



Half Year Update

26 February 2021

Central Petroleum Limited (ASX:CTP)





Half Year Highlights

Quality assets have sustained Central through the turbulence of 2020

Steady underlying sales

- Core assets provide positive cash flows despite difficult market conditions

Stronger cash position

- \$38.5M cash balance to fund Mereenie production capacity increase and Range CSG pilot

New gas supply agreement

- Pre-sold 3.5 PJ of gas for delivery in 2022 / 2023

Debt facility extended

- Debt facility extended to September 2022

Range CSG Project restarted

- Pilot to be drilled by mid-year

Amadeus to Moomba Gas Pipeline

- MOU to become a foundation customer



Half Year Results

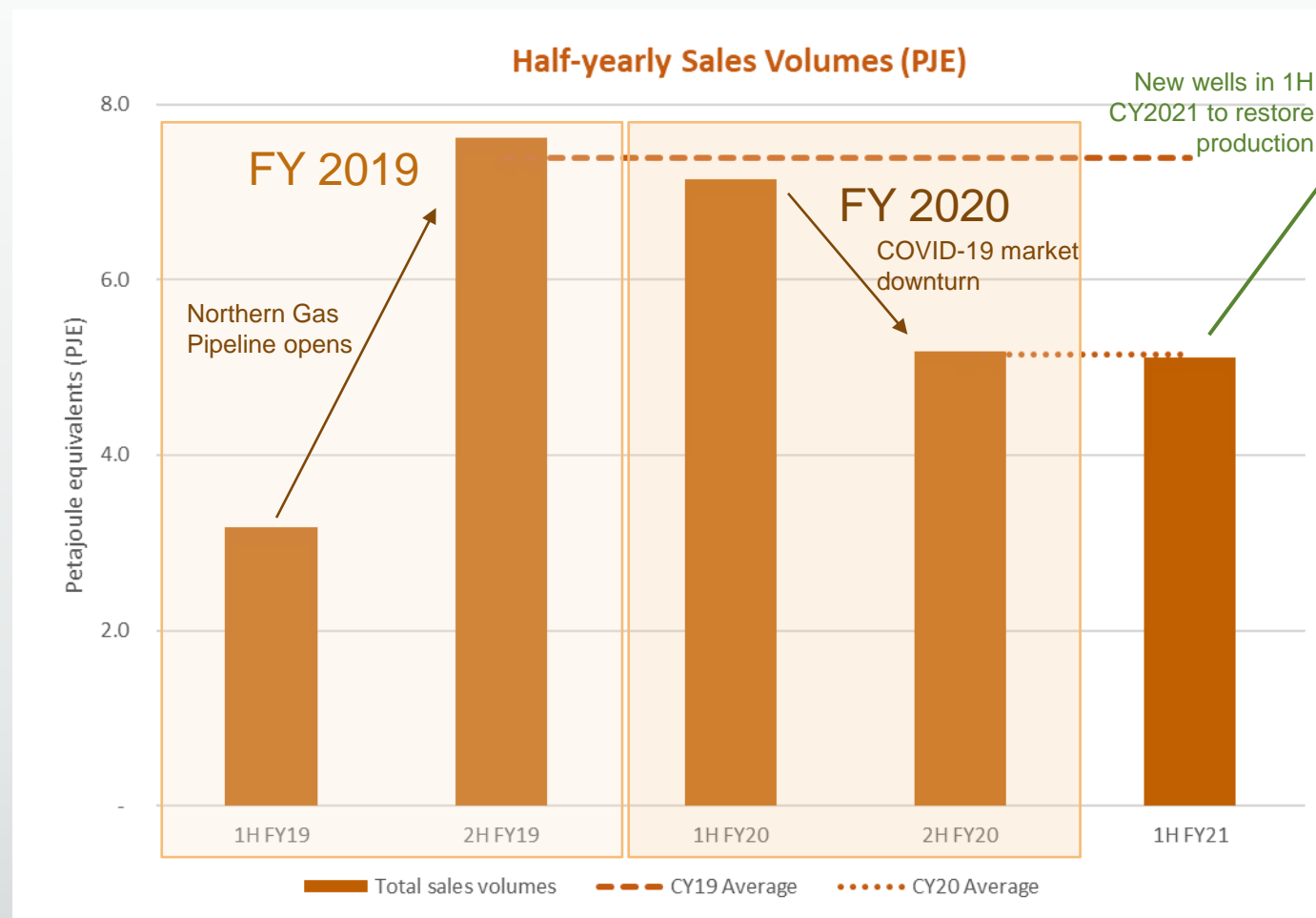
Solid performance – poised for growth

Sales volume	5.11 PJE	<ul style="list-style-type: none">• Steady v 5.19 PJE in June 2020 half• Down 28% on December 2019
Revenues	\$28.9M	<ul style="list-style-type: none">• Down 1% from \$29.3M in June 2020 half• 19% lower than December 2019
EBITDAX	\$12.9M	<ul style="list-style-type: none">• Up 51% on June 2020 half¹• Down 25% on December 2019• Cost containment
Net profit	\$2.5M	<ul style="list-style-type: none">• Up from \$2.2M in June 2020 half• Down from \$3.2M in December 2019
Cash	\$38.5M	<ul style="list-style-type: none">• Up \$12.6M from June 2020• Includes proceeds from new pre-sale agreement
Net Debt	\$31.1M	

