

13 November 2018

RESERVES UPDATE

Central Petroleum Limited (ASX:CTP) ("Company" or "Central") announce that internationally recognised petroleum consultants Netherland, Sewell & Associates, Inc. have estimated net petroleum reserves and contingent resources for the 100% owned Palm Valley Field and Dingo Field, and for the 50% interest in the Mereenie Oil & Gas field (Figure 1), each operated by Central, as of 30th June 2018.

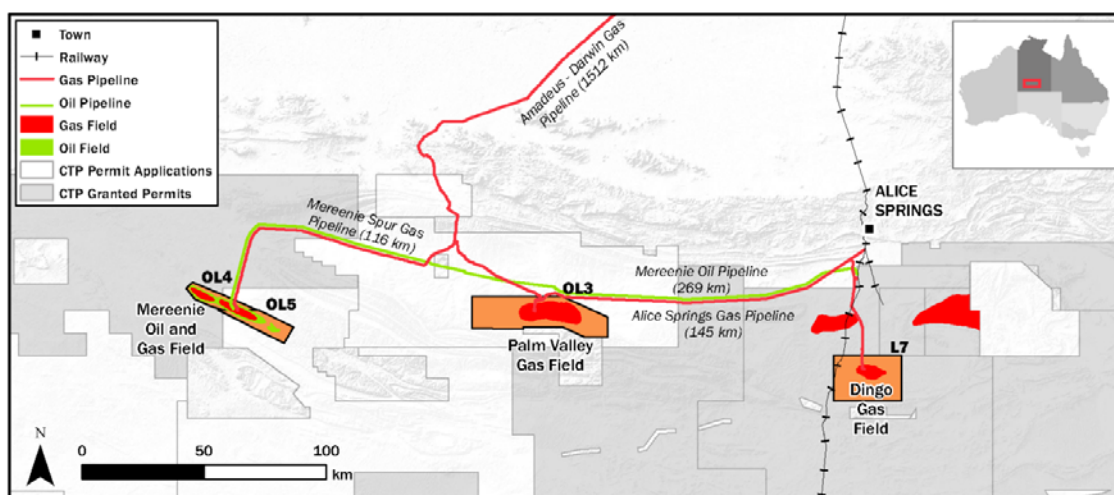


Figure 1. Location of Mereenie, Palm Valley and Dingo fields

Highlights

Total Company oil and gas reserves and contingent resources have increased substantially. Proven (1P) gas reserves have increased 65% to 134PJ, Proven and Probable (2P) gas reserves have increased 37% to 169PJ, and Proven and Probable and Possible (3P) gas reserves are 205PJ.

Proven oil reserves have also increased, with 1P up 109% to 0.78 million barrels, 2P up 154% to 0.97 million barrels, and the 3P is 1.15 million barrels.

In the Mereenie Field, the 1P gas reserves have increased 39% to 78PJ, 2P gas reserves have increased 28% to 89PJ, and the 3P gas reserves are 98PJ.

At Palm Valley Field, the 1P gas reserves have increased 45% to 24PJ, the 2P gas reserves have increased 86% to 42PJ, and 3P gas reserves are 58PJ.

In the Dingo Field, the 1P gas reserves have increased 287% to 31PJ, the 2P gas reserves have increased 23% to 38PJ, and 3P gas reserves are 48PJ.

The movement in reserves and contingent resources in Mereenie gas is due to additional field production data, plus confirmed access to the gas market through the Northern Gas Pipeline (NGP). The increase seen for Mereenie Oil is due to additional field production and pressure data.

The movement in Palm Valley reserves and contingent resources is due to confirmed access to the gas market through the NGP, and additional proven undeveloped reserves from the Palm Valley 13 well.

The movement in Dingo Gas reserves and contingent resources comes from additional field production data and confirmed access to the gas market through the NGP.

