HIGHLIGHTS

- 2018 Annual Report was released on 28 September 2018 with sales revenue and underlying EBITDAX increasing by 41% and 395% respectively over the prior year.
- Cash balance at the end of the quarter was $22.1 million and combined with undrawn debt facility remains sufficient to fund the anticipated costs of current activities.
- WM26 was completed, with minor gas shows attributed to mineralisation. Whilst the result was disappointing, we will undertake a technical review to identify alternative approaches to make the stairway target commercial.
- Palm Valley 13 encountered encouraging gas flows and the well will be tied in to production facilities in early 2019.
- Mereenie expansion project continues to progress towards a completion date in early December.
- Palm Valley restart and optimisation project continues to progress towards a restart date by late October / early November.
- Dingo water bath heater installed, reducing methanol consumption.
- Queensland CSG exploration acreage (ATP 2031) awarded and is now being progressed with drilling anticipated in 2019.
ACTING CHIEF EXECUTIVE OFFICER’S REPORT TO SHAREHOLDERS FOR THE QUARTER

Central Petroleum Limited ("Company") made significant progress during the September quarter in its Gas Acceleration Programme ("GAP") and strategy of being a significant supplier into the east coast gas market following completion of the Northern Gas Pipeline ("NGP").

The Palm Valley 13 in-field Appraisal well ceased drilling on 13 October 2018 after reaching 2,242 metres Measured Depth. The Company is proceeding to initiate surface tie-in activities to bring Palm Valley 13 online in early 2019, at which time full production testing and well performance analysis can be undertaken.

The Mereenie Upgrade Project is aiming to increase the capacity of the facilities to deliver 44 TJ/day of firm sales gas Phase 1, with a further 13TJ/d of sales gas capacity Phase 2 subject to mitigating pipeline constraints. The Project reached some important milestones during the quarter as engineering and procurement activities were largely completed. Civil works for new equipment were also completed.

At Palm Valley work continues on the restart and optimisation project to deliver 15 TJ/day of sales gas. During the quarter, works included integrity reviews and major overhauls of compressors.

The Company continues to progress environmental approvals with the Northern Territory government.

The Company has maintained its focus of providing a safe working environment for all its staff and contractors as the significant projects and drilling progressed during the quarter. Existing sales contracts continued to be delivered without interruption.

The Company recorded a net decrease in cash of $5.1 million reflecting the significant investment in the GAP including the Mereenie plant expansion project as well as optimisation and restart of the Palm Valley gas field. During the quarter over $4 million was spent on plant and equipment upgrades and more than $6 million on exploration, including drilling costs associated with both West Mereenie 26 and Palm Valley 13.

In August, Central was awarded ATP 2031 comprising 77km² of CSG acreage reserved for Australian domestic gas supply. The acreage is situated in the north-eastern Walloon Fairway, midway between Miles and Wandoan in the eastern Surat Basin. Incitec Pivot Limited ("IPL") is in a 50:50 joint venture with the Company and will fund up to an initial $20 million exploration and appraisal programme. The exploration program is progressing, with drilling anticipated in 2019.

The Company remains committed to executing its strategy to create value for all shareholders, whilst recognising the importance of all stakeholders including the traditional owners, employees, customers and the communities in which we operate.

We look forward to completing our GAP over the next quarter, with the NGP subsequently expected to be commissioned and operational and our vision of being a significant supplier to the east coast gas market will materialise.

Leon Devaney
Acting Chief Executive Officer
REVIEW OF OPERATIONS AND OTHER JOINT VENTURE ACTIVITIES FOR THE QUARTER ENDED 30 SEPTEMBER 2018 (“THE QUARTER”)

EXPLORATION/DEVELOPMENT ACTIVITIES:

A TP 2031

The Company’s wholly subsidiary Central Petroleum Eastern Pty Ltd was formally granted an Authority To Prospect (ATP) 2031 on 28 August 2018. The exploration and appraisal program will be undertaken through a 50:50 joint venture free-carry arrangement with Incitec Pivot Limited (IPL) of up to $20 million. The parties have commenced works with drilling anticipated in 2019. Gas production from this permit is dedicated to the domestic gas market.

