

ASX:CTP

Activities Report and ASX Appendix 5B

REVIEW OF OPERATIONS FOR THE QUARTER ENDED
30 JUNE 2021

Highlights

- **Cash balance** at the end of the June quarter (the quarter) was \$37.2 million, compared to the \$37.7 million balance at 31 March 2021, reflecting:
 - \$5.2 million net cash flow from operations (before exploration and finance costs)
 - Ongoing exploration activity (\$1.6 million expended) including the Range pilot drilling and completion and the acquisition of long lead items for the forthcoming two well exploration program in the Amadeus Basin
 - Commencement of the Mereenie Development Program, with four well recompletions undertaken and commencement of drilling for the first of two new production wells (included in \$2.1 million of capital expenditure)
 - Principal repayments under debt facilities of \$1.0 million. Pre-sale gas deliveries totalled 432 TJ, and 182 TJ of previously over-lifted gas was returned.
- **Net Debt** was \$31.1 million at 30 June, up slightly from \$30.8 million at the end of March.
- **Sales volumes** were 2.57 PJe (Petajoule equivalent), consistent with the 2.59 PJe sold in the March quarter. Sales for the full financial year were 10.3 PJe, 17% down from the 12.3 PJe sold in the previous year reflecting weak gas markets in the first half of the financial year and natural field decline in advance of the current development well drilling campaign.
- **Sales revenues** were steady at \$15.4 million for the quarter, and \$59.8 million for the full FY2021, down 8% from \$65.0 million in FY2020.
 - **Unit sales price** across the portfolio increased by 1% to an average of \$6.01/GJe, up from \$5.97/GJe in the March quarter, reflecting strong demand from higher-priced gas contracts and higher oil pricing.
- **Asset sale** – In May, Central announced the sale of 50% of its interests in the Mereenie, Palm Valley and Dingo fields to New Zealand Oil & Gas Limited (NZOG) and Cue Energy Resources Limited (Cue) for consideration valued at circa \$85 million (refer ASX Announcement dated 25 May 2021). The proceeds will fund a significant program of development and exploration in those areas and enable the repayment of \$30m of debt. The transaction is expected to complete in the September quarter.
- **Range Gas Project Pilot** – Central and Incitec Pivot Limited drilled three appraisal pilot wells and commenced a testing program in June that will continue for at least three months. The pilot program is designed to inform the Joint Venture on potential well production profiles and options to best progress the Range project toward FID.
- **Mereenie Development Program** – four well recompletions were undertaken and drilling commenced for the first of two new production wells (WM27). WM27 was temporarily suspended and is scheduled for sidetrack drilling and completion at the end of the drilling campaign. Subsequent to the end of the quarter, drilling commenced on the second production well (WM28).

"The sale of 50% of our operating assets at a significant profit is a strong result for shareholders and a great achievement for our team, with the sale proceeds to repay debt and fund significant new exploration and development."

"With domestic gas markets recovering well from 2020 lows, we now pivot back to high growth activities that focus on unlocking the value we believe exists in the Amadeus Basin and Range CSG project."

**Central Petroleum MD and
CEO, Leon Devaney**

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Message from Managing Director and CEO

I'm pleased to report the June quarter financial results, with our cash flow and balance sheet at the end of the June quarter in a solid position to progress our growth strategies.

We are progressing well toward completion for the sale of 50% of our Amadeus Basin producing assets, at which time we formally welcome New Zealand Oil & Gas Limited (NZOG) and Cue Energy Resources Limited (Cue) as new joint venture partners. The sale is a real achievement for the company in what has been a challenging period for the oil and gas sector.

The transaction provides circa \$85 million of value to Central and crystallises an expected book profit of \$35 - \$40 million. This is a great investment outcome for shareholders given the assets were only acquired about six years ago and with very little equity.

Net debt is \$31.1 million on a cash balance of \$37.2 million, which we expect to improve when we pay-down \$30 million of debt upon completion of the NZOG/Cue transaction.

In addition to reducing debt and other liabilities, the transaction provides Central with an opportunity to leverage this success by accelerating its growth plans for the broader Amadeus Basin, stimulating over \$100 million of gross investment in Central's producing assets without further cash input from Central. Activity is already in progress, with four wells recompleted at Mereenie this quarter and drilling now underway on two new production wells to significantly boost Mereenie's production capacity from the 31 TJ/d average produced last quarter.

