

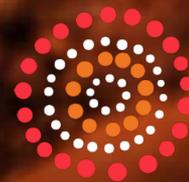


Central Petroleum Limited

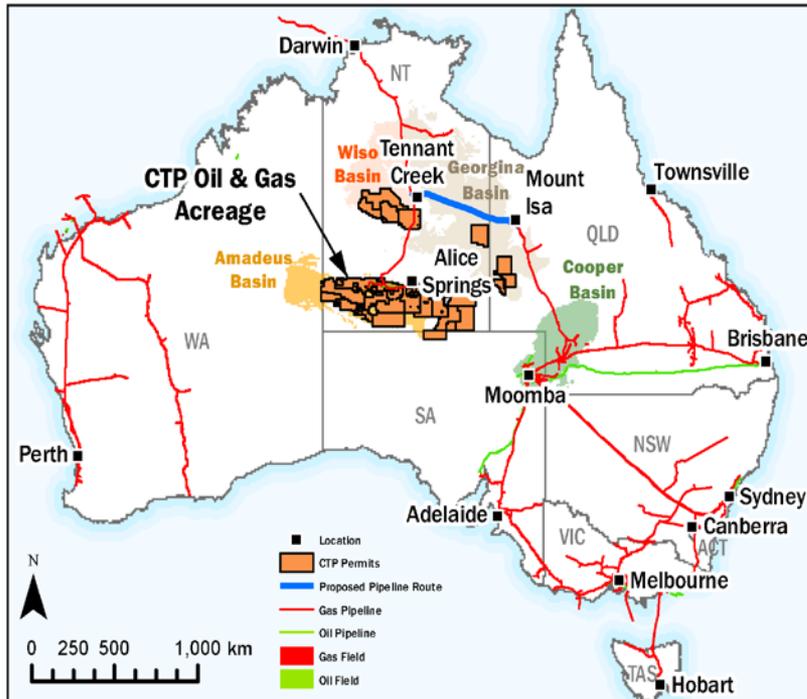
Shareholder Briefing

October 2016

ASX:CTP



The NGP is being built



- Jemena is constructing and is contractually committed to build a 622km pipeline linking the NT to the east coast market at a cost of around \$800M
- A 12-inch pipeline has been selected, initially capable of 90TJ/d (potential to increase capacity up to 160TJ/d with compression)
- Work has begun on the NGP, including approvals, design and long lead procurement
- Pipe has been ordered and the first delivery is within 30 days
- On schedule for gas to flow to east coast markets from 2018

There is ~**60TJ/d** of pipeline capacity remaining available for new sales (without compression)

Change in NT Government has no impact on Central



Central Petroleum Limited (“Central”) is a conventional gas producer and is not affected by the change of government as:

- **54%** of our staff are **locally employed**
 - ✓ If NGP reaches full capacity with CTP gas then this will rise to 75%
- **26%** of our staff are **indigenous**
- **40%** of **Alice Springs’ electricity** is generated using CTP gas
- **\$1.5M** extra local **economic activity** annually
- Over **\$3M** in Northern Territory and CLC **Royalties** this financial year
 - ✓ Only onshore gas pays royalties to the NT

“The markets unlocked by Northern Gas Pipeline will generate further employment opportunity at Central for the people of Alice Springs.”



Central at a glance

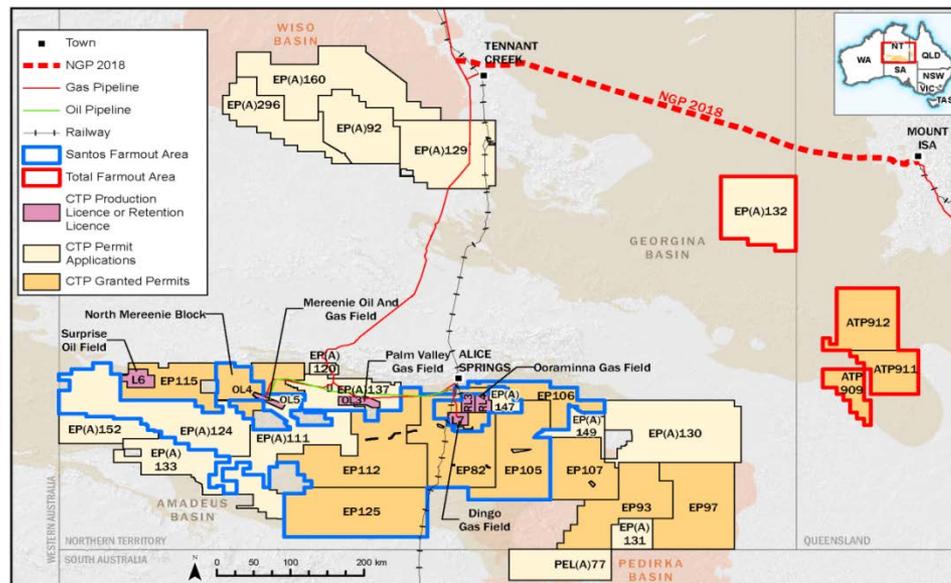


We have technical expertise over the on-shore basins of Central Australia and a distinct competitive advantage in operating efficiencies within the NT giving us the ability to deliver gas to Australia's east coast by 2018.