The block is situated in the Surat Basin, a geological province that has been developed extensively over the last decade. No wells for coal seam gas are located on the permit area, but there are a number of wells on offset blocks. The permit area is covering 77km2 approximately 28km North-West of the town of Miles which is estimated to be half way between the Wooleebe Creek and Bellevue developments.

Santos Stage 2 Farm out, Southern Amadeus Basin – Northern Territory

Santos continued the processing of the acquired seismic data. The joint venture has agreed on a drilling location, with the drilling anticipated to commence in the first half of 2019.

The joint venture’s exploration endeavours on these permits focus on maturing large sub-salt leads. The primary reservoir objective is the Heavitree Quartzite. Secondary reservoir objectives in the Neoproterozoic post-salt units include the Arumbera and Pioneer Sandstones, which are gas bearing in the Dingo and Ooraminna fields, respectively.

Central Petroleum continues to monitor data in these permits, seeking to identify a variety of exploration play types and targets which could be prospective for hydrocarbons and/or helium.

<table>
<thead>
<tr>
<th>Southern Amadeus Area</th>
<th>Total Santos Participating Interest after completion of Stage 1</th>
<th>Total Santos Participating Interest after completion of Stage 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>EP 82 (excluding EP 82 Sub-Blocks)</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>EP 105</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>EP 106 *</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>EP 112</td>
<td>25%</td>
<td>40%</td>
</tr>
<tr>
<td>EP 125 **</td>
<td>70%</td>
<td>70%</td>
</tr>
<tr>
<td>EP 115 ** (North Mereenie Block)</td>
<td>40%</td>
<td>40%</td>
</tr>
</tbody>
</table>

* Santos (as Operator) has continued the process of an application with the NT Department of Primary Industry and Resources for consent to surrender Exploration Permit 106.
** Farmin process for this area concluded at Stage 1, hence no change on conclusion of Stage 2.

Ooraminna Field (RL3 and RL4) – Northern Territory

*(CTP - 100% interest)*

Central Petroleum has announced the deferral of the drilling of Ooraminna 3 to enable optimisation following the ongoing technical analysis of WM26 and encouraging results from PV13. Drilling is currently anticipated to occur in 2019.
Amadeus Basin (excludes EP 115 North Mereenie Block) – Northern Territory

Seismic reprocessing of vintage 2D seismic data in EP115 as part of the Year 2 work program has commenced. Field and supporting data (243km total) have been sent to the processing house with a completion date expected before the end of October. The reprocessing will inform the planning of Year 3 seismic acquisition in 2019.

Central Petroleum continues to monitor data in these permits, seeking to identify a variety of exploration play types and targets which could be prospective for hydrocarbons and/or helium.

ATP 909, ATP 911 and ATP 912, Southern Georgina Basin – Queensland (CTP - 100% interest)

Central Petroleum continues to work with the Queensland Department of Natural Resources, Mines and Energy (“DNRME”) on the Project Status submission. The Company will continue to consult with DNRME in Q4, 2018 and to progress renewal applications for the next term.

Other Exploration and Application Areas

Central Petroleum continues to progress these exploration permits, targeting a variety of exploration play types and targets which could be prospective for hydrocarbons and/or helium. Native title negotiations are ongoing in the application areas.

PRODUCTION ACTIVITIES:

Mereenie Oil and Gas Field (OL4 and OL5) – Northern Territory (CTP - 50% interest (and Operator), Macquarie Mereenie Pty Ltd - 50% interest).

During the Quarter:

Production continued during the Quarter with gas being delivered into the Northern Territory gas distribution network and crude oil being trucked to Port Bonython in South Australia. The field produces from the Pacoota formation and the overlying Stairway Sandstone.

The key development project underway is the Mereenie Expansion Project to increase the capacity of the facilities to deliver 44 TJ/d of firm sales gas in Phase 1, and up to a further 13TJ/d of sales gas possible after mitigating pipeline constraints. The project scope includes installation of additional inlet separation, installation of a new Field Boost Compressor (FBC), restaging of the existing FBCs and refurbishment of the ‘Plant 3’ liquids recovery plant.

