

2 March 2023

HALF YEAR RESULTS

Central Petroleum Limited (**ASX:CTP**) ("**Central**") today reports Underlying Earnings Before Interest, Tax, Depreciation, Amortisation and Exploration (EBITDAX) for the half year to 31 December 2022 of \$5.3 million.

EBITDAX is lower than the \$10.0 million reported in the corresponding FY2022 half year, reflecting Central's (50%) reduced interests in the Amadeus Basin producing properties from 1 October 2021 and temporarily weaker underlying sales volumes which have rebounded strongly in the current quarter after commissioning of the new PV12 well and re-opening of the Northern Gas Pipeline (NGP).

After absorbing the costs of exploration activities, finance and depreciation, Central has recognised a statutory net loss after tax of \$11.2 million.

Highlights for the half year

- The Palm Valley 12 lateral production well was successfully drilled, completed and tied into the Palm Valley processing facilities and flowing gas to market at greater than 10 TJ/day from mid-December. From commencement on 28 November 2022 to 28 February 2023, PV12 production has generated over \$3.0 million in revenue (net to Central) from sales into the Northern Territory and East Coast markets.
- 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.
- 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 assets, but up 6.7% on a like-for-like basis. 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.
- The debt facility was increased, with two separate tranches of \$6 million available to fund production growth opportunities across Central's Amadeus Basin gas projects.
- Net Debt was \$16.8 million at 31 December, up from \$10.2 million at 30 June 2022 reflecting cash outflows for the period.

"While the pipeline disruption affected our results in the first half, PV12 production success at Palm Valley means we have started the 2nd half on a positive note, with the well generating over \$3 million in revenue for Central over three months. This result is on pace for payback well within 12 months and supports further opportunities for additional production wells to be drilled at Palm Valley. Plans are well advanced to increase volumes further through a funded development program at Mereenie. A major sub-salt exploration program is also scheduled to commence later in the year, giving us multiple opportunities for growth in the next 18 months", said Central's CEO and Managing Director, Leon Devaney.

Results presentation

Central's Managing Director will deliver an online presentation of the Half Year Results and an update on current operations in the near future. Details will be advised separately.

Summary of results

	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

Reconciliation of statutory profit/loss before tax to underlying EBITDAX

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 below.

Reconciliation of underlying EBITDAX to Statutory Profit / Loss	Six months ending:	
	31 Dec 2022	31 Dec 2021
	\$'000	\$'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

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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 customers in the NT and wider Australian east coast market.

Central is seeking to become a major domestic energy supplier, 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 and highly prospective CSG resources in the Surat Basin.

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