

28 October 2024

Refinance of Loan Facility

Central Petroleum Limited (ASX:CTP) (“**Central**”) has secured a commitment from Macquarie Bank Limited to extend and restructure the loan facility which was originally used to finance the acquisition of its interests in the Mereenie, Palm Valley and Dingo operating assets, subject to agreement of final documentation.

Key features of the upgraded facility

- Provides for full refinance of the existing \$22.3m loan which requires refinancing by 30 September 2025.
- Loan facility will have a five-year term, ending 31 December 2029, by which time the outstanding balance will be fully repaid, removing future refinancing risk in what has become a very challenging debt capital market for smaller oil and gas participants.
- Scheduled debt service payments re-shaped to smooth out free cash flow and restructured to facilitate the investment in further production increases through new wells at Mereenie and Palm Valley (subject to JV approvals).
- No penalty for early repayment allowing for the early retirement of debt as an additional capital management strategy.
- Floating market interest rate, at a fixed margin to BBSW.
- Other terms, conditions precedent and financial covenants are largely as per existing loan facility.

“Having arranged the initial debt finance used to acquire our operating assets in 2014, it is satisfying to now have visibility for the full repayment of this debt. This is particularly the case knowing we acquired assets that have performed very well and the importance of their locational advantage in supplying a tightening Northern Territory gas market, all of which I believe will ultimately lead to a re-rating of our asset valuations”, said Leon Devaney, CEO and Managing Director.

“The enhanced flexibility of the restructured loan recognises a step-change in the financial strength of our business following the recently executed term gas sale agreements and provides optionality for new investments to further increase field production, return funds to shareholders and retire debt early”, he said.

Central is targeting execution of amended facility documents by 30 November 2024, with satisfaction of conditions precedent to follow.

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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 an established ASX-listed Australian oil and gas producer (ASX: CTP) with exploration and appraisal permits in the Northern Territory (NT). Central has grown to become the largest onshore gas Operator in the NT, supplying residential and industrial customers in the NT and wider Australian east coast market.

Central is seeking to become a major domestic energy supplier, in addition to helium and naturally occurring hydrogen, with exploration, appraisal and development plans across 169,112 km² of tenements the NT, including some of Australia's largest known onshore conventional gas prospects in the Amadeus Basin.

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