June 18, 2015

Central Petroleum

MEREENIE ACQUISITION

“CONSOLIDATION & CATALYST”

The foundations are laid

Gold Coast Investment Showcase Presentation

DISCLAIMER

1.This presentation 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 Ltd (“Company”). This presentation does not attempt to produce profit forecasts for the Company and should not be relied upon as a forecast or as a basis for investment into the Company. It presents details of scoping studies and does not present and should not be construed to present financial forecasts for potential shareholders or investors. The authors are competent persons with appropriate qualifications and relevant experience and the assumptions used and the conclusions reached in this report are considered by them to be based on reasonable grounds and appropriate for the scope of the assignment. The conclusions reached in this report are based on market conditions at the time or writing and as such may not be relied upon as a guide to future developments.

2.The information herein is provided to recipients on the clear understanding that neither the Company nor any of its representatives, officers, employees, agents or advisers (“Company Personnel”) takes any responsibility for the information, data or advice contained or for any omission or for any other information, statement or representation provided to any recipient. Recipients of this presentation must conduct their own investigation and analysis regarding any information, statement or representation contained or provided to any recipient or its associates by the Company or any of the Company Personnel. Each recipient waives any right of action, which it has now or in the future against the Company or any of the Company Personnel in respect of any errors or omissions in or from this presentation, however caused. Potential recoverable petroleum numbers are estimates only until the prospects are evaluated further by drilling and/or seismic and are unrisked deterministically derived.

3.This presentation is the property of the Company and it is not authorised for distribution, copying or publication or dissemination to the public by any means or for any reason whatsoever by parties other than by the Company. The recipient of this presentation should take appropriate legal advice as to whether such receipt contravenes any relevant jurisdiction’s financial or corporate regulatory regimes, and, if so, immediately destroy this material or return it to the sender.

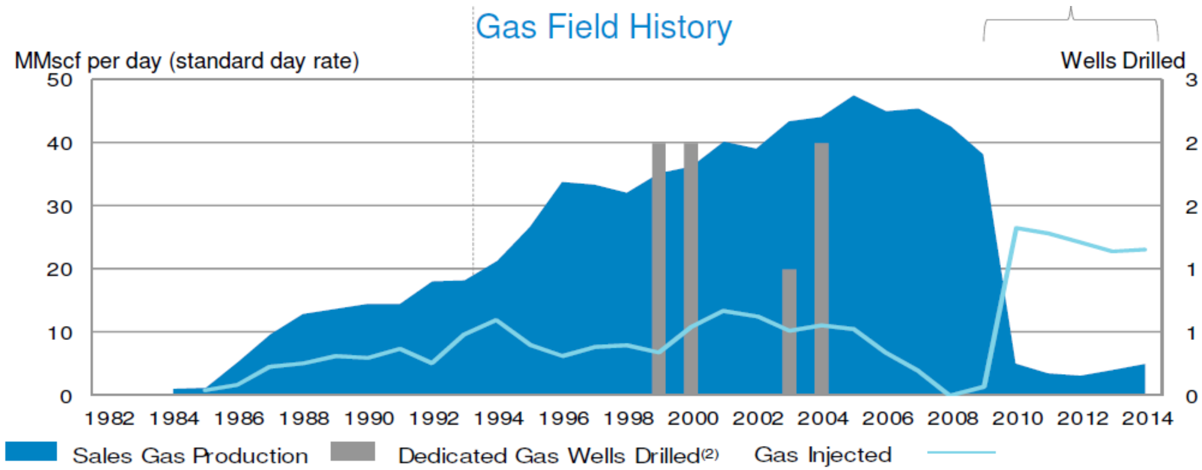
4.Potential volumetrics of gas or oil may be categorised as Undiscovered Gas or Oil Initially In Place (UGIIP or UOIIP) or Prospective Recoverable Oil or Gas in accordance with AAPG/SPE guidelines. Unless otherwise annotated any potential oil or gas or UGIIP or UOIIP figures are at “high” estimate in accordance with the guidelines of the Society of Petroleum Engineers (SPE) as preferred by the ASX Limited but the ASX Limited takes no responsibility for such quoted figures. As new information comes to hand from data processing and new drilling and seismic information, preliminary results may be modified. Resources estimates, assessments of exploration results and other opinions expressed by the Company in this presentation or report may not have been reviewed by relevant Joint Venture partners. Therefore those resource estimates, assessments of exploration results and opinions represent the views of the Company only. Exploration programs which may be referred to in this presentation or report are subject to several contingencies inclusive of force majeure, access, funding, appropriate crew and equipment and may not have been approved by and relevant Joint Venture partners and accordingly constitute a proposal only unless and until approved. Any mention of potential raising of capital anywhere is subject to various contingencies inclusive of the state of the markets, commodity prices, appropriate support and the ASX Listing Rules.

