

31 July 2009

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney
New South Wales 2000

QUARTERLY REPORT

APRIL TO JUNE 2009

OPERATIONS

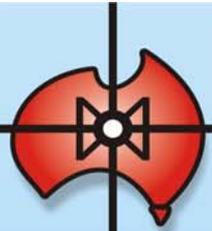
The Company has been reviewing its exploration plans for the remainder of 2009 and further to 2010 with its farm-in participants Petroleum Exploration Australia Limited, Trident Energy Limited, He Nuclear Limited and Rawson Resources Limited. The substantial cash injection received by the Company during the quarter (see below) has provided the Group with the resources to enable it to carry out an expanded works program in Central Australia, where the Company has numerous prospective permits.

The Company has previously announced a preliminary provisional proposal to drill up to 5-10 CSG wells in the Pedirka Basin, to flow test CBM93001 drilled in 2008, to drill up to a further 4 conventional wells in the Amadeus Basin inclusive of the Johnstone oil prospect, the Ooraminna gas prospect and the Magee and Mt Kitty gas, condensate and Helium prospects. The Company is also in active discussion with several potential additional farm-in participants.

A proposed drilling and seismic programme for commencement later in 2009 has been put to the existing joint venture participants, and discussions are continuing as the participants assess the proposals which have not been fully finalised as at the date of this report.

The programme proposed by Central Petroleum Ltd includes:

- Johnstone-1 oil 300 MMbbls UOIP Ordovician (a Mereenie style of play)
- Ooraminna-2 gas, 2 TCFG UGIIP- this prospect has already flowed gas to surface but was not tested satisfactorily on Ooraminna-1 in 1963. A well with a deviated interval has been proposed to better access anticipated fracture production systems.
- Magee-2 gas, condensate, Helium, 0.5 BCFG, 15 BCFG Helium UGIIP - this prospect has already flowed gas to surface in the Magee-1 well in 1992 and is a subsalt play
- Optional Mt Kitty-1 gas, condensate, Helium 3 TCFG, 180 BCFG Helium UGIIP-430 km² in aerial closure –this prospect has not been drilled before and is a subsalt play type of enormous dimensions-this would be drilled subject to the success of Magee 2
- 5 fully cored CSG wells- (Pedirka Basin) with an optional second 5 wells drilled back to back subject to the results of the first 5
- 2D seismic- up to 1,350 line km (Amadeus and Pedirka)
- Up to an additional 4 conventional wells provisional upon the results of proposed seismic and the drilling of the Johnstone, Magee and Ooraminna prospects.
- Total cost of \$25-75 million* with up to c. 40-60% proposed to be provided for by farm-in and joint venture participants.



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ABN 91 103 194 136

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* Total cost ranges from the possibility of an initial Phase one programme of 1 conventional wells plus 5 fully cored CSG wells plus the seismic programme, up to the whole contingent programme as shown above. Note: "UOIIP" refers to Undiscovered Oil Initially In Place at "high" estimate and "UGIIP" refers to Undiscovered Gas Initially in Place at "high" estimate.

This conditional programme proposal is solely Central's in-house proposal and at the time of preparation of this report has not been endorsed in full by the Company's farm-in or joint venture participants. It is subject to appropriate approvals by Joint Venture participants, funding, contingencies including the availability of suitable personnel and equipment, weather and may be subject to approval or modification by the appropriate Joint Venture and/or the Northern Territory Department of Regional Development Primary Industries Fisheries and Resources (RDPIFR) approvals.

Central Petroleum Limited is the Operator of all of the Joint Venture operations.

As advised in the March 2009 Quarterly Report, additional support staff have been appointed, including an Exploration Manager and a Drilling Manager. Further appointments and consultancy positions are being considered as exploration activities ramp up.

Additional office accommodation has been leased to accommodate an anticipated expansion of staff as the joint ventures gather pace. Although a commercial oil discovery has not been made to date, great strides have been made in the Group's understanding of the basins involved by the recently acquired and processed seismic and of course the drilling results obtained to date.

The Group continues with various discussions and preliminary negotiations concerning additional farm-outs, strategic stabilising investment relationships, technology based joint ventures and capital raising avenues.

