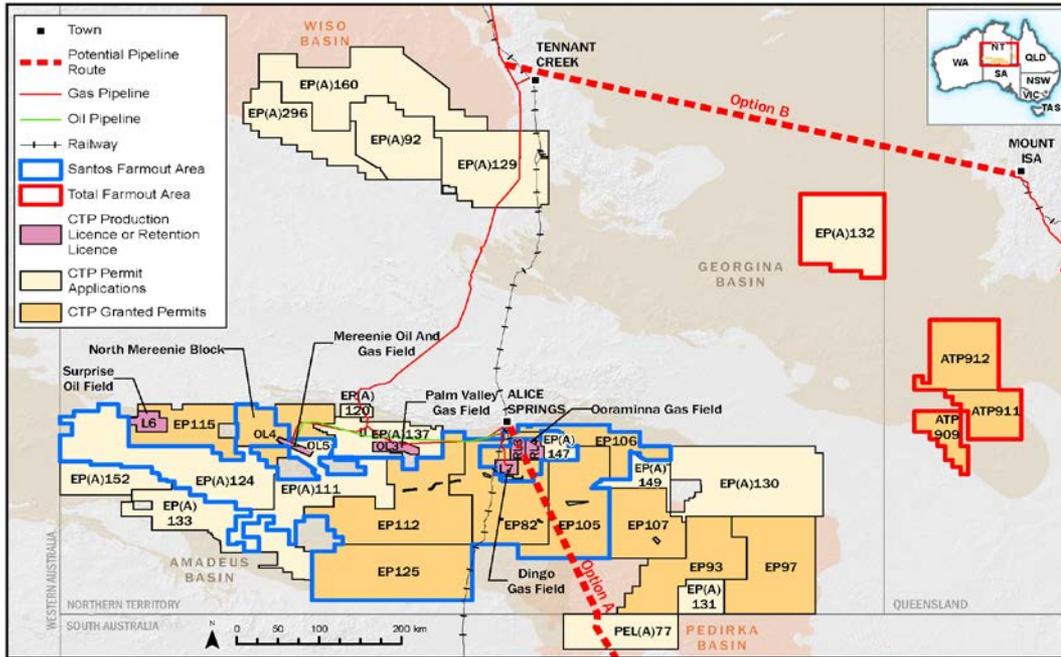
- Continue to develop technical excellence in Central Australia’s oil and gas basins
 - Create markets to unlock Central Australia’s vast on-shore energy potential
 - Making a positive difference in the communities where we operate
 - Central has 75% of its revenues tied to Australian Domestic Market unlinked to oil
-

Central's Operations



- Central has aggregated vast exploration acreage and producing assets located over the key oil and gas basins in Central Australia
 - Prior to last year's oil price collapse, Central began a transition from an exploration company with oil production, to the NT's major on-shore gas producer with significant existing uncontracted gas reserves and identified gas exploration and appraisal targets.
 - Transition through two major acquisitions during low commodity price cycles:
 - i. Palm Valley and Dingo Gas Fields – 100% Ownership (1 April 2014)
 - ii. Mereenie Oil and Gas Field – 50% Ownership (1 September 2015)
 - Central is now poised to become the largest foundation supplier into the North Eastern Gas Interconnector ("NEGI") pipeline.
 - NEGI would connect the Northern Territory to the Eastern Seaboard, mitigating the widely recognised East Coast gas shortfall.
 - Domestic Gas Prices rising fast.
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Central's Asset Portfolio



