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PTY LTD
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frontier OIL & GAS
PTY LTD
ABN 91 103 194 136

helium AUSTRALIA
PTY LTD
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merlin WEST
PTY LTD
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ASX ANNOUNCEMENT and PRESS RELEASE

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TO: The Manager, Company Announcements ASX Limited

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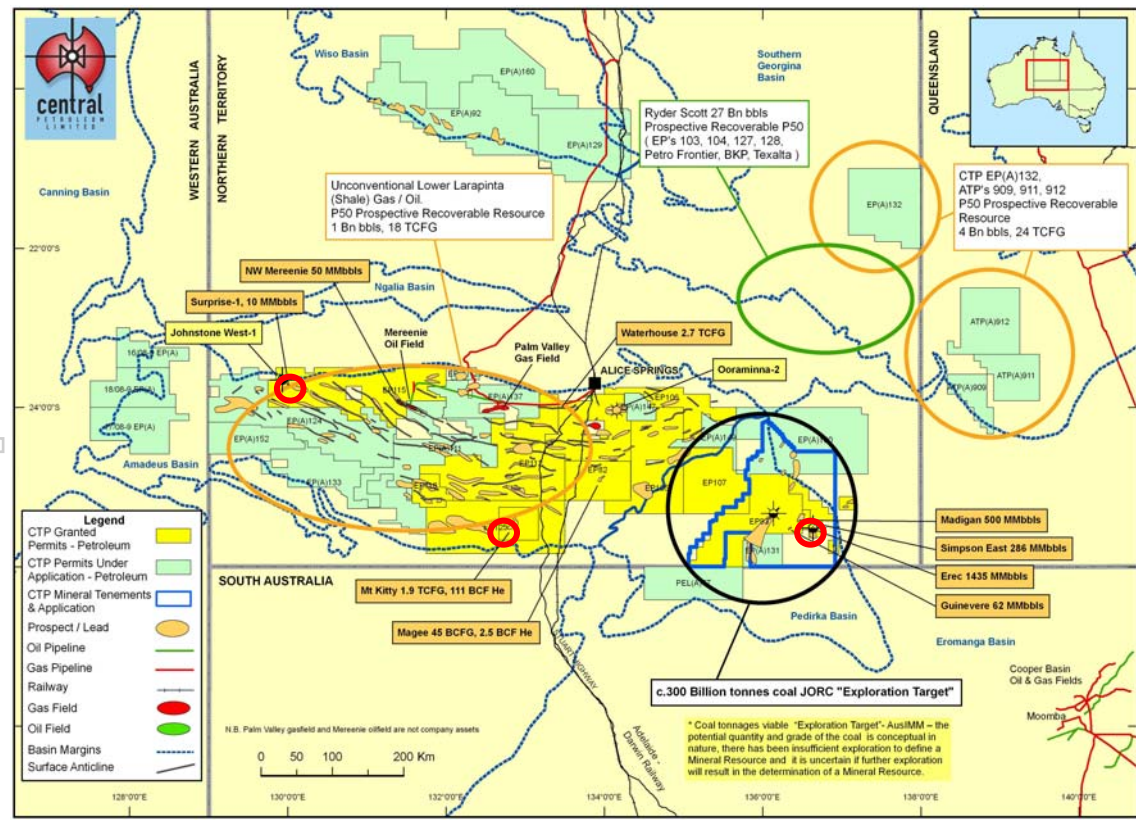
CENTRAL CONTRACTS HUNT RIG 3 - MOBILISATION TO COMMENCE

Central Petroleum Limited (ASX:CTP) ("Central" or the "Company") has pleasure in announcing that following the recently announced Letter of Intent, it has now contracted with Hunt Energy and Mineral Co. Australia Pty Ltd ("Hunt") to provide Hunt Rig 3 for the intended drilling of up to 3 wells, the Surprise-1 re-entry, Madigan or Simpson East and Mt Kitty in a liquids focussed drilling programme on Central's acreage position in central Australia.

The drilling rig and associated equipment is planned to commence the re-entry of Surprise -1 in the first week in November. The Company plans to complete the drilling and testing of Surprise-1 ST1 by about mid December 2011. The Company has completed the renewal of access roads, the airstrip, the drilling pad and sump and has most of the required casing and hardware on hand.

The Company's Managing Director, John Heugh, said today "The Company has been frustrated in the execution of its 2011 drilling programme by the shortage of drilling rigs and it welcomes the opportunity afforded by the recently refurbished Hung Rig 3 to get back to drilling with what promises to be a reliable drilling rig operated by a thoroughly professional crew and management."

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Under the terms of the contract, Hunt Rig 3 is expected to be stacked in Central's warehouse and yard facilities at Alice Springs during any break in drilling occasioned by the wet season. Hunt Rig 3 has been extensively refurbished with new or upgraded main motors, rotary table, mud tanks, Blow Out Preventer (BOP) and mud pumps. Most of the independent certification of

the rig and its components has been completed but Central will be commissioning further independent checks to ensure full compliance with the Company's comprehensive Health Safety and Environment (HSE) policies and procedures.

Central has previously reported independent estimates provided by RPS Energy, subject to confirmation of visual hydrocarbon saturation by electric logging, pressure data and flow testing, that one 9m zone alone in the already drilled section of Surprise-1 has the ability to flow at between c.500 to c.1,000 barrels per day. Surprise-1 ST1 has not yet drilled into the main target zone, the Pacoota Sandstone and there are other potential Direct Hydrocarbon Indicators throughout the Pacoota Sandstone. Two additional oil shows in the Lower Stairway Sandstone above the 9m cored zone remain unevaluated other than in visual inspection of cuttings.

In accordance with the Northern Territory Department of Resources regulations, the well has been renamed Surprise-1 Sidetrack-1 (Surprise-1 ST1) in recognition of the plan to sidetrack on one side of the lower part of the existing well bore to get fresh reservoir through existing oil shows for testing and evaluation. Following the rig incident in December 2010, the section of existing well bore through various promising oil shows has been exposed to slightly overweight mud for approximately 10 months to date which would undoubtedly have caused formation damage.

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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