Central's Core Objectives:

- Continue to develop technical excellence in Central Australia's oil and gas basins
- Create markets to unlock Central Australia's vast on-shore energy potential
- Making a positive difference in the communities where we operate

Central's Asset Portfolio:



Two major exploration joint ventures:

- Total
 - Santos
- ~\$340M over three phases

3 Producing Assets: Mereenie, Palm Valley and Dingo fields.

Over 50% of our exploration acreage is held on a 100% basis - Prime gas exploration potential near infrastructure and the AGP & NGP pipelines.

Over 75% of current revenue under long-term fixed price gas contracts.

Seeking new sales into the Northern Territory and the east coast gas markets.

Central's operated gas fields

Central's Operates 3 Producing Fields:

- Mereenie
- Palm Valley
- Dingo

Current Reserves (Gross JV) *

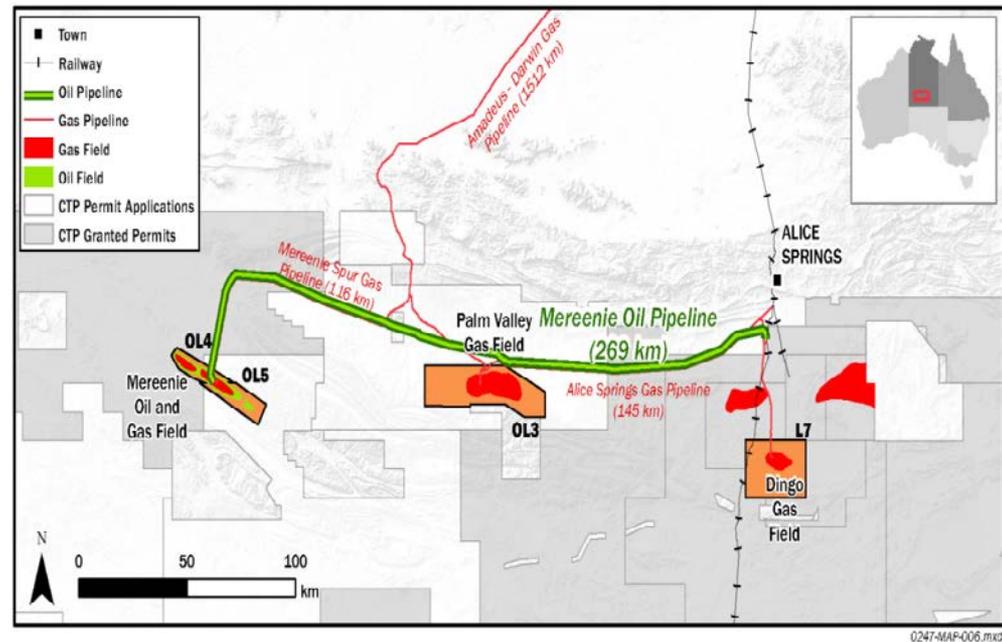
- 207 PJ of 2P
- 234 PJ of 2C

Production Capacity (Gross JV)

- All fields ~45 TJ/d
- All facilities ~65 TJ/d

Appraisal Program

- Five additional reserve opportunities identified near existing fields



* See ASX Announcements dated 21 July 2015 and 14 March 2016. Central is not aware of any new information or data that materially affects the information included in these ASX Announcements and all the material assumptions and technical parameters underpinning the estimates in the ASX Announcements continue to apply and have not materially changed.

