

6 September 2021**MEREENIE DEVELOPMENT WELL WM28 SUCCESSFULLY COMPLETED;
GOOD STAIRWAY GAS FLOWS**

Central Petroleum Limited (**ASX:CTP**) (“**Central**” or “**Company**”) advises that WM28, the second development well in the Mereenie Development Programme was completed on 6th September 2021.

Key points

- WM28 has been successfully completed as a dual zone production well (Pacoota-1 and Pacoota-3) with good flow test results and is expected to be tied-in to the gathering network by mid-September.
- Sustained flow rates were also encountered while drilling through the shallower Stairway Sandstone interval:
 - Increases confidence that extensive sections of the Stairway Sandstone could be productive at Mereenie.
 - Potential to double the Proved and Probable (2P) gas reserves at Mereenie if the existing 108 PJ of 2C contingent gas resources attributed to the Stairway Sandstone can be upgraded (54 PJ net to Central¹).

WM28 was successfully drilled to a depth of 1,332m and completed as a selective dual zone gas producer, accessing both the upper reservoir (Pacoota-1) and the lower reservoir (Pacoota-3) in a crestal location. The Pacoota-1 was air-drilled, cased and perforated whilst the Pacoota-3 was air-drilled and left open hole to maximise flowrates. Based on rig flow tests, the combined Pacoota-1 and Pacoota-3 gas flow rate once online is expected to be at the high end of the range anticipated.

In addition, virgin reservoir pressures and sustained flow rates were observed from a 34 metre vertical intersection of the Upper Stairway Sandstone during drilling (Figure 2). A rig flow test of the Upper Stairway maintained a production rate of 0.6 mmscfd over a period of 50 minutes with minimal decline observed. The well continued flowing at similar rates for 19 hours while drilling ahead before penetrating the next productive interval in the Pacoota-1. Whilst the Stairway is typically considered to be tight, the presence of natural fractures provides sufficient permeability which can be exploited through deviated or horizontal drilling techniques (as occurs in the Pacoota at Palm Valley).

The successful flow test in the Upper Stairway provides a good indication of the presence of open natural fractures at WM28. This is consistent with fracture modelling which indicates a

¹ Prior to completion of asset sale announced 25 May 2021

high likelihood of natural fractures (predominantly vertical) in the crestal region of the Mereenie field. Significant flows obtained while drilling through the Stairway have also been recorded in prior development wells, indicating there could be extensive portions of the Stairway amenable to commercial production with horizontal wells. Further Stairway appraisal would target those areas with evidence of good flows (such as WM28) to reduce the risk of encountering mineralised fractures, as was the case in the prior Lower Stairway appraisal well, WM26.

There is currently 108 PJ of 2C contingent resource booked in the Stairway (54 PJ net to Central²). Further appraisal of the Stairway using horizontal drilling techniques to better access the vertical fracture network could deliver significantly higher flow rates and convert this resource into reserves. The 2P reserves at Mereenie would approximately double if all the 2C resource currently attributed to the Stairway could be converted to 2P reserves, which would increase the field capacity, production plateau and economic life of the Mereenie field.

Given WM28's good Stairway results and the high-value associated with brownfield economics, Central intends to work with its Mereenie joint venture ("JV") partners to progress possible Stairway appraisal opportunities for this material resource.

Works are underway to connect WM28 to the gathering network, with the well expected to be online by mid-September. The rig will return to WM19 (previously recompleted) to attempt shut-off of water production believed to be sourced from a lower interval that is not contributing gas flow. After that, the rig is intended to return to WM27 to complete it as a Pacoota-1 producer. The JV has resolved not to proceed with the Pacoota-3 side-track due to concerns regarding localised hole instability encountered in the first attempt. Although WM27 will no longer be able to accelerate recovery from the Pacoota-3, the JV expects that the reservoir at this location will still be adequately drained by other wellbores over the field life. Based on test results to date, the recompletion and drilling program has already increased Mereenie wellhead capacity to over 40 TJ/d (100% JV), easily meeting economic hurdles for the investment.

Further updates will be provided as the programme progresses and at an investor presentation to be held shortly after the release of Central's 2021 Annual Report and financial results later this month. Details of the date and time of the presentation will be advised later this week.

