

14 June 2022

Palm Valley 12 Drilling Update

Central Petroleum Limited (“**Central**”) (**ASX: CTP**) advises that on 13 June 2022, the Palm Valley 12 (**PV12**) well in OL3, Southwest of Alice Springs in the Northern Territory, was at a depth of 2,005m at 0600 hrs ACST in the P2 unit of the Pacoota Formation.

The P2 unit of the Pacoota Formation is the seal for the P3 reservoir zone in the Palm Valley field and is a key casing point for drilling the deeper Arumbera exploration target.

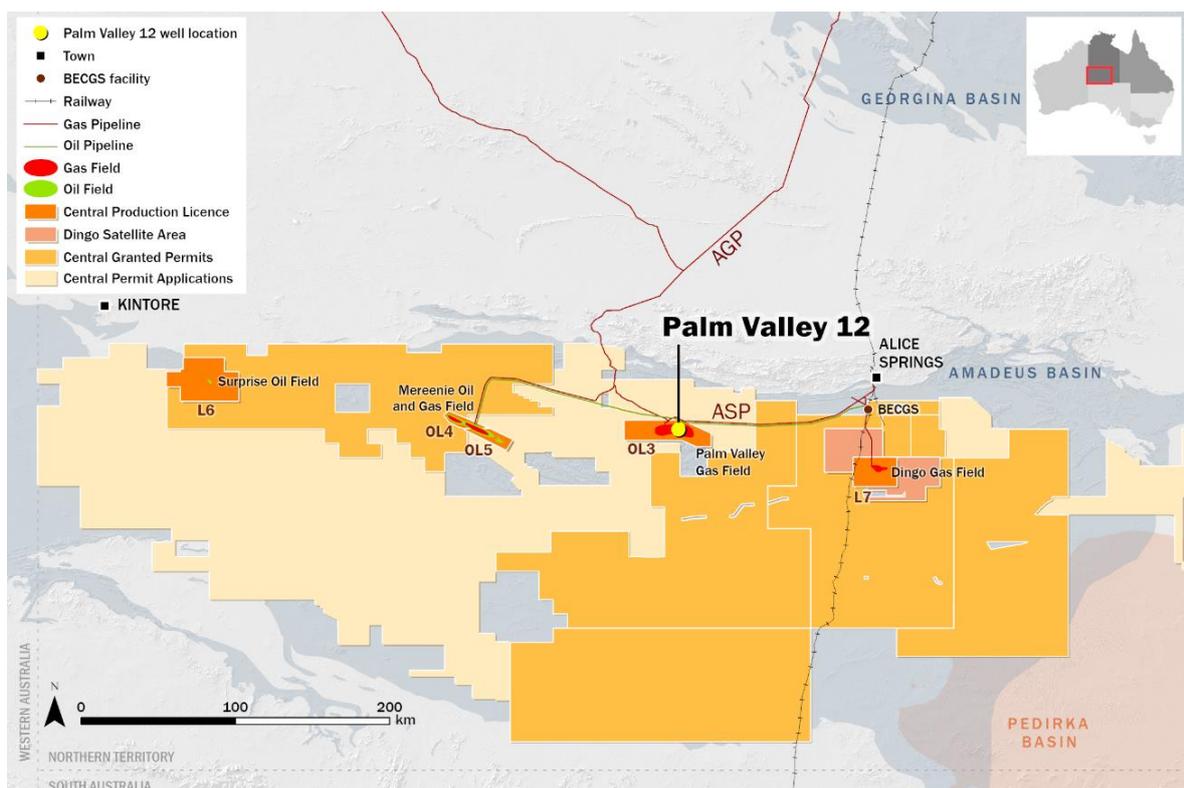
Activity this week has been focused on cementing the 9 5/8” casing string in the fractured formation. This has proved problematic, with losses continuing whilst pumping cement. Intermittent returns to surface indicate that cement was being pushed into significant fractures within the formation.

Several remedial cement plugs have been run to help strengthen the seal around the casing shoe. The plan is to continue running cement plugs until the required kick tolerance at the shoe has been achieved. At that point, drilling will resume in the 8 ½” hole section.

The PV12 well has two alternate objectives. The primary deep gas exploration target is the Arumbera Sandstone at an anticipated depth of 3,560m. Alternatively, if the deep exploration target is not successful, a shallower gas appraisal lateral will be drilled in the currently producing P1 formation with the potential to become a production well.

The PV12 well is the first of a 2-well drilling program that also includes the Dingo-5 exploration / production well. Both wells are being drilled under joint ventures between Central (50% interest), New Zealand Oil & Gas Limited (**ASX: NZO**) (35% interest) and Cue Energy Resources Limited (**ASX: CE**) (15% interest) and are scheduled to be completed this year.

Fig 1. Location of Permit OL3 and Palm Valley-12 exploration well.



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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 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 naturally occurring 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.

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