



# Aurelian Oil & Gas PLC

## ("Aurelian" or "the Company")

### Update on Lilioci-1, Bacau Concession, Romania

Aurelian is pleased to announce that the further testing of its Lilioci-1 well, announced as a discovery on 13 February 2009, has been successfully completed.

Lilioci-1 evaluated a large number of Sarmatian-age sands over an interval of some 1,250 metres. Gas shows were evident throughout the section down to total depth and four sands between 2,412 and 2,584 metres flowed gas upon test at rates up to 122 thousand m<sup>3</sup>/d (4.6 million scfd). Post well evaluation has indicated that additional target sands exist in the section just below the well's total depth of 2,980 metres.

Only one of the Sarmatian sandstone zones tested in February was subjected to further testing. This zone was flowed for four days at rates up to 55 thousand m<sup>3</sup>/d (1.6 million scfd). Other gas-bearing sands encountered in the well were not tested on this occasion. The objective was to prove up a minimum quantity of gas to justify investment in a long term production test, during which the gas would be sold. This objective has been achieved.

Romgaz has recently made a gas discovery, Berbeceni-1, to the east of the Bacau concession in the same play as Lilioci-1. This play now appears to have potential for substantial gas production with Romgaz about to test it again with the Bogdanesti-1 well. This well will shortly be drilled close to the Bacau concession boundary and on a trend that includes Lilioci-1 and also Aurelian's Schineni and Siretu prospects. The results of the well will clarify their prospectivity and narrow the options for progressing the Lilioci-1 discovery.

The partners in the Lilioci-1 well are Aurelian (operator) 41%, Romgaz 40% and Europa Oil & Gas plc ("Europa") 19%. Under the terms of an agreement between Aurelian and Europa under which Aurelian has paid a proportion of Europa's share of the well and testing costs, Europa will have a short period in which to elect either to participate in the appraisal and development of the Lilioci discovery or to assign its interest in the discovery to Aurelian. If it elects to participate, Europa will pay Aurelian a sum currently estimated at €6.0 million comprising the aggregate of its unpaid share of the well costs and an agreed premium.

*The technical information and opinions contained in this announcement have been reviewed by Roy Hartley B.Sc (Hons) (Imperial College), FEI, FGS, C. Eng, Aurelian's Operations Director who has 40 years of experience in the oil exploration and production industry. He has consented to the inclusion herein of such technical information and opinions.*

### **Michael Seymour, Managing Director of Aurelian Oil & Gas commented**

"The northern part of the Bacau concession now looks very interesting. Success for Romgaz with Bogdanesti-1 would encourage us to drill Schineni and Siretu and provide us with further insight for planning the development of our Lilioci discovery."

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**Notes to Editors:**

Aurelian Oil & Gas PLC, was founded in December 2002, by Managing Director, Michael Seymour and is focused on the re-emerging Central and Eastern European oil and gas markets, one of the oldest producing oil provinces in the world.

The Company has developed a diversified portfolio throughout the region. Currently Aurelian has a wide portfolio of concessions in Poland (14), Slovakia (3), Romania (4) and Bulgaria (2), and a range of production, appraisal and exploration projects.

Aurelian's near-term focus is to establish substantial production from existing assets while continuing to assess and identify future dynamic exploration programmes across the region.