Project Activities during the Quarter:

- The vast majority of Engineering and Procurement activities were completed.
- Contracts were executed with the two major onsite construction contractors. Both contractors mobilised to site during the quarter, with site activities ongoing at the end of the quarter.
- Civil works and piles for siting the new equipment were completed.
- The installation of pipework to connect the new equipment is underway.
- Additional Northern Territory Government approvals continue to be progressed.
Palm Valley - Northern Territory
(CTP - 100% interest)

Palm Valley Stairway and Pacoota

During the Quarter:

The field remained shut-in during the Quarter with no gas produced. When in operation, the field produces from the Pacoota formation and the overlying Stairway Sandstone.

The key development project underway is the optimisation and restart of the Palm Valley field and facilities to deliver 15 TJ/d of sales gas.

Project Activities during the Quarter:

- Integrity reviews were conducted on wells, wellheads and vessels.
- Major overhauls were performed on the field boost and sales gas compressors.
- Instrumentation and wiring was upgraded or replaced where required.
- A small nitrogen generation unit was transported to site to assist with ensuring the increased gas production from the Palm Valley optimisation and restart project continues to meet sales specification.
- Additional Northern Territory Government approvals continue to be progressed.

Dingo Gas Field (L7) and Dingo Pipeline (PL30) – Northern Territory
(CTP - 100% interest)

Production continued during the Quarter with gas being delivered to the Owen Springs Power Station on the outskirts of Alice Springs. The field produces from the Arumbera Sandstone.

During the Quarter:

- Installation of the Water Bath Heater was completed which resulted in reductions in methanol consumption.

Surprise Production Licence (L6) – Northern Territory
(CTP - 100% interest)

The field remained shut-in during the Quarter, pending re-charge and improved oil prices. Following recent oil price increases, a review of options to restart Surprise and an assessment of commercial feasibility will be undertaken. When in operation, the field produces from the Lower Stairway Sandstone.

During the Quarter:

- Routine inspections undertaken.

2018 DRILLING CAMPAIGN

During the quarter, the drilling team completed all operations on West Mereenie 26 ("WM26") and the well was suspended on 6 July 2018.

The team then concentrated their efforts on Palm Valley 13 ("PV13"). Approvals to drill were obtained, the well pad completed, and the rig move from Mereenie to Palm Valley. The move was completed on 21 August 2018 and PV13 operations commenced with the spudding of PV13 at 15:30 Hrs on the 21st August 2018 and drilling continued to the end of the reporting period.
West Mereenie 26

A review of the WM26 well was conducted during the quarter. WM26 intersected the Lower Stairway 2 Sandstone 26m below prognosis and further fracture modelling with the WM26 well data confirmed that the well was still located in the higher natural fracture density area. Resistivity image logs were conducted on drillpipe. Natural fractures were interpreted over the tested interval, but mineralisation of the natural fractures has reduced the permeability of the open hole section resulting in only minor gas shows. Mineralisation is an inherent feature of fold and fault related natural fracture systems and could not be accurately modelled with the data available at the time. The WM26 wellbore may be utilised in the future to test the Upper Stairway Sandstone which did have gas shows while drilling with mud. Further technical analysis will be conducted to assess alternative options to commercialise this potential resource.

Palm Valley 13

Appraisal Drilling Update and Highlights

All of the appropriate approvals were obtained for the drilling of PV13, the lease pad constructed and the rig move from WM26 to PV13 completed. The well was spudded on the 21st of August 2018. Surface hole and the intermediate build sections were drilled, cased and cemented as per the approved drilling program.

The 6 1/8" main production hole section commenced drilling under balanced with air, mist and foam from 1,845m MD and intersected the Pacoota Sandstone which was the primary target at 1,864m MD. At the end of this reporting period, the well was drilling ahead at 1,946m MD. Gas was encountered during the drilling of this section and has been subsequently reported to the market through relevant ASX announcements. All field operations during the drilling operations were conducted without a reportable health, safety or environmental incident.