² Prior to completion of asset sale announced 25 May 2021

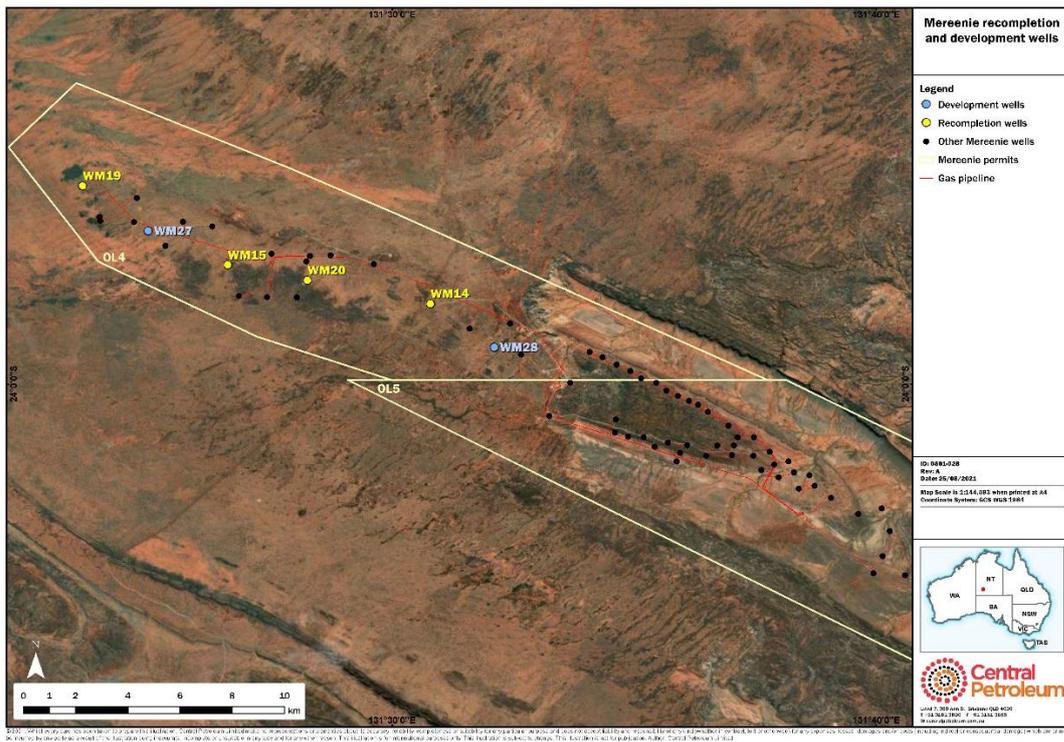


Figure 1: Location of Mereenie recompletion and new development wells



Figure 2: Upper Stairway flare while drilling

-ends-

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

Reserves and resources

2C contingent resources for the Mereenie Stairway were reported to the market on 24 July 2020.

Central confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

About Central Petroleum

Central Petroleum Limited (Central) is a well-established, and emerging ASX-listed Australian oil and gas producer (ASX: CTP). In our short history, Central has grown to become the largest onshore gas producer in the Northern Territory (NT), supplying industrial customers and senior gas distributors in NT and the wider Australian east coast market.

Central is positioned to become a significant domestic energy supplier, with exploration and development plans across 180,000 km² of tenements in Queensland and the Northern Territory, including some of Australia's largest known onshore conventional gas prospects. Central has also completed an MoU with Australian Gas Infrastructure Group (AGIG) to progress the proposed Amadeus to Moomba Gas Pipeline to a Final Investment Decision.

We are also seeking to develop the Range gas project, a new gas field located among proven CSG fields in the Surat Basin, Queensland with 135 PJ (net to Central) of development-pending 2C contingent resource.

General Legal Disclaimer and Explanation of Terms:

This document is for information purposes only and is not investment or financial product advice nor 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"). This document has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. The data, information, opinions and conclusions ("Information") herein are subject to change without notice.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, correctness, likelihood of achievement or reasonableness of the Information contained in this document. To the maximum extent permitted by law, none of the Company or its agents, directors, officers, employees, advisors and consultants, nor any other person, accepts any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of the Information contained in this document.

This document may contain forward-looking statements which include (but are not limited to) forecasts, prospects or returns. 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 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, environmental risks, legislative or fiscal developments, political risks, project delay, approvals, cost estimates and other risk factors described from time-to-time in the Company's filings with the ASX. Actual facts, matters or circumstances may be different to those expressed or implied in this document. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Subject to any continuing obligations under applicable law and the ASX Listing Rules, the Company and its agents, directors, officers, employees, advisors and consultants, nor any other person, do not undertake any obligation to update or revise any Information or any of the forward looking statements in this document. 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", 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", "can" 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.