

28 April 2022**Loan Facility Extension By Three Years To 2025**

Central Petroleum Limited (**ASX: CTP**) ("**Central**") advises that it has signed an agreement to extend its existing debt facility ("**Loan Facility**") with Macquarie Bank Limited ("**Macquarie**") by a further three years to 2025 on substantially the same terms as the existing loan facility.

Key Points

- Loan Facility to be extended by three years to 30 September 2025
- Principal repayments to reduce from \$2 million per quarter to \$1.125 million per quarter from 30 September 2022
- Loan Facility may be increased by up to \$5m to fund certain development activity, subject to Macquarie's credit approval
- Other key terms, including interest rate margin and financial covenants to remain unchanged

Central has signed an agreement to extend its \$32.8 million Loan Facility by three years, with the partially-amortising facility now expiring on 30 September 2025. The extension will come into effect on 1 July 2022 subject to customary conditions precedent having been met.

The terms remain substantially the same as the existing facility, with the following changes:

	Existing facility	New facility
Expiry	30 September 2022	30 September 2025
Principal repayments	\$2.0m per quarter	\$1.125m per quarter
Early termination fee	Lesser of 2.5% of prepayment and interest on remaining term	Nil

The two key financial covenants remain unchanged:

1. The Group Current Ratio is at least 1.0x, excluding amounts payable under the debt facility and certain other liabilities associated with relevant pre-sale agreements and the Mereenie gas over-lift balance.
2. The Net Present Value, with a 10% discount rate (NPV10), of forecasted net cash flow from the Palm Valley, Dingo and Mereenie gas fields, limited by the sales of only Proved Developed Producing reserves, divided by the outstanding loan amount, must be greater than 1.3.

The interest rate margin over BBSY remains unchanged.

Following completion of the 2021 Mereenie recompletion and development well program, and continued strong production from PV13, the Loan Facility has the potential to be increased whilst remaining in compliance with all financial covenants. Accordingly, as part of the Loan Facility extension, there is provision for Central to draw-down up to an additional \$5m to provide funding flexibility for certain development activity, subject to Macquarie's credit approval.

Comments from the CEO

“This three-year extension of our loan facility is a great result for the Company which we see as a reflection of the quality of our producing assets and operating team. It also provides financial stability and certainty in our very cost-efficient capital structure which is fundamental in our ability to now transition into the delivery phase of our exploration drilling program that consists of five wells to be drilled over the next 18 months,” said Central’s Managing Director & CEO, Leon Devaney.

“We value our strong relationship with Macquarie Bank, whose continued support has allowed us to acquire and create significant value through our Amadeus production assets, whilst providing critical funding flexibility for the Company as a supplier of reliable and competitively-priced gas to domestic customers.”

-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", 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.