

11 February 2010

TO: The Manager, Company Announcements ASX Limited 10.02.11

CONTACT: John Heugh +61 8 9474 1444

Central continues exploration push in central Australia

Central Petroleum Limited (Central, ASX-“CTP”), as Operator, provides this update in respect to its wholly owned subsidiary companies in joint venture with various other participants. Central is continuing with the Phase One 2009/10 exploration programme of c.1,400 km of seismic across the breadth of its extensive holdings in central Australia's Amadeus and Pedirka Basins and 5 cored Coal Seam Gas (CSG) wells targeting coal and CSG in the Pedirka Basin.

Ooraminna 2, within EP 82, (with participating interests of Helium Australia Pty Ltd - 70%, Petroleum Exploration Australia Ltd - 20% and Red Sky Energy (NT) Pty Ltd - 10%) is also planned to be drilled as part of the Phase One programme but will necessarily be drilled as part of a back to back campaign involving other conventional wells due to the relatively high mobilization and demobilization costs of drilling rigs to and from central Australia. Ooraminna 2 may host up to a “high” 2 TCFG of UGIP and has flowed gas to the surface in a previous well, Ooraminna 1, drilled without the aid of seismic in 1963.

It is to be noted that both EP 82 (with a participating interests as referred above, excluding the Magee well location as referred below) and EP 115 (with participating interests of Frontier Oil & Gas Pty Ltd - 60%, Petroleum Exploration Australia Ltd - 20%, Trident Energy Ltd - 10% and Red Sky Energy (NT) Pty Ltd - 10%) each contain a 1 well commitment under the terms of the Northern Territory Department of Resources (DOR) permit tenure conditions. EP 97 has a 1 well farmin obligation to allow Central and its joint venture participant Petroleum Exploration Australia Limited (PXA) to retain their interests in the EP 97 farmin prospect blocks (with participating interest of Merlin Energy Pty Ltd – 65%, Rawson Resources Ltd – 20% and Petroleum Exploration Australia Ltd – 15%).

Ooraminna 2 within EP 82 and Johnstone 1 or a substitute oil well within EP 115 have been proposed by Central as wells to fulfill the DOR tenure conditions.

Seismic

The 1385km 2009/2010 Amadeus and Pedirka Basins Seismic Survey commenced with line surveying on Dec 7th 2009 in the Johnstone area of permit EP-115. To date approximately 40% of this line clearing phase of the survey has been completed.

After rain initially delayed seismic recording, this commenced on Jan 25th 2010 in EP-115, over the North West Mereenie prospect area which has now been completed. To date approximately 250 km of vibroseis data has been recorded. The crew is still recording in the Johnstone area of EP-115 and will move in an easterly direction. The survey will conclude in approximately four months time.

Objectives of this survey include the acquisition of additional control over prospective leads and semi mature prospects to enable maturation to drillable structures. Regional lines have also been programmed to reveal additional prospectivity. Central's objective is also to acquire these data with a minimal footprint thereby minimising damage to native flora and fauna.

Conventional Drilling Targets

Central has called for expressions of interest from drilling contractors for the drilling of between 3 to 6 conventional wells commencing as soon as possible but dependent on the availability of appropriate equipment and joint venture deliberations.



central
PETROLEUM
LIMITED

ABN 72 083 254 308

Suite 3, Level 4
Southshore Centre
85 The Esplanade
South Perth
Western Australia
6151

Postal: PO Box 197
South Perth
Western Australia
6951

Phone:
+61 8 9474 1444

Fax:
+61 8 9474 1555

info@centralpetroleum.com.au
www.centralpetroleum.com.au

Wholly owned
subsidiaries:

