

ASX ANNOUNCEMENT

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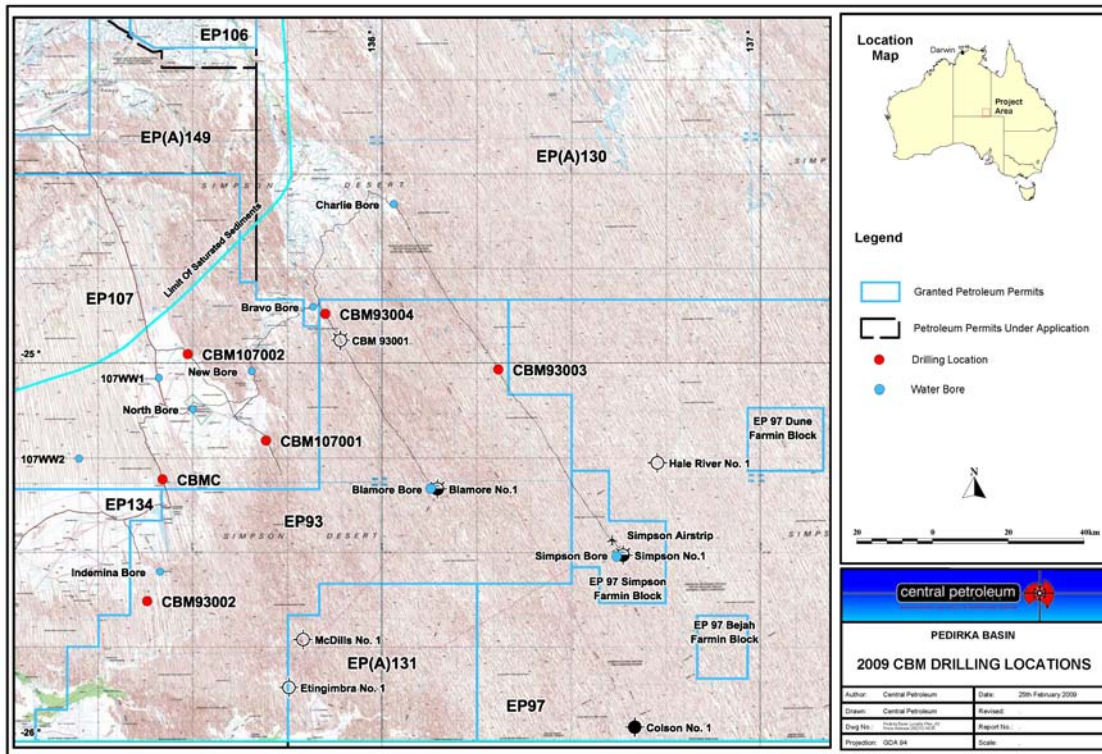
CENTRAL TAGS COAL IN CBM 107-002

Central Petroleum Limited (ASX: "CTP", "Central" or "the Company") is pleased to announce that its fourth coal seam gas, (CSG) well, CBM107-002 (EP107) tagged coal at 237.6m RT, some 32m high to the prognosed depth of 270m RT.

Central holds a 70% interest and is Operator in EP 107, through wholly-owned subsidiary Merlin Energy Pty Ltd, and is in JV with Petroleum Exploration Australia Pty Ltd (20%) and Red Sky Energy (NT) Ltd (10%). CBM 107-002 is located at Latitude 24 degrees 58 minutes 33.599seconds, Longitude 135 degrees 29 minutes 13.2 seconds.

"A very encouraging result" said John Heugh, Central's Managing Director, today. "This will almost certainly result in the remapping of the Permian coal targets in the Pedirka Basin and may enhance the prospects of encountering biogenically derived coal seam gas as well as potentially adding to the already massive JORC coal "Exploration Target" we are evaluating here."

The coal was encountered while drilling the surface hole with a 8.5" tricone drill bit prior to running 7" casing which was planned closer to the prognosed top of the coal at 270m RT. Approximately 3.5 m of coal was drilled prior to pulling out of the hole to run casing.



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NOTICE: The participating interests of the relevant parties in the respective permits and permit applications which may be applicable to this announcement are:

EP-82 (excluding the Central subsidiary Helium Australia Pty Ltd ("HEA") and He Nuclear Ltd ("HEN") Magee Prospect Block) - HEA 70%, Petroleum Exploration Australia Ltd ("PXA") 20% and Red Sky Energy (NT) Pty Ltd ("ROG NT") 10%.

Magee Prospect Block portion of EP 82 – HEA 84.66% and HEN 15.34%.

EP-93, EP-105, EP-106, EP-107, EPA-92, EPA-129, EPA-131, EPA-132, EPA-133, EPA-137, EPA-147, EPA-149, EPA-152, ATP-909, ATP-911, ATP-912 and PELA-77 - Central subsidiary Merlin Energy Pty Ltd 70% ("MEE"), PXA 20% and ROG NT 10%.

The Madigan, Bejah and Dune Prospect Block portions within EP-97 – MEE 65%, Rawson Resources Ltd 20% and PXA 15%.

EP-125 (excluding the Central subsidiary Ordiv Petroleum Pty Ltd ("ORP") and HEN Mt Kitty Prospect Block) and EPA-124 - ORP 70%, PXA 20% and ROG NT 10%.

Mt Kitty Prospect Block portion of EP 125 - ORP 75.41% and HEN 24.59%.

EP-112, EP-118 and EPA-120 - Central subsidiary Frontier Oil & Gas Pty Ltd ("FOG") 70%, PXA 20% and ROG NT 10%.

EP-115 & EPA-111 – FOG 60%, PXA 20%, Trident Energy Limited 10% and ROG NT 10%.

PEPA 18/08-9 PEPA 17/08-9 and PEPA 16/08-9 - Central subsidiary Merlin West Pty Ltd 70%, PXA 20% and ROG NT 10%.



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Competent Persons Statement

Al Maynard & Associates

Information in this announcement or attached report or notification which may relate to Exploration Results of coal tonnages in the Pedirka Basin is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG") and a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and an independent consultant to the Company. Mr Maynard is the principal of Al Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Maynard consents to inclusion in this Report or announcement of the matters based on his information in the form and context in which it appears.

Mulready Consulting Services

The Mulready Consulting Services Report on UCG and CSG which may be referred to in this report or announcement or notification was prepared by their Associate Mr Roger Meaney, who holds a BSc (Hons) from Latrobe University and has over 30 years experience in the petroleum exploration and production industry with 8 years experience in the field of Coal Seam Gas.

General Disclaimer

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. Since oil via Gas to Liquids Processes (GTL) volumetrics may be derived from gas estimates the corresponding categorisation applies. Unless otherwise annotated any potential oil, gas or helium 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 CTP in this announcement or report have not been reviewed by either Petroleum Exploration Australia Limited (PXA), QGC, Trident Energy Limited (TRI), He Nuclear Limited (HEN) or Red Sky Energy Limited (ROG). Therefore those resource estimates, assessments of exploration results and opinions represent the views of the Company only and not those of PXA, QGC, TRI, HEN or ROG. The company, CTP is interested in UCG and/or UCTL applications in its own right, outside of the current Joint Venture with PXA and reference to UCG potential represent the view of the company only and do not reflect the views of PXA, QGC, TRI or ROG. Exploration programme which may be referred to in this announcement or report have not been approved by relevant Joint Venture partners and accordingly constitute a proposal only unless and until approved.

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