

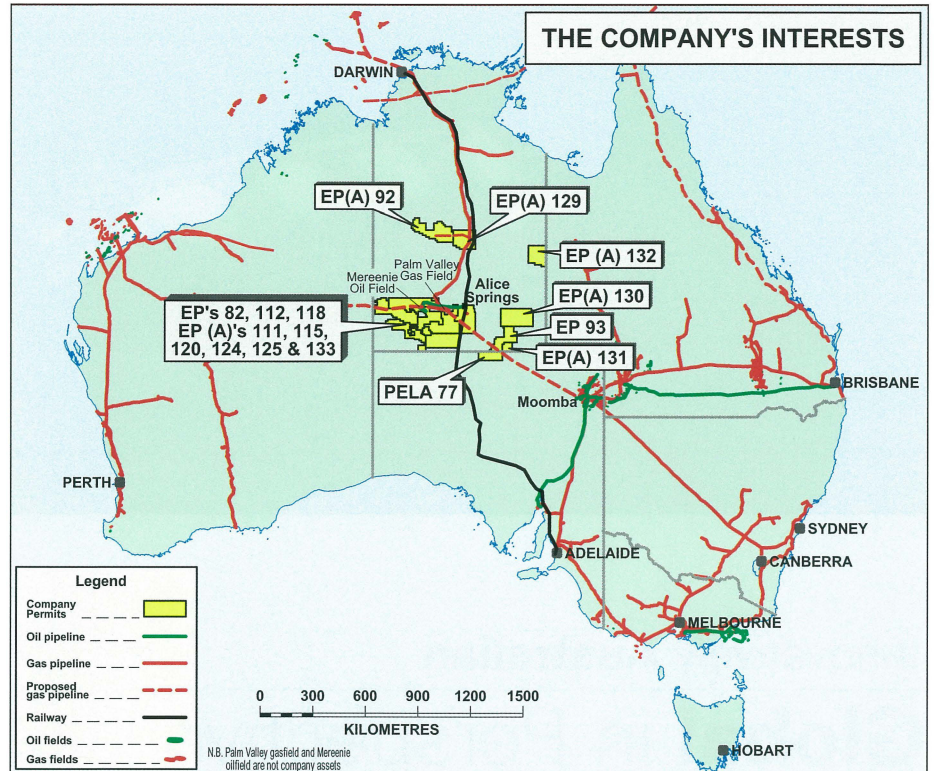
Frontier Oil and Gas granted NT permit

The Northern Territory Minister for Industry, Fisheries and Mining has granted Frontier Oil and Gas, a Central Petroleum subsidiary, exploration permit EP 115, consisting of 169 whole or partial blocks, totalling some 13,000 km².

The permit hosts the Johnstone oil prospect, which has been assessed by the company as having the potential to host up to 112 MMbbl of recoverable oil, a three-way dip and one-way fault terminated closure in the main Ordovician Stairway and Pacoota Sandstone target horizons at depths less than 1,800 m. Secondary targets include the older Neo-proterozoic Pioneer Sandstone (Aralka Petroleum System) and the Heavitree Sandstone.

Central has planned a 200 line km seismic acquisition program to provide additional pre-drilling information over the Johnstone, Surprise and Stuart oil prospects in EP 115. The company has plans to begin its first drilling campaign in the last quarter of 2007 with Mt Kitty, Ooramina and either or both of Simpson and Blamore, to be followed by a 1,000 plus line km seismic acquisition program. Johnstone is planned to be drilled in mid to late 2008 following these activities and subject to various contingencies.

John Heugh, Central managing director, said, "The formal granting of EP 115 opens the door to a very exciting suite of very large oil, gas, condensate and helium plays available for investigation in this very large block of prospective acreage. This represents the



Location of permit EP 115 in the Northern Territory.

first permit to be awarded in the western Amadeus since the mid 1980s oil price shock and the October 1987 stockmarket crash was reflected in a virtual shut-down of petroleum exploration onshore in the Northern Territory."

"Environmental inspections and sacred site surveys of the areas chosen for initial exploration activity have already been completed at field level and the formal results of these investigations are expected shortly", Heugh said. ■