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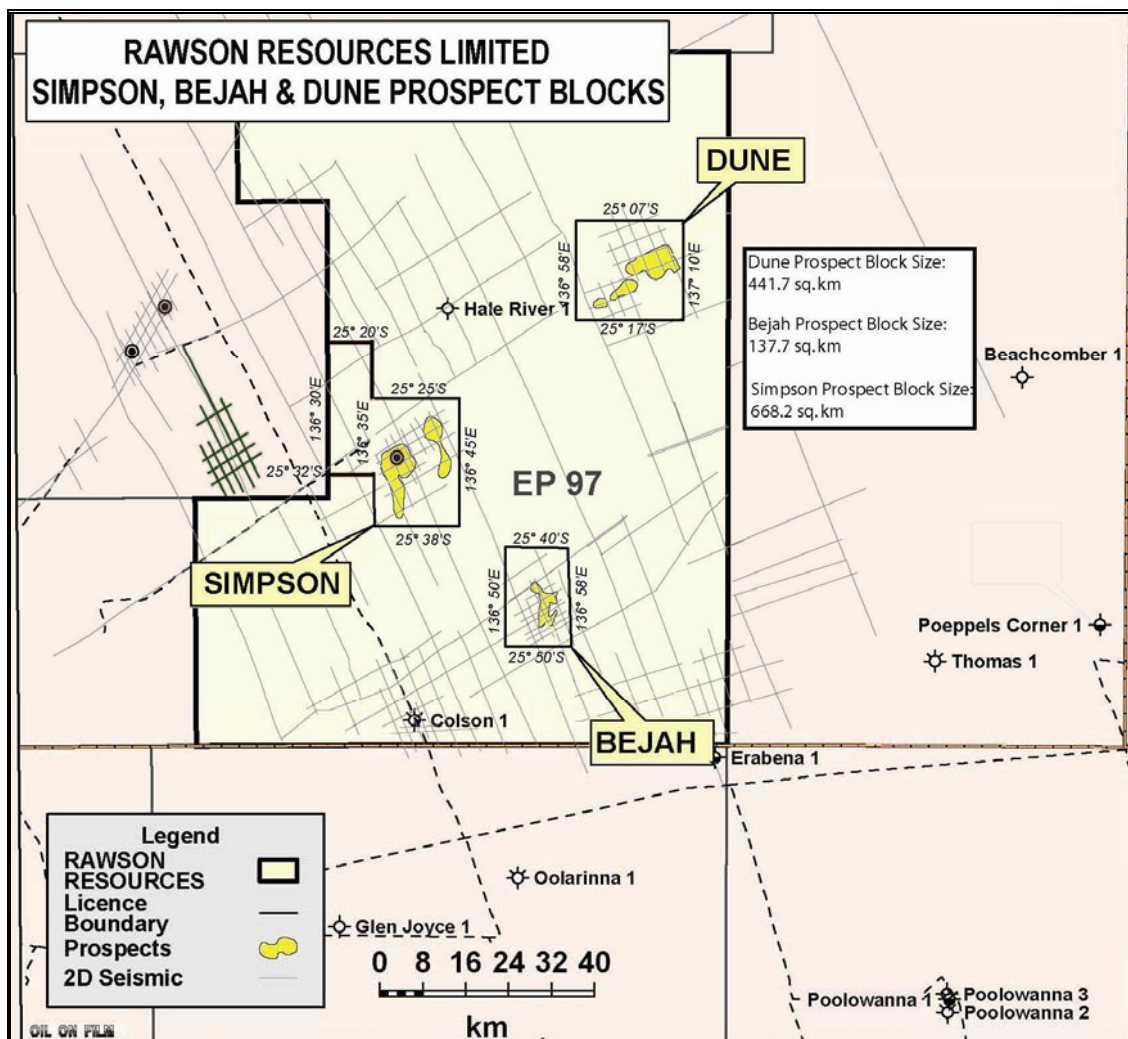
TO: Manager, Company Announcements ASX Limited

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Rawson Resources Farmin Agreement Formalised

Central Petroleum Limited's wholly owned subsidiary, Merlin Energy Pty Ltd, (Merlin) has formalized an agreement with Rawson Resources Limited (Rawson) to farmin to the Simpson, Bejah and Dune prospect blocks in the Pedirka Basin, a recognised prospective province for oil exploration with many similarities to the Cooper Basin.

The terms of the farmin agreement executed on the 26th October 2007 call for Merlin to complete and fund at the 100% level, 100 line km of seismic anywhere on Exploration Permit 97 and to drill one well in each of the prospect blocks to retain an 80% participating interest in the respective prospect blocks. The seismic and the first well are mandatory but Merlin has the option to cease expenditure at any time after that. The 80% participating interest was assigned with effect from the execution of the Agreement but shall be returned to Rawson if the programme does not proceed on each of the prospect blocks severally.