Financially positioned to deliver



Financials (\$M)

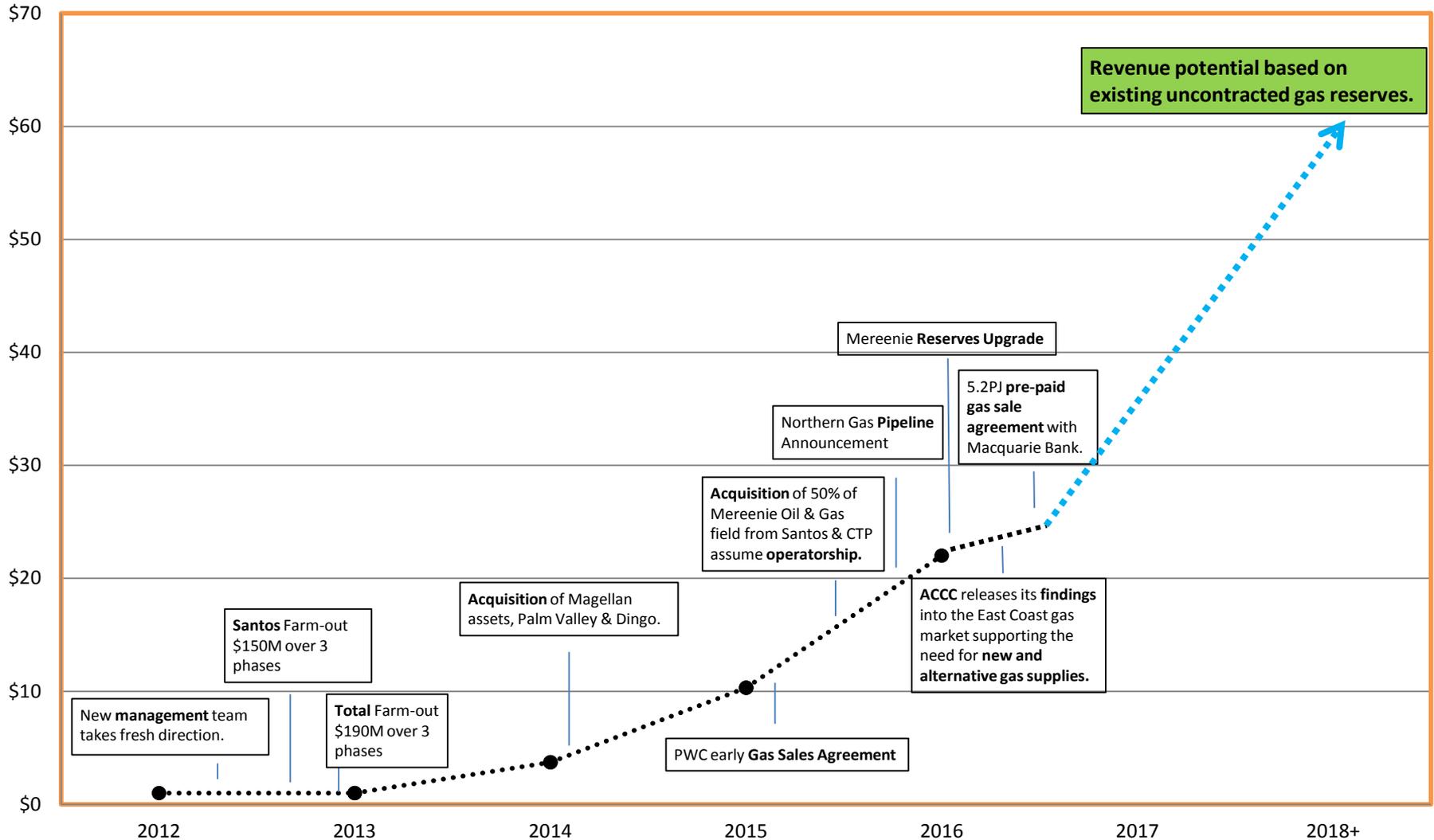
	FY2014	FY2015	FY2016
REVENUE	3.7	10.3	23.9
SALES (BOE)	63,452	259,243	654,071
UNDERLYING EBITDAX ¹	(6.5)	(8.9)	2.9
TOTAL ASSETS	85.7	86.7	151.4
CASH	10.3	3.5	15.1
DEBT	24.0	47.5	85.7

¹ Underlying EBITDAX is Earnings Before Interest, Tax, Depreciation, Amortisation, Impairment and Exploration expense, excluding one-off non-recurring items of income and expenditure.

