

Continental Energy Corp. (OTC BB: CPPXF)



Continental Energy Corp. is an independent oil and gas exploration company focused on large commercial discoveries in Indonesia. Its current prospect inventory is in the prolific Bengara-II Block, a nine hundred thousand-acre block known for still unexploited oil and gas reserves located in the East Kalimantan region. The East Kalimantan region is one of the primary oil rich areas in Indonesia and currently has several oil producing basins. The Company signed an agreement with CNPCHK (Indonesia) Limited (CNPC), a wholly owned subsidiary of Hong Kong listed China National Petroleum Company (Hong Kong) Limited, to develop Bengara-II Block with the company and another partner, GeoPetro Resources Company.

Indonesia is a member of the Organization of Petroleum Exporting Countries (OPEC), the only Southeast Asian country to have membership in the oil cartel. In 2005, Indonesia produced 1.07 bbls/d of oil accounting for 3% of total OPEC production and just over 1% of global production. Indonesia's oil production is however below the OPEC permitted production. Despite the relatively volatile and risky political environment, as well as generally mature oil fields, Indonesia continues to attract investments from foreign companies to develop its oil resources. High oil prices and its proximity to fast growing Chinese and Indian economies are viewed as the main reasons behind the continued interest. The industry further benefits from its ongoing reforms instigated by the Indonesian government.



CURRENT PRICE: \$0.63
 52-WEEK RANGE: \$0.12 - \$0.95
 AVG DAILY VOLUME (90-DAY): 55,574
 OUTSTANDING SHARES: 59.1 million
MARKET CAPITALIZATION: \$37.3 million

INCOME STATEMENT HIGHLIGHTS

REVENUE: Nil
 NET INCOME: (\$1.2 million)
 EPS (Diluted): (\$0.02)

All figures six months trailing as of December 31, 2006

BALANCE SHEET HIGHLIGHTS

CASH & EQUIVALENTS: \$1.9 million
 WORKING CAPITAL: \$1.6 million
 TOTAL ASSETS: \$2.0 million
 NET WORTH: \$1.7 million

All figures as of December 31, 2006

RECENT NEWS HEADLINES

Thu, Apr 26, 2007

Continental Energy announced that its 18% owned Indonesian subsidiary Continental-GeoPetro (Bengara-II) Ltd. has spudded the first well of its 4-well exploration drilling campaign planned for this year in the Bengara-II Block, onshore East Kalimantan, Indonesia. Drilling of the 4,000 meters (13,124 feet) deep Seberaba-1 is expected to take up to 70 days at a cost of over \$6,000,000. The Seberaba-1 will test a very large faulted structure ideally located to receive a hydrocarbon charge and trap hydrocarbons. It will test the oil production potential of four separate stratigraphic zones at depths between 1,500 to 4,000 meters.

Thu, Feb 22, 2007

Continental Energy announced that PT Indo Sichuan Petroleum, an Indonesian contractor who was awarded the turnkey drilling contract to drill in the Bengara-II Block has dispatched a land drilling rig from Jakarta to the NE Kalimantan drill site.

HEADQUARTERS

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