CORPORATE

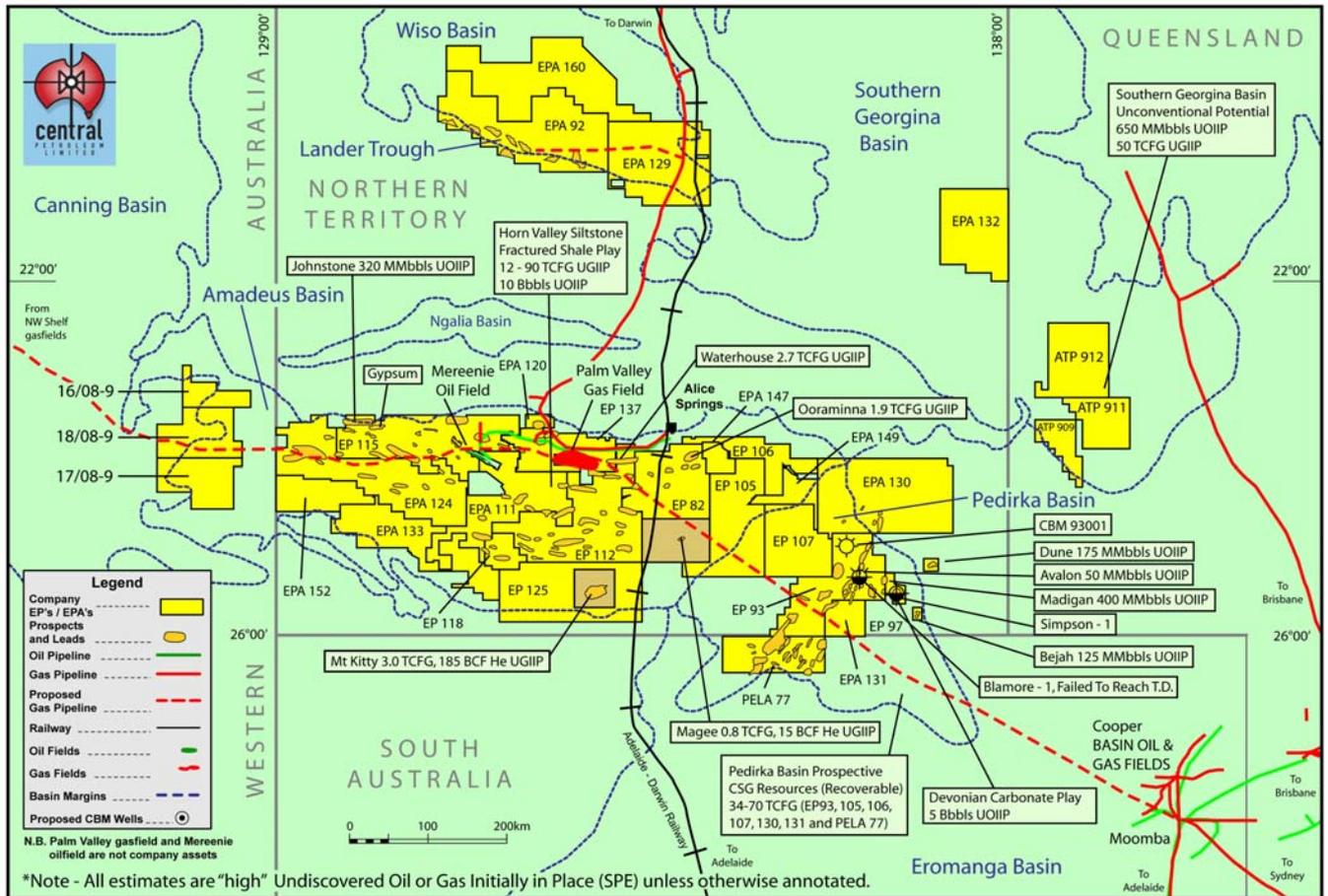
The Company has emerged from the Global Financial Crisis in a very strong position with a total of \$36 million in banked funds as at June 30th 2009.

The main highlights of the June 2009 quarter were:

1. The raising of over \$30 million in a combined heavily oversubscribed renounceable rights issue and a series of placements under the provisions of ASX Listing Rule 7.1. The combined raising was facilitated by Patersons Securities Limited as Lead Managers to the issue but was not underwritten.
2. The receipt of a waiver to Listing Rule 7.3.2 giving the Company up to 15 months to draw down up to \$50 million in the Asia Convertible Bond Opportunities LLC ("ACBO") facility.
3. The approval at a General Meeting of Shareholders on 8 June 2009 for the Company to proceed to draw down up to \$50 million in the ACBO facility.