¹ June 2020 half year EBITDAX of \$16.2M less \$7.7M gain arising from the settlement of the transfer of a 50% interest in the Range Gas Project

Stable Production – capacity boost planned

- CY2019 sales volumes hit a record average of 7.4 PJE / HY
- COVID and market downturn impacts visible from 2H FY2020
- Anticipate a return to high CY2019 gas sales volumes, driven by:
 - Recovery in the domestic gas market – now producing close to capacity
 - Investment in new Mereenie wells to restore field capacity in 1H CY2021
 - 2 x new production wells
 - 4 x recompletions





Solid 1H FY21 Results

Key metric	1H FY21 \$M	2H FY20 \$M	1H FY20 \$M
EBITDAX ¹	12.9	16.2	17.2
Underlying EBITDAX ²	12.9	8.5	16.4
EBITDA ³	11.5	12.0	16.1
EBIT ⁴	5.0	5.0	6.7
Profit after tax	2.5	2.2	3.2
Net cash flow from operations ⁵	17.6	7.4	8.3

1. EBITDAX: Earnings before interest, tax, depreciation, amortisation, impairment and exploration
2. Underlying EBITDAX: Excludes gain on disposal of assets and exploration permits
3. EBITDA: Earnings before interest, tax, depreciation, amortisation and impairment
4. EBIT: Earnings before interest and tax
5. Cashflow from operations includes cash outflows associated with exploration activities and interest.

Sales prices

\$5.66 / GJE

\$5.27 in FY20

- Markets are recovering

Operating costs

\$2.78 / GJE

\$2.70 in FY20

- Impacted by lower volumes vs fixed costs

Finance costs

\$2.5M

\$3.6M in 1H FY20
\$2.8M in 2H FY20

Depreciation

\$1.27 / GJE

\$1.32 in FY20

Exploration

\$1.4M

\$1.1M in 1H FY20
\$4.2M in 2H FY20

- Range pilot expenditure expected in 2H FY21

Corporate costs

\$1.8M

\$2.4M in 1H FY20
\$6.7M in 2H FY20

- Cost-reduction initiatives



2021 Outlook

We are in a strong position to move forward with several important growth projects in 2021

Increasing production capacity

- Two new production wells and four re-completions to increase Mereenie production capacity by mid-year

