

Aurelian Oil & Gas PLC

Competent Persons Report, Siekierki gas accumulation, Poznan East Blocks 207 and 208, Central Poland.

Aurelian Oil and Gas PLC, on behalf of its Polish subsidiary Energia Zachod Sp.z o.o., is pleased to announce the conclusions of a Competent Persons Report (“CPR”) conducted by RPS Energy (“RPS”) on the Siekierki gas accumulation which was confirmed by the drilling and testing of the Trzek-1 well in 2007.

Highlights

- > The Siekierki gas accumulation has been classified as a Contingent Resource:

Net to Aurelian	Low 1C	Best 2C	High 3C
Sales Gas Bscf	105.5	190.1	305.9
Success Case NPV @10% million.	124.0	263.3	449.0

- > Sales Gas expected to plateau at 55 MMscf/d in 2012 in the best estimate case with an 11 well development plan.
- > Aurelian’s internal analysis estimates that there are additional Contingent Resources in the northwest, under Poznan City
- > “2C” Contingent Resources as calculated by RPS extrapolate to **£ 1.42** per Aurelian ordinary share (fully diluted), assuming the implementation of the proposed appraisal and development plans for which the chances of success are estimated by RPS at 72%

Competent Persons Report

RPS is an independent consultancy, specializing in petroleum reservoir evaluation and economic analysis. In preparing the CPR, RPS has followed the internationally accepted PRMS as the Standard required to be used under AIM regulations. All of the available well and seismic data, including those from wells drilled on the Siekierki trend by the Polish state company during the 1970s and 1980s have been evaluated together with Aurelian’s appraisal and development plan and Polish gas pricing policies.

The Siekierki gas accumulation has been classified as a Contingent Resource since further work is required to delineate the size of the structure and to confirm the long term deliverability of horizontal wells. Aurelian’s plans outlined below address these issues and RPS assess the likelihood of this work being successful at 72%. The range of uncertainty in the gas in place and producible volume is described by a low, best and high estimate described as 1C, 2C and 3C.

RPS has calculated gross 1C, 2C and 3C Contingent Resources for sales gas net to Aurelian’s 90% equity of **105.5 Bscf, 190.1 Bscf and 305.9 Bscf** respectively. In the “best” estimate case, an eleven well development plan leads to a sales plateau of **55 MMscf/d** by 2012. Sales gas is estimated after allowing for the removal of 10.7% inert gases and 3% fuel gas. The economic analysis calculates success case Net Present Values discounted at 10% for the three categories at **€ 124.0 million, € 263.3 million and € 449.0 million**.

Assuming the proposed appraisal and development plans work out as foreseen in the RPS analysis, the NPV for the “2C” Contingent Resources as calculated above extrapolates to **£ 1.42** per Aurelian ordinary share (fully diluted). RPS have estimated the chances of success of the plans at 72%

The Siekierki Structure

The structural trend that contains the Siekierki gas accumulation extends for approximately 25 km from the southern boundary of Block 207 northwestwards to the eastern part of the city of Poznan. The Trzek-1 well located close to the eastern outskirts of the City, established an 89 metre gas column in a continuous sequence of Rotliegende sandstones and tested gas at rates up to 7.5 MMscf/d which stabilized at 2.5MMscf/d at 70 bar flowing pressure. Because the Rotliegende has low permeability, development of the accumulation will require deviated and/or horizontal wells to provide sustainable commercial gas flow rates. The rates from the vertical Trzek-1 well indicate that sustainable commercial rates should be achievable.

Forward Programme

In order to prove up the Siekierki structure, Aurelian is acquiring 299 km² of 3D seismic in Block 207 whilst proceeding with the design of a horizontal well and the design and installation of a process plant to allow gas sales from Trzek-1 and the first horizontal well to commence in late 2009. The 3D seismic acquisition which started in January 2008 is progressing satisfactorily as are negotiations for a gas sales agreement. A contract for the design and installation of processing facilities is currently out to tender.

Energia Zachod Sp. z o.o. is a 90% subsidiary of Aurelian, with the remaining 10% held by Avobone N.V.

Michael Seymour, Aurelian's Managing Director, commented:

"The report by RPS Energy confirms the viability of the project and its potential value to Aurelian and its shareholders.

The report constitutes an independent assessment and, as such, does not in all respects mirror our own analysis of the data available. Aurelian's estimate places more Contingent Resources in the northwest, where the structure passes under Poznan City. 3D seismic will cover part of this area and, if interpretation of the data confirms that the gas accumulation extends as far as is hoped, it will be possible to increase contingent resource volumes and include appropriate measures for their recovery in the development plan."

Glossary of technical terms

"Bscf"	billion cubic feet;
"MMscf"	million standard cubic feet (of gas);
"MMscf/d"	million standard cubic feet (of gas) per day;
"PRMS"	"Petroleum Resource Management System" jointly published in 2007 by the Society of Petroleum Engineers, the Society of Petroleum Evaluation Engineers, The World Petroleum Council and the American Association of Petroleum Geologists;
"3D seismic"	A seismic technique involving collection and processing of reflected seismic energy signals over an area with the objective of determining the spatial relationships of subsurface geological interfaces in three dimensions.

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 over 30 years' experience in the oil exploration and production industry. He has consented to the inclusion herein of such technical information and opinions.

The technical information and opinions contained in this announcement have also been reviewed by RPS Energy. Andy Kirchin a Director of RPS, has supervised the evaluation. He has 21 years of relevant experience. He is a Member of the Energy Institute, the Petroleum Exploration Society of Great Britain and the European Association of Geoscientists and Engineers. He has a BSc (Hons) in Geophysics with Geology from the University of Liverpool. RPS has consented to the inclusion herein of such technical information and opinions as are attributed to them.

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Notes to Editors:

Aurelian Oil & Gas PLC, was founded in December 2002, by Managing Director, Michael Seymour to focus on the established oil provinces in the central European countries of the former CIS where there had been little investment in seismic and drilling technology during the previous 20 years. The Company has since developed rapidly from a pure exploration company into its present position with a wide portfolio of concessions in Poland (5), Slovakia (3), Romania (4) and Bulgaria (2), and a range of production, appraisal and exploration projects.

The near-term focus is aimed at establishing substantial production while continuing to build up potential for future development with a dynamic exploration programme across the region. The Poznan East project is the key to short term development and by 2010/2011 could be producing substantial quantities of gas and commensurate revenues.