FINANCIAL

The attached Appendix 5B shows the cash movements and other information for the quarter ended 30 June 2009. In summary, cash at the beginning of the quarter was \$5.8 million and cash at the end of the quarter was \$36 million, representing a net increase in cash of \$30.2 million. The movement mainly reflects the proceeds of the capital raising initiatives undertaken by the Company as outlined above, as well as cash contributions from Joint Venture participants, with payments for administration, sundry exploration costs, environmental, heritage and sacred site clearances and other expenditure including legal and corporate costs associated with the capital raising.



Central Petroleum Limited permit interests

FARM-INS / FARM-OUTS

Petroleum Exploration Australia Limited ("PXA"):

PXA continued as Joint Venture participants with a 20% participating interest to be funded at the 40% level in accordance with the terms of a formal farm-out agreement executed on 15 February 2008. The terms of the farm-out agreement include the funding by PXA of 40% of up to 3 wells and 40% of up to \$3 million of seismic for PXA to earn a 20% interest in the permits and permit applications operated by the Company. During the last quarter of 2008, all of the shares of PXA were acquired by the Queensland Gas Company Limited, now owned by the BG Group. It has been confirmed via public documents that a total of some \$18.5 million was paid to PXA shareholders less c.\$5 million which was paid directly to the Group by PXA and further that the only assets bought with the purchase of PXA were the various farm-in arrangements and interests of PXA in the Group's operated acreage.

PXA-Rawson Resources Limited-Merlin Energy Limited

PXA and Rawson Resources Limited ("**Rawson**") continued as Joint Venture participants in the Simpson, Bejah and Dune Prospect Blocks within EP 97 owned by Rawson. The joint venture consists of Merlin Energy Limited (a wholly owned subsidiary of the Company) retaining a 65% interest in each block with Rawson being free carried for the first well in each block plus an initial 100 km of seismic in the Simpson Block to retain a 20% interest in each prospect block. PXA may retain a 15% interest by funding the initial works over each prospect block at the 22.5% level. The initial seismic and the first well in the Simpson Prospect Block has been completed by the joint venture resulting in the discovery of a significant residual oil column in the Poolowanna Formation. Negotiations are under way to allow the Joint Venture to drill a second well in the Simpson Block which will earn an interest in the Bejah Prospect Block instead of drilling the first well in the Bejah Prospect Block.

He Nuclear Limited:

He Nuclear Limited (“**HEN**”) has continued as Joint Venture participant with a 25% participating interest to be funded at the 50% level of exploration within the Mt Kitty (EP125) and Magee (EP82) Prospect Blocks.

New seismic shot in the Magee area has produced some outstanding results which have enhanced the potential of the Magee Prospect Block. These results have been announced separately but include the potential of the Magee Prospect Block to host 1.4 TCFG and up to 15 BCFG Helium in UGIIP. The Mt Kitty Prospect Block has potential to host 3.0 TCFG and 180 BCFG Helium in UGIIP. It is anticipated that both the Mt Kitty and the Magee prospects will be drilled in the next drilling campaign subject to various contingencies. HEN is a privately owned unlisted company being developed under the auspices of Martin Place Securities, (“**MPS**”) a boutique Sydney based stockbroking firm specialising in the resources industry and is managed by Barry Dawes, the CEO of MPS.

Trident Energy Limited:

On 28 June 2007, Frontier Oil & Gas Pty Ltd signed a Memorandum of Understanding with Trident Energy Limited (“**Trident**”) whereby the privately-owned Melbourne-based oil junior will fund a \$3 million seismic acquisition programme and the drilling of three exploration wells at the 20% level to earn a 10% interest in the Amadeus basin block EP 115. This agreement was formalised on 16th January 2009 via the execution of farm-in and joint operating agreements with ancillary documents together with the payment to the Group of \$550,000 representing 20% of previous expenditure within EP 115. Trident now joins the Group’s wholly owned subsidiary, Frontier Oil and Gas Pty Ltd and PXA, a wholly owned subsidiary of QGC, a British Gas Australia Company, in a joint venture for the exploration of this highly prospective property which hosts, inter alia, the Johnstone Oil Prospect, thought to host over 300 MMbbls of oil in UOIIP.

On 23 February 2009, Trident Energy executed a similar farm-in agreement over EPA 111 on a 20% for 10% basis with essentially the same terms as the EP 115 (announced 16 January 2009) farm-in agreement.

Trident is focusing on risk reduction through the application of leading-edge exploration methods to high-grade seismically-defined prospect portfolios, particularly in modelling petroleum systems and high-tech geochemistry, including the “Gore™” technique.