5.This document may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. These risks, uncertainties and assumptions include (but are not limited to) commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. 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 and the Company Personnel do not undertake any obligation to 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 a 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," "estimate," target“, “anticipate," "plan," "predict," "may," "hope," "can," "will," "should," "expect," "intend," "is designed to," "with the intent," "potential," the negative of these words or such other variations thereon or comparable terminology, may indicate forward looking statements.

6.The views and opinions expressed in this presentation, the resources, UGIIP and UOIIP figures, unless otherwise qualified do not necessarily reflect the views of existing joint venture partners.

THE ASSET

Mereenie Oil & Gas Field



- Discovered in 1963 | Production in 1984
- Gas accumulation with an oil rim
- Recent Focus as Oil producer due to lack of gas markets
- Major long-term gas contract ended in 2008
- 5 discovered zones namely Stairway Sandstone formation and Pacoota Sandstone P1-4
- Since 2008 gas has primarily been re-injected
- 123 PJ internal estimate of 2P Reserves with 120 PJ of internal estimate of 2C*
- Present production capacity of 45 TJ/d (15PJ p.a.)
- Good gas flows whilst drilling the Stairway and Pacoota Sandstone 2 & 4 but not completed
- Significant existing infrastructure, including 270km pipeline to Alice Springs
- Present contracted gas sales of 5TJ/d (1.68 PJ p.a.)
- Gas reserves have not been developed due to lack of market

* Estimates based on reserve data presented in the Mereenie data room and recent production history

MEREENIE ACQUISITION STRATEGY

The immediate objective of this acquisition is to:

① *Provide immediate financial underpinning to Central*

AND

② *Maximise uncontracted gas reserves as a catalyst for NEGI*

Thereby re-rating our production assets and surrounding exploration acreage.

PART I: CONSOLIDATION

- THE IMMEDIATE BENEFITS -

ACQUISITION OVERVIEW

- *CTP will acquire a 50% interest in the Mereenie Oil & Gas Field from Santos and assume Operatorship*
- *CTP will become Operator across all 3 producing gas fields in Central Australia*
- *Total acquisition cost of A$55m funded by debt and available cash*
- *Compelling value driver (CTP Base IRR > 20%) with immediate benefits to net cash flow and debt financing costs*
- *Substantial upside potential:*
  - *Significant undeveloped oil reserves not valued (oil price rebound potential)*
  - *Significant uncontracted gas reserves and installed production ~ 45TJ/d. New sales opportunities into NT domestic, East Coast (NEGI), or Darwin LNG with low marginal production costs across CTP's portfolio (<$1.50/GJ)*
- *Mereenie is the catalyst to connecting Central Australia with high value markets which will re-rate our surrounding exploration acreage and stimulate new exploration investment*

COMPELLING ACQUISITION VALUE DRIVERS

Central Petroleum

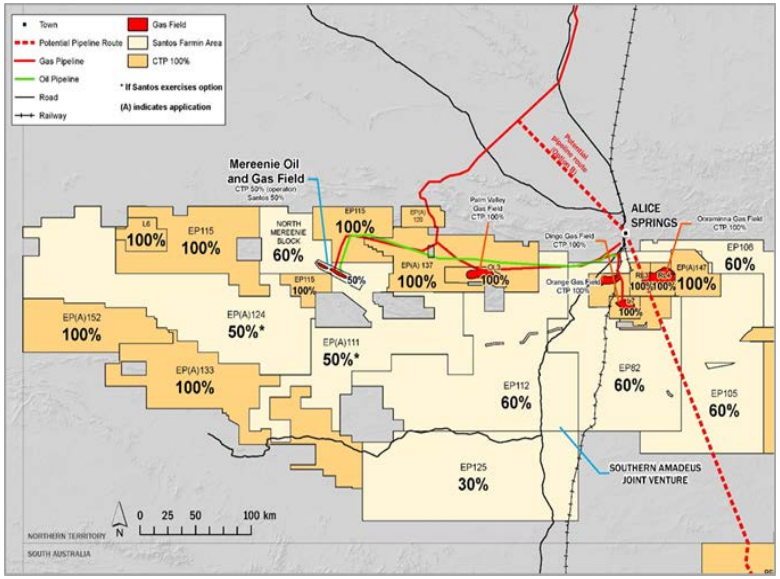
Immediate Benefits:	CTP Share
▪ >600,000 boe sales (Year 1 forecast)	300,000 boe (yr 1)
▪ Reduced OpEx through field rationalisation	$3.5M/yr
▪ Reduced reserve risk lowers interest rate by 1.70%	$850k/yr
▪ Production coverage avoids planned drilling (Dingo-1)	$10M
▪ Utilise a portion of CTP's $120M in tax loss carry	$6.5M (NPV10)
▪ Reduction in net CTP overheads across portfolio	$500k/yr
▪ Significant installed assets acquired:	
– 45TJ/d existing production capacity already installed	$Ms replacement value
– Existing oil pipeline and easement to Alice Springs	270km
– Marginal production cost (within CTP's installed capacity)	<$1.00/GJ
– *123PJ internal estimate of existing 2P gas reserves / 280PJ target	61-140/PJ