Range pilot

- Three pilot wells to be drilled at the Range CSG Project by mid-year

2021 Exploration program

- Up to four new wells planned for Amadeus Basin in 2H CY2021

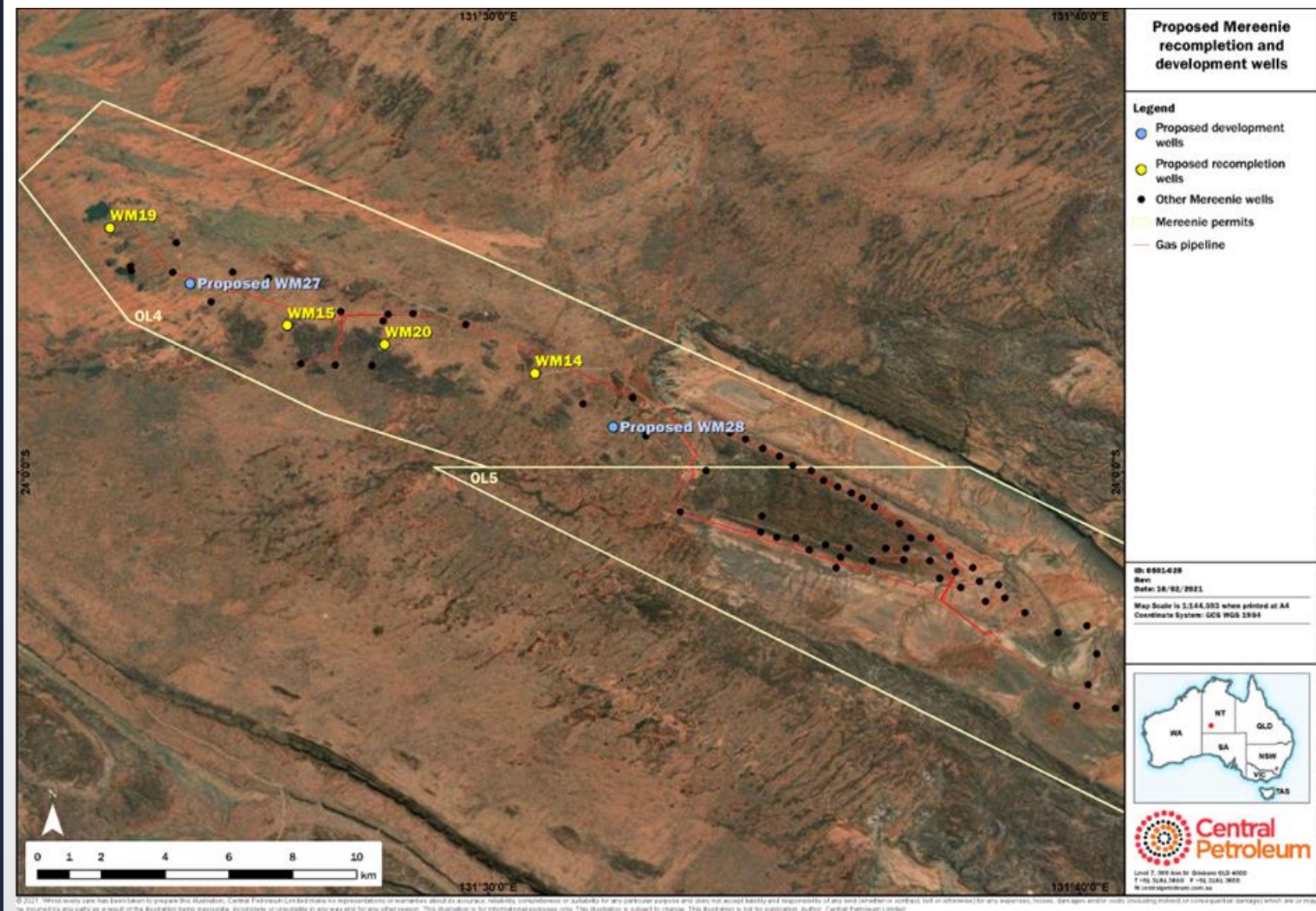
Longer-term exploration

- Larger sub-salt plays: Zevon seismic; Dukas

Increasing production capacity

Targeting Mereenie capacity of 45 TJ/day

- Recompletion of four existing wells
- Two new production wells
 - Targeting Pacoota-3 zone at crestal locations
- Commencing in March / April

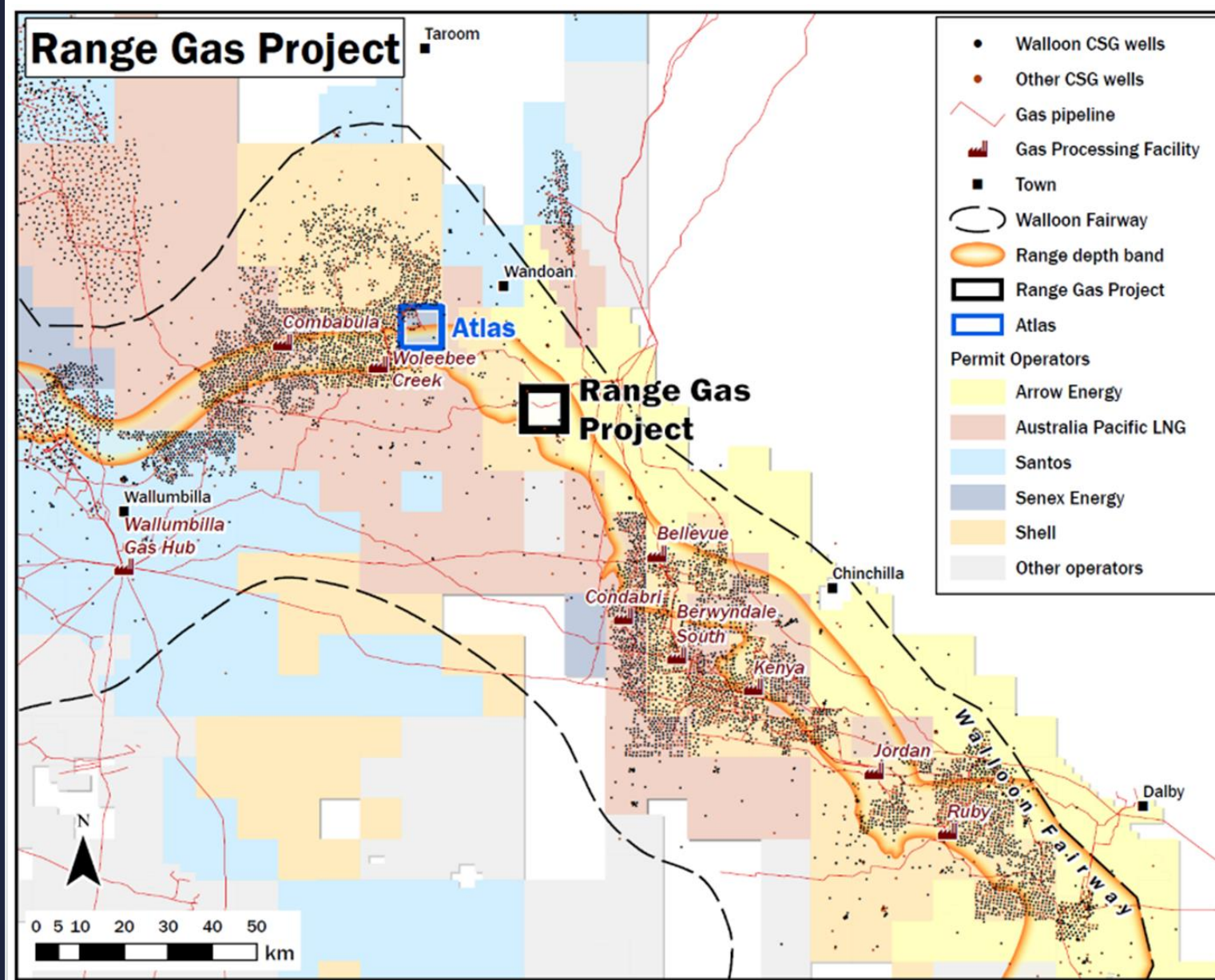


- Targeting return of Mereenie production to 45 TJ/d (currently 32 TJ/d)
- Wells expected to produce at least an additional 40 PJ of gas over their lifetime (20 PJ net to Central)

