

ASX ANNOUNCEMENT & PRESS RELEASE

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TO: The Manager, Company Announcements ASX Limited

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Capital Raising

Central Petroleum Ltd (**Central**) (ASX:CTP) is pleased to announce it has completed a placement of 91.0 million new Central shares at 5.5 cents per share to institutional, sophisticated and professional investors.

Approximately \$5.0 million of additional capital was raised to progress the company's drilling strategy and to provide working capital.

The placement was managed by Patersons Securities Limited.

Settlement of the placement is scheduled to occur on 21 September 2011 and the new shares are expected to be quoted on that date.

In order to give existing shareholders an opportunity to invest, Central intends to offer shareholders the right to participate in a Share Purchase Plan (**SPP**). The record date to participate in the SPP is 14 September 2011. This allows shareholders who have acquired Central shares up to and including Thursday 8 September 2011 to participate in the SPP. Details of the SPP will be provided to shareholders in due course. The SPP is planned to be underwritten by Patersons Securities Limited for \$5.5 million.

Central's Managing Director, John Heugh, commented "Despite the volatile market conditions it has been particularly pleasing to see the company getting offshore and Australian institutional support in the lead up to our TSX listing. The funds raised will ensure the Company can commence its planned liquids focussed drilling programme as soon as possible. We look forward to the planned re-entry in a few weeks of the Surprise-1 well which has already been independently assessed as having potential in one 9m cored section alone to flow 500-1,000 bbls per day subject to logging and flow testing."

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:

- EP-82 (excluding the Central subsidiary Helium Australia Pty Ltd ("HEA") and Oil & Gas Exploration Limited ("OGE") (previously He Nuclear Ltd) Magee Prospect Block) - HEA 100%
- Magee Prospect Block, portion of EP 82 – HEA 84.66% and OGE 15.34%.
- EP-93, EP-105, EP-106, EP-107, EPA-92, EPA-129, EPA 130, EPA-131, EPA-132, EPA-133, EPA-137, EPA-147, EPA-149, EPA-152, EPA-160, ATP-909, ATP-911, ATP-912 and PELA-77 - Central subsidiary Merlin Energy Pty Ltd 100% ("MEE").
- The Simpson, Bejah, Dune and Pellinor Prospect Block portions within EP-97 – MEE 80% and Rawson Resources Ltd 20%.
- EP-125 (excluding the Central subsidiary Ordiv Petroleum Pty Ltd ("ORP") and OGE Mt Kitty Prospect Block) and EPA-124 – ORP 100%.
- Mt Kitty Prospect Block, portion of EP 125 - ORP 75.41% and OGE 24.59%.
- EP-112, EP-115, EP-118, EPA-111 and EPA-120 - Central subsidiary Frontier Oil & Gas Pty Ltd 100%.
- PEPA 18/08-9, PEPA 17/08-9 and PEPA 16/08-9 - Central subsidiary Merlin West Pty Ltd 100%.

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 approved by relevant Joint Venture partners and accordingly constitute a proposal only unless and until approved. All exploration is subject to contingent factors including but not limited to weather, availability of crews and equipment, funding, access rights and joint venture relationships.

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