

**28 June 2022**

## **Palm Valley 12 Drilling Update**

Central Petroleum Limited (“**Central**”) (**ASX: CTP**) advises that as at 0600 hrs ACST on 27 June 2022, the Palm Valley 12 (**PV12**) well in OL3, Southwest of Alice Springs in the Northern Territory was at a depth of 2,278m in the P4 unit of the Pacoota Formation. Underbalanced drilling commenced in the 8 ½” hole. Flow tests were conducted within the lower P2 and P3 sections along with mandatory scheduled testing for the blow-out-preventor and other surface equipment. A total of 220m of drilling progress was made during the week.

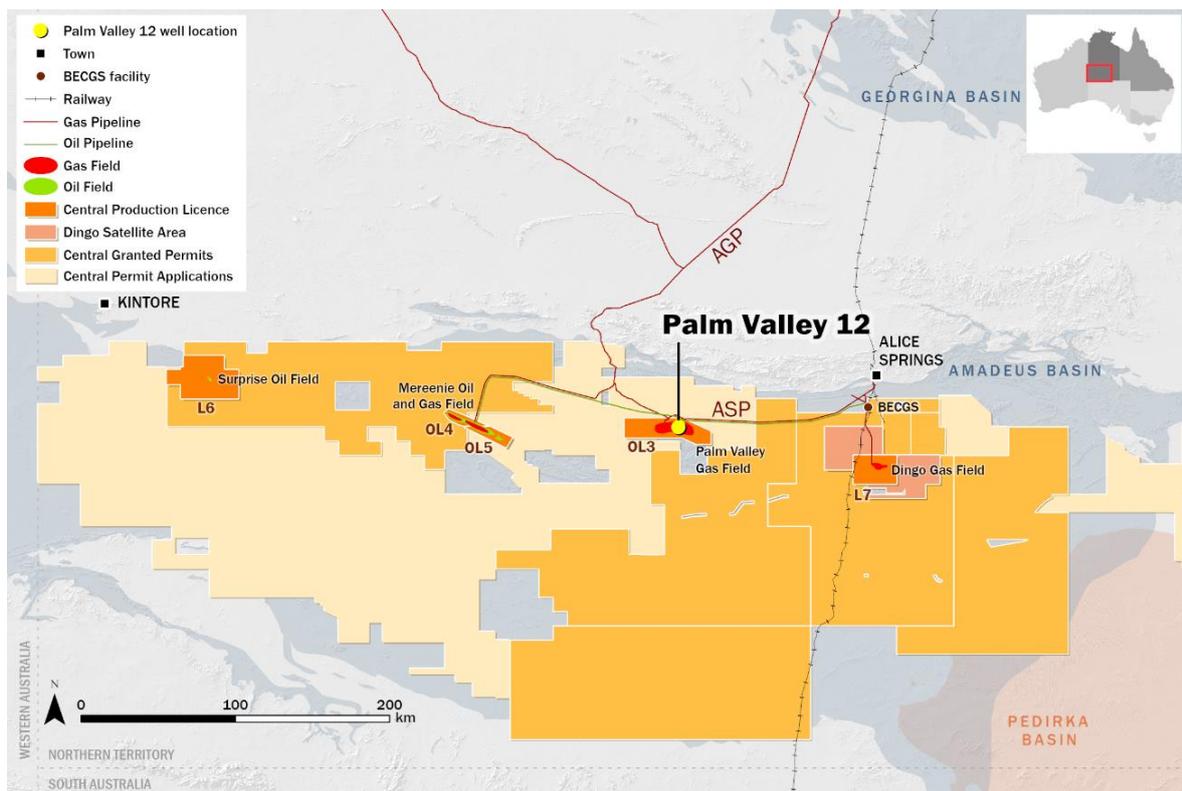
Gas shows were recorded through the P1 - P3 sections of the well (1,778 - 2,278m). Minor gas flows to surface were recorded following air drilling through the P3 formation, indicating that no significant fractures were intersected by the vertical well in this lower section. The JV will consider the opportunity to appraise the P3 formation for gas charged vertical fractures through a horizontal lateral.

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 (“**NZOG**”) (**ASX: NZO**) (35% interest) and Cue Energy Resources Limited (“**Cue**”) (**ASX: CUE**) (15% interest) and are scheduled to be completed this year.

Leon Devaney, Managing Director and CEO of Central said, “PV12 drilling has been difficult to date. As a result, we are behind schedule and over our original budget. On a positive note, the fracturing we have seen in the upper Pacoota formation is a positive technical sign for appraisal through horizontal drilling, and once we drill through the P4, we will be exploring formations that have never before been penetrated at Palm Valley.”

**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 km<sup>2</sup> 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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