The transaction also allows us to accelerate new growth and exploration activities. Two exploration wells are scheduled to be drilled later this year, with the potential to more than replace Central's divested reserves within existing producing fields. These deep exploration wells at Palm Valley and Dingo are physically located under established infrastructure and are targeting formations that are known to produce gas elsewhere in the Amadeus Basin. Success would provide a strong catalyst to open up further conventional gas plays across the Basin and complement our efforts to pursue the next phase of new targets in 2022.

In the Surat Basin (Qld), our three-well Range pilot has been drilled, completed and testing commenced. Already flowing small volumes of gas, the pilot will aid in providing key production data for the front-end engineering and design necessary to reach a final investment decision for the Range Gas Project.

We remain focussed on our other larger, potentially company-changing sub-salt targets in the Amadeus Basin which have the potential for commercial quantities of Helium and Hydrogen, in addition to hydrocarbons. Planning for an initial seismic acquisition at Zevon later this year is well advanced and has attracted a grant from the NT Government. We also continue to press for progress at our promising Dukas prospect and expect a decision from Santos on their level of participation imminently.

We welcome Stephen Gardiner to the Board as a new Director. Stephen's extensive finance experience in the oil, gas and infrastructure sectors will be particularly relevant as we enter this next exciting stage of growth.

While our cash flows and revenues will be lower in the immediate future following the recent asset sell-down, the investment in new production and exploration opportunities has the potential to unlock and create new value from our portfolio in the near future. We look forward to delivering these exciting programs over the next year.



Leon Devaney
Managing Director and Chief Executive Officer



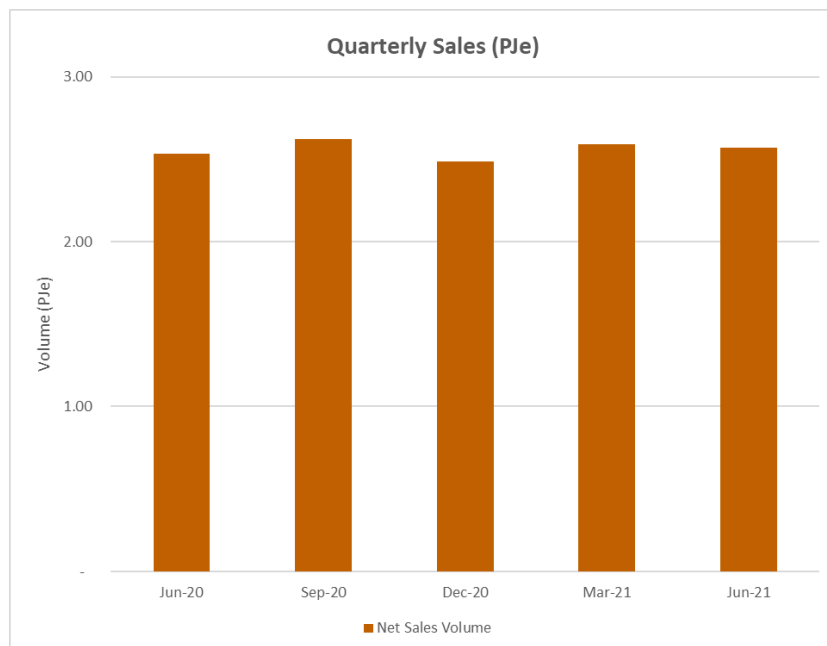
Production Activities

SALES VOLUMES

Sales volumes were steady at 2.57 PJe for the quarter, (including 0.18 PJ of overlift repayment gas and 0.05 PJ of purchased gas).

The Mereenie and Palm Valley fields were producing at close to capacity through the quarter and firm long-term gas supply contracts accounted for 99% of June quarter volumes.

FY2021 continued to reflect weak domestic gas market conditions during the first half. This, in conjunction with natural field decline, resulted in the sales volumes for the full year to June 2021 of 10.27 PJe, being 17% lower than the 12.34 PJe sold in FY2020.



Field capacity is expected to be increased in FY2022 as two new production wells are commissioned and brought online at Mereenie.

Central's operating results from Q1 of FY2022 are anticipated to reflect completion of the sale of 50% of its interests in the producing fields to NZOG and Cue.