Figure 4: PV13 Flow test from the Pacoota Sandstone, approximately 13 mcf per day (13TJ/day)
### SALES – CENTRAL PETROLEUM EQUITY ADJUSTED SHARE

#### Sales Volumes

<table>
<thead>
<tr>
<th>Product</th>
<th>Unit</th>
<th>Q1 2018/19</th>
<th>Q1 2017/18</th>
<th>YTD 2018/19</th>
<th>YTD 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas</td>
<td>TJ</td>
<td>1,294</td>
<td>1,187</td>
<td>1,294</td>
<td>1,187</td>
</tr>
<tr>
<td>Crude and Condensate</td>
<td>bbls</td>
<td>24,052</td>
<td>29,246</td>
<td>24,052</td>
<td>29,246</td>
</tr>
</tbody>
</table>

#### Sales Revenue

<table>
<thead>
<tr>
<th>Product</th>
<th>Unit</th>
<th>Q1 2018/19</th>
<th>Q1 2017/18</th>
<th>YTD 2018/19</th>
<th>YTD 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas, Crude and Condensate</td>
<td>$’000</td>
<td>9,572</td>
<td>8,342</td>
<td>9,572</td>
<td>8,342</td>
</tr>
</tbody>
</table>

### INTERESTS IN PETROLEUM PERMITS AND LICENCES AT 30 SEPTEMBER 2018

#### Petroleum Permits and Licences Granted

- **EP 82 (excl. EP 82 Sub-Blocks)**
  - Location: Amadeus Basin NT
  - Operator: Santos
  - CTP Consolidated Entity: 60
  - Other JV Participants: Santos QNT Pty Ltd
  - Beneficial Interest: 40%

- **EP 82 Sub-Blocks**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 40%

- **EP 93**
  - Location: Pedirka Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 0%

- **EP 97**
  - Location: Pedirka Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 0%

- **EP 105**
  - Location: Amadeus/Pedirka Basin NT
  - Operator: Santos
  - CTP Consolidated Entity: 60
  - Other JV Participants: Santos
  - Beneficial Interest: 40%

- **EP 106**
  - Location: Amadeus Basin NT
  - Operator: Santos
  - CTP Consolidated Entity: 60
  - Other JV Participants: Santos
  - Beneficial Interest: 40%

- **EP 107**
  - Location: Amadeus/Pedirka Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 0%

- **EP 112**
  - Location: Amadeus Basin NT
  - Operator: Santos
  - CTP Consolidated Entity: 60
  - Other JV Participants: Santos
  - Beneficial Interest: 40%

  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 40%

- **EP 115 North Mereenie Block**
  - Location: Amadeus Basin NT
  - Operator: Santos
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 70%

- **OL 3 (Palm Valley)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Macquarie Mereenie Pty Ltd
  - Beneficial Interest: 50%

- **OL 4 (Mereenie)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 50
  - Other JV Participants: Macquarie Mereenie
  - Beneficial Interest: 50%

- **OL 5 (Mereenie)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 50
  - Other JV Participants: Macquarie Mereenie
  - Beneficial Interest: 50%

- **L 6 (Surprise)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Macquarie Mereenie
  - Beneficial Interest: 50%

- **L 7 (Dingo)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Incitec Pivot Queensland Gas Pty Ltd
  - Beneficial Interest: 50%

- **RL 3 (Goraminnia)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **RL 4 (Goraminnia)**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **ATP 909**
  - Location: Georgina Basin QLD
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **ATP 911**
  - Location: Georgina Basin QLD
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **ATP 912**
  - Location: Georgina Basin QLD
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **ATP 2031**
  - Location: Surat Basin QLD
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

#### Petroleum Permits and Licences under Application

- **EPA 92**
  - Location: Lander Trough NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 111**
  - Location: Amadeus Basin NT
  - Operator: Santos
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 120**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 124**
  - Location: Amadeus Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 129**
  - Location: Lander Trough NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 130**
  - Location: Pedirka Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 131**
  - Location: Pedirka Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%

