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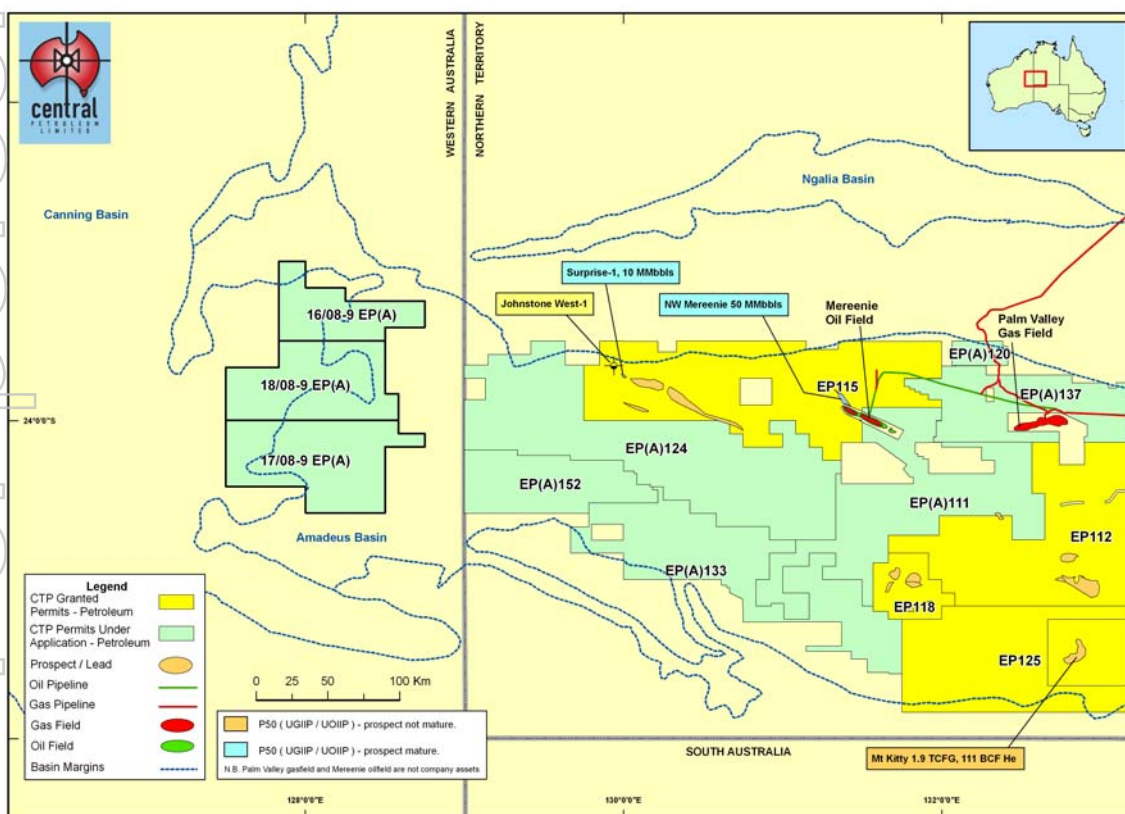
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NEW STUDY HIGHLIGHTS PROSPECTIVITY OF CTP'S AMADEUS APPLICATIONS IN WA

Central Petroleum Limited (ASX:CTP) ("Central" or the "Company") has pleasure in announcing that a new study led by the Geological Survey of Western Australia (GSWA) has added more scientific credibility to Central's assessment of the fundamental prospectivity of its three Western Australian Amadeus Basin permit applications EPAs 16/08-16,17 and 18.

Conventional wisdom in the industry has held for decades that the area was not prospective but Central was sceptical of this view and made application in the area for over 35,000 km² in Special Prospecting Authority (SPA 704.5) in 2008. CTP later completed a large scale aeromagnetic/gravity survey in SPA 704.5 and has been progressing with the negotiations for the granting of three consequent PEPAs totalling 33,890 km² since 2009.

"Central's original review of the potential of the far western Amadeus Basin concluded that Aralka and Pertatataka Formation source rocks would occur in the target area" said John Heugh, Central's Managing Director today "and the fact that the Western Australian Geological Survey has proven their existence in the western Amadeus Basin is very encouraging for the prospectivity of the area and confirms the Company's geological rationale behind the original applications."



Central Petroleum's Petroleum Exploration Permit Applications in Western Australia

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The application of stromatolite studies to confirm the stratigraphy is innovative and CTP will further investigate the source potential of this sequence as soon as practicable. The Aralka Formation has correlative source rocks of the same age in Oman, northwest China and the eastern Siberian Platform, and in the eastern Amadeus Basin the shale records the highest Total Organic Carbon contents in the Neoproterozoic sequence. The Aralka shales may in part be the source rock for the gas deposit at Ooraminna field. The overlying Pertatataka Formation is the source rock for gas in the Dingo field, which together with the Ooraminna field is located in the eastern Amadeus Basin. Significantly, an oil show was recorded in Drill Hole 2005 DDO1 in the Pertatataka Formation and this portends well for the prospectivity of the western Amadeus Basin in the NT portion of the basin.

Further information is required to confirm the presence of source rocks in the early Neoproterozoic (Gillen Member) and early Cambrian (Giles Creek Dolomite) and future studies will address this possibility.