CENTRAL PETROLEUM’S UPDATED CORPORATE VISION, OPPORTUNITIES AND STRATEGIES

CORPORATE VISION AND GOALS

The Company’s main goal is to maximise shareholder returns by enhanced share value and potentially by dividend payments. It aims, with the assistance of Joint Venture Participants and strategic partnerships, to operate a Central Australian petroleum hub connected to appropriate infrastructure to allow the export to domestic and/or overseas markets of both primary energy resources and value-added petroleum and helium products.

OPPORTUNITIES

Prospective acreage - Greater opportunities: The Company’s long history of tenement acquisition, as well as its exploration strategy, is based on the belief that many of Australia’s onshore frontier basins are grossly underestimated in terms of their hydrocarbon potential. For more than a decade, since 1998, when oil was trading at US\$12/bbl, Central has pursued this strategy with the acquisition of more than 250,000 km² of highly prospective exploration holdings in Central Australia. The area has been neglected for decades due to its hitherto perceived remoteness and a long history until 2004, of relatively low energy prices in both crude oil and gas. The area hosts the Mereenie and Palm Valley fields, at one time, Australia’s largest onshore oil and gas discoveries which have been in continuous production for more than 20 years - pointing to the inherent prospectivity of the vast area operated by the Company in Central Australia. Less than one well has been drilled per 5,000 km².

New Era of Higher Energy Prices - Enhanced product slate: A new era for Central Australia has been ushered in by two main drivers: sustained, relatively high oil prices being reflected increasingly by a coupling of gas and LNG prices, as well as the completion of the Alice Springs to Port Darwin rail link. This allows for the first time, the potential to ship large volumes of crude oil or other liquid petroleum products at competitive transport prices to either export or domestic markets. Higher prevailing crude oil prices also show promise of delivering capability to produce a range of value-added petroleum products from gas such as GTL (ultra-clean diesel, jet fuel, naphtha), methanol, ethylene, di-ethyl ether and other products such as fertiliser for example. It is anticipated that freight rates for bulk liquids from Central Australia to Port Darwin could be as low as \$4/bbbl at today's currency rates.

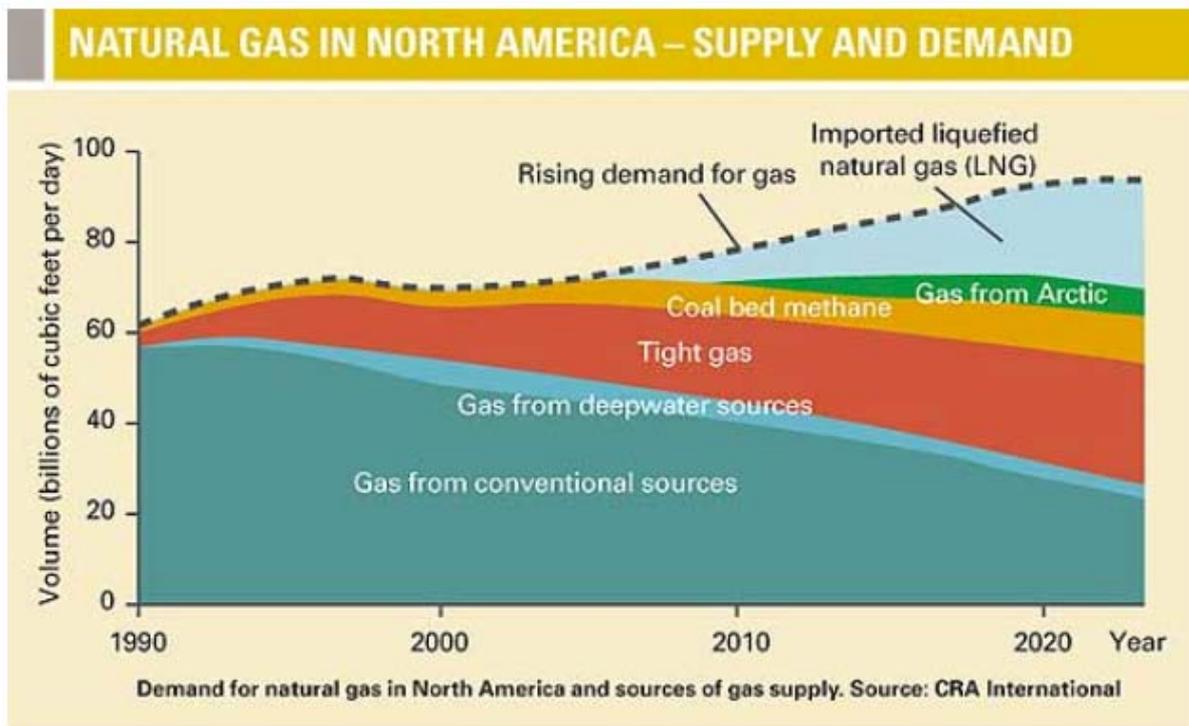
Application of New Technologies - More comprehensive monetisation opportunities for in-ground resources: New or emerging technologies such as Underground Coal Gasification (UCG), Coal Seam Gas production (CSG), Gas to Liquids (GTL), direct conversion Gas to Fuels (GTF), Coal to Liquids (CTL), Underground Coal to Liquids (UCTL) and horizontal drilling in tight shale gas or tight shale oil reservoirs, have excited interest in prospective resources of both conventionally reservoired and unconventionally reservoired gas and oil in Central Australia. (see disclaimer following)

