Interim Report

Half-year ended 31 December 2022

Central Petroleum Limited
ABN 72 083 254 308

CONTENTS

Forward-looking statements

This document contains forward-looking statements, including (without limitation) statements of current intention, opinion, predictions and expectations regarding Central's present and future operations, possible future events and future financial prospects. Such statements are not statements of fact, are not certain and are susceptible to change and may be affected by a variety of known and unknown risks, variables and changes in underlying assumptions or strategy that could cause Central's actual results or performance to differ materially from the results or performance expressed or implied by such statements. There can be no certainty of outcome in relation to the matters to which the statements relate. Central makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement (whether express or implied) or any outcomes expressed or implied in any forward-looking statement. The forward-looking statements in this document reflect expectations held at the date of this document. Except as required by applicable law or the Australian Securities Exchange (ASX) Listing Rules, Central disclaims any obligation or undertaking to publicly update any forward-looking statements.

CHAIR'S LETTER

Dear Shareholders,

It has been an eventful six months for Australian energy markets, with the federal Government's intervention in reaction to last winter's energy 'crisis' generating much debate and dominating headlines. And while the Government's intervention is highly likely to lead to lower long term investment in new gas supply across the sector, at Central Petroleum we have focused on maximising the value of our existing investments by bringing more gas to market.

We pivoted our exploration program to near-term production opportunities and have already more than doubled production from our Palm Valley field in December through the successful PV12 well. Further production increases are being planned for Mereenie in 2023 with recompletions and new wells being considered for joint venture approval.

The success at Palm Valley bodes well for further expansion in the field to access additional gas reserves. The extra gas from PV12 comes to market at a time when gas demand remains strong and prices buoyant. The Government's $12 / GJ price cap for 2023 is an unwelcome market distortion, but sales of gas at around this price would still represent a substantial improvement on the $7.48 / GJe we averaged across our portfolio in the Northern Territory over the last six months. We continue to field requests for gas supply both for the near and longer term, although we are awaiting clarification of the new regulations that will apply from 2024.

We are happy to report $16.7 million of sales in the half year, up 6.7% on the same period in 2021 on a like-for-like basis. Our sales would have been higher if not for a prolonged, but temporary, interruption to the Northern Gas Pipeline which restricted access to higher-priced eastern markets for almost four months. With the pipeline now open, increased production from Palm Valley and continued strong market pricing, we are expecting a stronger finish to the financial year.

We are also well-placed for our ongoing growth and exploration activities planned for this year. Our finance facility was expanded in December, strengthening our financial capacity to fund the planned Mereenie production enhancement activity later this year. Incoming partner, Peak Helium will, subject to completion, fund much of Central's share of the costs of the much-anticipated three well sub-salt exploration program scheduled to start later in the year, targeting gas resources including helium and naturally-occurring hydrogen.

Our strategic review continues to progress – we are exploring various opportunities to realise value for shareholders, a process which necessarily must take its time to explore and optimise opportunities, particularly given the dynamic market and regulatory landscape. In the meantime, we have already made some decisions to rationalise and prioritise our asset portfolio, and will surrender a number of permits which are unlikely to provide a commercial outcome for shareholders, particularly in an environment of rising holding costs and increasing regulation.

We start 2023 with a solid production base, a funded development program awaiting approval and looking to advance a substantial exploration program. Overall, we are well-positioned for the year ahead and look forward to sharing our progress as we deliver on these programs.

Yours faithfully

Mick McCormack
Chair
2 March 2023

DIRECTORS' REPORT

31 December 2022

The Directors present their report on the consolidated entity consisting of Central Petroleum Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The names of the Directors of the Company in office during the half-year and until the date of this report are:

Mr Michael (Mick) McCormack (Chair)
Mr Leon Devaney (Managing Director and CEO)
Mr Stephen Gardiner
Mr Troy Harry (Appointed 1 September 2022)
Ms Katherine Hirschfeld AM
Dr Agu Kantsler
Mr Stuart Baker (resigned 30 August 2022)

Directors have held office for the period and until the date of this report unless otherwise stated.

Operating highlights

The principal continuing activities of the consolidated entity ("the Group") during the period were the exploration, development, production, processing and marketing of hydrocarbons.

Highlights for the half-year reporting period and up to the date of this report

- The Palm Valley 12 lateral production well was successfully drilled, completed and tied in to the Palm Valley processing facilities and flowing gas to market at greater than 10 TJ/day from mid-December
- New gas sales agreements were executed for the sale of 0.55 PJ of gas over two years from 1 January 2023 and for the sale of 0.91 PJ of gas in CY2025
- The debt facility was increased by two separate tranches of $6 million to fund production growth opportunities across Central's Amadeus Basin gas projects
- Half year revenue of $16.7 million, was down 29% on the corresponding period in 2021 due to reduced ownership interests in the Group's Amadeus Basin production properties, but up 6.7% on a like-for-like basis.
- Underlying EBITDAX of $5.3 million

Operating highlights *(continued)*

Operating and Financial Review

KEY FINANCIAL AND OPERATING DATA

The Consolidated Entity had an operating loss after income tax for the half year to 31 December 2022 of $11.2 million (Dec 2021: profit of $30.5 million).

The result for the comparative half year to December 2021 included 3 months of pre-sell down equity interests in the Amadeus Basin producing properties and a profit on sale of 50% of the Group's interest in those properties.

The above result was after expensing exploration costs of $10.9 million (Dec 2021: $10.1 million). The Group's policy is to expense all exploration costs as incurred. To assist understanding of the Group's underlying financial performance excluding exploration costs, earnings before interest, tax, depreciation, amortisation and exploration (EBITDAX) is reported below.