With the discovery of live oil shows in two recent wells, Johnstone West-1 and Surprise-1, Central has pushed the frontier of known oil occurrences in the Western Amadeus Basin 200 km further west than the Mereenie oil field. The Company plans to re-enter Surprise-1 to drill to total depth, log and flow test any encouraging zones in October 2011, ie the December quarter, 2011.

John Heugh



Managing Director
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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 necessarily been 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.

WA's Amadeus Basin breakthrough

Thursday, 6 October 2011

David Upton

WESTERN Australia can add the Amadeus Basin to its list of onshore oil and gas opportunities thanks to some innovative science with stromatolites by the Geological Survey of WA.

The Amadeus Basin is synonymous with the Northern Territory, where the Mereenie oil and gas fields and the Palm Valley gas field have been significant producers of oil and gas since the 1960s.

More recently, oil shows last year at Central Petroleum's Johnstone West-1 and Surprise-1 wildcats in EP 115 have created excitement about the potential for new oil fields near the WA-NT border.

The Amadeus Basin extends into Western Australia over an area of about 30,000 square kilometres, with even more area beneath the Canning Basin in the west.

However, the Western Australian Amadeus was thought to have very different stratigraphy to the hydrocarbon-rich section in the Northern Territory.

Exploration in the WA side of the border has been almost non-existent because of the perceived lack of prospectivity and the remoteness of the area.

But all that's set to change after fieldwork by GSWA and the release of a new study, entitled Reassessment of the Geology and Exploration Potential of the Western Australian Amadeus Basin by PW Haines, HJ Allen and K Grey.

The study found the WA Amadeus Basin "shows much closer similarity to the well-established stratigraphy within the NT than previously reported."

Until now, the geological picture of the Amadeus Basin in WA was largely based on first-pass reconnaissance mapping by the Bureau of Mineral Resources in the 1960s.

This early work identified two large Neoproterozoic units known as the Boord formation and the Carnegie formation. These poorly exposed beds were thought to be specific to the western end of the basin and occurred in place of many of the Neoproterozoic hydrocarbon source rocks in the NT.

(While younger Ordovician rocks are the source of the production from the Mereenie and Palm Valley fields, a number of proven and potential source intervals have been identified in the Neoproterozoic).

GSWA's new work shows the Boord formation has much greater complexity than previously understood and includes beds that correlate with most of the proven and potential hydrocarbon source rocks in the NT, including the Pertatataka, Aralka and Areyonga formations.

GSWA's director of technology, petroleum and geothermal Jeff Haworth said the study had led to a revolutionary change in thinking about the western part of the Amadeus Basin.

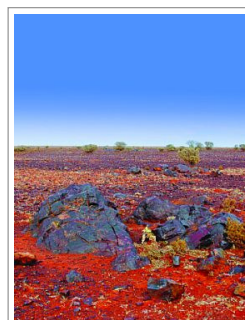
"Usually these stratigraphic studies are based on lithology or palynology, but in this case the GSWA used lithology and stromatolites to improve our understanding of the basin," he said.

"It's the first time this method has been used in the Neoproterozoic of a previously unstudied area anywhere. We're very fortunate to have Kath Grey, one of the world's foremost experts in stromatolites, and Peter Haines working on it."

He said the results of the study had led explorers to take a fresh look at the WA Amadeus, particularly in light of recent discoveries at Johnstone West-1.

Central Petroleum has applications for multiple permits over part of the WA Amadeus Basin, which suggests it was already sceptical of the accepted view of the area's petroleum potential.

The new study of the WA Amadeus also has implications for the prospectivity of the neighbouring Canning and Officer basins.



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The petroleum potential of the Canning Basin has been improved because it overlies an Amadeus succession that is now believed to include numerous source rocks.

The study could also help explorers in the Western Australian section of the Officer Basin, which already includes Rodinia Oil Corporation and Phoenix Oil & Gas, by improving the linkages to the producing eastern Amadeus Basin.

Other pre-competitive news

GSWA's Amadeus Basin study is one of many new pre-competitive surveys and research studies that are set to benefit onshore oil and gas explorers in WA.

Pre-competitive work by government has lifted sharply in recent years following the introduction of the Exploration Incentive Scheme.

Other new research to look for includes:

- A redefinition of the stratigraphy of the Canning Basin, an important new regional study that integrates and extends the knowledge gained from private exploration (already released)
- 3D modelling of the Canning Basin by GSWA and University of WA (released early 2012)
- A review of the characteristics of the Whicher Range gas field by the West Australian Energy Research Alliance to help identify other tight gas opportunities of up to 10 TcF in the southern Perth Basin (to be released before the end of the year)
- A Curtin University-led study on the future of tight gas exploration in WA, to be released about this time next year
- Close-spaced aeromagnetic surveys of all onshore basins (already completed in the Carnarvon, Canning and Officer basins and soon to be completed in the Perth Basin)
- A stratigraphic hole in the southern Perth Basin in 2012
- A stratigraphic hole in the Canning Basin, also in 2012
- For geothermal explorers, a complete map of the state's geothermal potential (already released).

These reports should be closely followed by explorers looking for a competitive advantage in the now hotly contested onshore basins of Western Australia.



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