

31 July 2014

**STAGE 2 - SANTOS TO PROCEED WITH STRATEGICALLY FOCUSED  
SOUTHERN AMADEUS JV**

Central Petroleum Limited (**ASX:CTP**) ("**Company**" or "**Central**") today announced that Santos has elected to proceed to Stage 2 of an amended Southern Amadeus Joint Venture with Central under terms that will allow the JV to give priority to spending on areas of highest prospectivity (see attached map). It is expected that Santos will determine its position regarding further Mt Kitty testing and its commitment to the North West Mereenie joint venture by around the end of August.

Central has now regained 100% ownership of the Ooraminna Gas Discovery in RLs 3 & 4 which will form a hub of future opportunities to be pursued after the successful conclusion of a further gas sales contract. Central sees great strategic merit in regaining control of RLs 3 & 4, particularly where RL3 is a mere 10km from Central's recently acquired the Dingo Gas Field and 50km Dingo Pipeline currently under construction.

Central and Santos have concurred that the prospectivity of the Southern Amadeus has been confirmed by the results of Mt Kitty and the 1,587km of 2D seismic acquired during Phase 1 of the farmout. As a result, an additional 300km of seismic has been added to the current 1,000km of 2D seismic earmarked for the more prospective Southern Amadeus following Central and Santos' election not to proceed as a joint venture in the Pedirka Basin (EPs 93 & 97).

The Santos farmout Stage 2 will therefore result in a further 1,300km of 2D seismic being acquired in the Southern Amadeus area (estimated to cost around \$12 Million) earning Santos 40% participating interest in the permits listed in the attached schedule (the “Southern Amadeus Joint Venture”).

Central has been able to temporarily suspend its permit work commitments in the Pedirka Basin to enable it to negotiate a more targeted acreage holding in that Basin. Following an extensive review of the data Central and Santos has determined that the drilling of Pellinor was not the best use of capital and Central is looking forward to concentrating on opportunities in EPs 93 & 97 now on a 100% basis.

The Wiso Basin will become a Company priority following the review of existing and recently acquired data. This review of data for all its application areas has reaffirmed interest in the Northern Territory sector of the Amadeus, and downgraded the prospectivity of the Western Australian acreage applications which will no longer be pursued.

“Central is pleased to continue to have the opportunity to work with Santos as it has over the last 2 years. The financial commitment and technical efforts Santos has brought to exploration has enabled the prioritisation of opportunities to be advanced in the next 18 months. We are excited by regaining 100% of the gas prone acreage around Dingo allowing the Company to leverage off the Dingo investment to enhance future incremental economic opportunities” said Richard Cottee, Managing Director.

**Company enquiries, please contact:**

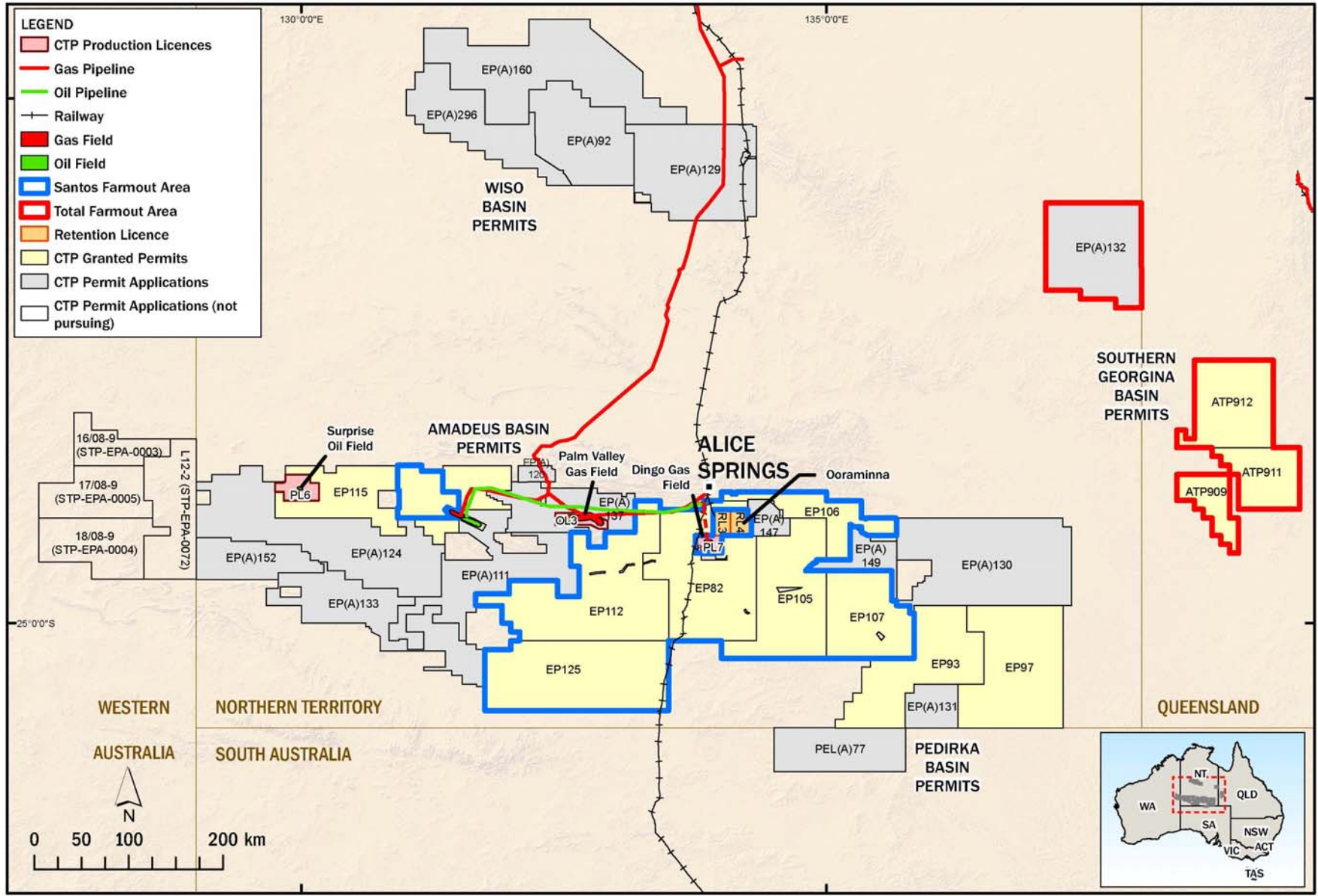
Richard Cottee, Managing Director, +61 7 3181 3800

**Media enquiries please contact:**

Martin Debelle at Citadel +61 2 9290 3033 or Mobile +61 (0)409 911 189

**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," "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.*



Southern Amadeus Area	Total Santos Participating Interest after completion of Stage 1	Total Santos Participating Interest after completion of Stage 2
EP82	25%	40% (ie additional 15% earnt)
EP105	25%	40% (ie additional 15% earnt)
EP106	25%	40% (ie additional 15% earnt)
EP107	25%	40% (ie additional 15% earnt)
EP112	25%	40% (ie additional 15% earnt)
EP(A)147	25%	40% (ie additional 15% earnt)