

Aurelian Oil & Gas PLC

(“Aurelian” or “the Company”)

Operational and Corporate Update

Aurelian, the European focussed E&P Company, is pleased to provide the following operational and corporate update.

Highlights

- **First Multi Fracced Horizontal Well (MFHW) Trzek-2 encounters 100 metre Gas Column in Rotliegendes Sandstone**
 - Top reservoir has been encountered by the vertical section of the well. Good gas readings and core have been taken from an estimated 100 metre gas column.
 - After coring and logging, well to be sidetracked and drilled horizontally towards 91 metre gas column discovered by Trzek-1.
 - Completion of Frac and Flow test expected during December 2010 in line with planned well schedule and budget.

- **€75 million Credit Facility agreed**
 - Macquarie Bank Limited to provide €75 million Credit Facility.

- **Letter of Intent (“LOI”) signed for Nitrogen Removal Unit (“NRU”) at Siekierki Gas Processing Facility and Environmental Impact Assessment accepted**
 - LOI signed to provide Long Lead NRU required to treat Siekierki gas to sales quality.
 - Polish Environmental Authority accepts Environmental Impact Assessment for Gas Processing Facility, maintaining construction start date of early 2011 and first gas production target of end of 2011.

- **300km 2D seismic survey commenced in Bieszczady licence in Carpathian Thrust Fold Belt**
 - Good quality information already being obtained.
 - Completion of survey will take block coverage to approximately 40%.

- **Board Changes**
 - John Matthews, a Chartered Accountant with over 35 years Investment Banking and Commercial experience, most recently as Chairman of Regus PLC, joins Board as a Non-executive Director and Chairman of the Audit Committee.
 - Given ongoing strengthening of the Board, Malcolm Pattinson has decided to retire as a Non-executive Director and Chairman of the Audit Committee.

Rowen Bainbridge, Chief Executive commented:

"Encountering the estimated 100 metre gas column, on schedule and on budget, is a major step forward in our 346 bcf Siekierki Tight Gas Project, as is our progress with planning and approvals for the Processing Facility. In the Carpathians, we are increasing to 40% the 2D seismic coverage on our highly prospective Bieszczady block where we will be spudding our first well in October targeting prospective resources of 100 million bbs of oil (gross). In addition, the new €75 million Credit Facility can be used to fund the second Multi Fracced Horizontal Well and Gas Processing Facility at Siekierki. This means that together with our existing cash in hand, we can now fund our previously announced well programme, the remaining eight of which, will be completed by the end of 2011.

We are making significant progress in de-risking our portfolio and appropriately capitalising the business to be in a position to further invest in, and create value from, our outstanding asset base. I look forward to bringing you further updates in the coming months which promise to be the most exciting in the Company's history."

John Conlin, Chairman commented:

"I want to welcome John on to the Board and I feel that his appointment further helps shape the Board, and adds to it, the necessary capability that will help Aurelian progress to the next level in its development. I also want to express my thanks to Malcolm for the many years of valued service that he has provided to Aurelian and I wish him every success in the future."

30th September 2010

Enquiries:

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Poland

First Siekierki Multi Fracced Horizontal Well ("MFHW") Trzek-2 encounters 100 metre Gas Column in Rotliegendes Sandstone

The Company is pleased to announce that the vertical section of the Trzek-2 well in our Siekierki Tight Gas project has encountered a total gas column estimated at 100 metres, with good gas readings, in the Rotliegendes reservoir. Gas column thickness in the Trzek-1 well is 91metres. The well encountered the top reservoir at 3,752 metres and is currently coring. It is expected that the pilot hole well will reach target depth in the coming days and, after logging the vertical hole, will be side-tracked to drill a horizontal well in the reservoir towards the location of the Trzek-1well. It is envisaged that the Trzek-2 Frac and Flow Test will be completed during December, in line with our original schedule and budget of €18.2 million.

Letter of Intent ("LOI") signed for Nitrogen Removal Unit ("NRU") at Siekierki Gas Processing Facility

Work on the development of the pilot plant and flow lines continues on schedule to allow first gas before the end of 2011. The major long lead item required for the Processing Facility is an NRU to process the gas to sales quality. An LOI to provide this equipment has now been signed with BCCK Engineering Inc. a Texas based natural gas engineering company which specialises in the removal of contaminants such as nitrogen, CO₂, helium, and oxygen from natural gas.