The table below shows key metrics for the Group:

	Half year to		Change from Half Year ending 31 December 2021	
	31 December 2022	31 December 2021		%
Decrease in 1H production entitlement due to asset sale				(25%)
Net Sales Volumes				
- Natural Gas (TJ)	**2,131**	**3,633**	(1,502)	(41%)
- Oil & Condensate (Bbls)	**16,538**	**29,552**	(13,014)	(44%)
Sales Revenue (AUD $ '000)	**16,653**	**23,530**	(6,877)	(29%)
Gross Profit (AUD $ '000)	**7,322**	**11,991**	(4,669)	(39%)
Underlying EBITDAX[1] (AUD $ '000)	**5,272**	**10,005**	(4,733)	(47%)
Underlying EBITDA[2] (AUD $'000)	**(5,631)**	**(78)**	(5,553)	N/a
Underlying EBIT[3] (AUD $ '000)	**(9,260)**	**(3,529)**	(5,731)	(162%)
Underlying Loss after tax[4] (AUD $ '000)	**(11,243)**	**(6,097)**	(5,146)	(84%)
Statutory (Loss)/Profit after tax (AUD $ '000)	**(11,243)**	**30,462**	(41,705)	(137%)
Net Cash Outflow from Operations[5] (AUD $'000)	**(4,465)**	**(481)**	(3,984)	(828%)
Capital expenditure[6](AUD $ '000)	**9,075**	**8,601**	474	6%

Notes:

1. Underlying EBITDAX is Earnings before Interest, Tax, Depreciation, Amortisation, Impairment, Exploration costs and profit on disposal of interests in producing properties (refer reconciliation below).
2. Underlying EBITDA is Earnings before Interest, Tax, Depreciation, Amortisation, Impairment and profit on disposal of interests in producing properties.
3. Underlying EBIT is Earnings before Interest, Taxation and profit on disposal of interests in producing properties.
4. Underlying loss after tax is statutory loss after tax before profit on disposal of interests in producing properties.
5. Cashflow from Operations includes cash outflows associated with exploration activities.
6. Capital expenditure on tangible assets

Underlying EBITDAX, underlying EBITDA and underlying EBIT are non-IFRS measures that are presented to provide an understanding of the underlying performance of the Group. The non-IFRS information is not subject to audit review, however the numbers have been extracted from the financial statements which have been subject to review by the Group's auditor. A reconciliation to profit before tax is provided overleaf.

Operating and Financial Review *(continued)*

EBITDAX

Underlying EBITDAX for the six months to December 2022 was $5.3 million, down from $10.0 million in the corresponding 2021 half year reflecting the disposal of 50% of the Group's interests in the Amadeus Basin producing properties which completed on 1 October 2021 and reduced sales volumes as a result of the temporary Northern Gas Pipeline (NGP) outage from early September 2022 to mid-December.

Underlying EBITDAX is earnings before interest, tax depreciation, amortisation, impairment, exploration and profit on disposal of interests in producing properties. Underlying EBITDAX is used by management as an indicative measure of underlying operating profit from operations as it excludes non-cash items, the costs of finance and expensed exploration costs and is reconciled to statutory profit below:

It should be noted however, that Underlying EBITDAX is only an indicative measure of underlying cash profit from operations. There are other significant non-cash items included in underlying EBITDAX, such as share based payments (Dec 2022: $438,000, Dec 2021: $836,000). Revenues recognised may also not reflect actual cash receipts, as some gas revenues relate to presold gas for which cash was received in previous periods and amounts received under take-or-pay gas contracts are not recognised as revenue until the gas is taken or forfeited by the customer.

Reconciliation of statutory profit before tax to underlying EBITDAX

	Six months ending:	
	31 Dec 2022 $'000	**31 Dec 2021 $'000**
Statutory (loss)/ profit before tax	(11,243)	30,462
Profit on disposal of interests in producing properties	–	(36,559)
Underlying loss before tax	**(11,243)**	**(6,097)**
Net finance costs and income from financial assets	1,983	2,568
Underlying EBIT	**(9,260)**	**(3,529)**
Depreciation and amortisation, including impairment	3,629	3,451
Underlying EBITDA	**(5,631)**	**(78)**
Exploration expenses	10,903	10,083
Underlying EBITDAX	**5,272**	**10,005**

Revenue

The Group recorded $16.7 million of operating revenue for the half year, 29% lower than the December 2021 half. The drop in revenues reflects the disposal of 50% of the Group's interests in the Amadeus Basin producing properties from completion of the transaction, which occurred on 1 October 2021. Realised gas prices were approximately 23% higher than the previous corresponding half year period due to the strong east coast spot market. This was partly offset by an outage on the NGP which affected delivery of gas outside of the Northern Territory.

Gross Profit

A Gross Profit of $7.3 million was recorded, 39% lower than the December 2021 half year, reflecting the lower production revenues following the Amadeus Basin sell down. Unit costs of sale were higher than the FY2022 as fixed costs were spread over lower volumes.

The Group repaid 0.37 PJ of previously over-lifted gas volumes to its joint venture partner during the half (Dec 2021: 0.36 PJ).

Other Expenses

Net employee and administration costs (including share based benefits) for the half year were $2.3 million compared to $2.0 million for the prior corresponding period, reflecting annual salary adjustments as well as additional costs associated with the strategic review as announced by the company.

Operating and Financial Review *(continued)*

Net Assets/Liabilities

At 31 December 2022 the Group had a net asset position of $15.7 million compared to $26.5 million at 30 June 2022.

Included in liabilities on the Group's balance sheet are amounts relating to pre-paid gas sales and take-or-pay receipts recognised as deferred revenue amounting to $17.9 million (June 2022: $18.9 million). These liabilities will be recognised as revenue as gas is supplied to the customer or forfeited by the customer under take-or-pay contracts and therefore do not represent a cash liability to the Group.

During the half year, 0.37 PJ of previously over-lifted gas was repaid to joint venture partners and 0.44 PJ of pre-sold gas was delivered.

Debt

The Group's debt facility with Macquarie bank was increased by up to $12 million to fund increased production opportunities across Central's Amadeus Basin gas projects. An initial $1 million was drawn down to activate the facility in December.

The Group repaid $2.3 million of loan principal during the period. Underlying EBITDAX of $5.3 million covered regular service of loan facilities of $2.3 million (2.3 times cover) during the half year.

Net debt including lease liabilities was $16.8 million at 31 December 2022, up from $10.2 million at 30 June 2022, reflecting cash outflows for the period.

The balance of the debt facility at 31 December 2022 was $30.4 million. Principal repayments are currently $1.2 million per quarter.

The loan facility is due to expire on 30 September 2025.

Net cashflow from operations

Net cashflow outflow from operations was $4.5 million compared to $0.5 million for the December 2021 half.

The result reflects lower receipts due to the partial (50%) sell down of the Amadeus Basin producing properties from 1 October 2021 and reduced gas sales due to the temporary four month closure of the NGP.

