

16 September 2022**ANNUAL RESULTS**

Central Petroleum Limited (**ASX:CTP**) ("**Central**") today reports a net profit after tax of \$21.3 million for the financial year to 30 June 2022, including a \$36.6 million profit on the sale of half of its interest in its three producing gas and oil fields in the Northern Territory. The result also includes \$21.6 million of exploration expenses during the year.

Underlying Earnings Before Interest, Tax, Depreciation, Amortisation and Exploration (EBITDAX) was \$16.7 million, on revenues of \$42.2 million which reflected strong oil and gas prices, albeit from a reduced production base.

Highlights for the financial year

- On 1 October 2021, Central completed the sale of 50% of its interests in the Mereenie, Palm Valley and Dingo fields for consideration valued at circa \$85 million, recording a book profit of \$36.6 million and facilitating the retirement of \$30 million of debt.
- Underlying EBITDAX of \$16.7 million.
- Full year statutory profit after tax of \$21.3 million.
- Reduced net debt by 67% to \$10.2 million and extended the loan facility by three years to 30 September 2025.
- The Mereenie development program was completed, with new production brought online.
- Continued outperformance of the Palm Valley 13 well and Dingo gas field resulted in an increase of 3.5 PJe of 2P reserves as at 31 December 2021.
- Entered into a new gas sale agreement for the sale of 3.15 PJ of gas over four years from 1 January 2022.
- In early May 2022, Central entered into gas transport and spot trading arrangements allowing for the delivery of uncontracted gas into the Eastern Australian markets. Through May and June sales into these markets achieved an average delivered price of \$34/GJ.
- Commenced drilling the Palm Valley 12 exploration well in April 2022. The sidetrack into the Lower P2/P3 Sandstones proved unsuccessful in August, and a second lateral appraisal well is currently being drilled into the P1 Sandstone which is the current production zone at Palm Valley.
- Entered into a farmout of interests in the Group's Amadeus Basin exploration tenements EP82, EP112 and EP125 with a three-well exploration program to commence in 2023. The Group will be free-carried for its share of costs (capped at \$20 million gross cost per well) for two new sub-salt exploration wells targeting natural gas, helium and hydrogen.

Central's CEO and Managing Director, Leon Devaney said, "It has been a busy year which has seen Central make progress in several key growth strategies, supported by the ongoing strong operational performance of our producing fields. This continuing strong underlying performance demonstrates the production potential of the Amadeus Basin and with a supply-constrained energy market, provides stimulus for increasing investment in the region."

"Although we didn't have initial success from our PV12 exploration well, there remains much to look forward to, including a three well sub-salt campaign with enormous potential will kick off within 12 months; the Range pilot continues to provide critical data; production enhancement programs are planned for Mereenie; and we are continuing to explore opportunities to progress new exploration at Mamlambo and Zevon", he said.

Summary of results

Key Metrics	Total 2022	Total 2021	Change	% Change
Decrease in FY22 production capacity due to asset sale				(37.5)%
Net Sales Volumes				
- Natural Gas (TJ)	5,993	9,820	(3,827)	(39.0)%
- Oil & Condensate (bbls)	47,197	77,255	(30,058)	(39.0)%
Sales Revenue (\$'000)	42,151	59,827	(17,676)	(30.0)%
Gross Profit (\$'000)	20,894	30,975	(10,081)	(33.0)%
Underlying EBITDAX ¹ (\$'000)	16,746	26,088	(9,342)	(36.0)%
Underlying EBITDA ² (\$'000)	(4,901)	18,349	(23,250)	(127.0)%
Underlying EBIT ³ (\$'000)	(11,680)	5,846	(17,526)	(300.0)%
Underlying (loss)/profit after tax ⁴ (\$'000)	(15,239)	251	(15,490)	N/a
Statutory profit after tax (\$'000)	21,320	251	21,069	N/a
Net cash inflow from Operations ⁵ (\$'000)	3,640	24,136	(20,496)	(85.0)%
Capital expenditure ⁶ (\$'000)	10,053	11,792	(1,739)	(15.0)%

Notes:

- Underlying EBITDAX is Earnings before Interest, Tax, Depreciation, Amortisation, Impairment and Exploration costs and profit on disposal of interests in producing properties (refer reconciliation below).
- Underlying EBITDA is Earnings before Interest, Tax, Depreciation, Amortisation, Impairment and profit on disposal of interests in producing properties.
- Underlying EBIT is Earnings before Interest, Tax and profit on disposal of interests in producing properties.
- Underlying profit / loss after tax is statutory profit after tax, before profit on disposal of interests in producing properties.
- Cashflow from Operations includes cash outflows associated with Exploration activities. 2021 includes the proceeds from pre-sold gas.
- Capital expenditure on tangible assets.

Reconciliation of statutory profit 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.

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Reconciliation of statutory profit before tax to underlying EBITDAX	2022 \$'000	2021 \$'000
Statutory profit before tax	21,320	251
Profit on disposal of 50% interest in Amadeus Basin producing properties	(36,559)	-
Underlying (loss)/profit before tax	(15,239)	251
Net finance costs and restatement of financial assets	3,559	5,595
Underlying EBIT	(11,680)	5,846
Depreciation and amortisation	6,779	12,503
Underlying EBITDA	(4,901)	18,349
Exploration expenses	21,647	7,739
Underlying EBITDAX	16,746	26,088

Results presentation

Central's Managing Director will deliver an online presentation of the Annual Results and an update on current operations at 10am on Wednesday 21 September 2022. Login details will be advised separately.

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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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