

28 November 2022

Loan Facility Expanded by up to \$12 Million to Fund Increased Production

Central Petroleum Limited (**ASX: CTP**) ("**Central**") advises that it has entered into an agreement with Macquarie Bank Limited ("**Macquarie**") for the expansion of its existing debt facility ("**Loan Facility**") for up to \$12 million to fund increased production across its Amadeus Basin gas projects.

Funding from the expanded facility will be available for Central's share of up to six well recompletions and two new development wells at the Mereenie field to be completed next year (subject to final Joint Venture approval) with additional production expected to be sold into an attractive east coast gas market.

Details

The new facility consists of two separate tranches of \$6 million, each of which can be activated upon satisfaction of certain conditions precedent which include requirements that Macquarie be satisfied that:

- Central's capital commitments under agreed development plans and exploration projects are fully-funded from available facilities and expected operating cash flows for the term of the facility; and
- Certain new gas sale agreement thresholds are met.

Access to funds under a tranche will be cancelled unless the tranche has been at least partly utilised by:

- For the first tranche, 31 December 2022
- For the second tranche, 31 December 2023.

Any funds drawn under the expanded facility will be repaid as follows:

- For the first tranche, 50% to be repaid by quarterly equal instalments between the date of utilisation and 30 September 2025.
- For the second tranche, 40% to be repaid by quarterly equal instalments between the date of utilisation and 30 September 2025.

Central will pay a commitment fee on any undrawn facility funds equal to 40% of the facility interest rate. Other key terms, including interest rate margin and financial covenants will remain unchanged.

Central may elect not to utilise the unused portion of the expanded facility and may repay any drawn funds at any time without penalty.

Central has granted Macquarie a royalty equal to 0.25% of the gross well head value derived from a 35% participating interest in exploration permit 112 (Northern Territory) as part of the consideration for the new facility.

Comments from the CEO

“This expansion of our existing loan facility provides flexible access to low-cost capital which we can use to accelerate recompletions and new development wells at Mereenie, along with other gas projects to increase gas supply to customers in the Northern Territory and eastern states. These are long term investments in production capacity that are forecast to generate strong forward revenues with ample debt service coverage,” said Central’s Managing Director & CEO, Leon Devaney.

-ends-

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 “gold” 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.

General Disclaimer and explanation of terms:

This document is not intended for prospective investors and does not purport to provide all of the information an interested party may require in order to investigate the affairs of Central Petroleum Limited (“Company”). The data and information herein are subject to change.

This document may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which may be outside the control of the Company and could cause actual results to differ materially from these statements. These risks, uncertainties and assumptions include (but are not limited to) funding, exploration, commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks, legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals, cost estimates and other risk factors described from time to time in the Company’s reports filed with the ASX. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statement in this document is valid only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, or any other Listing Rules or Financial Regulators’ rules, the Company, its agents, directors, officers, employees, advisors and consultants do not undertake any obligation to publicly update or revise any information or any of the forward looking statements in this document if events, conditions or circumstances change or that unexpected occurrences happen to affect such information or statement. Sentences and phrases are forward looking statements when they include any tense from present to future or similar inflection words, such as (but not limited to) “believe”, “understand”, “estimate”, “anticipate”, “plan”, “predict”, “target”, “may”, “hope”, “can”, “will”, “should”, “expect”, “intend”, “projects”, “is designed to”, “with the intent”, “potential”, the negative of these words or such other variations thereon or comparable terminology or similar expressions of the future which may indicate a forward looking statement or conditional verbs such as “will”, “should”, “would”, “may” and “could” are generally forward-looking in nature and not historical facts.

No right of the Company or its subsidiaries shall be waived arising out of this document. All rights are reserved.