* Estimate based on reserve data presented in the Mereenie data room and recent production history

BENEFITS OF FIELD CONSOLIDATION

Opportunity to rationalise operating activity and gas portfolio:

- ✓ Optimisation of all 3 gas fields in Central Australia (Mereenie / Palm Valley / Dingo)
- ✓ Potential to consolidate production across 3 fields
- ✓ Unit costs of production very volume sensitive
- ✓ Marginal production costs are much lower than-CTP's current production cost of $2/GJ



5-yr Average Annual Cash Flow ($Ms)

	PV/D ⟶	MRN/PV/D
Revenue	19.4	32.4
Cash Flow Before Debt	11.3	20.0
Debt Service*	(9.2)	(10.2)
Free Cash Flow from Projects	2.1	9.8

** Includes principal amortisation and interest*

Generating $2M annually after all CTP corporate costs and expenses.

EMPLOYMENT PHILOSOPHY

1. **Family Values for Working Families**
   - Maximising the number of employees who can commute daily from their homes in Alice Springs
2. **Northern Territory for Northern Territorians**
   - Maximising employees based at Alice Springs who can be "bused" in from there rather than FIFO workers.
3. **Traditional Values for Traditional Owners**
   - Central is committed to training and employing people on whose land we operate and indigenous employees generally.

→ *FIFO tax concessions have change, this facilitates the movements towards the Alice Springs base.*

PRE-NEGI FREE CARRY

$10M Scope of Works to influence NEGI outcome:

- Review all data acquired since 2009 (when field converted to oil focus)
- Conduct review on the basis of access to high value East Coast market
- Workover wells where gas producing zones are behind pipe and perforate those zones for testing

PART II: CATALYST

- THE FUTURE UPSIDE IS ENORMOUS -

MAJOR UPSIDE OPPORTUNITIES

- 123PJs internal estimate of existing 2P gas reserves at Mereenie*, target of 280PJs by end of 2015
  - Sufficient to underpin future supply requirements of proposed NEGI pipeline for domestic market
- The NEGI pipeline will add substantial value to CTP
  - NEGI contingent cost of $15M cash and $55M - $75M work program is contingent on CTP benefitting from the NEGI pipeline (must be value accretive)
  - Total NEGI contingent cost is not just reserve acquisition, but funds field production facilities.
  - Could generate ex-field gas sales revenue across CTP's portfolio in excess of $40M/yr (CTP share)
  - Value not only through sales, but in creating a market to stimulate new conventional gas exploration within CTP's extensive exploration acreage.
- Significant gas reserves can be commercialised without NEGI, including:
  - New sales through LNG production at Darwin
  - Incremental gas sales into the domestic NT market
  - New gas commercialisation projects throughout the NT
- 12 mmboe of undeveloped liquids reserves* at Mereenie not currently valued (possible oil price recovery play)
- Mereenie Oil production could add scale to future discoveries in oil-prone EP115

* Estimate based on reserve data presented in the Mereenie data room and recent production history

WHY DOMESTIC GAS?