- **EPA 132**
  - Location: Georgina Basin NT
  - Operator: Central
  - CTP Consolidated Entity: 100
  - Other JV Participants: Santos
  - Beneficial Interest: 50%
Pipeline Licences

<table>
<thead>
<tr>
<th>Pipeline Licence</th>
<th>Location</th>
<th>Operator</th>
<th>CTP Consolidated Entity</th>
<th>Other JV Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Registered Interest (%)</td>
<td>Beneficial Interest (%)</td>
</tr>
<tr>
<td>PL 2</td>
<td>Amadeus Basin NT</td>
<td>Central</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>PL 3D</td>
<td>Amadeus Basin NT</td>
<td>Central</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Notes
1. Santos’ right to earn and retain participating interests in the permit is subject to satisfying various obligations in their farmout agreement with Central. The participating interests as stated assume such obligations have been met, otherwise may be subject to change.
2. Effective 1 May 2017, Santos exercised its option to acquire a 50% participating interest in and be appointed operator of EPA 111 and EPA 124, which was granted as part of Central’s acquisition of a 50% interest in the Mereenie oil & gas field.
3. Santos (as Operator) has continued the process of an application with the NT Department of Primary Industry and Resources for consent to surrender Exploration Permit 106.
4. These exploration permits and exploration permit applications and have been disposed, with transfers for the granted exploration permits undergoing the process of registration with the NT Department of Primary Industry and Resources.
5. On 22 March 2018 (in respect EPA 124) and on 23 March 2018 (in respect of EPA 152) Central received notice from the NT Department of Primary Industry and Resources that EPA 124 and EPA 152, as applicable, had been placed in moratorium for a period of 5 years from 6 December 2017 until 6 December 2022.
6. As per Central’s announcement dated 29 August 2018, Central was granted ATP 2031. As per Central’s announcement dated 25 June 2018 ATP 2031 is subject to a 50:50 joint venture with Incitec Pivot.

CORPORATE

Cash Position

The Group began the Quarter with $27.2M in cash and at the end of the quarter held $22.1M. Cash positions are inclusive of the Group’s share of cash held in Joint Venture bank accounts and funds held with Macquarie Bank to be used for allowable purposes under the Facility Agreement.

Net cash outflow from Operations for the quarter was $5.1M, after payment of $6.0M of exploration costs related to the current drilling program (West Mereenie 26 and Palm Valley 13). In addition, $1.5M of interest charges relating to the Macquarie debt facility were paid during the quarter. Excluding exploration activities, net cash inflow from operations was $1.1M during the quarter.

Receipts from customers were $9.7M for the quarter, compared to $8.9M in the previous quarter, the increase due to higher realised oil prices and the timing of gas sales receipts.

Cash expenditure on capital projects (non-exploration) amounted to $4.0M and included $2.7M on facilities expansions at Mereenie and $0.6M on Palm Valley upgrades.

In September 2018 a further $5.0M was drawn down under the Macquarie facility. Quarterly repayments of this tranche will commence in March 2019 with the final repayment in December 2019.

A further $1M principal repayment was made in respect of the existing Macquarie Bank loan facility.

The Company is prudently managing its cash position and constantly reviews its costs.

Issued Securities of the Company

At 30 September 2018 the Company had 707,115,793 ordinary shares on issue, 30,176,669 share rights expiring on various dates and 30,000,000 unlisted options exercisable at $0.20 per option and with an expiry date of 1 September 2019.
During the quarter, 135,920 share rights were granted to employees in accordance with the Company’s Employee Rights Plan, 12,581 share rights previously granted to employees were cancelled and 15,565 share rights previously granted to employees and cancelled in error were reinstated.