Capital Structure

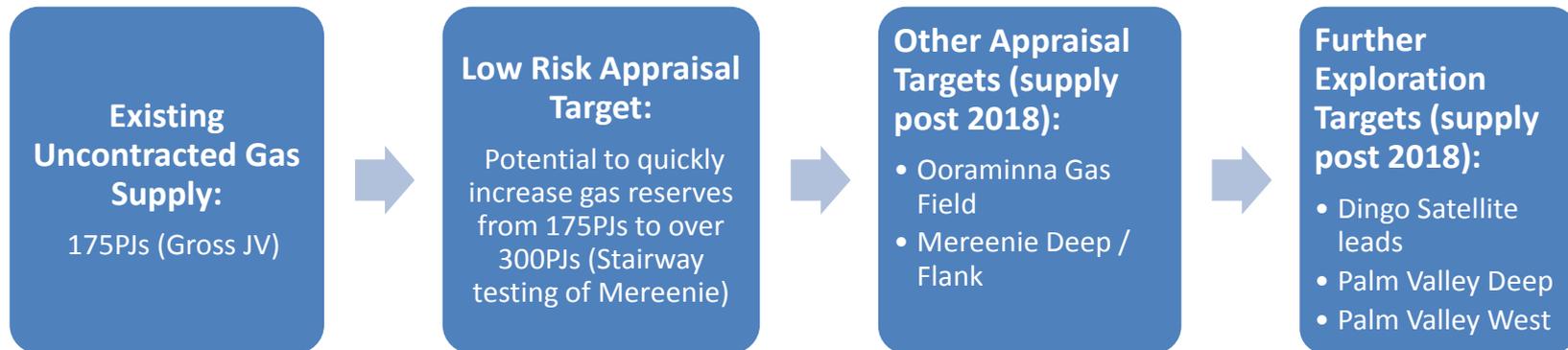
- ❖ MARKET CAP: ~\$45M
- ❖ SHARES ON ISSUE: 433.1M
- ❖ STOCK PRICE (19/09/2016): A\$0.10
- ❖ AV. TRADING VOL./DAY: 580,000
- ❖ TOP 20 SHAREHOLDERS: 20%

Revenues timeline



How will Central respond to the market?

By utilising our significant gas reserves which are available for sales now and do not require hydraulic fraccing.



With efficient market pricing signals, Central's gas reserves could underpin significant long-term domestic gas supplies from 2018.

The ACCC released its Inquiry into the east coast gas market in April 2016:

- Comprehensive and “fully informed” assessment of the east coast gas market
- 12 month study with unprecedented access to confidential market information