SAFETY AND ENVIRONMENT

Central recorded two MTI / LTI's in September 2022, and two environmental incidents associated with drilling activities at Palm Valley were reported. The Company's TRIFR (Total Recordable Injury Frequency Rate) at the end of the half year was 8.2.

Operating and Financial Review *(continued)*

PRODUCTION

Mereenie Oil and Gas Field (OL4 and OL5) – Northern Territory

(CTP 25% interest [Operator], Macquarie Mereenie Pty Ltd 50%, NZOG Mereenie Pty Ltd 17.5%, Cue Mereenie Pty Ltd 7.5%)

During the half-year:

- Gas production averaged 26.6 TJ/d over the half-year (100% JV), a decrease of 17% on the preceding June half year due to the temporary outage of the NGP from September to mid-December.
- Oil production averaged 366 barrels of oil per day over the half-year (100% JV).
- Field capacity (gas) was approximately 31 TJ/d at 31 December.

Production is expected to continue at close to field capacity in 2H FY2023 with the reopening of the NGP. The joint venturers are considering a development program, including the recompletion of several existing wells and drilling two new development wells later in 2023.

Palm Valley Gas Field (OL3) – Northern Territory

(CTP 50% Interest [Operator], NZOG Palm Valley Pty Ltd 35%, Cue Palm Valley Pty Ltd 15%)

Gas production averaged 6.5 TJ/d over the six months to December 2022 (100% JV), up 7% from the preceding six months average production of 6.1 TJ/day, due to the tie in of Palm Valley 12 from late November.

Sales capacity was approximately 14.0 TJ/d (100% JV) at the end of the period, following commissioning of PV12.

Dingo Gas Field (L7) and Dingo Pipeline (PL30) – Northern Territory

(CTP 50% Interest [Operator], NZOG Dingo Pty Ltd 35%, Cue Dingo Pty Ltd 15%)

The Dingo field supplies gas to the Owen Springs Power Station, with gas sales averaging 3.6 TJ/d over the half-year (100% JV), a decrease of 11% from the 4.1 T/day sold in the preceding six months and 8% higher than the corresponding 2021 half year. The balance of the contracted volume of 4.4 TJ/d is subject to take-or-pay provisions and is paid annually to Central in January for the preceding year.

APPRAISAL / DEVELOPMENT

Range Gas Project (ATP2031) - Queensland

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

Production testing of three pilot wells continued during the period, with aggregate gas production rates increasing to 55 GJ/day.

The production testing is intended to provide key information to support appraisal of the permit, including 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.

Operating and Financial Review *(continued)*

EXPLORATION

Palm Valley

Amadeus Basin, Northern Territory

(CTP - 50% interest [Operator], NZOG Palm Valley Pty Ltd - 35%, Cue Palm Valley Pty Ltd - 15%)

The Palm Valley 12 well was successfully completed as a production well in late November and has been producing gas at rates greater than 9.5 TJ/d.

After targeting two deeper exploration targets in previous quarters, a second lateral well (PV12 ST2) was side-tracked to test the shallower Pacoota (P1) Sandstone (approx. 1,770m depth), which is the current producing zone for the Palm Valley gas field.

The PV12 ST2 lateral appraisal well was drilled to a measured depth of 3,039m in the P1 Sandstones in early October and flowed gas at 11.8 million standard cubic feet per day when tested in mid-October.

The well was connected into the Palm Valley production infrastructure, and first gas was supplied to market in late November.

Amadeus Basin Exploration Activity

The Amadeus Basin in the Northern Territory is an extensive underexplored basin with five working hydrocarbon systems demonstrated by proven oil and gas production. Central has identified several high reward exploration targets throughout the basin at various stages of maturity.

Sub-salt exploration

Three sub-salt exploration wells are planned to be drilled in the Southern Amadeus Basin, commencing 2023, targeting hydrocarbons, helium and naturally occurring hydrogen.

Santos, as operator, continued key activities for the three well program during the period, including rig contracting, ordering long lead items and environmental and land access approvals.

Upon completion of the farmout agreement with Peak Helium (Amadeus Basin) Pty Ltd (Peak), Central is to be free carried (i.e. funded) by Peak for two of the new sub-salt exploration wells (capped at $20 million gross cost per well), one at the Mahler prospect (EP 82) and the other at the Mt Kitty prospect (EP 125).

The three well program includes:

- **Dukas** (EP 112) - Central – 45% interest (reducing to 35% after farmout to Peak Helium)

  Dukas is a geographically large (>400 km^2) gas prospect with multi-Tcf potential located in EP 112, approximately 175 km southwest 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. Helium and hydrogen shows were evident in association with methane and nitrogen in mud gasses associated with the over-pressured zone. Although not from the reservoir section (which is yet to be encountered) this is an encouraging sign of the potential presence of these gases in the reservoir zone. The new Dukas well is scheduled to be drilled in 1H 2024.

- **Mahler** (EP 82) - Central 60% interest (reducing to 29% after farm-out to Peak Helium)

  The proposed Mahler exploration well is planned to be drilled in 2023, up-dip and approximately 20km south-east of the Magee 1 well which flowed hydrocarbon and helium (6.3%) gases in 1992. It is proposed that the well will evaluate the hydrocarbon, helium and hydrogen potential of the sub-salt fractured basement and Heavitree formation (if present), and as a secondary objective, the oil potential of the Bitter Springs Group carbonates.

- **Mt Kitty** (EP 125) - Central – 30% interest (reducing to 24% after farm-out to Peak Helium)

  The Mt Kitty-1 well, drilled in 2014, flowed hydrocarbon, helium (9%) and hydrogen (11.5%) gases. It is planned that the Mt Kitty-1 well will be re-entered in 2023 and a lateral sidetrack drilled 500m into the fractured basement reservoir.

Completion of Central's farmouts to Peak is subject to the usual conditions precedent for a transaction of this nature including Joint Venture, Central Land Council, royalty holder and NT regulatory approvals. Progress towards completion continued during the period, with Peak currently awaiting final regulatory approvals from the NT Government. The satisfaction date was extended to 31 March 2023.

