

15th June 2011

Aurelian Oil & Gas PLC

("Aurelian" or "the Company")

Operational Update

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

Highlights

- **Second Siekierki Multi Fraced Horizontal Well ("MFHW") Trzek-3 successfully drilled and completed with a cemented liner**
 - 1,060 metre horizontal section of Trzek-3 now complete with 142 metre Rotliegendes gas column encountered throughout
 - Well successfully completed with cemented liner and currently being prepared for fracking
 - Good porosities and gas indications encountered throughout horizontal section
 - Fracking expected to commence early July taking up to six weeks to complete
 - 14 – 21 day stabilised flow test expected to commence mid-August

- **First Siekierki South-West well, Krzesinki-1, to be spudded following rig move from Trzek-3**
 - IDM 2000 rig moving from Trzek-3 wellsite for early July spud on Krzesinki-1
 - Well on trend with producing fields in areas of good permeability. As such, horizontal drilling and fracking is not currently planned
 - Target depth of 4,150 metres expected to be reached in early Q4 2011
 - Targeting mid case of 44bcf net to Aurelian

- **Acquisition of 200km of 2D seismic in Block 208 adjacent to Siekierki Tight Gas Project**
 - 200km of 2D seismic acquired on Block 208 with focus on Rotliegendes and Zechstein plays along trend
 - Processing and interpretation should be finished by the end of Q1 2012

- **First Bieszczady well produces gas and oil from fourth drill stem test in secondary target. Casing set to protect well against over pressure.**
 - Short term drill stem test of 31 metre zone produces gas and oil indicating potential commerciality
 - Drilling progress has been slower than expected due to over pressured permeable interval which required cementing. Well now stable, logs obtained and 7" liner set
 - Cost exposure to slower drilling progress mitigated by fixed cost turnkey contract
 - Current depth 3,946 metres, primary targets between 4,000 and 4,800 metres

Rowen Bainbridge, Chief Executive commented:

"Our second MFHW, Trzek-3, is making good progress. We are pleased to have successfully set the cemented liner and the well will now be fraced and tested during July and August. Further updates will be provided to the market throughout this period.

The Krzesinki-1 well is an exciting prospect which, if successful, could add significant volumes to the existing overall Greater Siekierki potential which at present equates to 346 bcf (net to Aurelian) in the Siekierki Tight Gas Project.

The first well in our Bieszczady concession is now drilling ahead after the Operator, PGNIG, over-came some pressure related well integrity problems. The well continues to provide encouraging signs in the short term flow tests carried out in the secondary targets. We look forward to providing further updates as the well moves towards the primary target between 4,000 to 4,800 metres."

Enquiries:

Aurelian	Rowen Bainbridge, CEO Mark Reid, CFO	020 7629 7986
Ambrian Partners Limited	Nominated adviser Richard Morrison Jennifer Boorer	020 7634 4856
Macquarie Capital (Europe) Limited	Joint broker John Dwyer Paul Connolly	020 3037 2000
Oriel Securities	Joint broker David Arch	020 7710 7600
College Hill	Investment relations adviser Nick Elwes Simon Whitehead	020 7457 2020

Second Siekierki MFHW Trzek-3 successfully drilled and completed with a cemented liner

The second Siekierki MFHW, Trzek-3, has completed drilling its horizontal section, and a cemented liner has been set in preparation for fracing.

Trzek- 3 drilled through the entire Rotliegendes sequence to reach a total depth of 4,337 metres measured depth in the Carboniferous basement and a gas column of 142 metres vertical thickness was encountered within Rotliegendes sandstones (Trzek-2 - 100.4 metres, Trzek-1 - 91 metres).

Wireline logs showed increasing reservoir porosity downwards through the gas column, with a maximum of 26% (Trzek-2 – 18.4%, Trzek-1 – 16.2%) and an average of 11.7% (Trzek-2 – 11.5%, Trzek-1- 9.5%). Provisional measurements on approximately 90 metres of core obtained from the Rotliegendes sandstones have confirmed the wireline porosity estimates. These results are in line with predrill expectations.

The horizontal sidetrack, Trzek-3H, was landed at a subsea depth of 3,588 metres in the upper section of the reservoir. A total of 1,203 metres of Rotliegendes reservoir was drilled (of which approximately 1,060 metres was horizontal). Wireline logs showed maximum porosity of 12% (Trzek-2 - 15%) and gas shows encountered during the drilling of the horizontal section were substantially higher than encountered in the horizontal section of Trzek-2.

The IDM 2000 rig is currently moving from the Trzek-3 wellsite to spud Krzesinki-1. Equipment will be mobilised to the Trzek-3 wellsite to commence fracking in early July. After rig-up, frac operations are expected to take approximately six weeks and will be followed by a 14 – 21 day stabilised flow rate test which is expected to commence in mid-August.

Trzek-3 is targeting a separate high in the Siekierki structure with a recoverable resource estimated at between 16 and 28bcf.

First Siekierki South-West well, Krzesinki-1, to be spudded following rig move from Trzek-3

Krzesinki-1, which is being drilled back to back with the Trzek-3 MFHW, is the fourth well to be drilled in the Greater Siekierki appraisal programme. It is not currently planned to drill a horizontal section or to frac the Krzesinki-1 well since the south west part of the reservoir, where Krzesinki-1 will be spudded, lies on trend with a series of producing fields with better permeability than the Siekierki Tight Gas project.

Krzesinki-1 is expected to take approximately three months to reach its targeted total depth of 4,150 metres and is targeting net resources to Aurelian of 44bcf with an upside of 465bcf.

Acquisition of 200km of 2D seismic in Block 208 adjacent to Siekierki Tight Gas Project

200km of 2D seismic has recently been acquired on the Poznan Block 208 adjacent to the Siekierki Tight Gas Project. This survey will now be processed and interpreted to determine the Block's prospectivity with a focus upon the Rotliegendes and Zechstein plays along trend from the Siekierki Tight Gas project. Processing and interpretation should be completed by the end of Q1 2012.

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

First Bieszczady well produces gas and oil from fourth drill stem test and sets casing to protect well against over-pressures.

The Bieszczady partner group is pleased to announce that the Niebieszczany-1 well, which spudded on 14th October 2010, is currently drilling ahead at 3,946 metres with wire line logs having been taken over the interval to 3,840 metres.

Drilling progress has been slower than expected due to an over-pressured permeable interval between 3,845 – 3,848 metres which was required to be cemented to control the well. The cementing of the well allowed logs to be obtained and the 7" liner to be run to 3,827 metres, providing integrity against the over pressures. After drilling out of the cement to 3,858 metres, a drill stem test was taken over the 31 metre interval between 3,827 to 3,858 metres and this recovered gas and traces of oil. Reservoir pressure at 3845m is estimated as 10,300psi and the mud weight required to balance formation pressures and prevent inflow in this section has increased to 1.91 sg (Specific Gravity) compared to normal sg of 1.1.