Key Findings

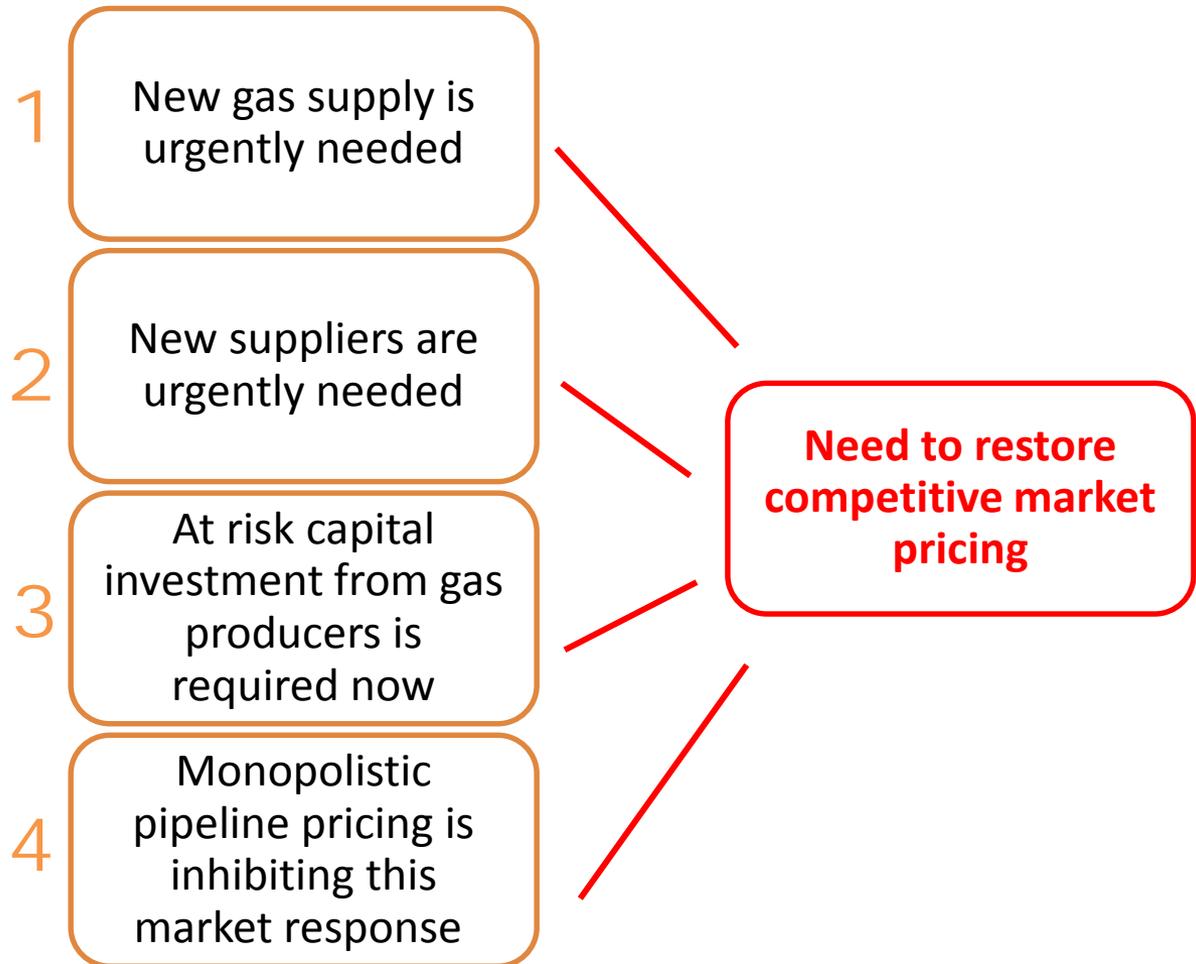
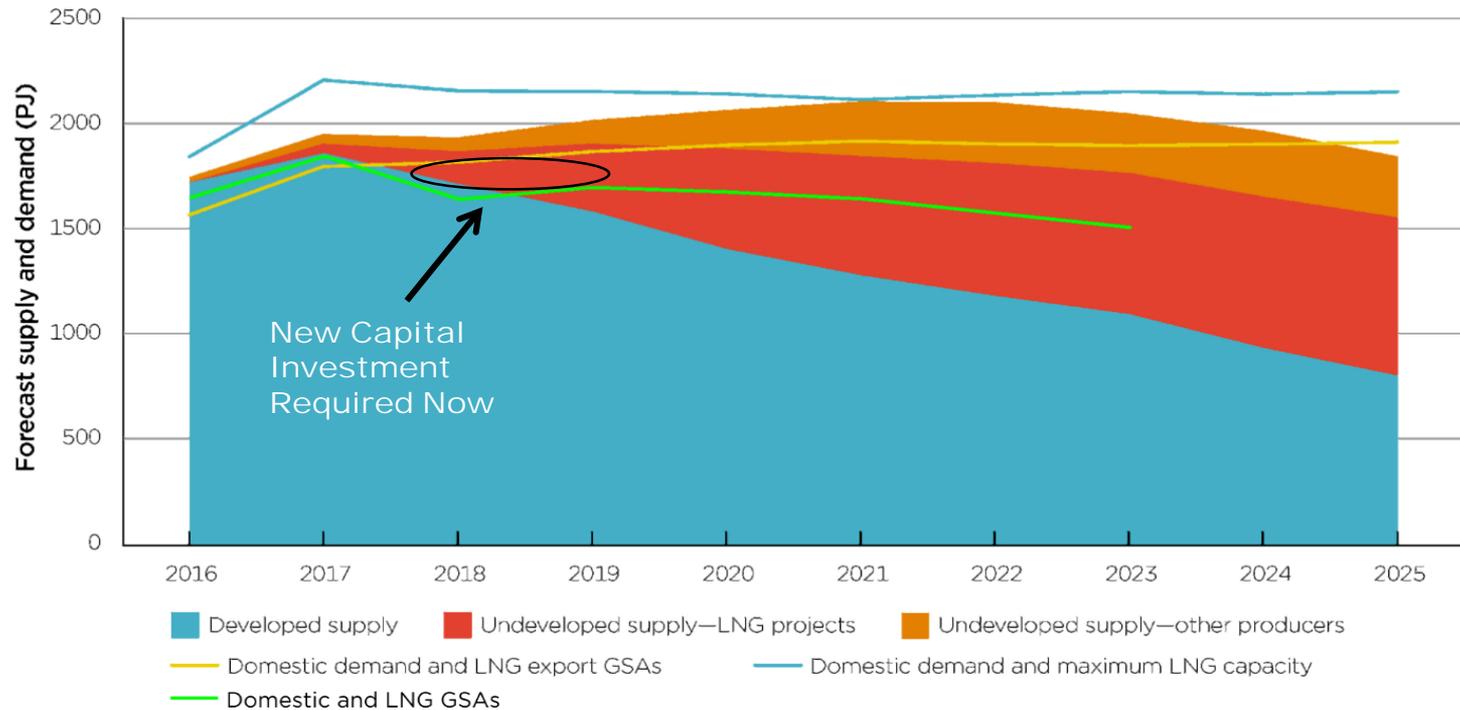