Total Reserves and Contingent Resources – Central Petroleum Share

Unit		2018 Annual Report	Updated Numbers	Variance	Variance (%)
Oil					
1P	MMBbl	0.37	0.78	0.41	109%
2P	MMBbl	0.38	0.97	0.59	154%
3P	MMBbl	*	1.15	*	*
2C	MMBbl	0.1	0.1	0.0	0%
Gas					
1P	PJ	81.03	133.79	52.76	65%
2P	PJ	122.9	168.73	45.83	37%
3P	PJ	*	204.72	*	*
2C	PJ	143.6	91.2	-52.4	-36%

* = N/A

Notes: Total Gas reserves exclude oil equivalent. Table includes Mereenie gas lifting imbalance.

Reserves and Contingent Resources per Field – Central Petroleum Share

	Unit	2018 Annual Report	Updated Numbers	Variance	Variance (%)
Mereenie, Oil					
1P	MMBbl	0.37	0.78	0.41	109%
2P	MMBbl	0.38	0.97	0.59	154%
3P	MMBbl	*	1.15	*	*
2C	MMBbl	0.1	0.1	0.00	0%

Mereenie, Gas					
1P	PJ	56.23	78.2	21.97	39%
2P	PJ	69.3	88.55	19.25	28%
3P	PJ	*	98.21	*	*
2C	PJ	91.2	91.2	0.00	0%

Palm Valley, Gas					
1P	PJ	16.69	24.24	7.55	45%
2P	PJ	22.59	42.00	19.41	86%
3P	PJ	*	58.36	*	*
2C	PJ	29.7	*	*	*

Dingo, Gas					
1P	PJ	8.11	31.35	23.24	287%
2P	PJ	31.01	38.18	7.17	23%
3P	PJ	*	48.15	*	*
2C	PJ	22.7	*	*	*

* = N/A

Notes: Total Gas reserves exclude oil equivalent. Table includes Mereenie gas lifting imbalance.

QUALIFIED PETROLEUM RESERVES AND RESOURCE EVALUATOR REQUIREMENTS

The reserves and resources information in this Central Petroleum Limited Australian Securities Exchange (“ASX”) document provided to Netherland, Sewell & Associates, Inc. (“NSAI”) relating to Mereenie Field, Palm Valley Field and Dingo Field are based on, and fairly represents information and supporting documentation prepared by, or under the supervision of Mr. Dan Paul Smith. Mr. Dan Paul Smith is a full-time employee of NSAI holding the position of Senior Vice President who has a B.S. Petroleum Engineering degree from Mississippi State University and is a licensed professional engineer in the State of Texas. He is a member of the Society of Petroleum Engineers and is qualified in accordance with ASX listing rule 5.41.

NOTES

1. The estimates of petroleum reserves and contingent resources are as at 30 June 2018.

2. The referenced petroleum reserves and contingent resources estimates have been prepared in accordance with the 2018 Petroleum Resources Management System ("2018 PRMS") approved by the Society of Petroleum Engineers.
3. Unless otherwise stated, all references to Central's petroleum reserves and contingent resources quantities in this document are Central's net share.
4. Central engaged independent expert Netherland, Sewell & Associates, Inc. ("NSAI") to estimate the petroleum reserves and contingent resources, as of 30 June 2018, to the Central's interest in certain petroleum properties located in:

- a. Palm Valley Field (Petroleum Production Lease OL3 held by Central Petroleum (NT) Pty Ltd);
- b. Mereenie Oil and Gas Field (Petroleum Production Leases OL4 and OL5 held by Central Petroleum Mereenie Pty Ltd as trustee for the Central Petroleum Mereenie Unit Trust); and
- c. Dingo Field (Petroleum Production Licence L7 held by Central Petroleum (NT) Pty Ltd),

each located in the northern portion of the Amadeus Basin in Northern Territory, Australia with Central Petroleum Limited acting as Operator.

