

23rd April 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney
New South Wales 2000

QUARTERLY REPORT
JANUARY TO MARCH 2007

EXPLORATION ACTIVITIES

AMADEUS BASIN

EP 82, EPA 111, EP 112, EPA 115, EP 118, EPA 120, EPA 124, EP 125, EPA 133, EPA 137.

Seismic Acquisition

A total of 473 line km of 2D seismic was acquired over the Mt Kitty, Ooraminna and Waterhouse Prospects where the Company is targeting a total of 3,400 BCFG and 105 BCF Helium in potentially recoverable prospective resources. Combined studies of both structural mapping and alteration anomalies have helped the Group to focus on the most prospective portions of these giant structures. The raw field data has been sent to JustGeo in the USA for processing with preliminary results due by the end of May 2007. Plans are well advanced on additional seismic acquisition campaigns over the Magee, Johnstone, Gypsum and Stuart Prospects.

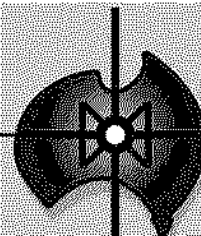
Environmental, Sacred Site and Heritage Surveys

Environmental, sacred site and heritage field reports over Waterhouse were completed and the Northern Territory Department of Primary Industry, Fisheries and Mining gave permission for seismic line clearing and acquisition over these prospects. Similar clearances over the Mt Kitty and Ooraminna Prospects had been given during the previous quarter.

EPA 115 and other applications

The Federal Minister for Aboriginal Affairs approved the granting of EP 115 and the Group and the Central Land Council have now signed an Exploration Deed with formal granting by the Northern Territory Department of Primary Industry, Fisheries and Mining expected shortly.

Applications for other exploration permits are at various stages of progress.



central
PETROLEUM
LIMITED

ABN 72 083 254 308

Suite 3, Level 4
Southshore Centre
85 The Esplanade
South Perth
Western Australia
6151

Postal: PO Box 197
South Perth
Western Australia
6951

Phone:
+61 8 9474 1444

Fax:
+61 8 9474 1555

info@centralpetroleum.com.au
www.centralpetroleum.com.au

Farmouts

The Group has signed a farmout agreement with He Nuclear Limited whereby He Nuclear can earn 25% of the EP125 Mt Kitty Prospect Block and the EP82 Magee Prospect Block. The terms of the agreement include He Nuclear funding 50% of pre-drilling seismic and the drilling of a well on each Prospect Block to earn a 25% participating interest in each of the blocks.

PEDIRKA BASIN

EP 93, EPA 130, EPA 131, PELA 77

The Northern Territory Department of Primary Industry, Fisheries and Mining have commenced advertising the Petroleum Exploration Permit Applications EPAs 130 and 131 which is the first part of the granting process.

Further discussion with the Central Land Council over an appropriate less flood prone road access plan to EP 93 has continued following severe flooding in January 2007. Tenders for the drilling of Blamore #1 with an option to drill Avalon #1 back to back have been suspended pending a decision on the access route.

An independent report on the potential Coal Bed Methane potentially recoverable Prospective Resources of the Group's Pedirka Basin permits and permit applications, EPAs 130 and 131, PELA 77 and the granted EP 93 by Mulready Consultants Pty Ltd concluded a range of 25 to 50 TCFG may be available in recoverable hydrocarbons.

AMADEUS and PEDIRKA BASINS

EPA 105, EPA 106, EPA 107

Subject to the grant of the tenements, the Group has conditionally purchased from Traditional Oil Pty Ltd EPAs 105, 106, and 107, which straddle the Amadeus and Pedirka Basin boundary. The application areas cover approximately 28,000 km², now bringing the total area operated by the Group in granted permits and applications to over 230,000 km². The purchase will add about 8,000 km² of interpreted coal beds to the Group's portfolio with Coal Bed Methane potential. The consideration for the conditional purchase consists of cash payments of \$100,000, ordinary shares to the value of \$375,000, a 1.5% gross production royalty, and a once only payment of \$1,000,000 after one year's production.

WISO BASIN (LANDER TROUGH)

EPA 92, EPA 129

Applications for exploration permits are at various stages of progress with the period of negotiation agreed to be extended by the Central Land Council.

GEORGINA BASIN

EPA 132

Negotiations with regard to the applications for the exploration permit have not yet commenced.

GTL

Completion of Pre-Feasibility Study of Gas to Liquids Plants in the 10,000 to 140,000 bbl/day output range.

Holt Campbell and Payton Pty Ltd, independent consulting engineers have completed a pre-feasibility study of the viability of various Gas to Liquids plant sizes up to 140,000 bbls/day with favourable fundamental projected economics based on a USD 30/bbl oil price break-even figure being fed with either of conventionally reservoired gas or Coal Bed Methane Prospective Resources from the Amadeus Basin and the Pedirka Basin respectively.

CORPORATE

Appointment of Exploration Manager

Mr. Greg Ambrose, previously Deputy Director of the Northern Territory Geological Survey, has been appointed Exploration Manager of the Group on a 4 year contract.

Financial

At the end of the Quarter, the Group had available funds of approximately \$5,332,000. The attached ASX Listing Rules Appendix 5B shows the cash movements and other information for the Quarter.

Yours sincerely,
Central Petroleum Limited



John Heugh
Managing Director

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

CENTRAL PETROLEUM LIMITED

ABN

72 083 254 308

Quarter ended ("current quarter")

31st March 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	-1,481	-1,853
(b) development		
(c) production		
(d) administration	-424	-1,128
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	87	329
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	-1,818	-2,652
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-25	-25
(b) equity investments		
(c) other fixed assets	-3	-75
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities	-294	-294
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	-322	-394
1.13 Total operating and investing cash flows (carried forward)	-2,140	-3,046

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	-2,140	-3,046
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	5	5
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	5	5
	Net increase (decrease) in cash held	-2,135	-3,041
1.20	Cash at beginning of quarter/year to date	7,467	8,373
1.21	Exchange rate adjustments to item 1.20		
		5,332	5,332
1.22	Cash at end of quarter		

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	91
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	0
Total	2,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	332	467
5.2 Deposits at call	5,000	7,000
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.22)	5,332	7,467

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EP82 Magee Prospect Block	Registered holder Joint venture with conditions.	100%	75%
	EP125 Mt Kitty Prospect Block	Registered holder Joint venture with conditions.	100%	75%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	EPA 105	Conditional purchase	0%	100%
	EPA 106	Conditional purchase	0%	100%
	EPA 107	Conditional purchase	0%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

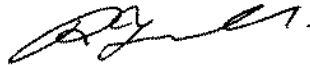
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	130,885,252	120,095,388		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	39,538,251	38,741,251	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 30/6/07
	300,000	0	\$0.25	31/1/10
	21,250,000	0	\$0.20	31/5/10
	8,000,000	0	\$0.20	20/2/11
7.8 Issued during quarter				
7.9 Exercised during quarter	25,000		\$0.20	30/6/07
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

7.11	Debentures <i>(totals only)</i>		
7.12	Unsecured notes <i>(totals only)</i>		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 23rd March 2007
(Director/Company secretary)

Print name: Richard Faull

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

+ See chapter 19 for defined terms.