Operating and Financial Review *(continued)*

Other sub-salt targets exist within Central's exploration portfolio, with work progressing on the Zevon lead in EP115 (Central 100% interest). The Zevon sub-salt lead has been defined as a potentially very large closure from seismic and gravity studies. It is located in the north-western section of the Amadeus Basin between the Mereenie oil & gas field and the Surprise oil field.

Regional geological play mapping has highlighted that this area has the potential to be highly prospective for helium and hydrogen in association with hydrocarbon gasses. A 2D seismic survey is being planned to further define the Zevon lead and site visits were undertaken during the period in preparation for the seismic program.

Other exploration

In addition to the sub-salt targets, Central has a number of other high reward targets which are located near existing production areas. This includes the Mamlambo oil prospect which is a large structure defined on an existing seismic grid, only 8km from the suspended Surprise oil field. An exploration well could target the Lower Stairway Sandstone and the Pacoota Formation, both of which are proven reservoirs in the Surprise and Mereenie oil and gas fields. Total depth for a potential exploration well could be in the order of 1,300m.

Other gas prospects lie within existing producing fields. The Mereenie Sandstones, which sit above the deeper producing Pacoota Sandstones at Mereenie have flowed gas during drilling activities and could significantly increase the production capacity and economic life of the Mereenie field.

Deeper targets also lie beneath the Palm Valley and Dingo gas fields and remain to be explored at a later date, as capital for the proposed 2022 deep exploration wells was redirected to a shallower target at Palm Valley and higher-priority production enhancement projects.

Relinquishments

As part of the ongoing strategic review, Central has considered its portfolio of permits and applications with a view to prioritising those areas which are more likely to deliver value for shareholders. After analysing past exploration results and taking into consideration the potential future costs and risks of exploration, appraisal and development, increasing regulatory hurdles and costs and recent government intervention in gas markets, Central intends to surrender its interests in the Georgina Basin (Qld titles ATP 909, ATP 911 and ATP 912) and the Ooraminna Retention Licences (NT titles RL 3 and RL 4).

Central would have been required to invest significant capital on exploration and appraisal activities in these areas in 2023 to satisfy the minimum permit commitments.

Central has not recognised any petroleum reserves or resources to date for these permits and has recognised an impairment charge of $0.4 million.

Central will work with the relevant regulators in NT and Qld to complete all necessary rehabilitation activities.

In addition, Central has been advised that its application for exploration permit EPA120 in the NT will not be approved due to overlapping sites of conservation significance.

COMMERCIAL

New Gas Sales Agreements

Central continues to market gas to customers in the Northern Territory and eastern states through term gas contracts and through the short-term trading market. Two new fixed-term gas supply agreements were agreed during the period for the supply of:

- 0.91 PJ of gas (Central's share) to Shell Energy Australia Pty Ltd over calendar year 2025; and
- 0.55 PJ of gas (Central's share) to South32 Cannington Pty Ltd over two years commencing 1 January 2023.

Both new GSA's are for firm supply with take-or-pay provisions and a fixed price reflecting strong market conditions.

Strategic Review

A strategic review of Central's asset portfolio, growth strategies and capital structure is being conducted by the Central Board. RBC Capital Markets was appointed as advisor in late September and is working with Central to assess various options to realise value for shareholders.

Events since the end of the Half Year

No matters or circumstances have arisen since 31 December 2022 that will affect the Group's operations, results or state of affairs.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

Rounding of amounts

The company is of a kind referred to ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with the instrument.

This report is made in accordance with a resolution of directors.

Michael (Mick) McCormack
Chair
Brisbane
2 March 2023

AUDITOR'S DECLARATION OF INDEPENDENCE

31 December 2022

Auditor's Independence Declaration

As lead auditor for the review of Central Petroleum Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Central Petroleum Limited and the entities it controlled during the period.

Marcus Goddard
Partner
PricewaterhouseCoopers

Brisbane
2 March 2023

PricewaterhouseCoopers, ABN 52 780 433 757
480 Queen Street, BRISBANE QLD 4000, GPO Box 150, BRISBANE QLD 4001
T: +61 7 3257 5000, F: +61 7 3257 5999, www.pwc.com.au

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2022

	Notes	2022 $'000	2021 $'000
Revenue from contracts with customers - sale of hydrocarbons	4(a)	16,653	23,530
Cost of sales		(9,331)	(11,539)
Gross profit		7,322	11,991
Other income	5	706	36,589
Exploration expenditure		(10,903)	(10,083)
Employee benefits and associated costs net of recoveries		(899)	(730)
Share based employment benefits		(438)	(836)
General and administrative expenses net of recoveries		(951)	(421)
Depreciation and amortisation		(3,231)	(3,451)
Impairment expense	6(a)	(398)	–
Finance costs		(2,451)	(2,597)
(Loss)/profit before income tax		(11,243)	30,462
Income tax expense		-	-
(Loss)/profit for the half-year		(11,243)	30,462
Other comprehensive (loss)/profit for the half-year, net of tax		-	-
Total comprehensive profit for the half-year		(11,243)	30,462
Total comprehensive (loss)/profit attributable to members of the parent entity		(11,243)	30,462

	2022 cents	2021 cents
Basic (loss)/earnings per share	(1.54)	4.20
Diluted (loss)/earnings per share	(1.54)	4.13

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET

As at 31 December 2022

	Notes	31 Dec 2022 $'000	30 June 2022 $'000
ASSETS			
Current assets			
Cash and cash equivalents	7	13,683	21,647
Trade and other receivables	8	8,961	26,872
Inventories		3,901	3,868
Total current assets		26,545	52,387
Non-current assets			
Property, plant and equipment	9	58,623	53,846
Right-of-use assets	11(a)	749	922
Exploration assets		7,999	8,397
Intangible assets		328	379
Other financial assets		4,410	4,410
Goodwill		1,953	1,953
Total non-current assets		74,062	69,907
Total assets		**100,607**	**122,294**
LIABILITIES			
Current liabilities			
Trade and other payables		5,244	13,526
Deferred revenue	4(b)	5,366	5,309
Borrowings	10(a)	4,358	4,500
Lease liabilities	11(a)	450	413
Provisions	12	4,221	6,325
Total current liabilities		19,639	30,073
Non-current liabilities			
Deferred revenue	4(b)	12,550	13,614
Borrowings	10(b)	25,346	26,309
Lease liabilities	11(a)	362	588
Provisions	12	26,987	25,180
Total non-current liabilities		65,245	65,691
Total liabilities		**84,884**	**95,764**
Net assets		**15,723**	**26,530**
EQUITY			
Contributed equity	13	197,776	197,776
Reserves	13	31,051	30,615
Accumulated losses		(213,104)	(201,861)
Total equity		**15,723**	**26,530**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2022