- The Gas Industry is in a state of flux and change.
  - ✓ *"Out of all the fossil fuels, natural gas has the highest absolute growth. The global demand for natural gas increases by half over the period to 2035"*

    Keisuke Sadamori IEA – 29/13/2013

- Oil and Domestic Gas prices are not linked.
  - Deep & Liquid market
  - Creation of hubs and transparent pricing
  - New model could emerge
  - Days of 30 year bi-lateral contracts are probably numbered
  - US & UK type markets could emerge
    - Infrastructure will follow that model

- The main goal of the Mereenie acquisition is to facilitate the connection of our Northern Territory Gas Fields to the eastern seaboard markets.
  - ✓ *"Without affordable and reliable gas supplies our manufacturers will struggle to compete and households will pay higher prices."*

    NSW Premier Mike Baird – 07/11/2014

WHAT NEGI MEANS FOR CENTRAL

Central Petroleum

NEGI would unlock value in CTP's production assets and surrounding exploration portfolio:

- ✓ East Coast market demand unsatisfied → significant shortfall becoming apparent
- ✓ NEGI connects CTP's gas reserves to the high-value East Coast markets (e.g. recent IPL 15PJ/yr HOA)
- ✓ Total target gas sales across CTP's portfolio following NEGI is 15 – 25 PJ per annum (CTP Share) with an NPV in the order of $200M.
- ✓ Access to this market will significantly increase–the value of CTP's exploration acreage.
- ✓ Exploration capital to become more readily available following market access
- ✓ Acquired the Mereenie Alice Springs Oil Pipeline and easement – possible alternative route to Alice Springs for NEGI's Moomba option

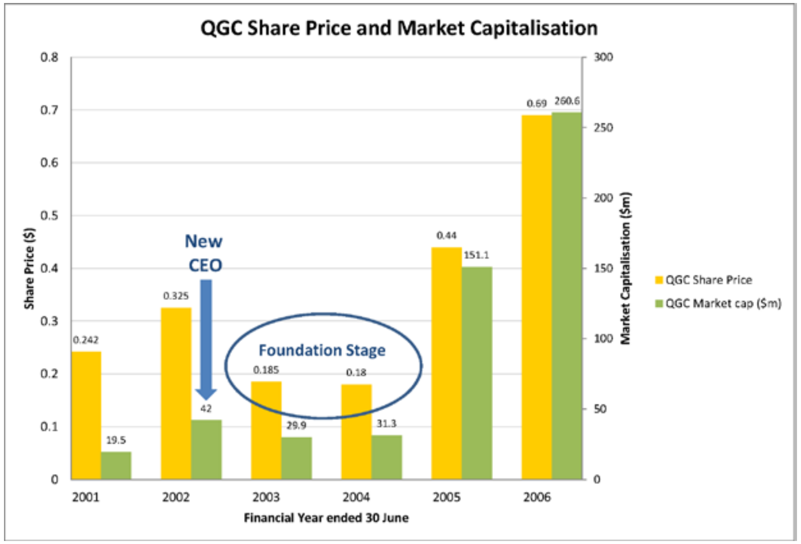
- ✓ **10 October 2014:** COAG appoints NT Government to lead the process
- ✓ **7 November 2014:** NSW & NT sign gas pipeline MOU
- ✓ **16 December 2014:** The Giles Government receives 14 Expressions of Interest
- ✓ **19 December 2014:** 11 companies shortlisted to proceed to the next stage of the bid process
- ✓ **1 April 2015:** 4 companies are invited to participate in the Request for Final Proposals stage "the pipeline is now almost certain" – Adam Giles
- ✓ **12 May 2015:** Federal Budget announces $5bn in concessional loans for infrastructure projects in WA, NT & QLD including pipelines
- ❑ **Q4 2015:** Selection of a preferred NEGI proponent
- ❑ **2016:** NEGI Financial Investment Decision (FID)
- ❑ **2018:** NEGI pipeline commencement

PART III: OUTLOOK

- THE FOUNDATIONS ARE LAID -

THE FOUNDATIONS OF SUCCESS

- In the last three years Central has laid the foundations necessary for market success by establishing supply contracts, field development, certified reserves and financing ahead of the NEGI domestic supply pipeline.
- Similarly, QGC took two years to lay its foundations which established local CSG supply. This made the proposed PNG pipeline unnecessary and changed fundamentally the market opportunities.
- After two years marking time, QGC's share price began its steady rise.



Source: QGC Annual Report 30-June-2006 (page 38)

THE FOUNDATIONS OF SUCCESS

Supply Contracts:

- CTP has 13 TJ/day of existing gas contracts under its operatorship (cf 11 TJ/day at QGC in May 2006)[1] and on an equity accounted basis 10.5 TJ/day (cf QGC 10 TJ/day in May 2006) [2]

- CTP has NEGI catalyst to come
 (QGC had PNG Pipeline demise to come)

Field Development:

