

## ASX ANNOUNCEMENT

ASX CODE: CTP

29 November 2011

TO: The Manager, Company Announcements ASX Limited

CONTACT: John Heugh +61 8 9474 1444

### SURPRISE-1 – 20m OF CONTINUOUS OIL SHOWS

Central Petroleum Limited (ASX:CTP) ("Central" or the "Company") has pleasure in announcing that at 0600 this morning CST (Central Standard Time Northern Territory), the well had reached a depth of 2,672m RKB in the Pacoota Sandstone.

Fair to good oil shows accompanied by background gas up to a 75 unit peak with high "heavy" gas components were reported through the base of the Lower Stairway Sandstone which continued from the core previously cut in December 2010. Drilling began following re-entry of new Lower Stairway Formation at the base of the previously cored zone at approximately 2,572m RKB and it is apparent that there is a depth discrepancy between measured depth reported by the previous operation in December 2010 at the base of the core, ie 2,554m. This discrepancy will be accurately resolved once electric logs are run at an approximate measured depth of 2,750m in 8.5" hole prior to anticipated casing and testing.

Including the results of the core cut previously, it is apparent that at the base of the Lower Stairway Sandstone, the well has encountered approximately 20m of continuous fair to good oil shows with cored zone having been confirmed independently to be capable of flow rates of between c.500-1,000 barrels per day subject to confirmation by electric logging of hydrocarbon saturation. The lithologies in the additional 11m drilled of these oil shows has been described on the wellsite as being fine to coarse grained with fair visual porosity and abundant yellow-gold natural fluorescence and strong yellow solvent cut fluorescence. This interval and other oil shows above will be logged, cored with rotary sidewall cores, and evaluated with a contingent plan to drilling a horizontal leg or legs over the best zone or zones.

The top of the Horn Valley Siltstone (HVS) was encountered at approximately 2,583m and gas peaks of up to 25 units with a similar composition to that of the Lower Stairway Sandstone were recorded.

The top of the Pacoota Sandstone was encountered at a measured depth of approximately 2,631m RKB with a gas peak of 30 units at 2,649m, again with a similar composition to the gas encountered higher in the well bore.

The gas, with the high proportion of C2, C3, iC4/nC4 and iC5/nC5 supports the existence of an oil dominated hydrocarbon assemblage. This gas composition has continued consistently since gas associated by oil shows were described in December 2010 from the original well reports.

*These results are preliminary and based on well site observations and thus are subject to review as more data comes to hand.*

7" casing is planned to be run to the depth of 2,750m before contingently drilling ahead in 6" hole.

It is planned to drill ahead in 6" hole after the 7" casing is run to test deeper possible Direct Hydrocarbon Indicators in the Pacoota and Goyder Formations as well as to test the top of a salt dome at a Total Depth of approximately 3,450m. Following this, it is planned to flow test the well subject to confirmation of the initial visual results by electric logging and fluid/pressure sampling tools coupled with the existing core analyses.



**central**  
PETROLEUM  
LIMITED  
ABN 72 083 254 308

Phone: 08 9474 1444  
Fax: 08 9474 1555

Street Address:  
Suite 3, Level 4  
Southshore Centre  
85 South Perth Esplanade  
South Perth  
Western Australia 6151

Postal Address:  
PO Box 197  
South Perth  
Western Australia 6951

info@centralpetroleum.com.au

Wholly owned  
subsidiaries:

**merlin**  
**ENERGY**  
PTY LTD  
ABN 95 081 592 734

**merlin**  
**COAL**  
PTY LTD  
ABN 81 134 469 471

**ordiv**  
**PETROLEUM**  
PTY LTD  
ABN 29 111 102 697

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

**helium**  
**AUSTRALIA**  
PTY LTD  
ABN 11 078 104 006

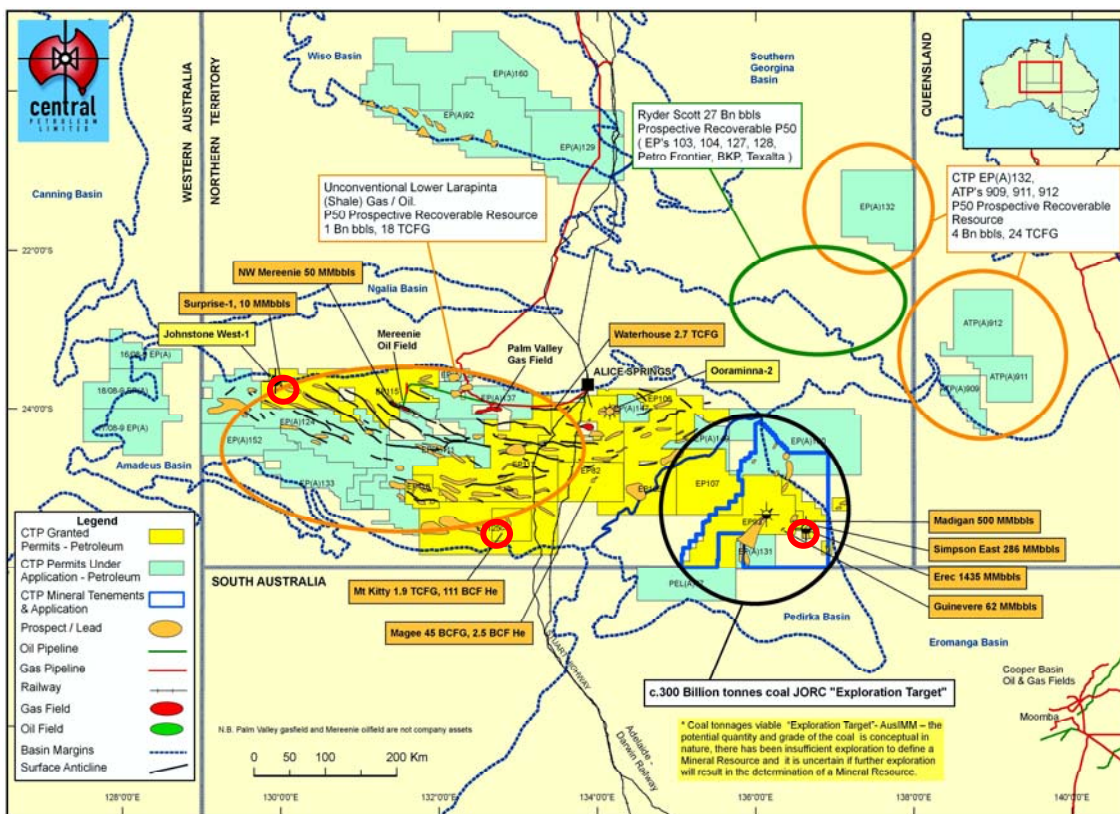
**merlin**  
**WEST**  
PTY LTD  
ABN 59 114 346 968

**central**  
**GREEN**  
PTY LTD  
ABN 84 128 245 876

**central**  
**GEOHERMAL**  
PTY LTD  
ABN 86 128 245 885

**central**  
**PETROLEUM**  
**SERVICES**  
PTY LTD  
ABN 57 140 628 155

A daily drilling update on time versus depth from Rotating Kelly Bushing (RKB) and a well prognosis is available on the Company's website. Further announcements will be made as appropriate.



Central has previously reported estimates confirmed by independents 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. Two additional oil shows in the Lower Stairway Sandstone above the 9m cored zone remain unevaluated other than in visual inspection of cuttings.

John Heugh

Managing Director  
**Central Petroleum Limited**

For further information contact:  
**John Heugh** Tel: +61 8 9474 1444 or  
**Ray Beatty** Corporate Writers Tel: +613 9224 5272, M: +61 409 174 565

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 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.

This document may contain forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Central. These risks, uncertainties and assumptions include (but are not limited to) commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statement in this document is valid only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, or any other Listing Rules or Financial Regulators' rules, Central, its agents, directors, officers, employees, advisors and consultants do not undertake any obligation to update or revise any information or any of the forward looking statements in this document if events, conditions or circumstances change or that unexpected occurrences happen to affect such a statement. Sentences and phrases are forward looking statements when they include any tense from present to future or similar inflection words, such as (but not limited to) "believe," "estimate," "anticipate," "plan," "predict," "may," "hope," "can," "will," "should," "expect," "intend," "is designed to," "with the intent," "potential," the negative of these words or such other variations thereon or comparable terminology, may indicate forward looking statements.