

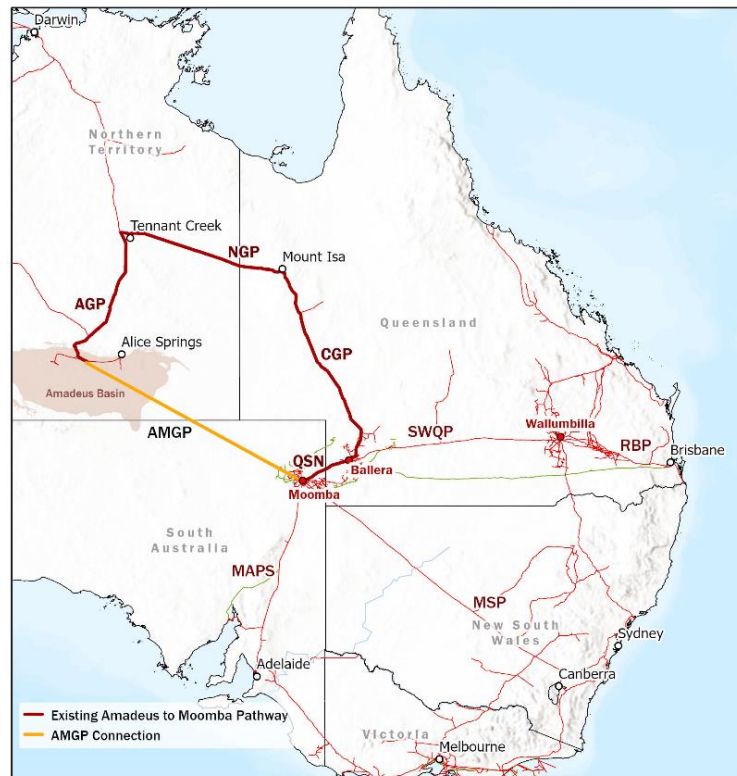
18 August 2020

AMADEUS TO MOOMBA GAS PIPELINE
Proposed Boost to East Coast Gas Supplies

Central Petroleum Limited (**ASX:CTP**) (“**Company**” or “**Central**”) has signed an agreement with Australian Gas Infrastructure Group (“**AGIG**”) and Macquarie Merreenie Pty Ltd (“**Macquarie Merreenie**”) to progress towards a Final Investment Decision for the development of the Amadeus to Moomba Gas Pipeline (“**AMGP**”). The AMGP is a proposed major new gas transmission pipeline that would provide direct access from the Amadeus Basin in the Northern Territory to the Moomba gas supply hub in South Australia.

AMGP Overview

Central currently supplies gas to customers in the Northern Territory (“**NT**”) and Mt Isa. In order to sell gas into the southern parts of the east coast market, gas is transported over 2,200km via Mt Isa to the Moomba gas supply hub in South Australia (“**Moomba**”). The AMGP would be less than half that distance, allowing for significantly lower gas transportation costs from the NT to the east coast via a direct pipeline connection to Moomba.



The AMGP is planned to be a 950km pipeline, up to 16-inch in diameter with free-flow capacity of 124TJ per day (45PJ per year), and would be expandable with compression.

The AMGP project is well defined, having previously completed front-end engineering and design as the subject of a firm offer by AGIG under the North East Gas Interconnect (“**NEGI**”) process conducted in 2015. The AMGP project is targeting a Final Investment Decision (“**FID**”)

in 2H of 2021, which AGIG advises would enable commencement of construction in 2022 and deliveries of first gas in Q1 of 2024.

Potential Benefits of the AMGP

- 1) Stimulate new gas supplies and new gas suppliers from existing reserves and large prospective resources in the NT to help mitigate a forecast east coast gas supply shortfall from 2024.
- 2) Create efficiencies within the east coast gas market through significantly reduced gas transportation costs between the NT and east coast gas customers.
- 3) Efficient and highly responsive gas storage services to support growing, but intermittent, renewable energy generation.
- 4) Improved gas market liquidity and supply security within the NT and the centrally located Moomba gas supply hub.
- 5) Major energy infrastructure project aligned to state and national energy initiatives.
- 6) New employment and royalties for the NT and indigenous communities through increased and more cost-competitive onshore gas production.