Central has 2 major Joint Venture

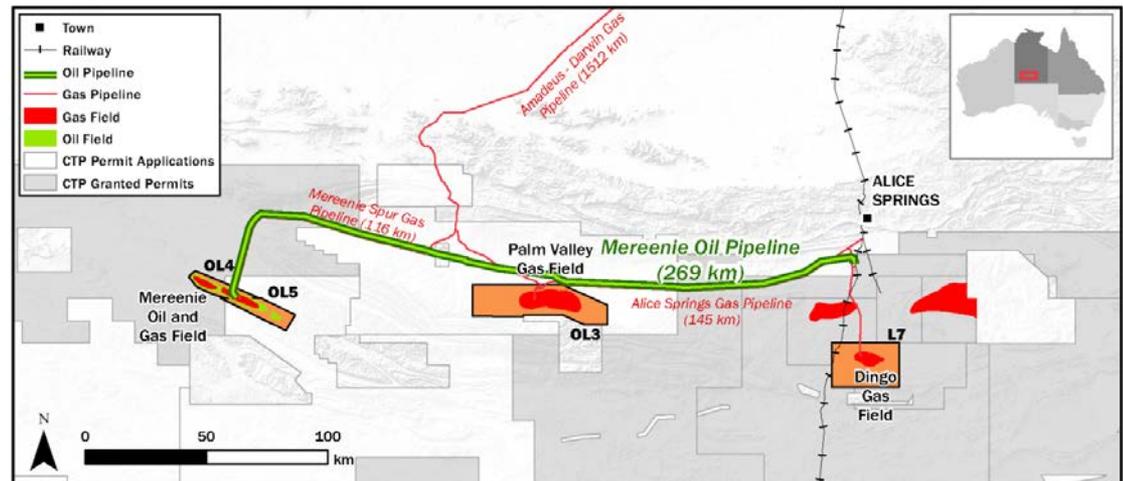
- Total
- Santos

~\$350M over three phases

Central retained over 50% of its exploration acreage on a 100% basis - Prime gas exploration potential near infrastructure benefiting from a NEGI Pipeline

Amadeus Basin Producing Asset Base [Mereenie, Palm Valley & Dingo Fields]

Over 75% of current revenue under long-term fixed price gas contracts. Over 90% after NEGI.



North Eastern Gas Interconnector (NEGI) Pipeline



- Connecting the gas market in the Northern Territory with the Australian East Coast gas market.
- In October 2014 the Council of Australian Governments (COAG) agreed that connecting the Northern and Eastern Australian gas markets was the next logical step in developing a national gas grid.
- NEGI pipeline will help alleviate the looming physical gas shortages at East Coast demand centres, now widely accepted as reality.
- All four nominated companies submitted final NEGI proposals on 30 September 2015 deadline (DDG, APA, Jemena and PCP).
- 2 potential routes – Northern via Tennant Creek to Mt Isa (700 km) and Southern via Alice Springs to Moomba (1,100 km).
- Federal Government may make concessional loans available to support the NEGI objectives of increasing the competitive supply of gas to the East Coast market.
- Preferred bidder and pipeline route to be announced mid-November 2015.
- First gas via NEGI anticipated in 2018.

Central – a growing gas supplier



Infrastructure

- Three gas fields, connected to customers (Mereenie, Palm Valley & Dingo)

Current Reserves (equity accounted)

- 171 PJ of 2P (without market constraint)
- 60 PJ of 2C

Production Capacity (equity accounted)

- All Fields ~35 TJ/d
- All Facilities ~50 TJ/d

Active campaign

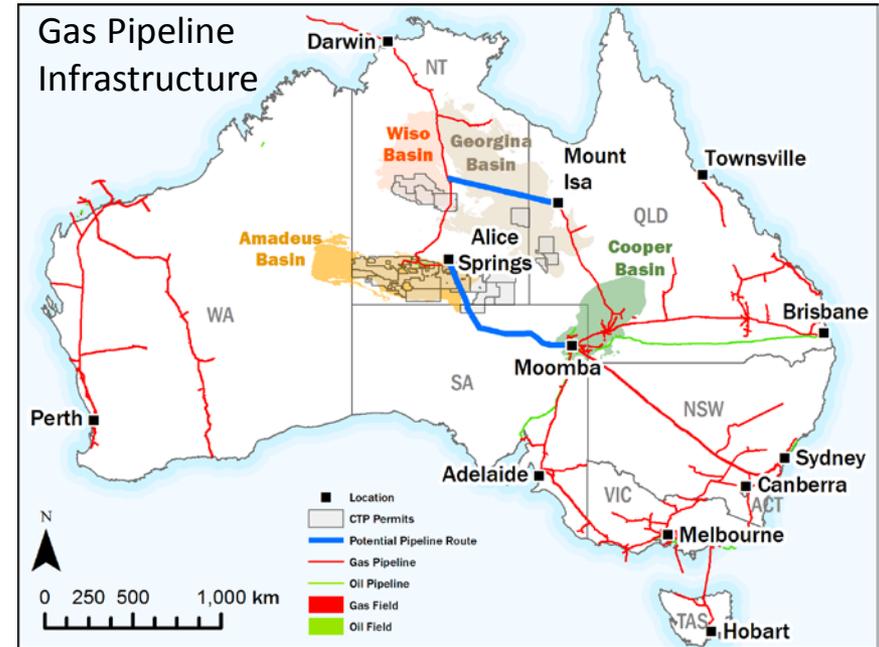
- Field testing of existing wells (workovers) to convert 2C reserves into 2P