Range Coal Seam Gas Project

The Range CSG area contains 135 PJ of 2C Contingent Gas Resource (net to Central)

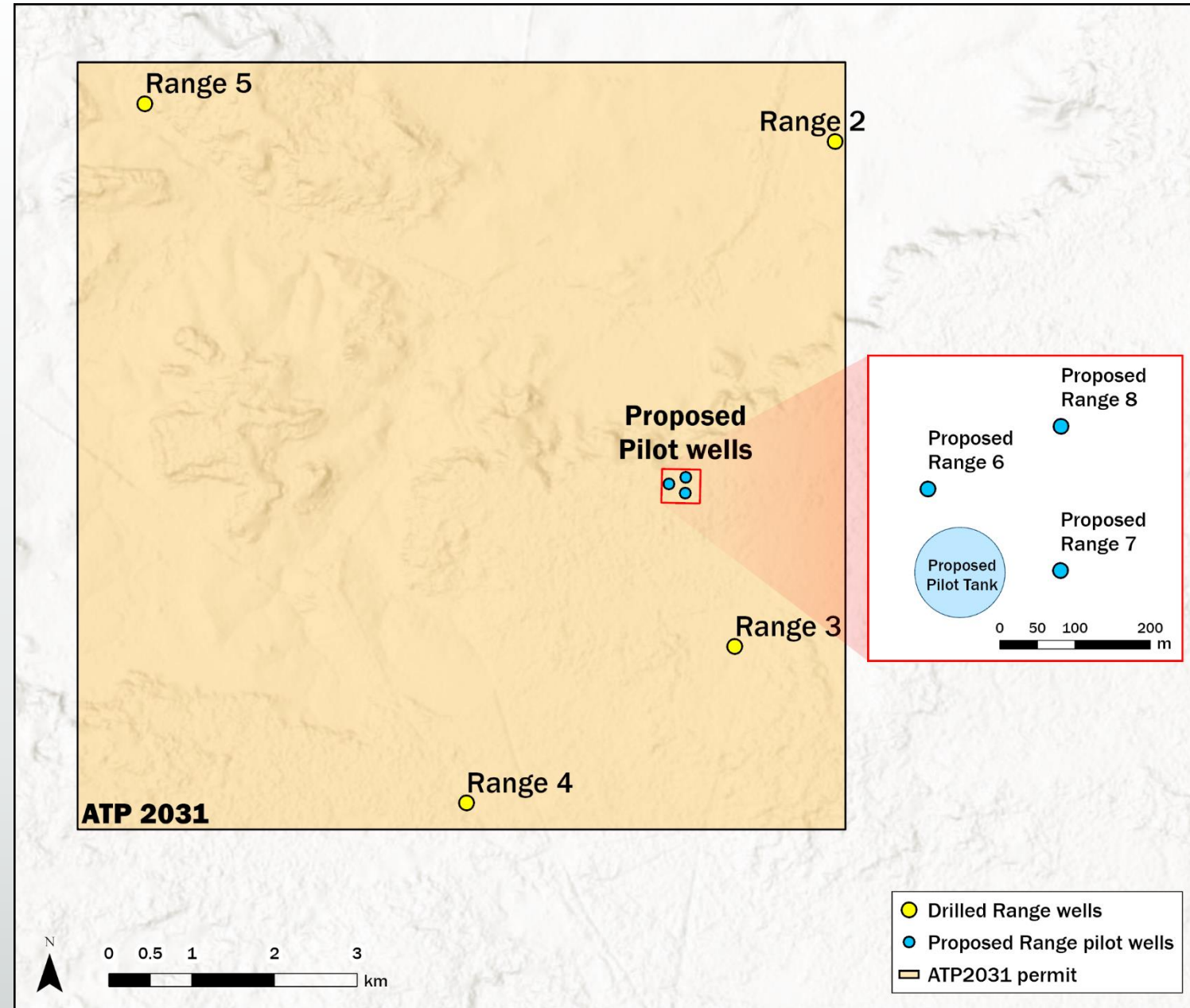
- Joint venture with Incitec Pivot (50% interest)
- Surrounded by major CSG developments and infrastructure
- Potential to almost double Central's 2P reserves base and annual sales volumes
- Potential production rates of up to 48 TJ/d (gross JV)
- 3-well pilot to be drilled in 1H CY2021
- Aiming to supply to east coast market's forecast supply shortage by 2024
- Close to Federal Government's proposed Wallumbilla Gas Supply Hub



* Central's 50% net interest is 135 PJ. Resources are as at 15 August 2019 and were independently certified by Netherland, Sewell & Associates. 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.