		Attributable to owners of Central Petroleum Limited			
	Notes	**Contributed Equity**	**Option Reserve**	**Accumulated Losses**	**Total**
		$'000	**$'000**	**$'000**	**$'000**
Balance at 1 July 2021		**197,776**	**29,094**	**(223,181)**	**3,689**
Profit for the half-year		-	-	30,462	30,462
Other comprehensive income		-	-	-	-
Total comprehensive profit for the half-year		-	-	30,462	30,462
Transactions with owners in their capacity as owners					
Share based payments		-	836	-	836
Share issue costs		-	(2)	-	(2)
Total transactions with owners		-	834	-	834
Balance at 31 December 2021		**197,776**	**29,928**	**(192,719)**	**34,985**
Balance at 1 July 2022		**197,776**	**30,615**	**(201,861)**	**26,530**
Loss for the half-year		-	-	(11,243)	(11,243)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the half-year		-	-	(11,243)	(11,243)
Transactions with owners in their capacity as owners					
Share based payments		-	438	-	438
Share issue costs		-	(2)	-	(2)
Total transactions with owners		-	436	-	436
Balance at 31 December 2022		**197,776**	**31,051**	**(213,104)**	**15,723**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2022

	2022 $'000	2021 $'000
Cash flows from operating activities		
Receipts from customers	16,050	24,796
Interest received	231	29
Government grants	–	11
Other income	238	31
Interest and borrowing costs	(1,297)	(1,492)
Payments for exploration expenditure	(6,077)	(7,576)
Payments to other suppliers and employees	(13,610)	(16,280)
Net cash outflow from operating activities	(4,465)	(481)
Cash flows from investing activities		
Payments for property, plant and equipment	(1,772)	(8,797)
Proceeds from the sale of property, plant and equipment	3	29,561
Transaction costs associated with the sale of property, plant and equipment	–	(1,256)
Lodgement of security deposits and bonds	–	(231)
Net cash (outflow)/inflow from investing activities	(1,769)	19,277
Cash flows from financing activities		
Payments for issue of securities	(2)	(2)
Transaction costs related to borrowings	(195)	–
Proceeds from borrowings	1,000	–
Repayment of borrowings	(2,292)	(32,000)
Principal elements of lease payments	(241)	(316)
Net cash outflow from financing activities	(1,730)	(32,318)
Net (decrease) / increase in cash and cash equivalents	**(7,964)**	**(13,522)**
Cash and cash equivalents at the beginning of the half-year	**21,647**	**37,165**
Cash and cash equivalents at the end of the half-year	**13,683**	**23,643**

Non-Cash Investing and Financing Activities

As part of the disposal of 50% of the Group's interests in the Amadeus Basin producing properties on 1 October 2021, the purchasers funded $7,332,000 of the Group's share of the costs for the acquisition of property, plant and equipment (2021: $1,479,000). These amounts formed part of the deferred consideration component of the sale proceeds.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

1. Basis of Preparation of Half-Year Report

This consolidated interim financial report for the half-year reporting period ended 31 December 2022 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001 (Cth)*. They present reclassified comparative information where required for consistency with the current reporting period's presentation or where otherwise stated. Central Petroleum Limited is a for-profit entity for the purpose of preparing the financial statements.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Central Petroleum Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This consolidated financial report is presented in Australian Dollars, which is Central Petroleum Limited's functional and presentation currency.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

(a) Going Concern

The interim financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Board has considered cash flow forecasts prepared for the next twelve months and believe the Group has sufficient cash flows and access to capital to continue operations as planned.

The Group's ability to complete its planned three well sub-salt exploration program is dependent on completion of farm-out arrangements under which the Group will be carried for its share of the costs for two of the three planned wells (up to $20 million gross cost per well). If the farm-out fails to complete, the Group's ability to continue as a going concern is not expected to be impacted as a significant portion of the expenditure is subject to completion of the farm-out. If farm-out funding is not available, the Group would consider alternative arrangements for the wells which may include negotiation for deferral of permit commitments, new farm-outs, sourcing of additional funding or relinquishment of exploration permits. If alternative arrangements are required, the carrying value of relevant Exploration Assets could be impacted.

(b) New and Amended Standards Adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

2. Significant Changes in the Current Reporting Period

The financial position and performance of the Group was particularly affected by the following events and transactions during the half-year ended 31 December 2022:

- The Group suspended the deep exploration program at Palm Valley and Dingo to prioritise capital for production enhancement projects.
- The new Palm Valley 12 well flowed gas in line with pre-drilling targets at up to 11 million standard cubic feet per day, was tied-in to the Palm Valley facilities, and was flowing gas to customers by late November.
- The debt facility with Macquarie Bank was increased by up to $12 million to fund increased production across Central's Amadeus Basin gas projects. An initial $1 million was drawn down to activate the facility in December.

For a detailed discussion about the group's performance and financial position please refer to the review of operations contained in the Directors' Report on pages 3 to 10.

3. Segment Reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The following operating segments are identified by management based on the nature of the business or venture.

(a) Producing Assets

Production and sale of crude oil, natural gas and associated petroleum products from fields that are in the production phase.

(b) Development Assets

Fields under development in preparation for the sale of petroleum products. There were no fields under development during the current or comparative reporting period.

(c) Exploration Assets

Exploration and evaluation of permit areas.

(d) Unallocated Items

Unallocated items comprise non-segmental items of revenue and expenses and associated assets and liabilities not allocated to operating segments as they are not considered part of the core operations of any segment.

(e) Performance Monitoring and Evaluation

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. The consolidated entity's operations are wholly in one geographical location being Australia.