The Company believes it has access to very large, potentially recoverable prospective resources of unconventionally reservoired gas and oil in Coal Seam Gas (CSG) in the Pedirka Basin, oil and gas in the tight organically rich mature shales and siltstones of the Horn Valley Siltstone in the Amadeus Basin and oil and gas in the Arthur Creek Shales of the Southern Georgina Basin. The application of relatively new technologies such as horizontal drilling and artificial fracturing ("fracking") in tight gas shales and siltstones, has been applied prodigiously in the vast non-conventional reservoirs of North America, but such technology has not generally been applied in Australia in the search for additional reserves. The Company has access, conditional upon the grant of some permits, to more than 50,000 km² of ground prospective for non-conventional oil and gas.

In-house estimates of potential Undiscovered Gas Initially in Place (UGIIP) and Undiscovered Oil Initially in Place (UOIIP) in this acreage range up in excess of 200 Trillion Cubic Feet (TCF) of gas and more than several billion barrels of oil.

Developments in unconventional reservoirs in the United States recently have seen non-conventionally reservoired gas increase in stature from an *avant garde* theory to supplying a rapidly growing shortfall in domestic (DOMGAS) gas requirements.

Tight American gas reservoirs have attracted various tax incentives and in Australia, the Western Australian Government has recently announced a reduction of State royalties on onshore tight gas production, to 50% of that applicable on conventional reservoirs.



In Australia, the emergence of CSG as a source of supply is showing a similar pattern with the world's first LNG production sourced 100% by CSG being planned at Gladstone in Queensland and at Newcastle by companies of significant international credibility. Shell, Arrow, Petronas, the BG Group and Santos are all planning participation in large-scale eastern coast based LNG production and export facilities.

An independent report recently announced by Central Petroleum cites a prospective potentially recoverable resource of more than 10,000 TCF of gas ("syngas") from UCG applications in the Company's acreage in the Pedirka Basin. (See disclaimer following)

STRATEGIES

Crude Oil - For early cash flow: Although there are constraints due to the availability of exploration and production licences, access issues and Joint Venture participants' individual goals, the Company believes that any discovery of easily recoverable oil of approximately half a million barrels of oil or more, could be brought onstream to market within approximately 12 months via field-based separation and treatment facilities and the simple expedient of trucking to Port Darwin for export to either Australian or Singaporean refineries.

Larger discoveries could be monetised via transport by road train to the closest rail link and then via the Alice Springs to Darwin rail link direct to Port Darwin. Very large fields of course, have a number of monetisation avenues potentially available, including piping to Port Darwin or Moomba and/or refining in Central Australia into finished petroleum products for export via the rail link or purpose-built pipelines.

Participants and Joint Ventures - Risk sharing and technology benefits: The Company, as Operator, now has four groupings of Farm-out Agreements leading to Joint Ventures:

1. The PXA "Broadacre" Joint Venture covering most of the exploration licences in the Company's portfolio of granted permits and applications.
2. The PXA/Trident Joint Venture involving PXA, the Company and Trident in the granted EP 115 and the Application EPA 111 respectively.
3. The HEN Joint Venture covering two very large prospect blocks within Exploration Permits EP 125 and 82, the Mt Kitty and Magee prospect blocks respectively.
4. The Rawson Joint Venture in three prospect blocks within the Rawson operated EP97 involving the Company, PXA and Rawson.