SALES REVENUE

Total sales revenue in the June quarter was \$15.4 million, consistent with the \$15.5 million in the preceding quarter, reflecting ongoing strong demand from higher-priced contracts and a firmer oil price.

Sales revenue Product	Unit	FY2021		Full year	
		Q3	Q4	FY2020	FY2021
Gas	\$'000	13,809	13,796	58,959	54,355
Crude and Condensate	\$'000	1,659	1,630	6,086	5,472
Total Sales Revenue	\$'000	15,468	15,426	65,045	59,827
Revenue per unit	\$/GJe	\$5.97	\$6.01	\$5.27	\$5.83

Central's revenues from Q1 of FY2022 are anticipated to reflect completion of the sale of 50% of its interests in the producing fields to NZOG and Cue.

MEREENIE OIL AND GAS FIELD (OL4 AND OL5) – NORTHERN TERRITORY

CTP - 50% interest (and Operator), Macquarie Mereenie Pty Ltd - 50% interest

(CTP interest reducing to 25% upon completion of asset sale, expected in Q1 FY2022)

Mereenie's production was slightly impacted as four wells were sequentially taken off-line through April and May for recompletions to access producing zones previously behind casing, before being progressively returned to production. Gross field production averaged 30.8 TJ/day across the quarter, marginally higher than the March quarter's maintenance-affected 30.2 TJ/d.

The production capacity of the Mereenie field was approximately 31 TJ/d (100% JV) at the end of the quarter.

Drilling commenced on WM27, the first of two new crestal production wells at Mereenie in early June. The well was drilled to 1,367m and equipment is being mobilised to execute a mud-drilled sidetrack through the deeper Pacoota-3 interval. The second well, WM28, was subsequently spudded on 21 July and is drilling ahead. After the WM28 well is completed, the rig is intended to return to WM27 to complete the Pacoota-3 sidetrack. The recompletions and new wells are expected to increase the Mereenie field's gross production capacity and produce at least an additional 40 PJ of gas over their lifetime (20 PJ net to Central, reduced to 10 PJ net post-completion of the asset sale to NZOG/Cue).

PALM VALLEY (OL3) – NORTHERN TERRITORY

CTP - 100% interest

(CTP interest reducing to 50% upon completion of asset sale, expected in Q1 FY2022)

The Palm Valley field produced at an average of 7.9 TJ/d over the quarter, down from 8.4 TJ/d in the March quarter due to natural field decline.

Production capacity was approximately 8 TJ/d at the end of the quarter.

DINGO GAS FIELD (L7) AND DINGO PIPELINE (PL30) – NORTHERN TERRITORY

CTP - 100% interest

(CTP interest reducing to 50% upon completion of asset sale, expected in Q1 FY2022)

The Dingo gas field supplies gas directly to the Owen Springs Power Station in Alice Springs. Lower customer nominations resulted in a 7.5% decrease in gas production to an average 3.7 TJ/d over the quarter. The daily contract volume of 4.4 TJ/d is subject to take-or-pay provisions under which Central is paid annually in January for the previous calendar year's shortfall.