Gas Processing Plant Environmental Impact Assessment accepted

The Polish Environmental Authority has accepted the Plant Environmental Impact Assessment, another important step in the Planning Approval Process. It is expected that the Construction Permit will be obtained late December 2010/early January 2011 to allow site construction to start early in 2011.

The Siekierki project is located on the Poznan licences which are 100% held by Energia Zachod Sp. z.o.o., a company owned 90% by Aurelian and 10% by Avobone N.V.

300 km 2D seismic survey commenced on Bieszczady licence in Carpathian Thrust Fold Belt

A survey to acquire a further 300 km of 2D seismic has now commenced in the Company's Bieszczady licence in the Carpathian Thrust Fold Belt. Good quality information has already been obtained from this survey which will be shot to the north and east of the existing 2D covered area and will be interpreted in Q1/Q2 2011. Completion of this survey will take block coverage to approximately 40%.

Interests in Bieszczady are Polskie Gornictwo Naftowe i Gazownictwo (51%) (Operator), Energia Bieszczady Sp. z o.o. (25%) (a 100% subsidiary of Aurelian Oil and Gas Poland Sp. z o.o.) and Eurogas Polska Sp. z o.o. (24%).

€75 million Credit Facility agreed

Aurelian is pleased to announce that, subject to completion of final due diligence and legal documentation, it has agreed a €75 million, four year, Credit Facility with Macquarie Bank Limited. The Credit Facility can be used to fund the second MFHW and Gas Processing Facility at Siekierki as well as further appraisal, development and infrastructure expenditure throughout Aurelian's wider portfolio. The level of drawdown of the Credit Facility is conditional upon, amongst other things, completion of technical due diligence, satisfactory performance of the Trzek-2 MFHW and finalisation of lender's security.

Board Changes

Aurelian is delighted to announce the appointment of John Matthews to the Board of Directors as an Independent Non-executive Director and Chairman of the Audit Committee. John, a Chartered Accountant, has over thirty five years experience working internationally and in the UK in Investment Banking and various Commercial sectors. Since 1995 John has mainly been involved in Chairman and Non-executive Director roles, most recently as Chairman of Regus PLC until his retirement earlier this year. During his career John has also served in senior and Board positions at County NatWest, Beazer PLC, Crest Nicholson PLC, Rotork PLC and Center Parcs PLC. He is currently Senior Independent Director at Diploma PLC, Minerva PLC and SDL PLC.

The Company also announces that Malcolm Pattinson has decided to retire as a Non-executive Director and Chairman of the Audit Committee and, with regret, the Company accepts his resignation. Mr Pattinson believes that recent appointments have significantly strengthened the technical and financial capability of the Board and it is now an appropriate time for him to step down. Mr Pattinson has served as a Director of the Company since April 2003, shortly after its formation in November 2002, and since that time has added significant value to the exploration portfolio as a technical Non-executive Director. The Company would like to thank Mr Pattinson for his contribution and wishes him well for the future.

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.

The following disclosure is made under Rule 17 and Schedule 2(g) of the AIM Rules for Companies:

John Waylett Matthews, aged 66, currently holds the following directorships and partnerships:

SDL PLC
Diploma PLC
Minerva PLC
Media Systems Limited
Forest School, Essex
P.Matthews Limited
Ingenious Film Partners 2 LLP

Mr Matthews has held the following directorships in the past 5 years:

Crest Nicholson PLC
Regus PLC
Regus Group Limited
Rotork PLC
Center Parcs PLC
Center Parcs (UK) Group Limited
Cunico Resources N.V.

Mr Matthews was a director of the following companies at the time they entered into members voluntary arrangements:

Media Systems Group Limited

Media Systems Software Limited
Immediate Marketing Limited

No further information falls to be disclosed pursuant to Schedule 2(g) of the AIM Rules for Companies.

GLOSSARY

bcf	billon cubic feet of gas
bbls	barrels