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PTY LTD
ABN 29 111 102 697

frontier OIL & GAS
PTY LTD
ABN 91 103 194 136

helium AUSTRALIA
PTY LTD
ABN 11 078 104 006

merlin WEST
PTY LTD
ABN 59 114 346 968

central GREEN
PTY LTD
ABN 84 128 245 876

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PTY LTD
ABN 86 128 245 885

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PTY LTD
ABN 57 140 628 155

ASX ANNOUNCEMENT

ASX CODE: CTP

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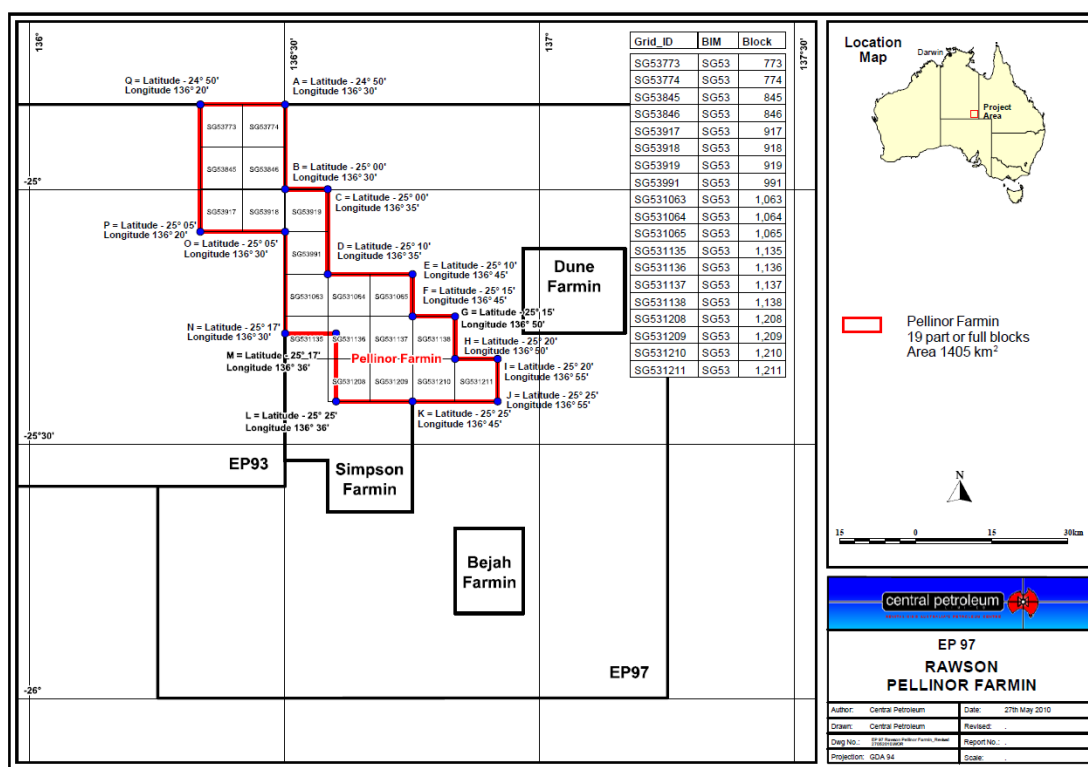
TO: The Manager, Company Announcements ASX Limited

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NEW EP 97 OIL FARMIN BY CENTRAL PETROLEUM

Central Petroleum Limited (**ASX:CTP**) ("Central") is pleased to announce that its wholly owned subsidiary, Merlin Energy Pty Ltd ("Merlin"), has entered into an agreement with Rawson Resources Limited to farmin into the oil prospective Pellinor prospect block ("Pellinor Block") within EP 97 situated in the Pedirka Basin.

The terms of the farmin agreement allow Merlin to complete and fund at the 100% level, 100km of 2D seismic and drill one well within the Pellinor Block to retain an 80% participating interest. c.38 km of seismic acquired by Merlin within EP 97 but outside of the Simpson, Bejah and Dune Prospect Blocks will be credited towards satisfying the Pellinor 100km 2D seismic obligation.



Central will be the operator of the farmin operations and the same Joint Operating Agreement used for the Simpson, Bejah and Dune prospect blocks will be used.

"The area accessible by Central with undoubted prospectivity for oil in the Pedirka Basin has been significantly enhanced by the Pellinor Farmin Agreement" said John Heugh, Central's Managing Director today. "The additional 1,400 km² of ground hosts a major monoclinial and/or faulted play type on the fringes of the deeper part of the main oil kitchen area, the Madigan Trough. The play also has widespread stratigraphic trapping potential in the known petroleum systems in the Pedirka Basin and the overlying Eromanga Basin sediments"

The farmin is subject to, inter alia, the Northern Territory Department of Resources renewing EP 97, which is due to expire on 14 February 2011, for a further 5 years.



John Heugh
Managing Director
Central Petroleum Limited

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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 the Simpson, Bejah and Dune Prospect Block portions within EP-97 – Merlin Energy Pty Ltd and 80% and Rawson Resources Ltd 20%.

General Disclaimer and explanation of terms:

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 relevant Joint Venture partners. Therefore those resource estimates, assessments of exploration results and opinions represent the views of Central only. Exploration programmes which may be referred to in this announcement or report have not been necessarily been approved by relevant Joint Venture partners and accordingly constitute a proposal only unless and until approved.