2022	Producing Assets 31 Dec 2022 $'000	Exploration Assets 31 Dec 2022 $'000	Unallocated Items 31 Dec 2022 $'000	Consolidated 31 Dec 2022 $'000
Revenue from contracts with customers				
Natural Gas	14,722	–	–	14,722
Crude oil and condensate	1,931	–	–	1,931
Total revenue from contracts with customers	16,653	–	–	16,653
Cost of sales	(9,331)	–	–	(9,331)
Gross profit	**7,322**	–	–	**7,322**
Other income excluding interest	65	173	–	238
Share based employment benefits[1]	–	–	(438)	(438)
General and administrative expenses	–	–	(951)	(951)
Employee benefits and associated costs	–	–	(899)	(899)
EBITDAX[2]	**7,387**	**173**	**(2,288)**	**5,272**
Depreciation and amortisation[1]	(2,946)	–	(285)	(3,231)
Exploration expenditure	(6,176)	(4,727)	–	(10,903)
Impairment expense[1]	–	(398)	–	(398)
Interest revenue	306	4	158	468
Finance costs	(2,279)	(27)	(145)	(2,451)
Loss before income tax	**(3,708)**	**(4,975)**	**(2,560)**	**(11,243)**
Taxes	**–**	**–**	**–**	**–**
Loss for the period	**(3,708)**	**(4,975)**	**(2,560)**	**(11,243)**

[1] *Non-cash item.*
[2] *EBITDAX is Earnings before Interest, Taxation, Depreciation and Amortisation, Impairment and Exploration expense*

3. Segment Reporting *(continued)*

2021	Producing Assets 31 Dec 2021 $'000	Exploration Assets 31 Dec 2021 $'000	Unallocated Items 31 Dec 2021 $'000	Consolidated 31 Dec 2021 $'000
Revenue from contracts with customers				
Natural Gas	20,475	–	–	20,475
Crude oil and condensate	3,055	–	–	3,055
Total revenue from contracts with customers	23,530	–	–	23,530
Cost of sales	(11,539)	–	–	(11,539)
Gross profit	**11,991**	–	–	**11,991**
Profit on partial disposal of interests in Amadeus Basin producing assets	36,559	–	–	36,559
Other income excluding interest	1	–	–	1
Share based employment benefits[1]	–	–	(836)	(836)
General and administrative expenses	–	–	(421)	(421)
Employee benefits and associated costs	–	–	(730)	(730)
EBITDAX[2]	**48,551**	**–**	**(1,987)**	**46,564**
Depreciation and amortisation[1]	(3,111)	–	(340)	(3,451)
Exploration expenditure	(7,609)	(2,474)	–	(10,083)
Interest revenue	6	–	23	29
Finance costs	(2,422)	(16)	(159)	(2,597)
Profit/(loss) before income tax	**35,415**	**(2,490)**	**(2,463)**	**30,462**
Taxes	–	–	–	–
Profit / (Loss) for the period	**35,415**	**(2,490)**	**(2,463)**	**30,462**

[1] Non-cash item.
[2] EBITDAX is Earnings before Interest, Taxation, Depreciation and Amortisation, Impairment and Exploration expense

	Producing Assets $'000	Exploration Assets $'000	Unallocated Items $'000	Consolidated $'000
Total Segment Assets				
31 December 2022	74,833	10,028	15,746	100,607
30 June 2022	91,954	13,038	17,302	122,294
Total Segment Liabilities				
31 December 2022	(67,991)	(9,335)	(7,558)	(84,884)
30 June 2022	(73,212)	(13,741)	(8,811)	(95,764)

4. Revenue from contracts with customers

(a) Revenue from contracts with customers

	2022 $'000	2021 $'000
Sale of hydrocarbon products – point in time		
Natural gas	14,722	20,475
Crude oil and condensate	1,931	3,055
	16,653	**23,530**

4. Revenue from contracts with customers *(continued)*

(b) Contract liabilities

	31 December 2022			30 June 2022		
	Current	Non-current	Total	Current	Non-current	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred Revenue - take or pay contracts[1]	1,357	12,550	13,907	1,357	11,857	13,214
Deferred Revenue - other contracts[2]	4,009	–	4,009	3,952	1,757	5,709
Total	**5,366**	**12,550**	**17,916**	**5,309**	**13,614**	**18,923**

[1] Take-or-pay proceeds received are taken to revenue at the earlier of physical delivery of the gas to the customer, or upon forfeiture of the right to gas under the contract. No revenue has been recognised during the year for gas forfeited under take-or-pay contracts.

[2] Deferred Revenue from other contracts represents gas pre-sold to customers which is yet to be delivered. Amounts are recognised as Deferred Revenue when no cash settlement option exists for the customer. Where a cash settlement option previously existed, the amount transferred to Deferred Revenue is the equivalent fair value of that cash settlement option at the time that option ceased to be available.

Movements in Contract Liabilities

	Deferred Revenue from take or pay Contracts $'000	Deferred Revenue from other contracts $'000	Total $'000
Carrying amount at 1 July 2022	13,214	5,709	18,923
Revenue recognised from the delivery of gas (c)	–	(2,064)	(2,064)
Gas paid for but not taken during the period	693	–	693
Finance charges	–	364	364
Carrying amount at 31 December 2022	**13,907**	**4,009**	**17,916**

5. Other Income

	2022 $'000	2021 $'000
Interest	236	29
Income from financial assets at amortised cost	232	–
Profit on disposal of 50% of interests in Amadeus Basin Producing properties	–	36,559
Profit on disposal of drilling inventories	173	–
Other income	65	1
	706	**36,589**

6. Expenses

(a) Impairment of exploration assets

The Group intends to relinquish its interests in Retention Leases RL3 and RL4 and has recognised the impairment of exploration assets during the period amounting to $398,000.

7. Cash and Cash Equivalents

Cash at bank and on hand comprising:	31 Dec 2022 $'000	30 June 2022 $'000
Corporate (a)	12,617	20,577
Joint arrangements (b)	1,066	1,070
Total cash and cash equivalents	**13,683**	**21,647**

(a) $2,232,000 of this balance relates to cash held with Macquarie Bank Limited to be used for allowable purposes under the Facility Agreement (30 June 2022: $4,725,000), including, but not limited to, operating costs for the Palm Valley, Dingo and Mereenie fields, taxes, capital expenditure and debt servicing.

(b) This balance related to the Group's share of cash balances held under Joint Venture Arrangements to be used for joint operations.

