

3 October 2022

**PALM VALLEY-12 DRILLING UPDATE - FLOW TEST RESULTS**



*Figure 1: Palm Valley 12 Flare*

The Operator (“**Central**”) (**ASX: CTP**) advises that as at 1400 hrs ACST on 2 October 2022 Palm Valley 12 (PV12) sidetrack (ST2) in OL3 (the Palm Valley Production License) 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 a flow test.

The depth of the 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 and was tested for 47 minutes and flowed at approximately 7 TJ/d. Only gas was recovered during the test, no water or oil were recovered.

This flowrate exceeds pre-drill estimates and there remains around 440 metres of horizontal hole to drill until total depth is reached. Once testing is complete, drilling will continue in order to maximise the fracture intersections and volume of gas accessed.

| Flow tests # | Depth of test interval | Duration of test | Choke size | Flow rates   | Volume of hydrocarbon phases | Flowing Tubing Head Pressures |
|--------------|------------------------|------------------|------------|--------------|------------------------------|-------------------------------|
| 1            | 1870-2598 mMD          | 40               | 5 ½ ”      | Not Measured | Gas C1-C5                    | -                             |
| 2            | 1870-2598 mMD          | 5                | 3 1/16”    | Not Measured | Gas C1-C5                    | -                             |
| 3            | 1870-2598 mMD          | 60               | 1”         | 7 TJ/d       | Gas C1-C5                    | 264 psi                       |

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 is estimated to be consistent with the other P1 producing wells with around 98% hydrocarbons and minimal inserts. No hydraulic stimulation (fracking) is required in the well.

"Great to get gas to surface and on test, even better that the flowrate exceeded our pre-drill estimate", says Andrew Jefferies CEO New Zealand Oil & Gas, "while the exploration targets have been unforgiving in this well, we knew we had the P1 to return to and here it is in full colour. We will now drill ahead seeking to maximise the well's potential. With spare plant capacity and the equipment on hand to complete the well and hook it up we will be able to get this gas to market in good time for keeping the air-conditioning on and to cook those Christmas turkeys."

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).

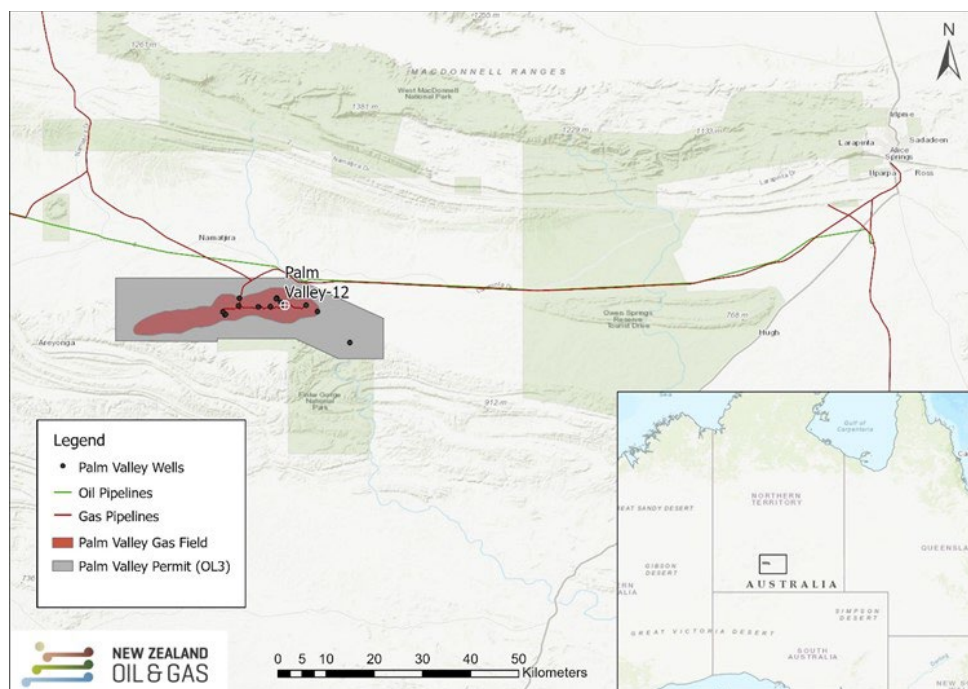


Figure 2: Location of Permit OL3 and Palm Valley-12 ST2 appraisal well.