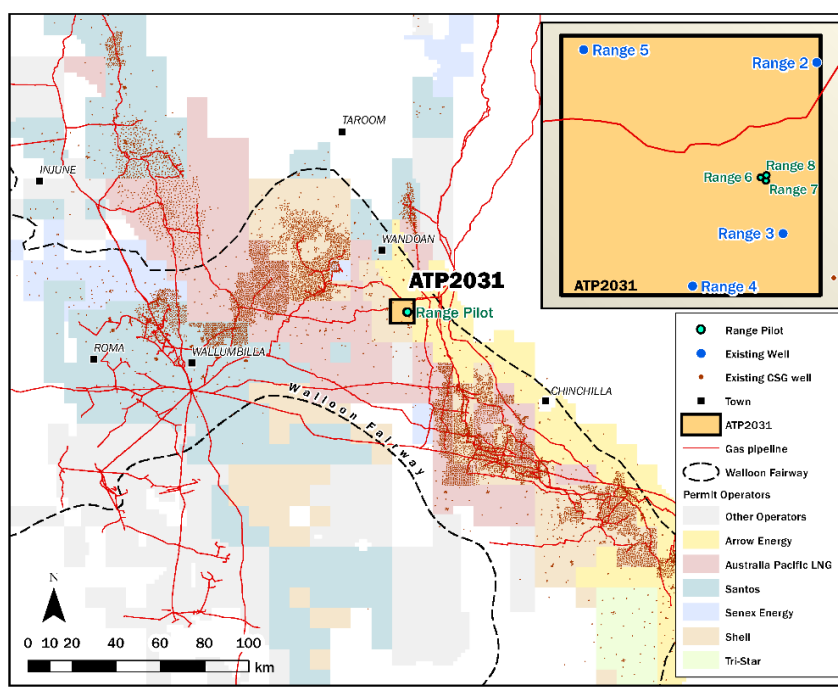
Appraisal Activities

RANGE GAS PROJECT (ATP 2031) – QUEENSLAND

CTP - 50% interest, Incitec Pivot Queensland Gas Pty Ltd ("Incitec") - 50% interest

The three Range Pilot wells, Range-6, Range-7 and Range-8 were successfully drilled in April/May to depths of between 675m and 685m, with net coal of between 26m and 28m across the three coal seams of the Walloon Coal Measures.

The Range pilot consists of three wells closely spaced at 200m apart to accelerate the dewatering process, a production water tank, flare and associated pipework. Each well has been completed with a slotted liner over the three seams of the Walloon Coal Measures with a downhole pump installed.



Testing of the pilot commenced in mid-June and will provide production data for at least three months to support a final investment decision (“**FID**”). The pilot is intended to provide key information regarding reservoir productivity (initially via water rates), gas desorption (when gas is first produced), zonal contribution (how much each coal seam is contributing) and the initial production profiles of gas and water ramp up.

Gas breakthrough was observed immediately upon commencement of pumping, earlier than expected, indicating the presence of coals that are fully saturated with gas. The water level in the wells was gradually drawn-down to the pumps and by mid-July aggregate daily gas rates had reached around 35,000 scfd. These are expected to increase as dewatering continues in coming months.

Initial aggregate water rates are lower than anticipated which implies less capital will be required for water handling, processing and disposal in the development phase.



Gas flaring at the Range CSG Pilot (July 2021)

Work continued during the quarter on activities required to reach FID, including approvals and permits for project development. Proposals for provision of gas processing facilities for the full field development were received from several established infrastructure providers and are currently being assessed.

The 77km² tenement (ATP 2031) is strategically located in the heart of Queensland’s coal seam gas (CSG) province which hosts thousands of CSG wells producing from the same coal measures at similar depths. The Range Gas Project contains an estimated 270 PJ of 2C contingent gas resource (Central share 135 PJ).

The Surat Basin remains one of Australia’s premier gas production precincts, with the Range Gas Project positioned for development to take advantage of an expected shortfall of gas supply in eastern Australia from 2024.

Business Development

SELL-DOWN OF AMADEUS BASIN PRODUCING ASSETS

On 25 May, Central announced it had entered into a binding agreement to sell 50% of Central’s current working interest in its Amadeus Basin Production Assets to entities controlled by New Zealand Oil and Gas Limited (“NZOG”) and Cue Energy Resources Limited (“Cue”) (together, the “NZOG Entities”) for total consideration valued at circa \$85 million¹ (the “Transaction”).

The assets being sold under the Transaction consist of 50% of Central's interests in its producing assets in the Northern Territory, namely, the Mereenie Oil and Gas Field (OL 4/5) ("Mereenie"); Palm Valley Gas Field (OL3) ("Palm Valley"); and Dingo Gas Field (L7) ("Dingo") (together, the "Production Assets").

The Transaction comprises a sale of a 50% interest in Central's share of the Production Assets, with an effective date of 1 July 2020 in return for consideration comprising of:

- an upfront cash payment of \$29 million;
- \$40 million payment by way of "carried" funding for Central's share of near-term development, appraisal and exploration activities;
- \$23 million (Central's book value at the effective date)² through an assumption by the NZOG Entities of obligations to supply up to 4.9 PJ of gas (50% interest acquired at the effective date) which has previously been paid for but not delivered under pre-sale or 'take-or-pay' arrangements; and
- a completion adjustment for net cash flows generated between the effective date and the completion date.