8. Trade and other receivables

Current	31 Dec 2022 $'000	30 June 2022 $'000
Trade receivables	375	639
Accrued income, take or pay and recoveries(a)	3,022	3,533
Deferred receivable from sale of interests in producing properties (b)	3,301	20,820
Other receivables	586	578
Prepayments	1,677	1,302
	8,961	**26,872**

(a) Accrued income relates to the revenue recognition of hydrocarbon volumes delivered to customers but not yet invoiced. Accrued take or pay relates to amounts due from customers under the respective gas sales agreements where minimum contract quantities have not been taken during the contract year.

(b) Represents deferred consideration receivable in respect of the disposal of 50% of interests in the Amadeus Basin producing assets. This is classified as a Financial Asset measured at amortised cost. During the period, $17,751,000 was recouped through a free carry by the purchasers of Central's share of expenditure on certain exploration and development projects. An amount of $232,000 (2021: Nil) was recognised as Other Income as a result of adjustments to amortised cost for the period.

9. Property, Plant and Equipment

	Freehold land and buildings $'000	Producing assets $'000	Plant and equipment $'000	Total $'000
30 June 2022				
Cost	1,952	56,264	43,327	101,543
Accumulated depreciation	(1,198)	(22,892)	(23,607)	(47,697)
Net book amount	**754**	**33,372**	**19,720**	**53,846**
31 December 2022				
Opening net book amount	754	33,372	19,720	53,846
Additions	–	6,462	2,613	9,075
Changes to rehabilitation estimates	–	(1,340)	(3)	(1,343)
Disposals	–	–	(3)	(3)
Depreciation charge	(87)	(1,620)	(1,245)	(2,952)
Closing net book amount	**667**	**36,874**	**21,082**	**58,623**
31 December 2022				
Cost	1,952	61,386	45,910	109,248
Accumulated depreciation and impairment	(1,285)	(24,512)	(24,828)	(50,625)
Net book amount	**667**	**36,874**	**21,082**	**58,623**

At 31 December 2022, $3,093,000 of property, plant and equipment balances relates to assets under construction and is not subject to depreciation until complete (30 June 2022: $2,011,000).

10. Borrowings

	31 Dec 2022 $'000	30 June 2022 $'000
(a) Current		
Debt facilities	4,358	4,500
(b) Non-current		
Debt facilities	25,346	26,309

The debt facilities are structured as partially amortising term loans with a maturity date of 30 September 2025. The interest costs are based on fixed spreads over the periodic Bank Bill Swap (BBSW) average bid rate. The Group does not have any interest rate hedging arrangements in place.

Under the terms of the Facility, the Group is required to comply with the following key financial covenants:

1. The Group current ratio is at least 1:1, excluding amounts payable under the debt facility and certain liabilities associated with gas sale agreements with Macquarie Bank.
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 1.3:1.

The Group remains compliant with these and all other financial covenants under the facility.

11. Leases

(a) Amounts recognised in the balance sheet

	31 Dec 2022 $'000	30 June 2022 $'000
(i) Right-of-use assets		
Land and buildings	670	832
Plant and equipment	79	90
	749	**922**
(ii) Lease liabilities		
Current	450	413
Non-current	362	588
	812	**1,001**

(b) Amounts recognised in the statement of profit or loss

	2022 $'000	2021 $'000
Depreciation charge of right-of-use assets		
Land and buildings	158	192
Plant and equipment	66	77
	224	**269**
Interest expense (included in finance costs)	27	44
Cash outflow for leases	268	360

12. Provisions

	31 December 2022			30 June 2022		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Employee entitlements (a)	2,706	792	3,498	4,043	878	4,921
Restoration and rehabilitation (b)	676	24,450	25,126	1,512	22,120	23,632
Joint Venture production over-lift (c)	839	1,745	2,584	770	2,182	2,952
Total	**4,221**	**26,987**	**31,208**	**6,325**	**25,180**	**31,505**

Movements in Provisions

	Employee Entitlements (a) $'000	Restoration and Rehabilitation (b) $'000	Other (c) $'000	Total $'000
Carrying amount at 1 July 2022	4,921	23,632	2,952	31,505
Additional provisions charged to profit or loss	971	2,554	36	3,561
Change in provision credited to property, plant and equipment	–	(1,343)	–	(1,343)
Unwinding of discount	–	408	–	408
Amounts used during the half-year	(2,394)	(125)	(404)	(2,923)
Carrying amount at 31 December 2022	**3,498**	**25,126**	**2,584**	**31,208**

12. Provisions *(continued)*

(a) *The current provision for employee entitlements includes accrued short term incentive plans, severance entitlements, accrued annual leave and the unconditional entitlements to long service leave where employees have completed the required period of service. The amounts are presented as current, since the Group does not have an unconditional right to defer settlement of these obligations. However, based on past experience the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Current leave obligations that are not expected to be taken or paid within the next 12 months amount to $696,000 (30 June 2022: $732,000).*

(b) *Provisions for future restoration and rehabilitation costs are recognised where there is a present obligation and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of removing facilities, abandoning wells and restoring the affected areas.*

(c) *Under an Interim Gas Balancing Agreement with its joint venture partners, the Group has taken a higher proportion of natural gas produced from the Mereenie joint venture than its joint venture percentage entitlement. A provision has been recognised to reflect the expected additional production costs of rebalancing production entitlements between the joint venture partners from future operations.*

13. Contributed Equity and Reserves

	31 Dec 2022 $'000	30 June 2022 $'000
Share capital		
729,260,450 ordinary shares	197,776	197,776
(30 June 2022: 725,907,449 ordinary shares)		
Reserves		
Share options reserve	31,051	30,615

	Half-Year Ended 31 December	
	2022 $	2021 $
Movements in share capital:		
Balance at start of half year	197,776	197,776
Issues of ordinary shares	-	-
Balance at the end of the half year	**197,776**	**197,776**
Movements in share options reserve:		
Balance at start of the half year	30,615	29,094
Share based payments costs	438	836
Transaction costs	(2)	(2)
Balance at the end of the half year	**31,051**	**29,928**

	2022 No. of securities	2021 No. of securities
Movements in ordinary shares on Issue during the half-year:		
Balance at the beginning of the half-year	725,907,449	724,093,661
Exercise of employee share rights	3,353,001	1,761,633
Balance at the end of the half-year	**729,260,450**	**725,855,294**