NT Gas Supply

Central's operated fields in the Amadeus Basin have approximately 200PJ of uncontracted conventional gas reserves (gross JV) which can be supplied to market through the AMGP. There are also additional third-party uncontracted conventional gas reserves that could participate as foundation volumes to supply the east coast from 2024.

Central will seek to increase production capacity from its three operated NT gas fields to 80TJ/d for delivery via the AMGP. The production capacity can be increased by accelerating the drilling of development wells and debottlenecking or expanding existing production facilities at Mereenie, Palm Valley and Dingo.

Aside from already established reserves, Central's planned Amadeus Basin exploration program to be completed in 2021 consists of three exploration wells and two appraisal targets, aiming to mature over 100PJ of 2C resources (gross JV) and 590PJ of prospective gas resources (mean unrisked, 100% Central). Gas discoveries resulting from this exploration program, as well as all of Central's future NT exploration activity in the underexplored, but highly prospective Amadeus Basin (such as Dukas), would directly benefit from the AMGP.

In the longer term, the AMGP could directly assist the east coast market by transporting gas from several large discovered offshore gas fields or the various unconventional exploration programs that are currently underway in the NT.

Agreement Details

The agreement is a Memorandum of Understanding (“**MOU**”) executed by Central’s wholly owned subsidiary, Central Petroleum Projects Pty Ltd, Macquarie Mereenie, and AGIG as the AMGP project developer and owner (“**AMGP Proponents**”).

The MOU provides for the AMGP Proponents to progress in good faith on an exclusive basis towards various milestones for the development of the AMGP, including a foundation gas transportation agreement and an FID in 2H 2021. The MOU contains the initial proposed AMGP gas transportation tariff structure, provision for gas storage services on the pipeline, and other foundation shipper entitlements. The MOU may be terminated under various scenarios, such as where certain milestones are not achieved.

AGIG

AGIG is one of the largest gas infrastructure businesses in Australia with 2 million customers and 4,400 km of transmission pipelines across all Australian states and the NT. In 2019, AGIG successfully constructed the 440km Tanami Pipeline in the NT.

AGIG’s Chief Executive Officer, Ben Wilson said “we are delighted to partner with Central Petroleum and Macquarie Mereenie by signing an MOU for the development of this significant new pipeline. We are focused on delivering for our customers, and also benefitting the gas markets in the NT and in Eastern Australia”.

Significant National Infrastructure

Central’s CEO and Managing Director, Leon Devaney, said “the implications of the AMGP project are huge, not just for Central and the NT, but for the entire east coast gas market. The AMGP is strongly aligned with various initiatives to boost east coast gas supply as traditional supplies from Bass Strait and the Cooper Basin decline. When you look at the distribution of untapped gas resources across Australia, the AMGP makes perfect sense given the large volumes of onshore and offshore gas available in the NT. What makes the AMGP stand out above other potential east coast supply proposals, is the pipeline efficiently connects significant known conventional gas reserves from proven producing fields to east coast demand centres from 2024 which is forecast to have gas supply shortages. The initiative should also stimulate new gas development from the NT’s large and diverse array of prospective gas resources.”

“I am very excited to be working on this important energy infrastructure project with Macquarie Mereenie and AGIG, two highly competent and proven participants in the gas and pipeline sectors,” added Mr Devaney.

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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 a well-established, and emerging ASX-listed Australian oil and gas producer (ASX: CTP). Over the past 6 years, Central has grown to become the largest onshore gas producer in the Northern Territory (NT), supplying industrial customers, power generation and wholesale gas distributors in NT and the wider Australian east coast market. Central is positioned to become a significant domestic energy supplier, with exploration and development plans across 180,000 km² of tenements in Queensland and the Northern Territory, including some of Australia's largest known onshore conventional gas prospects.

We are also seeking to develop the Range gas project, a new gas field located among proven CSG fields in the Surat Basin, Queensland with 135 PJ (net to Central) of development-pending 2C contingent resource.

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