

24 May 2022

Palm Valley 12 Drilling Update

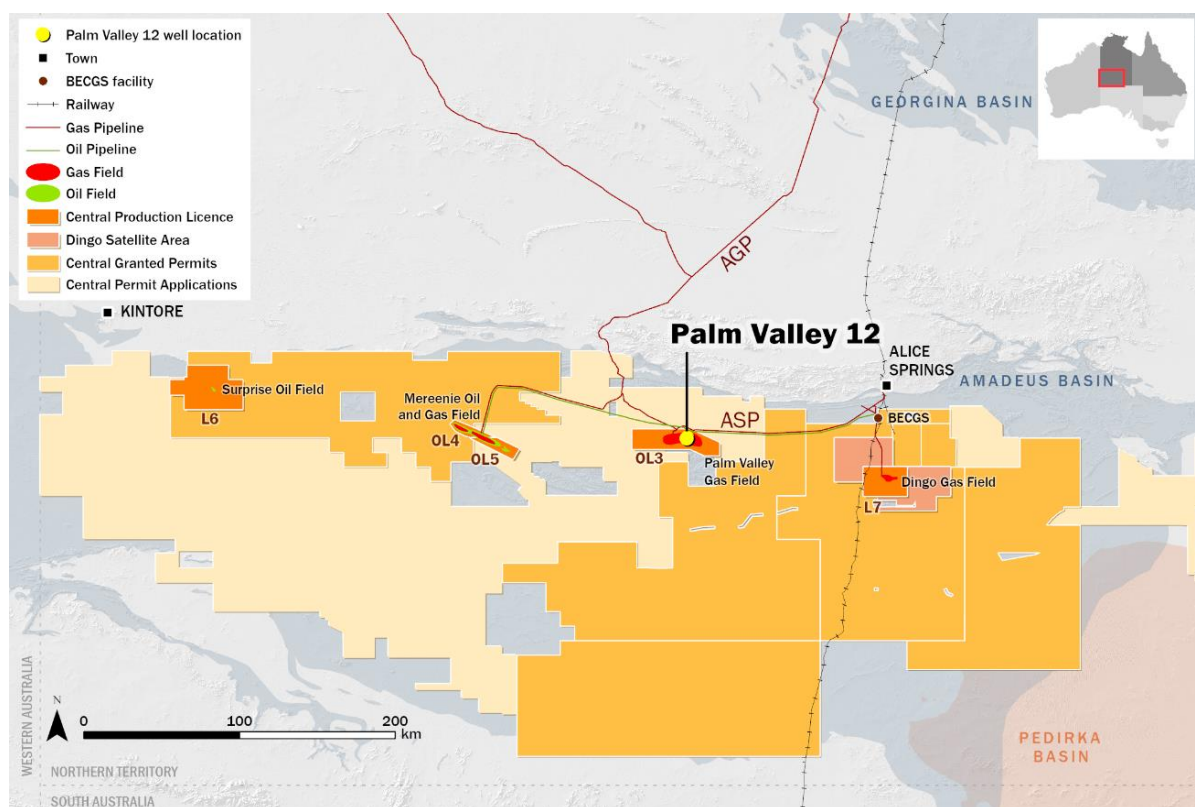
Central Petroleum Limited (“**Central**”) (**ASX: CTP**) advises that on 23 May 2022, the Palm Valley 12 (**PV12**) well in OL3, Southwest of Alice Springs in the Northern Territory, had reached a depth of 1,880m at 0600 hrs ACST in the P1 unit of the Pacoota Formation.

The P1 unit of the Pacoota Formation is the main productive zone in the Palm Valley field and is a proposed sidetrack candidate in this well if the deep exploration target at the Arumbera level is not successful.

Gas production at Palm Valley predominantly comes from natural fractures which can provide very good production rates. While drilling through the P1, PV12 appears to have intersected the fracture system which is encouraging for potential production rates from a horizontal well bore in the P1. Encountering this degree of fracturing in the P1 also increases the likelihood of encountering production-enhancing fractures in the deeper target zones. The fractures also slow drilling progress due to losses of drilling fluids into the fractures, which has resulted in 193m of hole being drilled since the 17 May 2022 drilling update. Drilling practices are underway to reduce these losses prior to drilling ahead to the total depth of the 12 ¼” hole section of 2,009m. Then the 9 5/8” casing string will be run and cemented.

The PV12 well has two alternate objectives, consisting of a deeper gas exploration target or a shallower gas appraisal lateral that could become a production well. The primary exploration target is the Arumbera Sandstone at an anticipated depth of 3,560m.

The PV12 well is the first of a 2-well drilling program that also includes the Dingo-5 exploration / production well. Both wells are being drilled under joint ventures between Central (50% interest), New Zealand Oil & Gas Limited (**ASX: NZO**) (35% interest) and Cue Energy Resources Limited (**ASX: CUE**) (15% interest) and are scheduled to be completed this year.

Fig 1. Location of Permit OL3 and Palm Valley-12 exploration well.

-ends-

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) and Queensland. 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 “gold” hydrogen, with exploration, appraisal and development plans across 180,000 km² of tenements in Queensland and the NT, including some of Australia’s largest known onshore conventional gas prospects in the Amadeus Basin and prospective CSG resources in the Surat Basin.

General Disclaimer and explanation of terms:

This document 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 Limited (“Company”). The data and information herein are subject to change.

This document 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, 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 reports filed with the ASX. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statement in this document is valid only at the date of issue of this document. Subject to any continuing

obligations under applicable law and the ASX Listing Rules, or any other Listing Rules or Financial Regulators' rules, the Company, its agents, directors, officers, employees, advisors and consultants do not undertake any obligation to publicly update or revise any information or any of the forward looking statements in this document if events, conditions or circumstances change or that unexpected occurrences happen to affect such information or 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", "target", "may", "hope", "can", "will", "should", "expect", "intend", "projects", "is designed to", "with the intent", "potential", "underway", the negative of these words or such other variations thereon or comparable terminology or similar expressions of the future which may indicate a forward looking statement or 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 document. All rights are reserved.