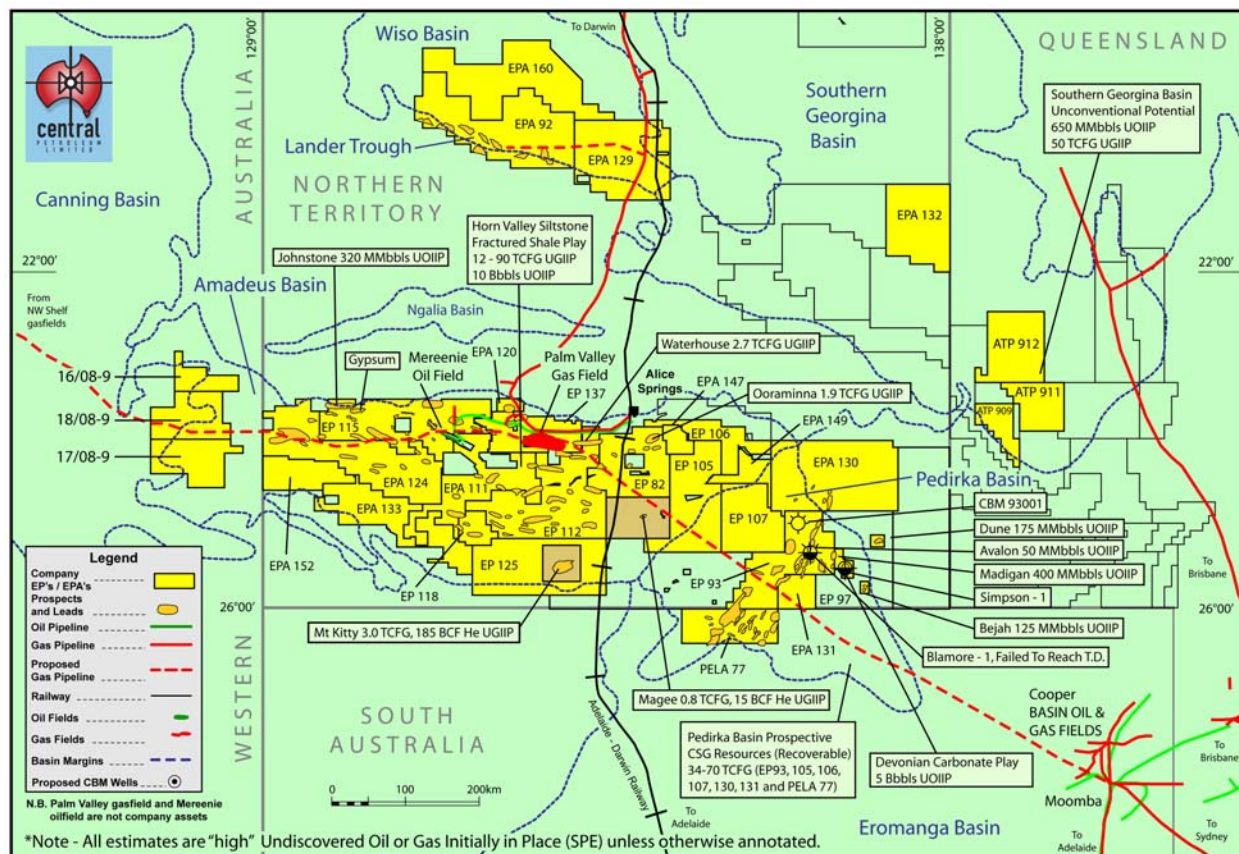
merlin
ENERGY
PTY LTD
ABN 95 081 592 734

ordiv
PETROLEUM
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



The wells being considered by the Operator, Central are :

- Johnstone 1 in EP 115, a very large oil prospect with potential to host over 300 MMbbls in UOIIP at "high" estimate. Other prospects in the permit under consideration are Surprise, Stuart and North-West Mereenie, all receiving additional seismic attention during the current acquisition programme.
- Ooraminna 2 in EP 82, a 300 km² surface anticline with potential to host up to 2 TCFG in UGIIP at "high" estimate.
- Magee 2 in EP 82 (with participating interests of Helium Australia Pty Ltd - 84.66%, He Nuclear Ltd – 15.34%), a deeper subsalt gas condensate and helium prospect, previously drilled in 1992 with flow to surface recorded including condensate, gas and helium at up to 6.2%. The prospect has up to 800 BCFG with 15 BCF of helium potentially in place at "high" estimate UGIIP. Other prospects with similar objectives are currently the subject of additional seismic acquisition during the current seismic campaign.
- Madigan 1, a Pedirka Basin target straddling the border between Central's EP 93 and the Rawson EP 97 Simpson farmin block (with participating interest of Merlin Energy Pty Ltd – 65%, Rawson Resources Ltd – 20% and Petroleum Exploration Australia Ltd – 15%) with potential to host up to 400 MMbbls UOIIP at "high" estimate. A deeper target, the Lucan lead, an interpreted carbonate platform play stratigraphically under the Madigan prospect may have potential to host up to 160 MMbbls of UOIIP at "high" estimate. Further to the south within the EP 97 Simpson farmin block, an even bigger interpreted carbonate platform lead, the Erec lead, may have potential to host up to 5 Billion bbls of UOIIP at "high" estimate.
- Within EP 93 (with participating interests of Merlin Energy Pty Ltd - 70%, Petroleum Exploration Australia Ltd - 20% and Red Sky Energy (NT) Pty Ltd - 10%), the

Guinevere oil prospect within the Madigan Trough is planned to receive further seismic attention during the current campaign.

Sincerely



John Heugh
Managing Director
Central Petroleum Limited

MEDIA CONTACT:

John Heugh
Central Petroleum Limited
+61 8 9474 1444

Felicity Nuttall
PPR Public Relations
Tel: +61 8 9388 0944

Competent Persons Statement

AI 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 AI 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.

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 Rawson Resources Ltd (RAW), 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 RAW, 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 programmes which may be referred to in this announcement or report may not have been approved by relevant Joint Venture partners in whole or in part and accordingly constitute a proposal only unless and until approved.