The Company's smallest participating interest in any of these Joint Ventures is 65% in the Rawson Joint Venture in EP 97 ranging up to an average of 80% in the PXA Broadacre Joint Venture areas. The Company believes that an additional farm-in participant over most of the acreage it operates is highly desirable to achieve several main goals:

- A more acceptable sharing of risk and reward
- Access to participants' individual technical expertise in various specialised areas
- More active Joint Ventures with a "tie-breaking" third participant being involved
- Potentially a larger purse being offered for exploration and development activities - which can only benefit shareholders.

LNG - Existing infrastructure with potential to enhance capacity: The existing c.12" pipeline from Central Australia to Darwin was originally constructed to provide gas to the Power and Water Authority in Darwin with a contract to supply gas from the Amadeus Basin's Palm Valley and Mereenie fields being awarded to the Santos-Magellan joint venture. It is planned that this contract will shortly go to the ENI group to supply gas from the Blacktip field to "T" into the existing pipeline south of Darwin.

The existing pipeline, with a small extension to Darwin from where the Blacktip field pipeline joins it, could conceivably transport up to c.70 Petajoules (PJ) of gas per annum to Darwin. This may be sufficient to support a single 1 million tonne per annum LNG train. This is significant. However, of greater significance is the fact that the route of the existing pipeline has already been cleared through the difficulties of the native title process and environmental processes and has been surveyed, levelled and has appropriate

road crossings installed. This means that, unlike a new pipeline over a new route, a new pipeline with significantly greater capacity (of say 26-48" diameter) could be constructed with minimal new impact, (subject to sufficient recoverable reserves), leading to a possible entry into the large-scale LNG market.

GTL (Gas to Liquids) - Coupling to forecast rising oil prices: The Company has publicly detailed on several occasions the postulated potential of this long established technology to produce a range of value-added petroleum products such as ultra-clean diesel, jet fuel and other middle distillates from gas sourced in Central Australia. Such value-added products may be able to be transported in bulk volumes on the relatively new rail link from Alice Springs direct to storage and loadout facilities at Port Darwin. The range of middle distillates potentially available from the application of the Fischer-Tropsch (FT) process, (first developed before World War II and being successfully applied in South Africa and in Qatar) generally sell now on the spot market at prices roughly 20% plus over the value of crude oil.

Progressively, the more advanced economies of the world are turning to cleaner sources of energy and the almost zero sulphur content of FT diesel may result in higher premiums over the price of crude.

It has been estimated independently that the cost of transport of liquid petroleum products from Alice Springs to Port Darwin in volumes greater than 10,000 barrels per day (BOPD) would currently be c.AUD\$4/barrel or less.

Other potential value-added products contemplated include methanol, ethylene, diethyl ether and urea (fertiliser). *(See disclaimer following)*

DOMGAS - Longer term potential: Various market-based forecasts publicly available have pointed to increasing Domgas (Australian industrial or domestic gas supplies) prices towards the year 2015 as progressively the LNG industry soaks up current excessive supply. Domgas prices onshore in Western Australia are already above A\$7/gigajoule although Domgas prices in eastern Australia hover about the A\$3/gigajoule mark.

If demand pushes Domgas prices in eastern Australia to or higher than c.A\$6/gigajoule, it may be feasible to link any large gas resources discovered in Central Australia with the east coast Domgas markets via a yet-to-be-constructed pipeline link to the Moomba gas hub.

Helium - High value, short supply: World production of helium is currently around 10 BCF annually. Helium is the second most abundant gas in the universe (behind hydrogen) but it is considered a rare gas on Earth. It is an inert gas that does not form compounds with other elements.

Global demand for helium, especially highly purified versions, is increasing, particularly in high tech applications such as in microchip and flat panel display manufacturing or as a coolant for magnets in magnetic resonance imaging (MRI) machines, particle accelerators and fibre optics manufacturing. Helium is also used in large volumes in rocket launches to minimise the risk of fire. However, a predicted application likely to consume much larger quantities of helium in the future is for cooling systems in fourth generation pebble bed nuclear reactors. The helium acts as the direct heat carrier to the generator's turbine and as it does not need a separate heat exchange, it can increase the electrical efficiency of a nuclear reactor from around 30% to more than 40%

The United States is by far the world's largest producer of helium, accounting for almost 80% of global supply. During 2007, approximately US\$525 million worth of helium was extracted from various sources in the US, including release from government stockpiles.