Leon Devaney
Acting Chief Executive Officer
30 October 2018
Introduction

Name of entity

CENTRAL PETROLEUM LIMITED

ABN  Quarter ended (“current quarter”)
72 083 254 308  30 SEPTEMBER 2018

Consolidated statement of cash flows

<table>
<thead>
<tr>
<th></th>
<th>Current quarter</th>
<th>Year to date (3 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$A’000</td>
<td>$A’000</td>
</tr>
<tr>
<td>1. Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Receipts from customers</td>
<td>9,738</td>
<td>9,738</td>
</tr>
<tr>
<td>1.2 Payments for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) exploration &amp; evaluation</td>
<td>(6,028)</td>
<td>(6,028)</td>
</tr>
<tr>
<td>(b) development</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>(c) production</td>
<td>(5,945)</td>
<td>(5,945)</td>
</tr>
<tr>
<td>(d) staff costs</td>
<td>(798)</td>
<td>(798)</td>
</tr>
<tr>
<td>(e) administration and corporate costs (net of recoveries)</td>
<td>(542)</td>
<td>(542)</td>
</tr>
<tr>
<td>1.3 Dividends received (see note 3)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1.4 Interest received</td>
<td>119</td>
<td>119</td>
</tr>
<tr>
<td>1.5 Interest and other costs of finance paid</td>
<td>(1,514)</td>
<td>(1,514)</td>
</tr>
<tr>
<td>1.6 Income taxes paid</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1.7 Research and development refunds</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>1.8 Other</td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td>1.9 Net cash from / (used in) operating activities</td>
<td>(4,951)</td>
<td>(4,951)</td>
</tr>
</tbody>
</table>
### 2. Cash flows from investing activities

2.1 Payments to acquire:

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) property, plant and equipment</td>
<td>(4,046)</td>
<td>(4,046)</td>
</tr>
<tr>
<td>(b) tenements (see item 10)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>(c) investments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>(d) other non-current assets – Security Bonds</td>
<td>(145)</td>
<td>(145)</td>
</tr>
</tbody>
</table>

2.2 Proceeds from the disposal of:

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) property, plant and equipment</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>(b) tenements and applications (see item 10 for tenements)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>(c) investments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>(d) other non-current assets – redemption of security bonds</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

2.3 Cash flows from loans to other entities | – | – |

2.4 Dividends received (see note 3) | – | – |

2.5 Other (refunded deposit to Joint Venture partner on withdrawal from Joint Venture) | – | – |

2.6 **Net cash from / (used in) investing activities** | (4,191) | (4,191) |

### 3. Cash flows from financing activities

3.1 Proceeds from issues of shares | – | – |

3.2 Proceeds from issue of convertible notes | – | – |

3.3 Proceeds from exercise of share options | – | – |

3.4 Transaction costs related to issues of shares, convertible notes or options | – | – |

3.5 Proceeds from borrowings | 5,000 | 5,000 |

3.6 Repayment of borrowings | (1,000) | (1,000) |

3.7 Transaction costs related to loans and borrowings | – | – |

3.8 Dividends paid | – | – |

3.9 Other (provide details if material) | – | – |

3.10 **Net cash from / (used in) financing activities** | 4,000 | 4,000 |

---

*See chapter 19 for defined terms*
### 4. Net increase / (decrease) in cash and cash equivalents for the period

<table>
<thead>
<tr>
<th>Item</th>
<th>Current quarter</th>
<th>Previous quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Cash and cash equivalents at beginning of period</td>
<td>27,223</td>
<td>27,223</td>
</tr>
<tr>
<td>4.2 Net cash from / (used in) operating activities (item 1.9 above)</td>
<td>(4,951)</td>
<td>(4,951)</td>
</tr>
<tr>
<td>4.3 Net cash from / (used in) investing activities (item 2.6 above)</td>
<td>(4,191)</td>
<td>(4,191)</td>
</tr>
<tr>
<td>4.4 Net cash from / (used in) financing activities (item 3.10 above)</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>4.5 Effect of movement in exchange rates on cash held</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>4.6 Cash and cash equivalents at end of period</td>
<td>22,081</td>
<td>22,081</td>
</tr>
</tbody>
</table>

### 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts

<table>
<thead>
<tr>
<th>Item</th>
<th>Current quarter</th>
<th>Previous quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1 Bank balances(^1)</td>
<td>22,080</td>
<td>27,222</td>
</tr>
<tr>
<td>5.2 Call deposits</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>5.3 Bank overdrafts</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>5.4 Other (Cash on hand)</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</td>
<td>22,081</td>
<td>27,223</td>
</tr>
</tbody>
</table>

\(^1\) Includes share of Joint Venture bank accounts, and cash held with Macquarie Bank Limited (Current Quarter $2,323,958; Previous Quarter $1,421,848) to be used for allowable purposes under the Facility Agreement.