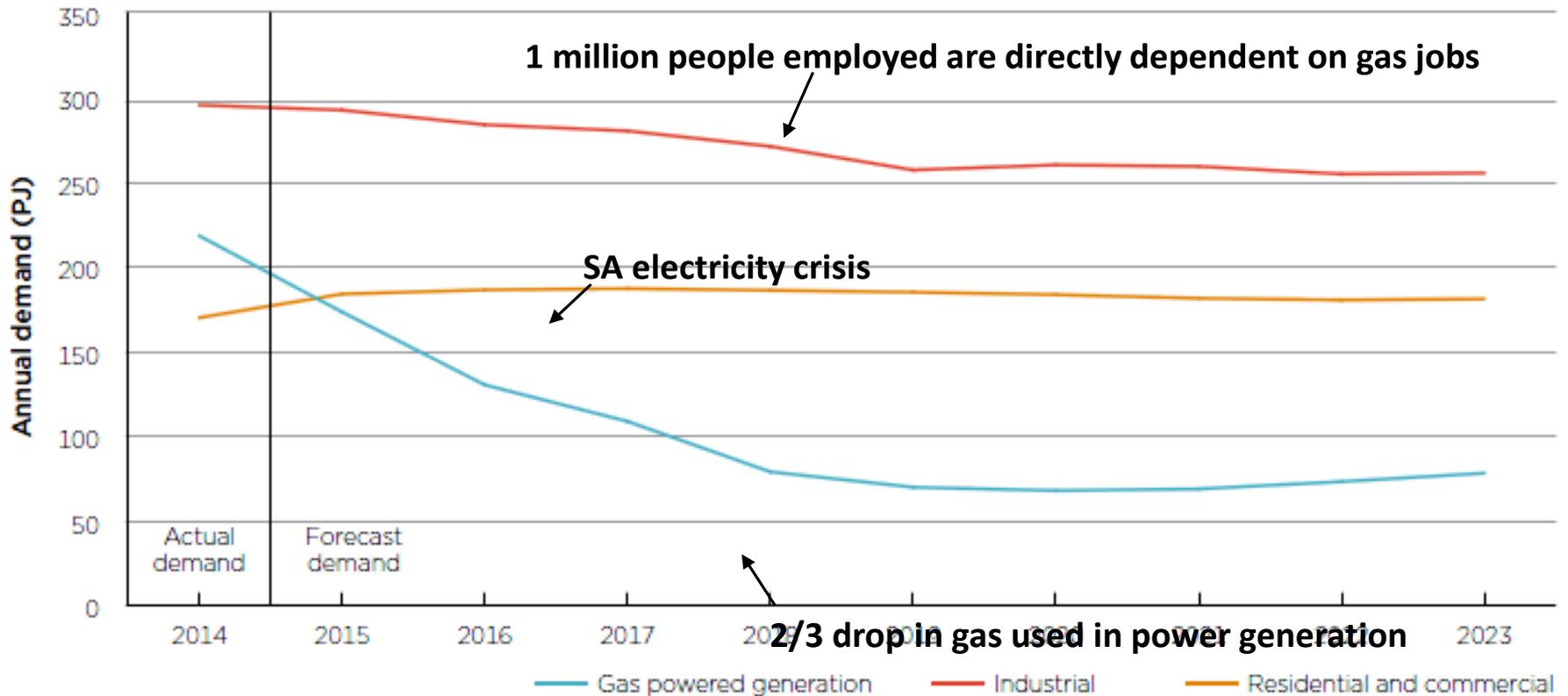
Chart 1.1 Forecast gas supply and demand balance in the east coast gas market, excluding Arrow, 2016-25



- CTP has sufficient gas to supply existing domestic and LNG contracts through 2018.
- Undeveloped supply needs to be brought to market from 2018.
This is at serious risk through moratoriums, ineffective economic regulation of pipeline tariffs, and depressed energy markets generally.
- The east coast market is critically short of competitive gas supply from 2018.

It is not about renewables

Chart 1.6 Actual and forecast domestic demand, 2014-23



Source: AEMO's 2015 National Gas Forecasting Report.

The gas shortage is real

- Reserve downgrades abound
- Sixth train yet to be commissioned
- When LNG price recovers the impact will be greater
- Seen \$44.90/GJ intra-day high spot gas in Victoria
- Delivered prices risen by over 100%
- YET... There is a two-thirds reduction in onshore exploration in last two years.

Market failure – price signals distorted

- On 19 August 2016, COAG met and moved towards enacting ACCC findings.
- Gas Market Reform Group, headed by Dr Michael Vertigan, formed to report back at December meeting.