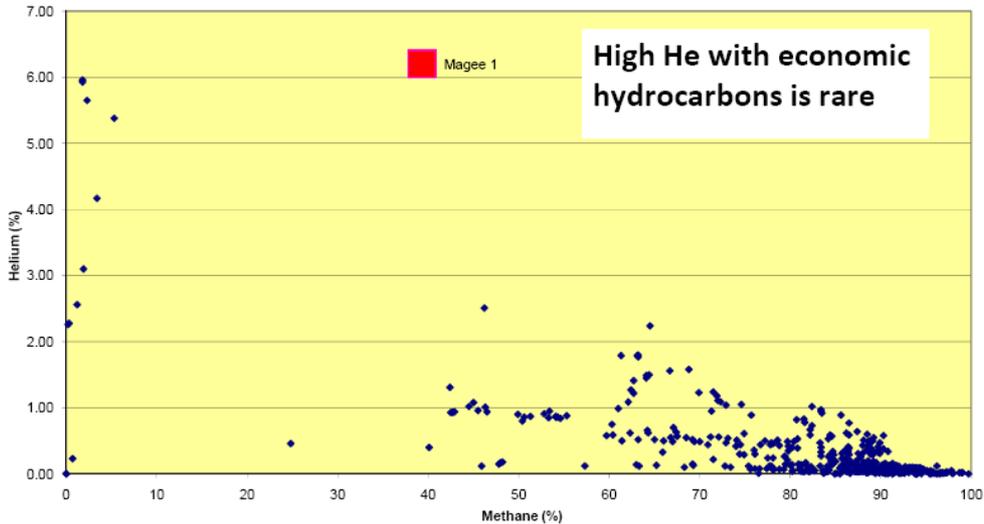
Helium is primarily sourced as a decay product from uranium in granite and is usually trapped in reservoirs in sedimentary rock. All helium produced today is extracted from natural gas streams where concentrations are high enough to make separation economically viable. The very small size of the helium atom, less than 50% size of the H₂ molecules, means that it can escape from most typical reservoir trap seals. Concentrations are typically <1%. Seals provided by salt formations tend to prevent escape of helium atoms so helium concentrations can be higher.

The extensive salt formations in the Amadeus Basin have indicated strong sealing qualities by trapping helium in sediment more than 500 million years old. The Magee-1 well drilled in 1992 by CRA (now Rio) recorded a flow to surface of helium at a grade of a very high 6.2% - putting this particular helium gas concentration in the top 1% of recorded concentrations. The gas recorded also contained gas and condensates along with nitrogen but very low CO₂ and practically zero sulphur.

The historical importance of sub-salt petroleum plays has long been reflected in the giant oil and gas fields in the Eastern Siberian Platform, the Sichuan Basin and within Oman. More recent sub-salt discoveries in the sediments of the Santos Basin offshore Brazil in ultra-deep (and ultra-expensive to drill) waters have underscored the importance of salt as a sealing medium capable of trapping large volumes of oil and gas.

Exxon has recently announced another oil discovery in the same sub-salt portion of the Santos Basin.

US Natural Gas Fields: Helium vs Methane



The United States Government price for crude helium ($\geq 70\%$ purity helium) in FY2007 was US\$58.75 per 1,000 cubic feet, and rose to US\$62.25 in October, 2008. The price for the Government-owned helium is mandated by the Helium Privatisation Act of 1996 and equates to the reserves left in the Cliffside Field (near Amarillo) divided by the accumulated government debt created by the Helium Act of 1960.

The price range estimate for private industry's Grade-A gaseous helium was about USD\$3.24 to USD\$3.79 per cubic metre (USD\$90 to USD\$105 per thousand cubic feet), with some producers posting surcharges to this price. During FY 2007, most helium suppliers announced price increases of 10% to 40%.

Central Petroleum has previously announced that the Magee prospect could host up to 800 billion cubic feet of gas (BCFG) with up to 15 BCF of associated helium in UGIIIP while the Mt Kitty prospect could host up to 3 TCFG and 185 BCF of helium.

The Company plans to potentially capitalise on early cash flow from any oil discoveries but is seeking to build gas resources to a threshold point where value-adding processes such as LNG and/or GTL for example, can be brought into play. Helium production and sales are regarded as an intrinsic part of this overall strategy.

Competent Persons Statement and General Disclaimer

The information in this Report which relates to Exploration Results 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 of the matters based on his information in the form and context in which it appears. Potential volumetrics of gas may be categorised as undiscovered prospective recoverable gas in accordance with AAPG/SPE guidelines. Since some oil volumetrics are derived from gas estimates the corresponding categorisation applies.