Merlin will be the operator of the farmin operations under an industry standard Joint Operating Agreement to be signed as soon as practicable prior to commencement of operations, the substantive terms of which have been agreed already.

Wholly owned subsidiaries:

merlin
ENERGY
PTY LTD
ABN 95 081 592 734

ordiv
PETROLEUM
PTY LTD
ABN 29 111 102 697

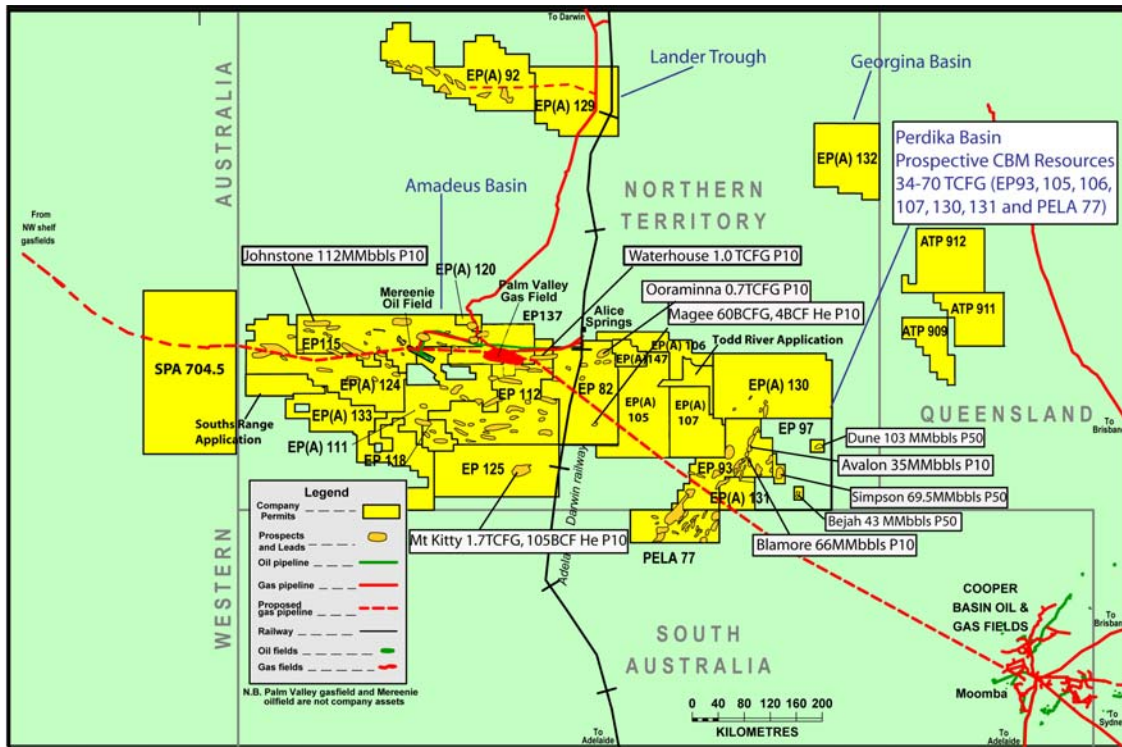
frontier
OIL & GAS
PTY LTD
ABN 91 103 194 136

helium
AUSTRALIA
PTY LTD
ABN 11 078 104 006

merlin
WEST
PTY LTD
ABN 59 114 346 968

The farmin arrangement is subject to, inter alia :

- the Central Land Council approving access via the Colson Track or the environs thereof around the Alitra Tableland
- Merlin satisfying itself (acting reasonably) that the costs of the access roads are not unreasonably high



The Agreement is planned to deliver to Merlin approximately 1,250 km² of prospective exploration ground with 5 prospects ready to drill and several leads. Any Coal Bed Methane resources hosted by the prospect blocks will also be included.

Total recoverable Prospective Resources (SPE) hosted by the prospect blocks in the Rawson farmin have been assessed ranging from P50 or “best” estimate level of 260 mmbbls to a P10 or “high” level of 1,600 mmbbls.

Central now will operate in the Pedirka Basin, permits and applications consisting of EPs 93,105,107, the Rawson Prospect Blocks in EP 97 and permit applications 130,131 and PELA 77. Inclusive of Coal Bed Methane, the total potentially recoverable Prospective Resources within these permits has been assessed independently at P50 or “best” level as 320 mmbbls and 47 tcfg.

John Heugh,
Managing Director,
Central Petroleum Limited