ASX ANNOUNCEMENT RELEASED to the ASX DATE: 191207

TO: Manager, Company Announcements ASX Limited

CONTACT: John Heugh +61 8 9474 1444

ASX GRANT OF WAIVER APPLICATION TO LISTING RULE 7.3.2

Central Petroleum is pleased to advise that the Australian Stock Exchange (ASX) has granted a waiver of ASX Listing Rule 7.3.2 in favour of the Company to conditionally allow a 15 month approval period for the proposed rolling convertible bond series subject to Shareholder approval. Central Petroleum had previously applied for a waiver to facilitate the administration of the Bond Subscription Agreement as set out in the Notice of General Meeting issued to shareholders on 20 November 2007.

The terms and conditions of the waiver granted by the ASX are provided in Appendix 1 of this document.

In compliance with the terms and conditions of the waiver granted by the ASX, Appendix 2 of this document provides shareholders with supplementary information in relation to the proposed 2008 Work Program and the intended application of funds sourced through the proposed Bond Subscription Agreement.

Yours faithfully
Central Petroleum Limited

John Heugh
Managing Director

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

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

APPENDIX 1
TERM & CONDITIONS OF WAIVER TO LISTING RULE 7.3.2

1. Based solely on the information provided, ASX Limited ("ASX") grants Central Petroleum Limited (the "Company") a waiver from listing rule 7.3.2 to the extent necessary to permit the Company's notice of meeting ("the Notice") seeking shareholder approval to issue convertible bonds to DB Zwirn Mauritius Trading No 3 Limited ("DBZ") under the terms of the proposed AUD $80 million facility ("the Facility") to state that the bonds may be issued within 15 months of the date of the meeting on the following conditions:

1.1 The Notice sets out:

1.1.1 The maximum number of bonds and shares the Company will issue to DBZ under the Agreement in the 15 month period after the date of the meeting and a statement that the Company will seek further shareholder approval for the issue of any further bonds.

1.1.2 The terms and conditions of the Facility and the convertible bonds to be issued by the Company to DBZ.

1.1.3 A clear statement of the works program ("Works Program") and asset expenditure to which the funds raised under the Facility will be expended during the 12 months after the date of the meeting.

1.2 The Company releases an announcement to the market at the same time that the Company issues an Appendix 3B in relation to the issue of bonds, or of ordinary shares on conversion of bonds, which must state the total number of bonds and ordinary shares that have been issued in connection with the facility since the date of the shareholder approval and the percentage of the issued share capital of the Company (as at the date of the approval) represented by those shares.

1.3 The Company's annual report contains a statement of the number of bonds and ordinary shares that have been issued in connection with the facility during the reporting period.

1.4 The Company releases the terms of the waiver granted to the market by way of separate announcement.

1.5 Prior to its general meeting on 21 December 2007, the Company releases an announcement to the market in respect of its Works Program and asset expenditure detailing the following:

1.5.1 the permits to which the Works Program relates (including proposed target location);

1.5.2 the proposed number of onshore exploration wells in each of the permits referred to in 1.5.1;

1.5.3 the proposed time frame for commencing each onshore exploration well referred to in 1.5.2;

1.5.4 the proposed expenditure budget for each exploration well referred to in 1.5.2;

1.5.5 the time frame and detailed expenditure budget for the seismic acquisition, processing and mapping;

1.5.6 the time frame for commencing and concluding the full feasibility study in relation to the prospective purchase of an onshore drilling rig; and

1.5.7 a schedule detailing the application of funds obtained under the facility to the Works Program and asset expenditure.

1.6 Following its general meeting on 21 December 2007, the Company releases an announcement to the market every quarter (or more frequently, if ASX requires) detailing its progress in relation to the Works Program and asset expenditure, and the extent to which it has applied funds raised pursuant to the Facility towards the Works Program.

1.7 The Company will:

1.7.1 comply with its obligations under the *Corporations Act, 2001* to issue a prospectus in relation to shares to issue on conversion of the bonds; or

1.7.2 subject to obtaining ASIC relief from the requirement to issue a prospectus, will issue a cleansing notice under section 708A of the Corporations Act.

2. ASX has considered listing rule 7.3.2 only and makes no statement as to the Company's compliance with other listing rules.

APPENDIX 2
2008 WORK PROGRAM – SUPPLEMENTARY INFORMATION

On Page 21 of the Notice of General Meeting issued to shareholders on 20 November 2007, the Company provided an overview of the proposed exploration activities for 2008. In satisfaction of the terms and conditions of the Listing Rule 7.3.2 wavier granted by the ASX, the table below provides supplementary information regarding the proposed exploration work program:

Table 1 – 2008 Exploration Work Program

Permit	Prospect	Exploration Wells 2008	Proposed 2008 Timing	Estimated Cost Drilling ($M)	Seismic 2D (km)	Estimated Cost Seismic ($M)	Estimated Cost Total ($M)
EP 93	Blamore	1	March	5.0			5.0
	CBM "A"	1	July	1.0			1.0
	Regional Seismic		Jan - Mar		200	1.0	1.0
EP 125	Mt Kitty	1	May	4.5			4.5
EP 97	Simpson	1	April	5.0			5.0
	Regional Seismic		Jan - Mar		125	0.6	0.6
EP 82	Magee	1	November	4.5			4.5
	Ooraminna	1	June	4.5			4.5
	Regional Seismic		Jan - Mar		200	1.0	1.0
EP 105	CBM "B"	1	July/August	1.0			1.0
EP 107	CBM "C"	1	August	1.0			1.0
EP 112	Waterhouse	1	September	5.0			5.0
	Regional Seismic		Jan - Mar		325	1.7	1.7
EP 115	Johnston	1	October	4.5			4.5
	Regional Seismic		Jan - Mar		250	1.2	1.2
EP 118	Regional Seismic		Jan - Mar		100	0.5	0.5

In addition to the above exploration work program, the company intends to undertake a full feasibility study in relation to the purchase of an onshore drilling rig in 2008. This study is scheduled to commence in February under the management of the Drilling Manager. It is anticipated that the feasibility study will be completed by mid year. Contingent upon the outcome of the feasibility study, acquisition of the drilling rig is scheduled to commence during the 2nd half of 2008.

As outlined in the original Notice of General Meeting issued on 20 November 2007, the above expenditure program but for the seismic programme and the drilling of either of Blamore or Simpson and Mt Kitty prospects is contingent upon the conclusion of a farmout agreement(s) and at least the partial continuance of the rolling convertible bond series, is subject to review by the Company in the light of ongoing seismic and drilling results and may be subject to force majeure.

Table 2 – Application of Funds received under the Bond Subscription Agreement

The table below provides a forecast of expenditure (by major category) for 2008. Subject to ongoing review by the Company, it is anticipated that funds obtained under the Bond Subscription Agreement shall be applied in the manner described in the table below. The table illustrates the intended drawdown of Bond tranches over the 2008 period.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Seismic	2.5	2.0	1.5	-	-	-	-	-	-	-	-	-
Drilling	-	-	5.0	4.5	5.0	4.5	1.5	1.5	5.0	4.5	4.5	-
Drilling Rig	-	0.1	0.1	0.1	0.1	0.1	-	-	-	7.5	1.5	1.0
TOTAL	2.5	2.1	6.6	4.6	5.1	4.6	1.5	1.5	5.0	12.0	6.0	1.0

As noted in the Notice of Meeting issued to shareholders on 20 November 2007, acquisition of an onshore drilling rig is contingent upon a successful feasibility study and review by the Company.