Range Pilot

- Three wells to be drilled at 200m spacing
- Expected to spud in April 2021
- To test production from all three Walloon coal sections: Upper Juandah, Lower Juandah and Taroom coals
- To produce water to a tank and gas (flared) for three to six months





2021 Exploration Program

Our most significant exploration program for years has the potential to unlock major new resources in the Amadeus Basin.

Multi-well exploration program

- Up to four new wells

Could more than double Central's oil and gas reserves

- Targeting lower risk 593 PJ of gas and 29 mmbbl of oil

Preparations are well advanced

- Well designs and permitting are advanced
- Long lead items ordered

Targeting drilling in Q3 CY2021

- Subject to the farm-out process currently underway

Cautionary statement: the estimated target 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.

Additional details and statements relevant to resources on this page are provided in the Appendix to this presentation.



The Next Growth Phase: Exploration Activity in 2021/2022

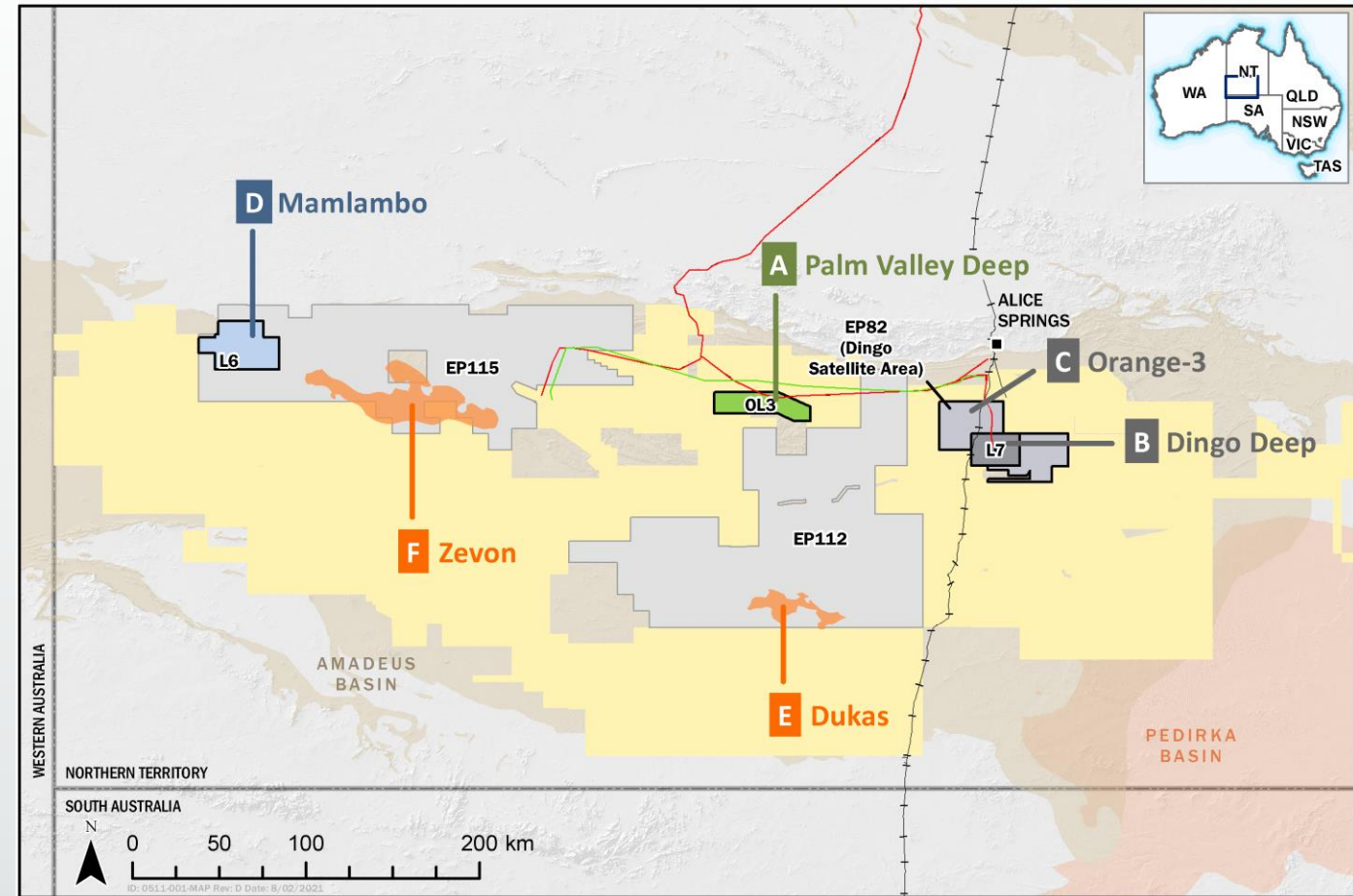
Targeting lower risk 593 PJ of gas and 29 mmbbl of oil

(subject to funding from farm-out process targeting execution in Q1 CY2021)

- A Palm Valley Deep (target 123 PJ)**
Testing deeper reservoir (proven at Dingo) in existing field
- B Dingo Deep (target 69 PJ)**
Testing deeper reservoir in existing field (gas shows in formation at Ooraminna)
- C Orange-3 (target 401 PJ)**
Targeting gas at the shallow Arumbera level (productive zone at Dingo) plus additional targets in deeper sections
- D Mamlambo (target 29 mmbbl oil)**
Large structure currently defined on an existing seismic grid only 8km from the Surprise oil field.