The Transaction "carry" of \$40 million net to Central covers payment of certain of Central's JV expenditure obligations for near-term development and growth activities across the Production Assets with a total gross JV cost of over \$100 million, including two committed exploration wells (Palm Valley Deep and Dingo Deep, with options to complete these wells as producers from the existing production intervals) as well as two development wells currently progressing at Mereenie.

Central will repay \$30 million of the Macquarie Bank loan facility in the completion quarter.

The Transaction is expected to complete in Q3 2021 and result in an after-tax accounting profit net to Central of circa \$35-\$40 million on the sale¹.

Transaction meets strategic objectives and opens multiple avenues for growth

Value accretive	\$85m consideration ⁽¹⁾ for 50%, with an expected \$35m - \$40m profit ⁽¹⁾ , delivers a strong signal for the underlying value and quality of Central's Amadeus Basin Producing Assets
Accelerates Growth	Provides \$40m free-carry for near term exploration and development, which would facilitate approximately \$100m (gross JV) investment across the Sale Assets without any further cash outlay from Central
Diversifies risk	Accelerates growth in the Amadeus Basin while sharing and diversifying geological, exploration and development risk through a new joint venture
Aligned partner	Introduces technically capable partner(s) with financial capacity and aligned objectives
Operatorship	Central retains operatorship
Balance Sheet	Strengthens Central's balance sheet through reduction of debt (by \$30m) and deferred gas liabilities (by \$21m) ⁽²⁾

Central retains its existing interests in significant growth opportunities not included in the Transaction, including: the Range Coal Seam Gas Project (50%), EP82 Dingo Satellite Area ("DSA") including the Orange-3 target (100%), Mamlambo oil target close to the Surprise oil field in L6 (100%), EP115 including the Zevon multi-Tcf sub-salt target (100%), and EP112 including the Dukas multi-Tcf sub-salt target (30%).

¹ Estimated value at the assumed completion date of 1 August 2021 and subject to final determination of the completion adjustment and movements in liabilities associated with the Sale Assets between the effective date and the actual completion date.

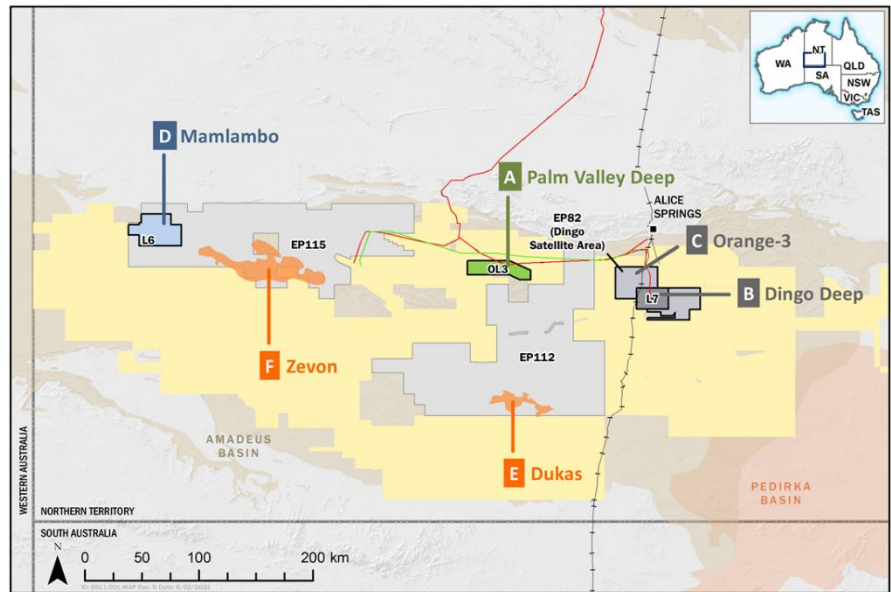
² Based on Central's book value for these liabilities at the effective date, including pre-sale subsequently executed in December 2020.

Exploration Activities

2021 AMADEUS EXPLORATION PROGRAM – NORTHERN TERRITORY

The sale Transaction will spark a new wave of investment in Central's producing Amadeus Basin assets, with a two well exploration program scheduled to commence in late 2021, now funded by the Transaction.

