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ASX ANNOUNCEMENT

ASX CODE: CTP

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TO: The Manager, Company Announcements ASX Limited

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SURPRISE-1 RE-ENTRY H DRILLING UPDATE

Central Petroleum Limited (ASX:CTP) ("Central" or the "Company") advises shareholders that at 0600 this morning CST, the Surprise-1 Re-entry H well was drilling ahead horizontally at approximately 10 metres/hour at a Measured Depth of 2,630m and a True Vertical Depth (TVD) of 2,543m. Approximately 75m of horizontal well bore has been drilled.

Continuous good oil shows are being encountered in sandstone with 100% dull to bright yellow fluorescence and instant blue/white cut fluorescence.

On several trips oil has collected in the possum belly and over the shakers and continuous "breakouts" of oil droplets are apparent in the lightweight brine mud system.

On the most recent trip back in to the well to a TVD of 2,542m, trip gas with a peak reading of 1,000 units was recorded with C1/C2/C3/iC4/nC4/C5 percentages of 46/18/14/4/10/8 % respectively. Connection gas has now increased to 200 units over a background of approximately 80 units with a similar composition to the trip gas.

Visual observation of oil in the drilling fluid in the possum belly and over the shakers indicates that the quantity is increasing on circulation to the surface following connections.



Oil on the surface of drilling fluid in the possum belly-Note: As the oil is floating on the surface of the drilling fluid and dispersed in droplets throughout, no quantification of oil volumes can be given.



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PETROLEUM
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OIL & GAS
PTY LTD
ABN 91 103 194 136

helium
AUSTRALIA
PTY LTD
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WEST
PTY LTD
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GREEN
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Further updates will be provided when any significant information becomes available.

Any results or conclusions reported are based on preliminary analysis and data and may be subject to change as more data becomes available.

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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%.

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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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