PLUS further multi-Tcf targets

- E Dukas (target multi-tcf)**
Targeting the pre-salt Heavitree Formation. A success will open a major new major gas play within the Amadeus Basin.
- F Zevon (potential target multi-tcf)**
Targeting the same pre-salt reservoir system as Dukas.



Cautionary statement: the estimated target 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.

Additional details and statements relevant to resources on this page are provided in the Appendix to this presentation.



Other opportunities update

Farm-down of producing assets

- Preferred bidder is conducting final due diligence
- Targeting execution this quarter

Dukas

- Awaiting drilling proposal from operator (Santos)
- Will shift sub-salt focus to the Zevon lead

Amadeus to Moomba Gas Pipeline

- Seeking third party producers for foundation volumes
- Successful exploration program will be catalyst for pipeline FID



Positioned for a Busy 2021

Planned 2021 drilling reflects up to 43% of Central's total drilling to date

Mereenie

- 2 new production wells
 - To deliver in excess of 20 PJ* over lifetime
 - Targeting increase of Mereenie production towards 45 TJ/d

Range

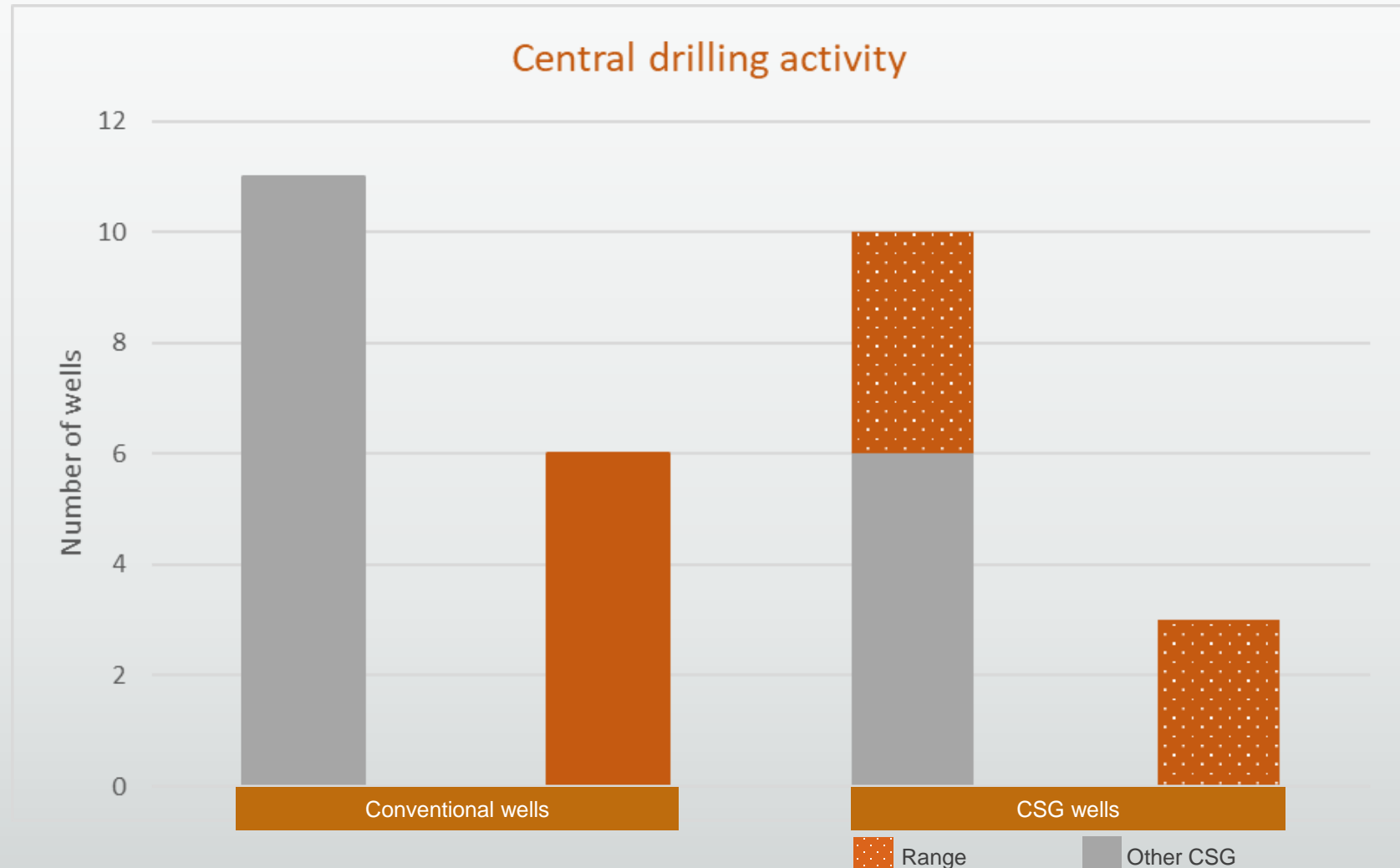
- 3 well CSG appraisal pilot
 - Targeting FID for 135 PJ*¹ of gas

Amadeus exploration

- Up to four new exploration wells
 - Targeting 593 PJ¹ of gas and 29 mmbbl¹ of oil.