The Palm Valley Deep and Dingo Deep wells will target up to 192 PJ of mean prospective gas resources (96 PJ Central share), testing deeper reservoirs which have produced gas elsewhere in the region. These wells are located within the existing Palm Valley and Dingo fields and, if successful, provide the opportunity for low cost production via tie-in to existing infrastructure. .



If the deeper targets are unsuccessful, the wells can be completed in the shallower producing formations as production wells.

Planning, approvals and procurement for the two well program is well-advanced.

Central also has opportunities for further exploration activity in 2022, including the Mamlambo well, targeting 29 mmbbl of oil and the Orange-3 well targeting 401 PJ of mean prospective gas resource.

DUKAS (EP112) – NORTHERN TERRITORY

CTP – 30%, Santos (and Operator) – 70%

Dukas is a gas prospect with multi-TCF potential located approximately 175 km south west of Alice Springs. The Dukas-1 exploration well was suspended at a depth of 3,704m in mid-2019, after encountering hydrocarbon-bearing gas from an over-pressured zone close to the primary target.

Santos, the operator of the EP112 joint venture, has been assessing various options to intersect the target formation using specialised high-pressure drilling equipment. Central remains committed to progressing the Dukas prospect, with a decision by Santos on their participating interest in Dukas expected by 31 July 2021. Accordingly, further definition on a forward plan for the Dukas prospect is expected in Q3 CY2021.

EP115, AMADEUS BASIN – NORTHERN TERRITORY

CTP – 100% interest

The Zevon sub-salt lead in EP115 has been defined as a potentially very large closure (circa 1,600 km²) from seismic and gravity studies and is located in the north-western section of the Amadeus Basin between the Mereenie Oil & Gas Field and the Surprise Oil Field. Regional geological work has focussed on hydrocarbons although the presence of Helium and Hydrogen within any natural gasses encountered could add significant value to the lead in the event of a success.

Planning is well-advanced for the acquisition of a 30km experimental seismic line during Q4 CY2021. The aim is to acquire data which can be used to optimise the acquisition parameters for a subsequent larger seismic program ahead of identifying a potential drillable location. Central has been awarded a grant of \$100,000 under the NT Government Geophysics and Drilling Collaboration Program for the 2021 seismic survey at Zevon.

Health, Safety and Environment

Central recorded no MTI / LTIs during the quarter and no reportable environmental incidents. The Company's TRIFR (Total Recordable Injury Frequency Rate) is currently 3.8, reflecting one incident in the last year.

Corporate

CASH POSITION

The Group held cash of \$37.2 million at the end of the quarter, down slightly from the \$37.7 million at the end of March. The net cash inflow from operations for the quarter was \$2.6 million after exploration costs and finance charges. Key amounts included:

- Cash receipts from customers during the quarter of \$13.2 million.
- Exploration expenditure of \$1.6 million, largely for the drilling and completion of the three-well appraisal pilot program at the Range Gas Project.
- Cash production costs of \$7.4 million for the current quarter.
- Staff and administration costs of \$0.9 million.
- Interest charges of \$0.95 million. The debt facility remains efficiently priced (5.53% at quarter end) and tied to the variable BBSY interest rate which remains close to historic low levels.

Capital expenditure amounted to \$2.1 million, reflecting the recompletions and commencement of drilling activity at Mereenie.

Principal repayments under the loan facility totalled \$1.0 million during the quarter. The total outstanding loan balance was \$66.8 million at quarter end.

Fees, salaries and superannuation contributions paid to Directors during the quarter amount to \$0.263 million as disclosed at item 6.1 of the Appendix 5B.

The statement of cash flows for the quarter and financial year to 30 June 2021 are attached to this report at Appendix 5B.