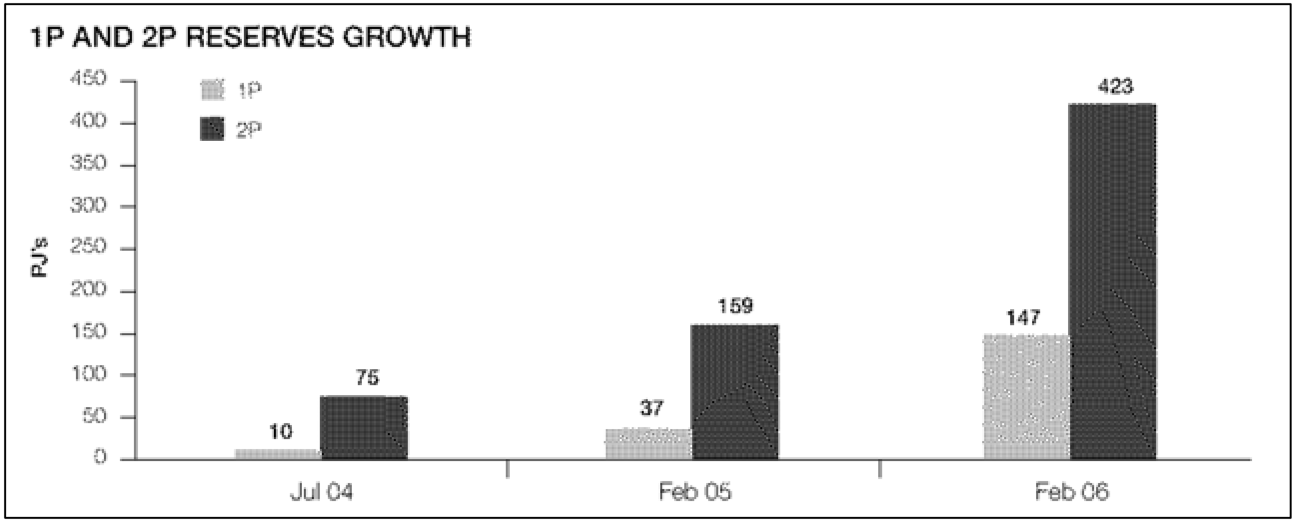
- CTP has fields developed capable of producing 60 TJ/day
 (cf QGC in August 2006 80 TJ/day) [3]

(1) Source: QGC Prospectus 4 August 2006 (Page 14)
(2) Source: QGC Prospectus 4 August 2006 (Page 14)
(3) Source: QGC Prospectus 4 August 2006 (Page 5)

THE FOUNDATIONS OF SUCCESS

Reserves Certification:

CTP is presently undertaking baseline for certified reserves starting with Palm Valley then Dingo then Mereenie (target by August 170 PJ and by end of the year 400 PJ).



Source: QGC Prospectus 04-Aug-2006

THE FOUNDATIONS OF SUCCESS

Financing:

- CTP has 368 million shares on issue
  (cf QGC 353 million as at 30 June 2005)(1)

- CTP has $47 million in debt
  (cf QGC $43 million as at 30 June 2006) (2)

- In fiscal year 2015-2016 will begin eating into tax losses
  (cf QGC in 2006/2007)

(1) Source: QGC Annual Report 30 June 2005 (page 46)
(2) Source: QGC Annual Report 30 June 2006 (page 54)

EXTRACT FROM QGC PROSPECTUS

Central Petroleum

Energy Outlook

In the last 5 years, the price of Australian thermal coal for export has approximately doubled, and oil prices have trebled. However, gas prices in Australia have remained relatively static, so much so that the price is now only about one-quarter of US or European gas prices.

Based upon the pricing relativities of alternate fuels, QGC's Board has taken the strategic view that gas prices in Australia will increase more than CPI in the longer term (5-15 years). The comparatively higher priced US and European markets will also have a benchmarking effect in terms of Australian gas pricing.

For these reasons, QGC will endeavour to focus upon shorter to intermediate term contracts (up to 5-10 years) and maintain flexibility to take advantage of expected higher prices in the longer term. The exceptions to this strategy will be in cases where:

- the contract price tracks the price of an external commodity in which gas is a major input such as electricity; or
- it is for a long term strategic purpose, such as augmenting pipeline infrastructure enabling QGC to open up more market opportunities; or
- a longer term is required for financing purposes.

4 August 2006 QUEENSLAND GAS COMPANY LIMITED 21

Contact Us

Richard Cottee

Managing Director

Ph: +61 (0) 7 3181 3800 | Fx: +61 (0) 7 3181 3855
Level 32, 400 George Street, Brisbane, Queensland 4000, Australia
PO Box 12214, George Street, Queensland 4003, Australia
info@centralpetroleum.com.au | centralpetroleum.com.au

Central Petroleum