* Net to Central

¹ Additional details and statements relevant to resources on this page are provided in the Appendix to this presentation.





Notice and Legal Disclaimer

To the maximum extent permitted by law:

This presentation is not intended for prospective investors and does not purport to provide all of the information an interested party may require in order to investigate the affairs of Central Petroleum Ltd ("Company"). This presentation does not attempt to produce profit forecasts for the Company and should not be relied upon as a forecast or as a basis for investment in the Company. It presents details of scoping studies and does not present and should not be construed to present financial forecasts for potential shareholders or investors. The conclusions reached in this presentation are based on market conditions at the time of writing and as such may not be relied upon as a guide to future developments.

The information, data and advice herein is provided to recipients on the clear understanding that neither the Company nor any of its representatives, directors, officers, employees, agents or advisers ("Company Personnel") makes any representation or warranty about its accuracy, reliability, completeness or suitability for any particular purpose and does not accept liability (including, but not limited to, for any expenses, losses, damages and/or costs (including, but not limited to, indirect or consequential damage)) nor take any responsibility of any kind whatsoever (including, but not limited to, whether in contract, tort, financial or otherwise) for the information, data or advice contained or for any omission or for any other information, statement or representation provided to any recipient (including, but not limited to, as a result of information, data or advice being inaccurate, unreliable, incomplete or unsuitable in any way and for any reason whatsoever). Recipients of this document must conduct their own investigation and analysis regarding any information, statement or representation contained or provided to any recipient or its associates by the Company or any of the Company Personnel. Each recipient waives any right of action, which it has now or in the future against the Company or any of the Company Personnel in respect of any errors or omissions in or from this document, however caused. Potential recoverable petroleum numbers are estimates only until the prospects are evaluated further by drilling and/or seismic and are un-risked deterministically derived (unless stated otherwise). The data and information herein are subject to change.

This document is the property of the Company. The recipient of this presentation should take appropriate legal advice as to whether such receipt contravenes any relevant jurisdiction's financial or corporate regulatory regimes, and, if so, immediately destroy this material or return it to the sender.

Reserves and contingent resources statements and other opinions expressed by the Company in this presentation may not have been reviewed by relevant Joint Venture partners. Therefore those reserves and contingent resources and opinions represent the views of the Company only. Activities which may be referred to in this presentation are subject to several contingencies inclusive of force majeure, access, funding, appropriate crew and equipment and may not have been approved by and relevant Joint Venture partners and accordingly constitute a proposal only unless and until approved.

This presentation may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which may be outside the control of the Company and could cause actual results to differ materially from these statements. These risks, uncertainties and assumptions include (but are not limited to) funding, exploration, commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals, cost estimates and other risk factors described from time to time in the Company's filings with the ASX. Actual values, results or events may be different to those expressed or implied in this presentation. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statement in this presentation is valid only at the date of issue of this presentation. Subject to any continuing obligations under applicable law and the ASX Listing Rules, or any other Listing Rules or Financial Regulators' rules, the Company and the Company Personnel do not undertake any obligation to update or revise any information or any of the forward looking statement in this document if facts, matters or circumstances change or that unexpected occurrences happen to affect such a statement. Sentences and phrases are forward looking statements when they include any tense from present to future or similar inflection words, such as (but not limited to) "believe," "understand," "estimate," "anticipate," "plan," "predict," "may," "hope," "can," "will," "should," "expect," "intend," "projects," "is designed to," "with the intent," "potential," the negative of these words or such other variations thereon or comparable terminology, may indicate forward looking statements and conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts.

No right of the Company or its subsidiaries shall be waived arising out of this presentation. All rights are reserved.

If the whole or any part of a provision of this "Notice and Legal Disclaimer" is invalid, illegal or unenforceable, then such provision will be severed and neither that part or provision or its severance will affect the validity or enforceability of the remaining parts or provisions.

