

7 June 2022

PALM VALLEY-12 WEEKLY DRILLING UPDATE

The Operator (“Central”) (ASX: CTP) advises that on 6 June 2022, the Palm Valley 12 (PV12) well in OL3, Southwest of Alice Springs in the Northern Territory, was at the section total depth of 1,998m 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 key casing point for drilling the deeper Arumbera exploration target.

Fractures encountered in the P1 unit continued to slow drilling progress this week due to losses of drilling fluids requiring multiple fluid loss reduction measures including consecutive cement jobs. Consequently, only 51m of hole has been drilled since the 31 May 2022 drilling update. The top of the P2 sealing unit was intersected on prognosis at 1,963m and drilling continued for an additional 36m to allow for sufficient section to provide a good shoe for the 9 5/8” casing string which is currently being cemented. With casing through to the P2 section currently underway, we anticipate a return to faster drilling rates, with intersection of the P3 formation expected later this week.

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: CUE) (15% interest) and are scheduled to be completed this year.

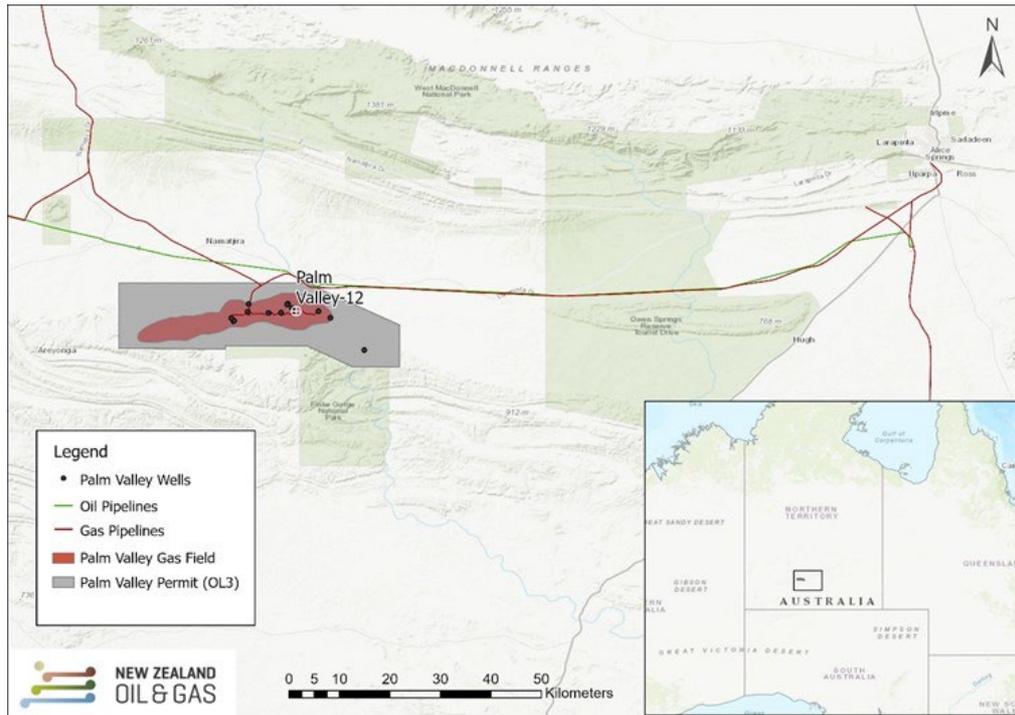


Fig 1 Location of Permit OL3 and Palm Valley-12 exploration well.