Leon Devaney
Managing Director and Chief Executive Officer

30 July 2021

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

Annexure 1: Interests in Petroleum Permits and Licences

as at 30 June 2021

PETROLEUM PERMITS AND LICENCES GRANTED

Tenement	Location	Operator	CTP Consolidated Entity Registered Legal Interest (%)	Beneficial Interest (%)	Other JV Participants Participant Name	Beneficial Interest (%)
EP 82 (excl. EP 82 Sub-Blocks) ¹	Amadeus Basin NT	Santos	60	60	Santos QNT Pty Ltd ("Santos")	40
EP 82 Sub-Blocks	Amadeus Basin NT	Central	100	100		
EP 105	Amadeus/Pedirka Basin NT	Santos	60	60	Santos	40
EP 112 ¹	Amadeus Basin NT	Santos	30	30	Santos	70
EP 115 (excl. EP 115 North Mereenie Block)	Amadeus Basin NT	Central	100	100		
EP 115 North Mereenie Block ²	Amadeus Basin NT	Santos	60	100		
EP 125	Amadeus Basin NT	Santos	30	30	Santos	70
OL 3 (Palm Valley) ³	Amadeus Basin NT	Central	100	100		
OL 4 (Mereenie) ³	Amadeus Basin NT	Central	50	50	Macquarie Mereenie Pty Ltd ("Macquarie Mereenie")	50
OL 5 (Mereenie) ³	Amadeus Basin NT	Central	50	50	Macquarie Mereenie	50
L 6 (Surprise)	Amadeus Basin NT	Central	100	100		
L 7 (Dingo) ³	Amadeus Basin NT	Central	100	100		
RL 3 (Ooraminna)	Amadeus Basin NT	Central	100	100		
RL 4 (Ooraminna)	Amadeus Basin NT	Central	100	100		
ATP 909	Georgina Basin QLD	Central	100	100		
ATP 911	Georgina Basin QLD	Central	100	100		
ATP 912	Georgina Basin QLD	Central	100	100		
ATP 2031	Surat Basin QLD	Central	50	50	Incitec Pivot Queensland Gas Pty Ltd	50

PETROLEUM PERMITS AND LICENCES UNDER APPLICATION

Tenement	Location	Operator	CTP Consolidated Entity Registered Interest (%)	Beneficial Interest (%)	Other JV Participants Participant Name	Beneficial Interest (%)
EPA 92	Wiso Basin NT	Central	100	100		
EPA 111	Amadeus Basin NT	Santos	100	50	Santos	50
EPA 120	Amadeus Basin NT	Central	100	100		
EPA 124 ⁴	Amadeus Basin NT	Santos	100	50	Santos	50
EPA 129	Wiso Basin NT	Central	100	100		
EPA 130	Pedirka Basin NT	Central	100	100		
EPA 131 ⁵	Pedirka Basin NT	Central	100	0		
EPA 132	Georgina Basin NT	Central	100	100		
EPA 133 ⁶	Amadeus Basin NT	Central	100	100		
EPA 137	Amadeus Basin NT	Central	100	100		
EPA 147	Amadeus Basin NT	Central	100	100		
EPA 149	Amadeus Basin NT	Central	100	100		
EPA 152 ⁴	Amadeus Basin NT	Central	100	100		
EPA 160	Wiso Basin NT	Central	100	100		
EPA 296	Wiso Basin NT	Central	100	100		

PIPELINE LICENCES

Pipeline Licence	Location	Operator	CTP Consolidated Entity Registered Interest (%)	Beneficial Interest (%)	Other JV Participants Participant Name	Beneficial Interest (%)
PL 2 ³	Amadeus Basin NT	Central	50	50	Macquarie Mereenie	50
PL 30 ³	Amadeus Basin NT	Central	100	100		

Notes:

- 1 As announced on 16 July 2020, prior to 31 July 2021 Santos can elect that Central be carried for the first \$3 million of Dukas-1 well costs. In return for a carry by Santos and if Santos so elects, Central will transfer 30% equity in EP82 (excluding the Orange prospect) to Santos. Should Santos not carry Central in exchange for the option to have 30% equity in EP82, its interest in EP112 (including Dukas-1 well) will decrease from 70% to 55% (Central's interest in EP112 will increase from 30% to 45%).
- 2 On 12 December 2019 Central received notice from Santos of its intention to withdraw from EP 115 North Mereenie Block effective 31 January 2020.
- 3 On 25 May 2021 Central announced an agreement to sell 50% of its existing interests in Mereenie, Palm Valley and Dingo to subsidiaries of New Zealand Oil & Gas Ltd and Cue Energy Resources Ltd. The transaction is expected to settle in Q3 CY2021.
- 4 On 22 March 2018 (in respect of 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, respectively, had been placed in moratorium for a period of 5 years from 6 December 2017 until 6 December 2022.
- 5 This exploration permit application has been disposed. Transfer of the registered interest is awaiting the grant of an exploration permit.
- 6 This exploration permit application was placed into moratorium on 22 October 2015 for a five (5) Year period which ended on 22 October 2020. On 25 February 2021, Central was provided with consent to negotiate the grant of this exploration permit.