Near / in-field Exploration

- 5 opportunities identified near infrastructure

Exploration

- Surrounding Amadeus Basin exploration acreage; licensed or under application
- Multiple conventional targets, and planning to simultaneously collect data to exploit encouraging unconventional potential
- Wise Basin acreage; under application



CURRENTLY

POST FID

GROWTH

Gas Acceleration Program (GAP)



1. Appraisal-Development

2P reserves (Petajoules) and **target volumes**

- ✓ Mereenie, **123 2P** → **420 PJ** target (gross JV)
- ✓ Palm Valley, **24 2P** → **54 PJ** (achieved with market)
- ✓ Dingo Field, **29 2P** → **56 PJ** (2P+2C#) → **100 PJ** target
- Targeting over 300 PJ equity accounted available to contract

Initial reserve base,
support NEGI FID



2. Storage

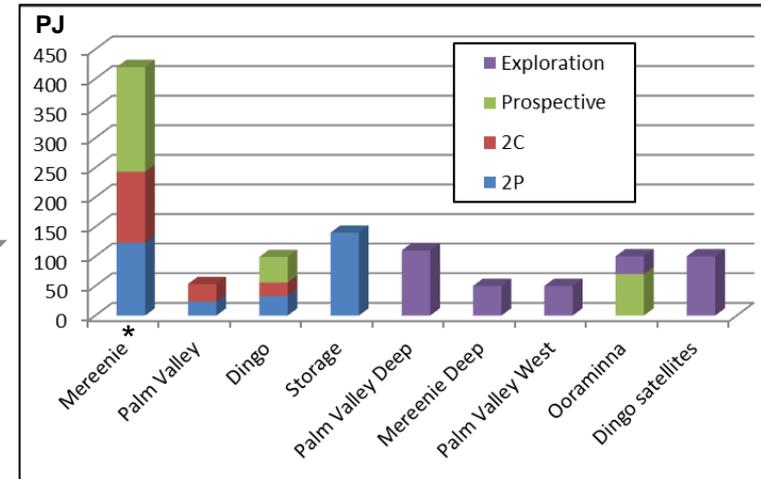
- ✓ Palm Valley Field
- ✓ Mereenie Field
- Over 150 PJs of storage capacity available

NEGI construction phase

Recoverable volume targets

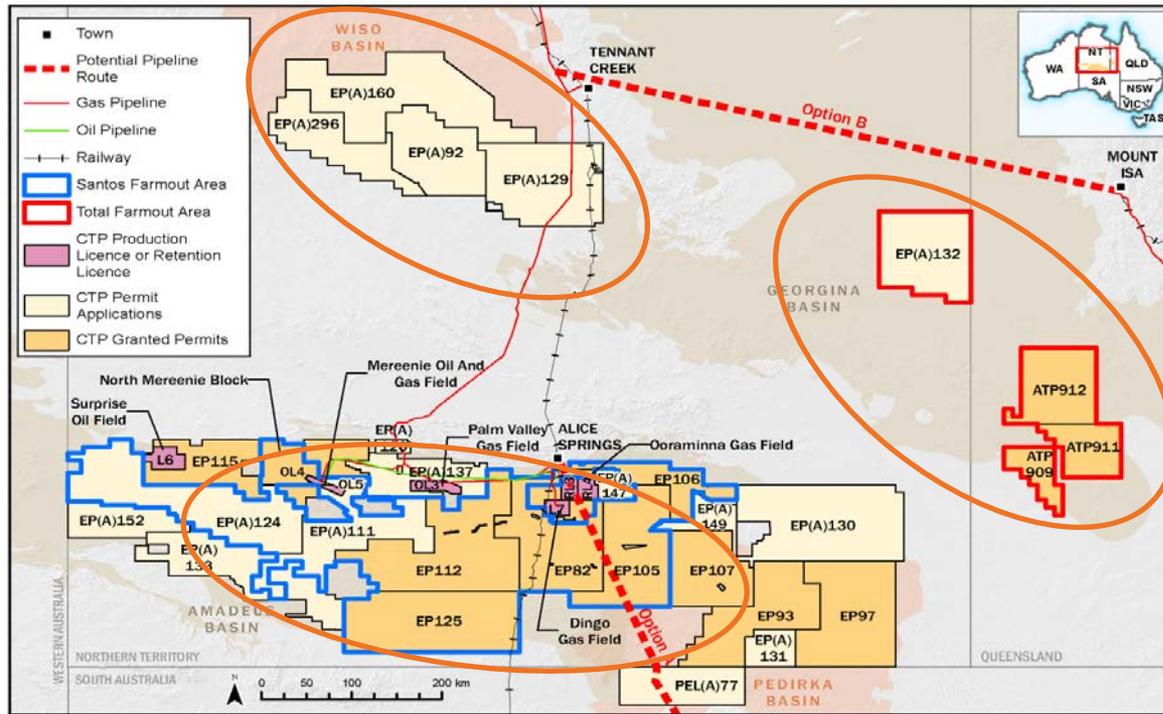
3. Exploration – near-field, recoverable targets