© Central Petroleum Limited 2021



Company Snapshot

Central is the largest on-shore gas producer in the Northern Territory



Brisbane head office / NT Operations



92 employees



5.11 PJE of sales 1H FY2021

\$28.9M sales revenue 1H FY2021

\$5.4M maiden profit after tax in FY2020

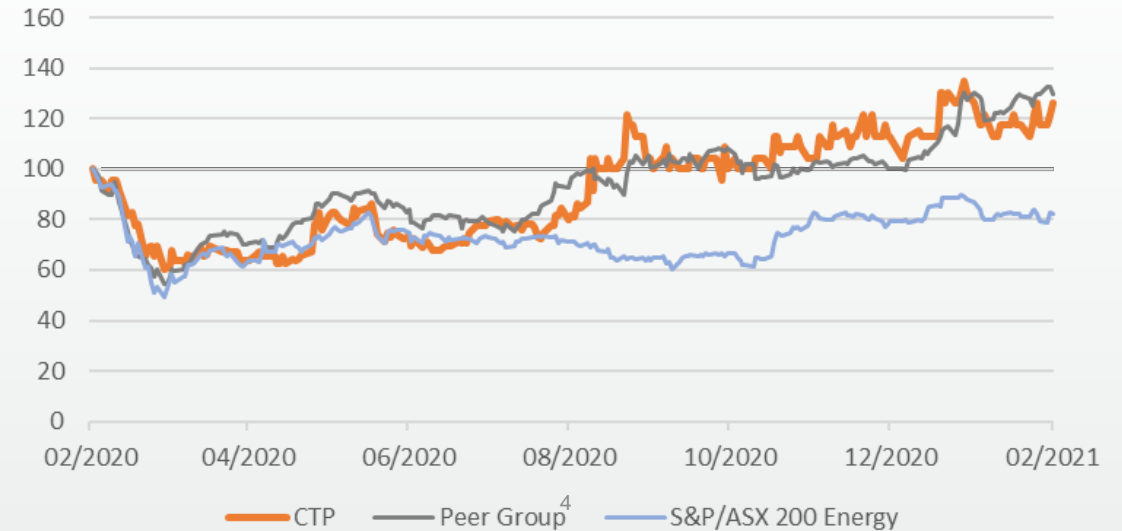


\$100M market cap

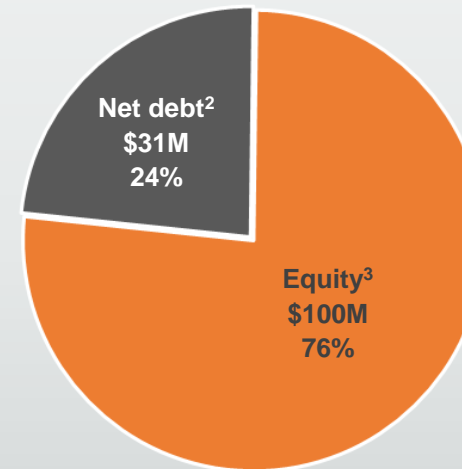
Reserves ¹	Unit	1P	2P	2C
Gas	PJ	123	155	240
Oil	MMBBL	0.77	0.97	0.1

1. Net to Central. Further details and statements relevant to this page are provided in the Appendix to this presentation
2. As at 31 December 2020: Net debt = borrowings \$68.8M + leases \$0.9M less cash and cash equivalents \$38.5M
3. Equity = Market capitalisation at 25 February 2021
4. Peer group of 14 companies

Relative share price performance - 12 Months

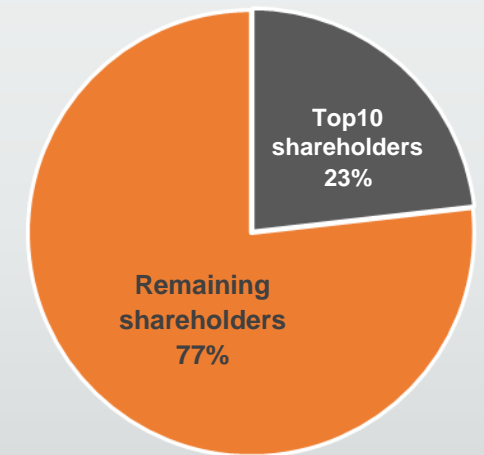


Capital Structure²



Shareholders: 7,391

Shareholders



Total shares: 723,442,389



Appendix: Reserves and Resources information

Prospective Resources – Amadeus exploration targets

Lead / Prospect	Target formation	Depth (mMD)	Permit	Permit Interest	Low Estimate P90 Recoverable (PJ)	Best Estimate P50 Recoverable (PJ)	High Estimate P10 Recoverable (PJ)	Mean Recoverable (PJ)
Dingo Deep	Pioneer	3500	L7	100%	5	17	55	26
	Areyonga	3600	L7	100%	10	32	88	43
Orange-3	Arumbera	2700	EP82(DSA)	100%	14	49	148	71
	Pioneer	3400	EP82(DSA)	100%	15	67	233	107
	Areyonga	3700	EP82(DSA)	100%	49	168	456	223
Palm Valley Deep	Arumbera	3600	OL3	100%	16	75	280	123
Aggregate Gas						408		593
Oil prospects					(mmbbl)	(mmbbl)	(mmbbl)	(mmbbl)
Mamlambo	Pacoota	1500	L6	100%	7	24	60	29

Resources Estimates

The volumes of Prospective Resources included in this presentation represent the unrisks recoverable volumes derived from Monte Carlo probabilistic volumetric analysis for each prospect as first reported to ASX on 11 October 2019 for Mamlambo and 7 August 2020 for Dingo, Orange and Palm Valley.

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.

Reserves and contingent resources

Reserves and contingent resources for the Mereenie, Palm Valley and Dingo fields in this report are as at 30 June 2020 and were first reported to ASX on 24 July 2020.

2C contingent resources for the Range Gas Project were first reported to the market on 20 August 2019.

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 estimate continue to apply and have not materially changed.

Contact and Further Information

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

Investor and Media Inquiries

Greg Bourke: +61 0478 318 702

Sarah Morgan: +61 0421 664 969

info@centralpetroleum.com.au

Level 7, 369 Ann Street

Brisbane, Qld 4000, Australia



Level 7, 369 Ann Street
Brisbane QLD 4000
Australia



+61 (0)7 3181 3800



info@centralpetroleum.com.au



www.centralpetroleum.com.au