General Legal Disclaimer

As new information comes to hand from data processing and new drilling and seismic information, preliminary results may be modified. Resources estimates, assessments of exploration results and other opinions expressed by the Company in this announcement or report have not been reviewed by any relevant joint venture partners, therefore those resource estimates, assessments of exploration results and opinions represent the views of the Company only. Exploration programs which may be referred to in this announcement or report may not have been approved by relevant Joint Venture partners in whole or in part and accordingly constitute a proposal only unless and until approved.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

CENTRAL PETROLEUM LIMITED

ABN

72 083 254 308

Quarter ended ("current quarter")

30 JUNE 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	13,161	65,539
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(1,641)	(5,461)
	(b) development	—	—
	(c) production and gas purchases	(7,368)	(27,866)
	(d) staff costs	(599)	(4,304)
	(e) administration and corporate costs (net of recoveries)	(300)	(1,370)
1.3	Dividends received (see note 3)	—	—
1.4	Interest received	16	82
1.5	Interest and other costs of finance paid	(953)	(3,924)
1.6	Income taxes paid	—	—
1.7	Government grants and tax incentives	218	1,367
1.8	Other (provide details if material)	67	73
1.9	Net cash from / (used in) operating activities	2,601	24,136

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	—	—
(b) tenements	—	—
(c) property, plant and equipment	(2,060)	(6,489)
(d) exploration & evaluation (if capitalised)	—	—
(e) investments	—	—
(f) other non-current assets	—	—
2.2 Proceeds from the disposal of:		
(a) entities	—	—
(b) tenements	—	—
(c) property, plant and equipment	3	9
(d) investments	—	—
(e) other non-current assets	—	—
2.3 Cash flows from loans to other entities	—	—
2.4 Dividends received (see note 3)	—	—
2.5 Other - (lodgement) or redemption of security deposits	25	(1,562)
2.6 Net cash from / (used in) investing activities	(2,032)	(8,042)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	—	—
3.2 Proceeds from issue of convertible debt securities	—	—
3.3 Proceeds from exercise of options	—	—
3.4 Transaction costs related to issues of equity securities or convertible debt securities	—	(5)
3.5 Proceeds from borrowings	—	—
3.6 Repayment of borrowings	(1,000)	(4,000)
3.7 Transaction costs related to loans and borrowings	—	(221)
3.8 Dividends paid	—	—
3.9 Other (principal elements of lease payments)	(140)	(621)
3.10 Net cash from / (used in) financing activities	(1,140)	(4,847)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	37,736	25,918
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,601	24,136
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,032)	(8,042)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,140)	(4,847)
4.5	Effect of movement in exchange rates on cash held	—	—
4.6	Cash and cash equivalents at end of period	37,165	37,165

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	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances ¹	37,164	37,735
5.2	Call deposits	—	—
5.3	Bank overdrafts	—	—
5.4	Other (cash on hand)	1	1
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	37,165	37,736

¹ Includes the Group's share of Joint Venture bank accounts and cash held with Macquarie Bank Limited (current quarter \$11,112,442, previous quarter \$20,655,359) to be used for allowable purposes under the Facility Agreement.

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

263

—

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Includes Directors Fees, Salaries, and superannuation contributions.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
	<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	66,809	66,809
7.2	Credit standby arrangements	—	—
7.3	Other (please specify)	—	—
7.4	Total financing facilities	66,809	66,809

7.5 **Unused financing facilities available at quarter end** —

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

7.1 – Represents the Macquarie Bank loan facility which is a secured partially amortising term loan maturing 30 September 2022 with quarterly principal and interest repayments. The interest rate at the end of the current quarter is 5.53% (floating interest rate).

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	2,601
8.2	Capitalised exploration & evaluation (Item 2.1(d))	—
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	2,601
8.4	Cash and cash equivalents at quarter end (Item 4.6)	37,165
8.5	Unused finance facilities available at quarter end (Item 7.5)	—
8.6	Total available funding (Item 8.4 + Item 8.5)	37,165
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	N/A – positive cash flow at 8.3

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

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.

Date: 30 July 2021

Authorised by: Leon Devaney, Managing Director and CEO.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.