- Palm Valley Deep, → 110 PJ
- Mereenie deep / flank targets → 100 PJ
- Ooramina appraisal & exploration ~100 PJ
- Dingo satellite leads → 100 PJ
- Palm Valley West, → 50 PJ

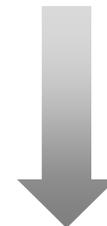


* Not equity accounted
 + GCA audit, August 2015
 # NSAI audit, July 2015

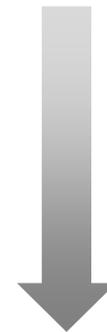
Exploration Growth Beyond 1,000 PJ



Initial reserve base support NEGI FID



NEGI construction phase



NEGI expansion / tail

4. Exploration Target Areas

- Southern Amadeus (Santos-Central JV and Central 100%)
- South Georgina (Total-Central JV)
- Wiso Basin application areas (Central 100%)
- West Amadeus application areas (Santos-Central JV and Central 100%)

Technical Reserve Work Underway



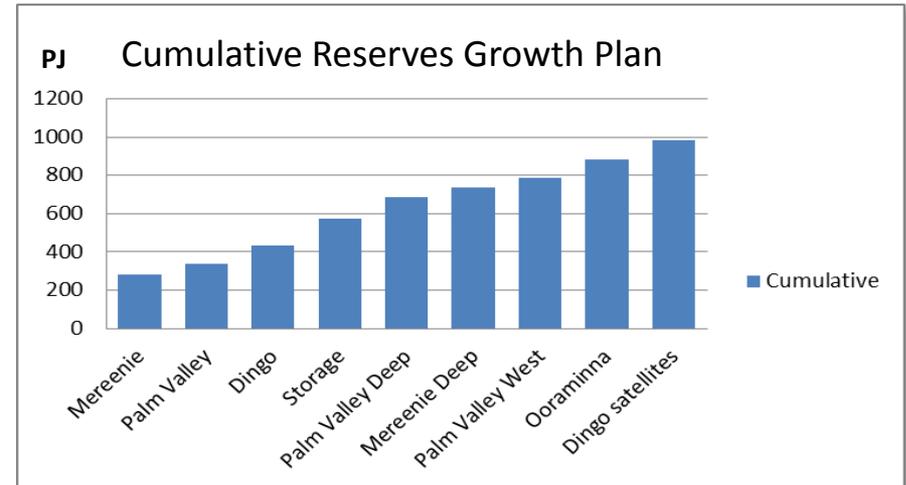
- Earth Model complete and audited
- Simulator complete and history matched and reviewed by certifier
- Assumes reasonable ramp up, 0 skin, reasonable bottom-hole pressure 500psi
- Only contains Pacoota P1 and P3
- Has identified upside in Stairway (200 PJ at 30% RF), P2, P4
- Accounts for Fuel and flare

Model shows that with 4 new wells (P1 and P3 only) can produce at 86 TJ/d for 7-1/2 years, without contribution from other intervals.

Central is poised to be the major foundation gas supplier into NEGI



- Existing Infrastructure
- Uncontracted Gas Reserves
- Installed Production Capacity
- Gas Storage Capacity
- Reserves growth plan underway
- Exploration/Appraisal targets identified
- Significant exploration upside



Key Economic Considerations



- Operations underpinned by ~4.4PJs/year (equity accounted) under long-term, fixed price (CPI indexed) gas contracts – Over 75% of current revenues from gas with no impact from oil price volatility. Increases to over 90% of revenues from fixed price gas contracts following NEGI.
- Outstanding debt of \$90M has conservative coverage ratios, underpinned by stable gas revenues (no oil linkage). Extremely cost efficient capital structuring for a small cap exploration company.
- Significant underutilised installed gas production capacity included in Mereenie purchase price - ~20TJ/d of production capacity (equity accounted), including wells and surface facilities.
- Existing spare production capacity means NEGI related CAPEX is limited compared to Green or Brown field developments. Marginal OPEX for additional production is minimal.
- NEGI economics are highly value accretive for Central.

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