



ASX Announcement

29 July 2013

Update on Coral Sea Petroleum Limited operated exploration licenses PPL 356 & 357

In July 2013 Coral Sea Petroleum Ltd ("CSP") finalised a comprehensive report on the Regional Geological Evaluation of its operated PPL 356 & 357 exploration licenses offshore in the Papuan Gulf. This evaluation highlighted the petroleum potential of the Tertiary age sandstone formations in the Papuan Gulf Basin. The evaluation utilised the data gathered by CSP earlier in the year and is a requirement of the License Years 1 & 2 work programme commitments.

On the 25th July 2013 Oil Search Limited announced that its offshore well, Hagana-1, was in the process of being plugged and abandoned after discovering gas in Tertiary age sandstone reservoirs. Hagana-1 is located only 25km from PPL 357 and encountered a 9 metre gas column within a 13 metre thick Pliocene age sand. This is the second gas discovery announced in 2013 in the Oil Search operated PPL 244 offshore in the Gulf of Papua. PPL 244 is located between CSP's PPL 356 and PPL 357.

The first well, Flinders 1, was drilled by Oil Search Limited in May 2013. It encountered a 5 – 10 metre gas column in a good quality Tertiary age reservoir sand more than 50 metres thick. Flinders 1 is located 32km west of the CSP operated PPL 357 and 25km south of CSP license PPL 356.

These well results are highly significant for CSP's adjoining Gulf of Papua licences. They have confirmed the prediction from the CSP Regional Geological Evaluation by proving the presence of Tertiary age turbidite sandstone plays in this region of the Papuan Basin and also demonstrated the potential for gas charge and entrapment. This opens up a new play fairway in this previously under-explored area of the Papuan Gulf basin in the vicinity of the CSP operated PPL 356 & 357.

Oil Search has reported that it is sufficiently encouraged by the Flinders-1 and Hagana-1 drilling results to drill a third well, Kidukidu-1, in PPL 244 25km south-west of the Flinders-1 gas discovery.

CSP is not a participant in PPL 244 or the Flinders and Hagana wells, however PPL 244 is located between PPL 356 and PPL 357, where CSP is the operator and owns a 100% interest. The Flinders and Hagana well results may have implications for the petroleum prospectivity of similar plays should they be present in PPL 356 or 357. The Oil Search Limited Drilling Reports for Flinders and Hagana can be found at www.asx.com.au (ASX code: OSH).

About Coral Sea Petroleum Ltd

Coral Sea Petroleum Ltd (ASX: CSP) is an oil & gas exploration company created by indigenous Papua New Guineans. The company commenced trading on the ASX on 29th August 2012 with a **mission to build shareholder value by exploring for & developing oil & gas resources principally in PNG.**

Coral Sea Petroleum Ltd operates, and holds a 100% working interest, in five Petroleum Prospecting Licenses in PNG ('PPL'). These cover a total area of 11,972km² in both onshore and offshore settings.

Four of these (PPL 356, 357, 366 & 367) are in the Papuan Basin close to existing oil and gas fields and associated production infrastructure. The fifth (PPL 358) is in the Cape Vogel Basin, a lightly explored offshore frontier basin where natural oil & gas seepages have been reported.

Competent Person Compiling this Update

This update contains information on Coral Sea Petroleum Ltd activities which have been compiled by Dr John Warburton, Petroleum Advisor to the Coral Sea Petroleum Ltd Board on a consulting not full time employment basis. Dr Warburton gained a First Class Honours Degree in Geological Sciences from the University of Leeds, UK and a PhD in Structural Geology from University of Wales, UK. He is a Petroleum Geoscientist by Profession and Director/Founder of Insight Exploration Pty Ltd (ACN 108 132 314), a consultancy that provides technical and administrative services to the Global Petroleum Industry.

Dr Warburton has 30 years of petroleum exploration experience in technical and executive leadership roles including with BP, Oil Search Ltd and Eni. He is a Fellow of the Geological Society of London, Member of the Australian Institute of Company Directors, Alumni of Cranfield Business School, UK and serves on the External Advisory Board at the Centre for Integrated Petroleum Engineering & Geoscience ('CIPEG') at the University of Leeds, UK. Insight Exploration is a Sustaining Member of the Petroleum Exploration Society of Great Britain ('PESGB'). In addition Dr Warburton is a Director of Imperial Oil & Gas Pty Ltd, a 100% owned subsidiary of Empire Energy Group Limited (ASX:EEG).

Dr John Warburton is therefore qualified in accordance with ASX listing rule 5.11 to compile this information and has consented in writing to the inclusion of this information in the form and context in which it appears.