13. Contributed Equity and Reserves (continued)

Movement in Employee Share Rights

Class	Expiry Date	Plan Year Commencing	Balance at start of period	Issued during the period	Cancelled or lapsed during the period	Exercised during the period	Balance at the end of the period
Employee LTIP rights	03 Oct 2022	1 Jul 2017	6,849	–	–	(6,849)	–
Employee LTIP rights	22 May 2024	1 Jul 2018	353,405	–	(6,123)	(173,632)	173,650
Employee LTIP rights	12 Nov 2024	1 Jul 2018	578,689	–	–	–	578,689
Employee LTIP rights	30 Jun 2024	1 Jul 2019	6,308,318	–	(18,752)	(2,483,864)	3,805,702
Employee Deferred Share rights	30 Jun 2025	1 Jul 2019	3,692,054	–	(331,483)	–	3,360,571
Employee LTIP rights	30 Jun 2025	1 Jul 2020	9,074,800	–	(45,348)	–	9,029,452
Employee LTIP rights	30 Jun 2026	1 Jul 2021	426,192	61,476	(49,176)	–	438,492
Non-Executive Director Rights[1]	30 Jun 2026	1 Jul 2021	850,421	–	–	(688,656)	161,765
Executive EIP rights[2]	30 Jun 2027	1 Jul 2021	–	8,739,398	–	–	8,739,398
Employee LTIP rights	30 Jun 2027	1 Jul 2022	–	540,992	–	–	540,992
Non-Executive Director Rights[1]	30 Jun 2027	1 Jul 2022	–	924,971	–	–	924,971
Total			**21,290,728**	**10,266,837**	**(450,882)**	**(3,353,001)**	**27,753,682**

1 *The number of Non-Executive Director share rights granted is determined based on the dollar value of the relevant Director's Base Fee elected to be sacrificed (up to a maximum of 25%), divided by the weighted average price of the Company's shares calculated in accordance with the offer terms. The rights automatically vest on 30 June of the Plan Year.*

2 *Executive EIP Rights vest progressively on 30 June of the year after the Plan Year to which they relate and the two subsequent years.*

Movement in Options

Class	Expiry Date	Exercise Price	Balance at start of period	Issued during the period	Cancelled or lapsed during the period	Exercised during the period	Balance at the end of the period
Executive Options	30 Jun 2023	$0.20	17,221,046	–	–	–	17,221,046
Total			**17,221,046**	**–**	**–**	**–**	**17,221,046**

14. Contingencies and Commitments

(a) Exploration and Capital Commitments

The Group has the following capital expenditure commitments:

	Consolidated 31 Dec 2022 $'000	Consolidated 30 June 2022 $'000
Due within one year	1,423	982
Total	**1,423**	**982**

14 Contingencies and Commitments *(continued)*

The Group has contingent exploration expenditure commitments on various permit areas held in Australia:

	Consolidated	
	31 Dec 2022 $'000	**30 June 2022 $'000**
Within one year	36,370	39,398
Later than one year but not later than three years	38,949	38,799
Total	**75,319**	**78,197**

These commitments may be varied in the future as a result of renegotiations of the terms of exploration permits. In the petroleum industry it is common practice for entities to farm-out, transfer or sell a portion of their rights to third parties or relinquish (whole or part of the permit) and, as a result, obligations may be reduced or extinguished.

The Group has entered into a farmout agreement with Peak Helium (Amadeus Basin) Pty Ltd in respect of certain exploration permits and intends to relinquish its interests in several permits and retention leases. Once completed, the Group's total exploration commitments as shown above will reduce from $75,319,000 to $27,669,000.

(b) Contingent Liabilities

There were no changes to contingent liabilities as outlined in the annual financial report to 30 June 2022.

15. Post Balance Date Events

There were no events that occurred subsequent to 31 December 2022 and up to the date of this report that will affect the Group's operations, results or state of affairs.

16. Related Party Transactions

There were no related party transactions during the period.

DIRECTORS' DECLARATION

31 December 2022

In the Directors' opinion:

(a) the financial statements and notes set out on pages 12 to 25 are in accordance with the Corporations Act 2001, including:

 (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

 (ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date, and

(b) there are reasonable grounds to believe that Central Petroleum Limited will be able to pay its debts as and when they become due and payable, and

This declaration is made in accordance with a resolution of Directors.

Michael (Mick) McCormack
Chair

Brisbane
2 March 2023

Independent auditor's review report to the members of Central Petroleum Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Central Petroleum Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated balance sheet as at 31 December 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Central Petroleum Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

PricewaterhouseCoopers, ABN 52 780 433 757
480 Queen Street, BRISBANE QLD 4000, GPO Box 150, BRISBANE QLD 4001
T: +61 7 3257 5000, F: +61 7 3257 5999

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

Marcus Goddard
Partner

Brisbane
2 March 2023

CORPORATE DIRECTORY

31 December 2022

Directors

Mr Michael (Mick) McCormack BSurv, GradDipEng, MBA, FAICD, Non-Executive Director and Chair
Mr Leon Devaney BSc MBA, Managing Director and Chief Executive Officer
Mr Stephen Gardiner BEc (Hons), FCPA, Non-Executive Director
Mr Troy Harry, Non-Executive Director
Ms Katherine Hirschfeld AM, BE(Chem) UQ, HonFIEAust, FTSE, FIChemE, FAICD, Non-Executive Director
Dr Agu Kantsler BSc (Hons), PhD, GAICD, FTSE, Non-Executive Director

Group General Counsel and Company Secretary

Mr Daniel C M White LLB, BCom, LLM

Registered Office

Level 7, 369 Ann Street
Brisbane, QLD 4000
Telephone: +61(0)7 3181 3800
Facsimile: +61(0)7 3181 3855
www.centralpetroleum.com.au

Auditors

PricewaterhouseCoopers
480 Queen Street
Brisbane, QLD 4000
www.pwc.com.au

Share Registrar

Computershare Investor Services Pty Limited
Level 1, 200 Mary Street
Brisbane, QLD 4000
Telephone: 1300 552 270
Telephone: +61 3 9415 4000
Facsimile: +61 3 9473 2500
www.computershare.com

Stock Exchange Listing

Central Petroleum Limited shares are listed on the Australian Securities Exchange under the code CTP.