“The ACCC found that there were few constraints on the behaviour of existing pipeline operators and evidence of the exercise of market power. Ministers are concerned that, based on the ACCC findings, the current test does not appear to be working, and a new test may be needed to put downward pressure on transport prices. One of Dr Vertigan’s first tasks will be to, in consultation with stakeholders and working with the ACCC findings, draw together what we need to do with the coverage criteria under the National Gas Law to address this issue. Ministers will consider Dr Vertigan’s report as the next meeting.”

Ministers noted that a key issue for gas market reform is to increase the overall supply and the number of suppliers, particularly in the east coast market.”

The Theory of the Resource Industry

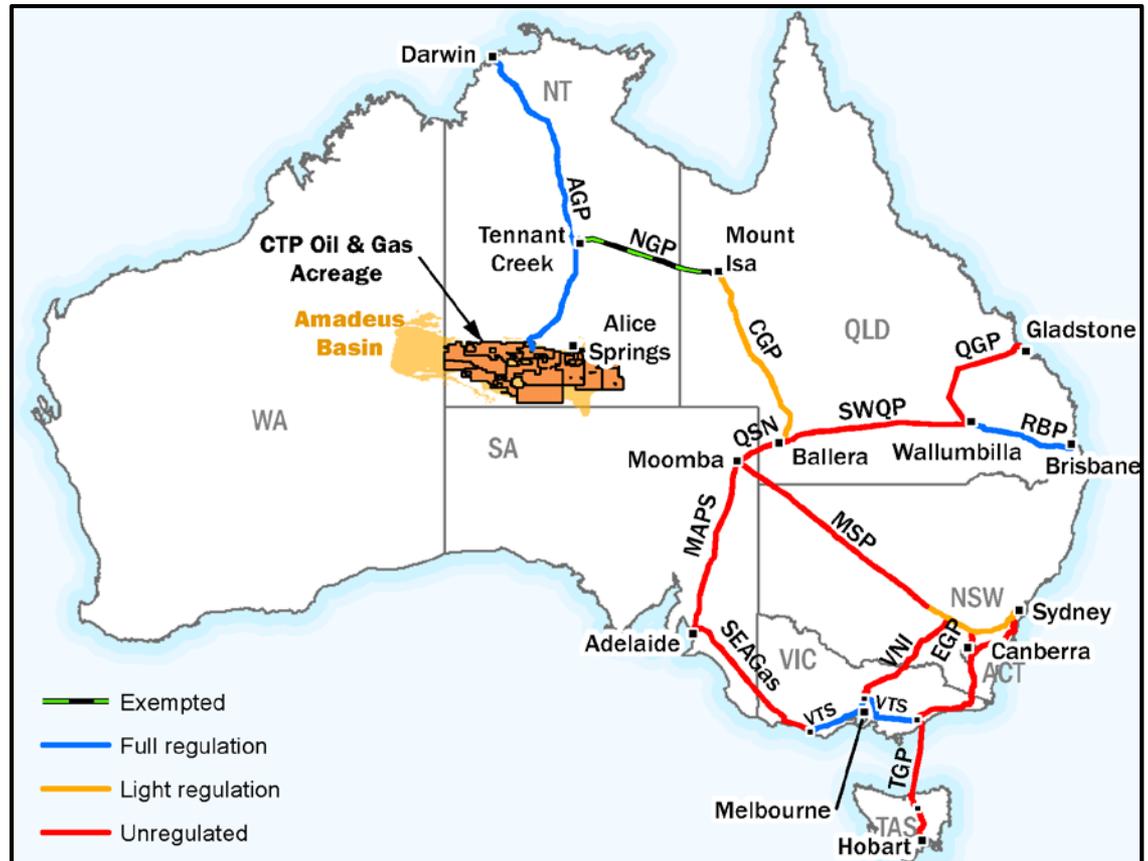


- Best resource develops first to underwrite capital for infrastructure.
- More expensive resource then able to develop on the back of infrastructure.
- Price is market clearing mechanism.
- The price signals must go back to where the capital (particular high risk) is needed.
- Fully amortised and paid back infrastructure is absorbing the price signal leading to demand destruction.