### 6. Payments to directors of the entity and their associates

<table>
<thead>
<tr>
<th>Item</th>
<th>Current quarter</th>
<th>Previous quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Aggregate amount of payments to these parties included in item 1.2</td>
<td>279</td>
<td>–</td>
</tr>
<tr>
<td>6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Includes Salaries, Directors fees and Superannuation contributions

---

\* See chapter 19 for defined terms

1 September 2016
7. **Payments to related entities of the entity and their associates**

<table>
<thead>
<tr>
<th>Current quarter $A'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1 Aggregate amount of payments to these parties included in item 1.2</td>
</tr>
<tr>
<td>7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3</td>
</tr>
</tbody>
</table>

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

---

8. **Financing facilities available**

<table>
<thead>
<tr>
<th>Total facility amount at quarter end$</th>
<th>Amount drawn at quarter end $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$A'000</strong></td>
<td><strong>$A'000</strong></td>
</tr>
<tr>
<td>8.1 Loan facilities</td>
<td>90,309</td>
</tr>
<tr>
<td>8.2 Credit standby arrangements</td>
<td>–</td>
</tr>
<tr>
<td>8.3 Other (please specify)</td>
<td>–</td>
</tr>
</tbody>
</table>

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

- Represents the Macquarie Bank Facility which is a secured 5 year partially amortising term loan maturing 30 September 2020 with quarterly principal and interest repayments. The weighted average interest rate at end of the current quarter was 7.52% (floating interest rate).
- An additional $7.5M facility remains undrawn. Repayments under the $7.5M facility are payable over a maximum period of 9 months commencing 30 April 2019.

---

9. **Estimated cash outflows for next quarter**

<table>
<thead>
<tr>
<th>$A'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1 Exploration and evaluation</td>
</tr>
<tr>
<td>9.2 Development</td>
</tr>
<tr>
<td>9.3 Production</td>
</tr>
<tr>
<td>9.4 Staff costs (net of recoveries)</td>
</tr>
<tr>
<td>9.5 Administration and corporate costs (net of recoveries)</td>
</tr>
<tr>
<td>9.6 Other</td>
</tr>
<tr>
<td>- Payments for property, plant &amp; equipment</td>
</tr>
<tr>
<td>- Interest and debt repayments</td>
</tr>
<tr>
<td>9.7 Total estimated cash outflows</td>
</tr>
</tbody>
</table>

---

*See chapter 19 for defined terms*
## Compliance statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2. This statement gives a true and fair view of the matters disclosed.

Sign here: 

(Bearer/Company secretary)  

Date: 30 October 2018

Print name: Daniel White

### Notes

1. The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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### Appendix 5B

#### Mining exploration entity and oil and gas exploration entity quarterly report

<table>
<thead>
<tr>
<th>10.</th>
<th>Changes in tenements (items 2.1(b) and 2.2(b) above)</th>
<th>Tenement reference and location</th>
<th>Nature of interest</th>
<th>Interest at beginning of quarter</th>
<th>Interest at end of quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>nil</td>
</tr>
<tr>
<td>10.2</td>
<td>Interests in mining tenements and petroleum tenements acquired or increased</td>
<td>ATP 2031 (Queensland Surat Basin)</td>
<td>Grant of Authority to Prospect 2031</td>
<td>No interest at beginning of the quarter.</td>
<td>100% registered interest; 50% beneficial interest.</td>
</tr>
</tbody>
</table>

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*See chapter 19 for defined terms*