

3 October 2022

Palm Valley 12 Update – Interim Flow Test Result

Central Petroleum Limited (“**Central**”) (**ASX: CTP**) advises that as at 1400 hrs ACST on 2 October 2022 Palm Valley 12 (**PV12**) sidetrack (**ST2**) in OL3 had progressed to a measured depth (“**MD**”) of 2,598m. At that time a decision was made to change the drilling bit and take the opportunity to conduct an interim flow test.

The depth of the interim test interval is 1,870 metres to 2,598 metres MD (or 1,761 metres to 1,892 metres true vertical depth). The well was tested through a 1 inch orifice plate and stabilized after 3 minutes. The test continued for 47 minutes and flowed at approximately 7 TJ/d. The flowing tubing head pressure was 264 psi. Only gas was recovered during the test, no water or oil was recovered, and no hydraulic stimulation (fracking) has been conducted.

This interim flowrate is encouraging given there remains around 440 metres of horizontal hole to drill until the target total depth is reached. Once further testing is complete, drilling will continue in order to improve the fracture intersections and volume of gas accessed.

Palm Valley is an existing gas field that produces from natural fractures. The Pacoota-1 Sandstone is the productive interval, with gross and net pay thickness of 175 metres and 45 metres respectively. The gas composition has not been analysed, but is expected to be the same as current production from the P1 interval which contains around 98% hydrocarbons and minimal inerts.

The PV12 ST2 well is being drilled under a joint venture between Central (50% interest), New Zealand Oil & Gas Limited (**ASX: NZO**) (35% interest) and Cue Energy Resources Limited (**ASX: CUE**) (15% interest).

Central CEO and MD, Leon Devaney, said “Whilst the PV12 exploration result was disappointing, this interim test result supports our strategy to have a P1 appraisal well as an alternative to the exploration target. We will need to complete testing, both at this depth and when we reach total depth, in order to get a more complete understanding of its long-term production potential. We expect to sell new production volume into a strong term gas market, and importantly, gain confidence that further appraisal drilling at Palm Valley can add additional value to the field.”



Fig 1. Palm Valley 12 flare

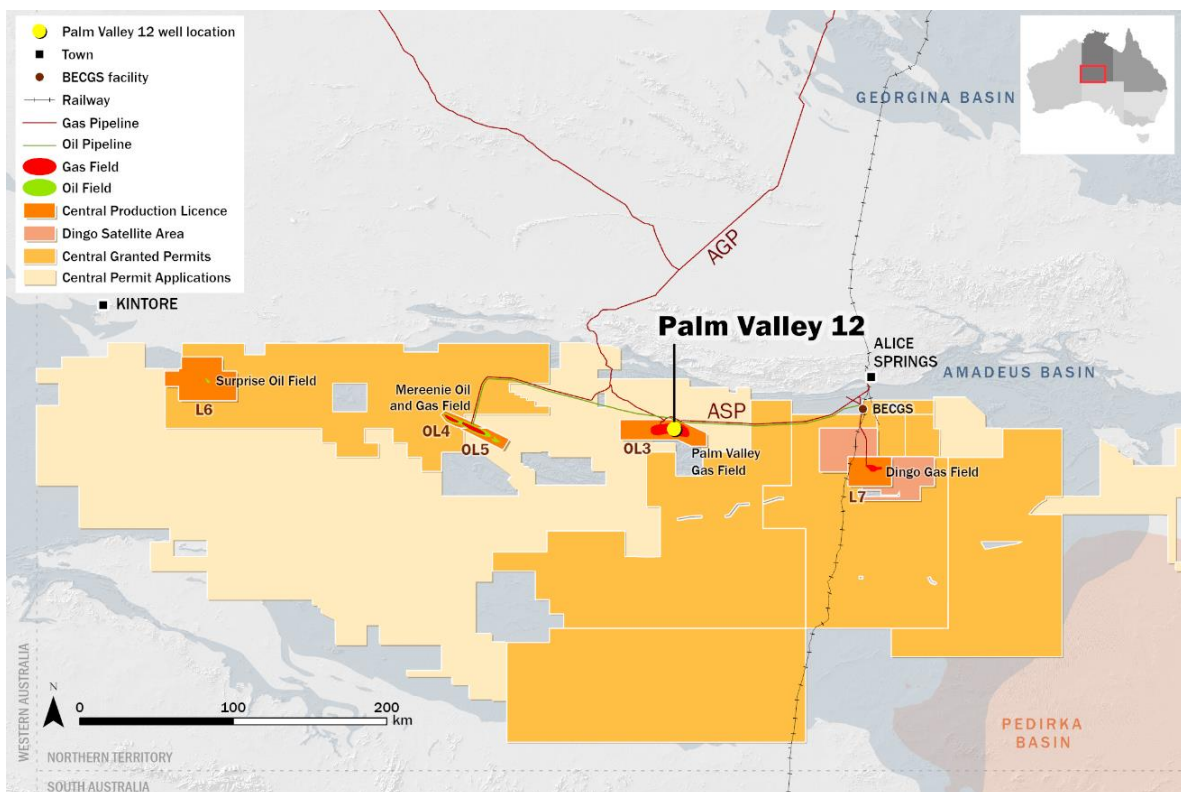


Fig 2. Location of Permit OL3 and Palm Valley-12 exploration well.

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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 naturally occurring 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.

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