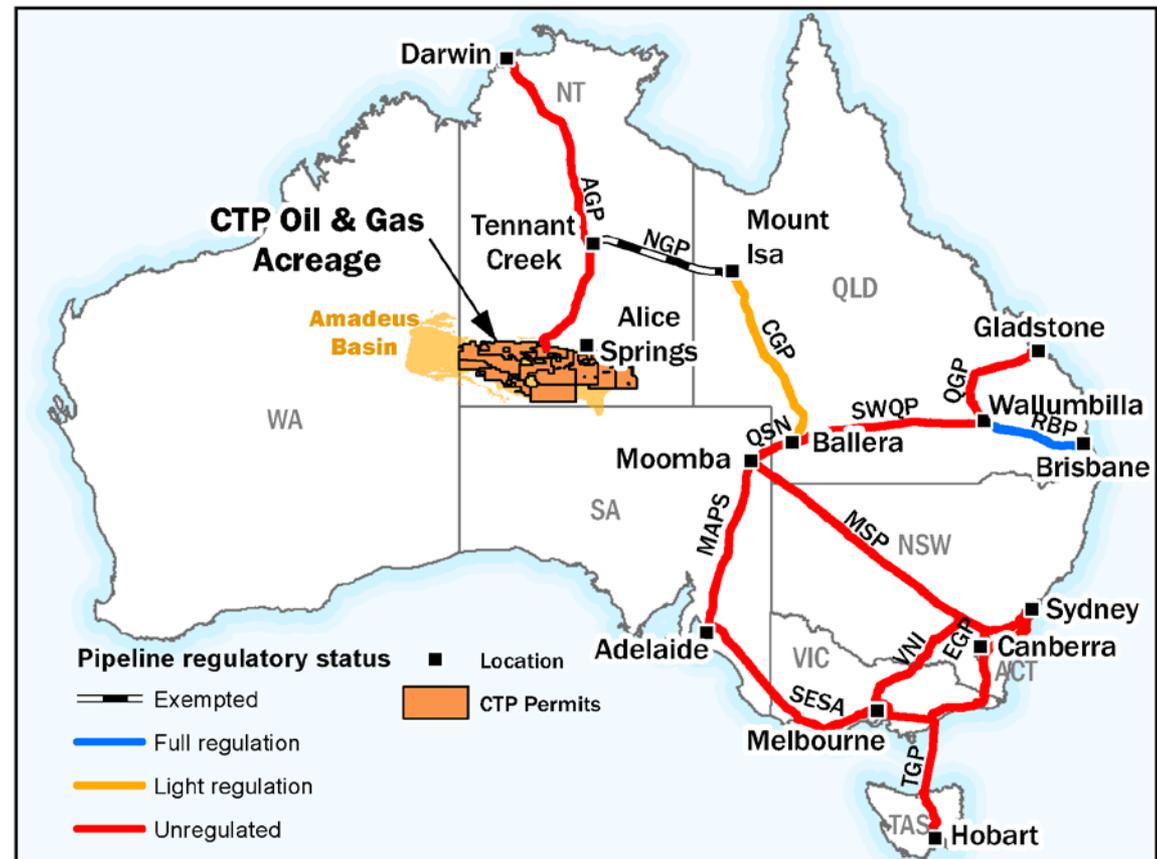
Gas Pipeline Maturity

- A mature pipeline has had its capital cost of building the pipeline substantially recovered from past revenues.
- ~80% of pipelines used by Central to deliver gas to domestic customers on the Eastern Seaboard are mature pipelines (>15 years old).
- Mature pipeline owners have received capital costs and a return on capital for those investments.



Gas Pipeline Coverage

- Most of the existing mature pipelines are unregulated (see adjoining map).
- This is due to the existing coverage test not being adequate to capture these pipelines – this needs to change first.
- Even if covered, there are no effective economic regulations in place to control monopolistic pipeline tariffs.



Central has become Central

- ✓ NGP is being built
- ✓ Capacity exists for our production from existing reserves
- ✓ Mereenie has the existing infrastructure
- ✓ Appraisal of more reserves unaffected by change of government
- ✓ Inventory of prospects
- ✓ EBITDAX positive last year with only 10 months of Mereenie and despite oil bottoming at US\$30/bbl



Contact Us



Richard Cottee

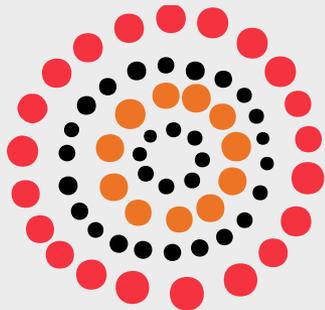
Managing Director & CEO

Ph: +61 (0) 7 3181 3800 | Fx: +61 (0) 7 3181 3855

Level 7, 369 Ann Street, Brisbane, QLD 4000

GPO Box 292, Brisbane, QLD 4001

info@centralpetroleum.com.au | centralpetroleum.com.au



**Central
Petroleum**

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 of 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 unrisks 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.