5. The data used in NSAI's estimates of petroleum reserves and contingent resources were obtained from Central, public data sources, and the non-confidential files of NSAI and were accepted as accurate. NSAI's estimates used technical and economic data including, but not limited to, well logs, geologic maps, seismic data, well test data, production data, historical price and cost information, and property ownership interests. NSAI used standard engineering and geoscience methods, or a combination of methods, including performance analysis, volumetric analysis, analogy, and reservoir modelling, that NSAI considered to be appropriate and necessary to classify, categorise, and estimate volumes in accordance with the 2018 PRMS definitions and guidelines. A portion of the contingent resources shown in this document are for undeveloped locations; such volumes are based on estimates of reservoir volumes and recovery efficiencies along with analogy to properties with similar geologic and reservoir characteristics. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geoscience data; therefore, conclusions necessarily represent only informed professional judgment. NSAI's report was prepared using petroleum price and cost parameters specified by Central.
6. Various existing gas contracts for Palm Valley Field, Mereenie Oil and Gas Field and Dingo Field and crude oil sales for Mereenie Oil and Gas Field have been taken into account in developing petroleum reserves and contingent resources. Oil and gas prices under these arrangements remain confidential. Thus, in the aggregate, the total volumes summarised in the tables included in this document represent a reasonable estimate of Central's petroleum reserves and contingent resources position as at 30 June 2018.
7. The contingent resources volumes reported here are "unrisked" in the sense that no adjustment has been made for the risk that a project associated with the contingent

resources may not be developed in the form envisaged or may not go ahead at all (i.e., no “Chance of Development” factor has been applied).

8. Estimates of petroleum reserves do include adjustment for the settlement of any overdelivery or underdelivery to Central's interests and therefore do include adjustments for the settlement of any such imbalances. There has been no adjustments made to account for any firm transport contracts that may be in place.
9. Contingent resources should not be aggregated with reserves because of the different levels of risk involved and the different basis on which the volumes are determined.
10. The petroleum reserves and contingent resources in this document have been estimated using deterministic methods. The estimates of petroleum reserves and contingent resources herein have not been adjusted for risk.
11. The reserves and contingent resources shown in this document are estimates only and should not be construed as exact quantities. Estimates may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance. Estimates are based on certain assumptions including, but not limited to, that the properties will be developed consistent with current development plans, that the properties will be operated in a prudent manner, that no governmental regulations or controls will be put in place that would impact the ability of Central to recover the volumes, and that our projections of future production will prove consistent with actual performance. Because of governmental policies and uncertainties of supply and demand, the sales rates, prices received, and costs incurred may vary from assumptions made.
12. The reference point for the Palm Valley Field is the inlet flange to the Amadeus Gas Pipeline and for the Dingo Field it is the outlet flange of Central's pipeline, and quantities of produced product are measured under defined conditions prior to custody transfer. The reference point for the Mereenie Oil & Gas Field, gas reserves and contingent resources and production is the point at which gas passes the inlet flange to the Amadeus Gas Pipeline and quantities of produced product are measured under defined conditions prior to custody transfer. The reference point for the Mereenie Oil & Gas Field, oil reserves and contingent resources and production is the point at which oil passes the crude oil truck load-out skid and quantities of produced product are measured under defined conditions prior to custody transfer. Fuel, flare and shrinkage to the reference points are accounted for in respect of the petroleum reserves stated in the tables above.
13. The method of aggregation is by arithmetic sum by category. As a result each of the 1P and 1C may be a very conservative estimate and each of the aggregated 3P and 3C may be a very optimistic estimate due to the effects of arithmetic summation.
14. Information on petroleum reserves and contingent resources quoted in this reserves statement is rounded to the nearest whole number. Some totals in the tables may not add due to rounding.

General Disclaimer and explanation of terms:

This document may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which may be outside the control of the Company and could cause actual results to differ materially from these statements. These risks,

uncertainties and assumptions include (but are not limited to) funding, exploration, 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, cost estimates and other risk factors described from time to time in the Company's reports filed with the ASX. 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, its agents, directors, officers, employees, advisors and consultants do not undertake any obligation to publicly 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," "understand", "estimate," "anticipate," "plan," "predict," "target," "may," "hope," "can," "will," "should," "expect," "intend," "projects", "is designed to," "with the intent," "potential," the negative of these words or such other variations thereon or comparable terminology or similar expressions or future may indicate a forward looking statement or conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts.

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