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Continental Dissolves CGX Joint Venture

JAKARTA, Indonesia, Jan. 13, 2012 /PRNewswire/ -- Continental Energy Corporation (OTCBB: CPPXF) (the "**Company**"), an emerging international oil and gas company, today announced that its CG Xploration Inc. ("CGX") corporate joint venture vehicle with GeoPetro Resources Inc. ("GeoPetro") has been dissolved by mutual agreement of its shareholders.

CG Xploration Inc. was a 50% owned joint venture incorporated in the State of Delaware on 18 November 2005. The Company owned 50% of CGX and GeoPetro owned 50%. CGX had been operated for the purposes of identifying and developing new oil and gas production sharing contracts within a geographically limited and defined area of mutual interest in a portion of Indonesia on behalf of, and for the joint benefit of, the Company and GeoPetro.

With the dissolution of CGX, the Company is free to pursue new production sharing contracts within the former area of mutual interest for its own account.

On behalf of the Company,
Robert V. Rudman, CFO

Further Info: www.continentalenergy.com and <http://agoracom.com/ir/continentalenergy>

No securities regulatory authority has either approved or disapproved the contents of this news release.

Certain matters discussed within this press release may be forward-looking statements within the meaning of the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995. Although Continental believes the expectations reflected in such forward-looking statements including reserves estimates, production forecasts, feasibility reports and economic evaluations are based on reasonable expectations and assumptions, it can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from expectations include financial performance, oil and gas prices, drilling program results, regulatory changes, political risk, terrorism, changes in local or national economic conditions and other risks detailed from time to time in Continental's periodic filings with the US Securities and Exchange Commission.

SOURCE Continental Energy Corporation