



central
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260805 Central Petroleum Limited Media Release:

As part of its push towards a major capital raising, Central Petroleum Limited has recently commissioned a formal valuation of its interests in central Australia subject to the success of the capital raising and granting of all of the permits concerned.

The valuation of AUD\$27 million reflects the prospectivity of the permits concerned hosting the prospects Central is targeting for total upside ("high") potentially recoverable resources of 300 MMbbls oil, 3,400 BCFG (3.4 TCFG) and 105 BCF Helium in an initial 6 well programme over a two year period. Central has signed a MOU with BOC Global Helium, Inc. of New Jersey, one of the world's biggest suppliers of Helium, aimed at a joint venture to exploit commercially any Helium reserves discovered in Central's 41 million acres of ground in central Australia.

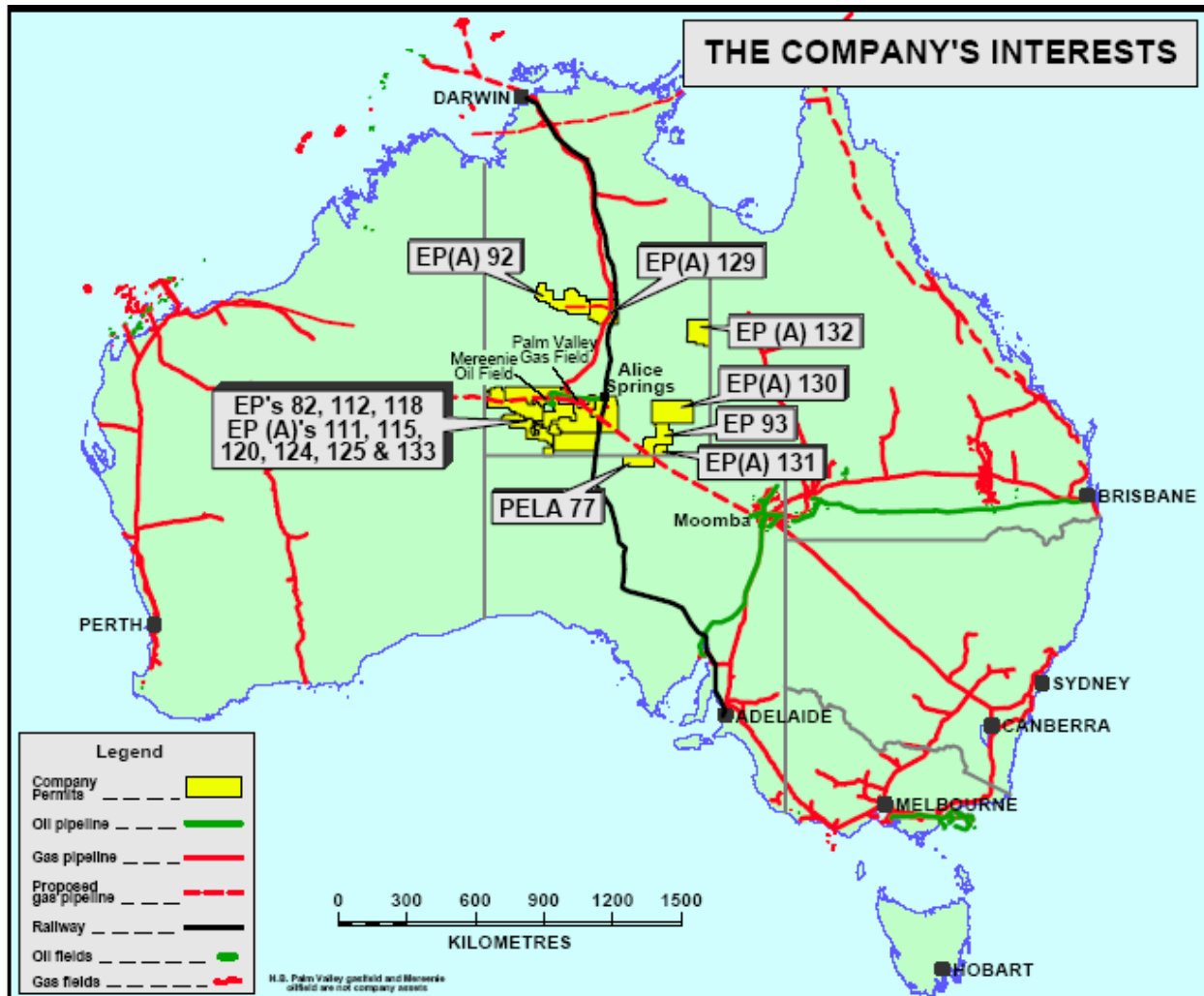
A disclosure document for a capital raising of a maximum of AUD\$25 million is in preparation and is planned for release shortly. The planned capital structure of the raising would result in a net asset backing per share undiluted of about 25 cents per share subject to the success of the capital raising and the granting of all of the permits concerned. (Four permits are already granted.)

Martin Place Securities, (MPS) Central's corporate advisor and stockbroker, is positive about the prospects for Central as set out in the disclosure document which is due for imminent release, "Central has assembled a package of very valuable ground starting in 1998 when oil was trading at about USD\$12 a barrel" said Barry Dawes, MPS Managing Director. "Central has an interesting and valuable package of ground covering almost all of three major sedimentary petroliferous basins in Central Australia and has over 200 defined prospects and leads. The region is demonstrably under-explored and has the potential to transform the Company into a serious player in the petroleum industry after any major successful appraisal or discovery on the identified large structures. The synergy of the acreage package, the potential to rapidly monetise oil discoveries via the new rail link and the potential of GTL value adding coupled with the possibility to produce significant quantities of Helium means that Central's capital raising is being well supported by astute investors looking for both short term and long term capital appreciation"

Central has commissioned a pre-feasibility study on the conceptual use of Gas to Liquids (GTL) technology in central Australia to produce a range of value added products including zero sulphur diesel, jet fuel and naphtha totalling 4 million barrels production per annum.

The advent of the new rail link from Alice Springs to Darwin means that it is possible to monetise any oilfield discovered in central Australia via simple trucking and rail transport to Port Darwin for domestic consumption or export. Oil produced in central Australia is currently being trucked all the way to Port Bonython in South Australia. GTL products could also be railed from a central Australian GTL plant to Port Darwin for domestic or export markets although it is anticipated that any diesel, jet fuel and naphtha produced could be easily absorbed by the domestic market.

Central is chaired by Dr Henry Askin, previously General Manager of Shell Exploration Australia with John Heugh as its Managing Director, a former consultant to KUFPEC, Santos, Ampolex, Bridge Oil and ARCO. Other Directors include Richard Faull and Bill Dunmore.



Disclaimer: This is NOT an offer to invest in the Company's shares. No offer of investment will be accepted unless and until a full disclosure document including share application forms prepared under the Corporations Act 2001 as amended has been completed, has passed the mandatory 7 day exposure period and is released to the public.

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