Resource estimates included in this report by the Company, have not been reviewed by either PXA, QGC, Trident Energy Limited or He Nuclear Limited. Therefore those resource estimates represent the views of the Company and are not necessarily held by PXA, QGC, Trident Energy Limited or He Nuclear Limited. The Company, is interested in UCG applications in its own right, outside of the Joint Venture with PXA and references to UCG potential do not necessarily reflect the views of PXA or QGC.

Exploration programme recommendations in this report have not been approved by relevant Joint Venture participants and accordingly constitute a proposal only.

Risks

This report is partially based on the potential of the acreage concerned to host a viable Exploration Target for coal which, if successfully explored for, discovered and proven, could feasibly be exploited utilising technology (Underground Coal Gasification or "UCG") which has not yet been applied on a large commercial scale in the western world. Apparently commercial scale former Soviet Union, Russian and Ukrainian applications of UCG are difficult to assess and apply in the Australian context due to a lack of detailed information following the collapse of the Soviet Union as a viable entity. Two Australian companies have however, published results from pilot UCG programmes, Carbon Energy Limited and Linc Energy Limited and it is the publically available results from these two programmes, inter alia, that have been applied in this report as a basis for the computation of potential volumes of gas and/or liquid hydrocarbons that may be available from the application of UCG and GTL technology in the Company's permits and applications for permits in the Pedirka Basin. These published results include the conclusion that in an area suitable generally for UCG, approximately 50% of a given area of coal can be burned via UCG producing approximately 20,000 SCFG per tonne or 20 Gigajoules per tonne. Published results of Gas to Liquids (GTL) plant output have given industry at large a benchmark of 1 barrel of liquid petroleum product such as diesel, jet fuel or naphtha being produced from 10,000 SCFG or 10 Gigajoules of gas input.

Forward Financial Forecasts

Forward financial estimations or forecasts which may be presented in this report or reasonably to be concluded by an examination of this report should not be regarded as a recommendation to hold, purchase or sell the Shares of the Company, any related entity or any other company involved in similar market segments. Actual exploration results and any financial forecasts may differ greatly from any proposed results. Forecasts by their very nature are subject to significant contingencies and uncertainties outside of the control of the Company and its consultants. The Company does not hold any reserves of oil, gas, condensate or helium at the time of this report.



Left to right: Bob Liddle, now Land Manager for the Company, Doug White, Area Operations Manger and John Heugh, Managing Director standing at the site of the Ooraminna 1 well.

The well was drilled by Bill Siller and Exoil in 1963 and flowed gas to surface despite having been filled with 10 ppg (pounds weight per gallon, a very heavy mud) mud for 60 days prior to testing. The Company has assessed the potential of the prospect at up to 2 TCF UGIIIP and plans a deviated well, Ooraminna 2, to intersect as many vertical fractures as possible to maximise potential production.

Yours sincerely,
Central Petroleum Limited

John Heugh
Managing Director

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Central Petroleum Limited

ABN

72 083 254 308

Quarter ended ("current quarter")

30 June 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	1,898	(7,193)
(b) development	-	-
(c) production	-	-
(d) administration	(674)	(3,276)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	386	852
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	1,610	(9,617)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(185)	(289)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	1,000
Net investing cash flows	(185)	711
1.13 Total operating and investing cash flows (carried forward)	1,425	(8,906)

+ See chapter 19 for defined terms.

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	1,425	(8,906)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	28,821	29,507
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	28,821	29,507
Net increase (decrease) in cash held			
		30,246	20,601
1.20	Cash at beginning of quarter/year to date	5,768	15,413
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	36,014	36,014

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	141
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' remuneration

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
Total	500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,025	-
5.2 Deposits at call	33,989	5,768
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	36,014	5,768

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

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Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	564,244,921	564,244,921		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	307,231,395	307,231,395	10 cents	10 cents
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	153,615,722	153,615,722	\$0.16	31 Mar 2014
	95,947,703	95,947,703	\$0.25	30 Jun 2010
	300,000	0	\$0.25	31 Jan 2010
	21,250,000	0	\$0.20	31 May 2010
	7,000,000	0	\$0.20	20 Feb 2011
	1,800,000	0	\$0.30	30 Nov 2010
	11,000,000	0	Various	03 Jan 2012
	1,550,000	0	\$0.30	31 Mar 2011
	200,000	0	\$0.33	31 Jul 2011
	500,000	0	\$0.30	31 Aug 2011
	2,000,000	0	\$0.25	17 Nov 2011
7.8 Issued during quarter	153,615,722	153,615,722	\$0.16	31 Mar 2014
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 31 July 2009
(Company secretary)

Print name: Kim Hogg

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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