

Aurelian Oil & Gas PLC

Aurelian Oil & Gas PLC - Drilling contracts signed in Poland and Bulgaria

Aurelian Oil & Gas PLC ("Aurelian"), the exploration and production company specialising in Central Europe, is pleased to announce that it has today signed Heads of Agreement with McCallan Oil & Gas (UK) Limited ("McCallan"), a private UK company 51% controlled by the Vancouver Canada-based company, Regent Ventures LTD., whose shares are trading on the TSX-V (Toronto Venture Stock Exchange) under the symbol "REV", and its wholly owned Polish subsidiary, Eurogas Polska Sp. z o.o. ("Eurogas"), in relation to Eurogas' interests in southeast Poland. Aurelian will earn a 25% beneficial interest in Eurogas' concessions ("the Concessions"), which will be operated by Polskie Gornictwo Naftowe i Gazownictwo SA ("PGNiG"), the exploration and production arm of Polish Oil and Gas Corporation, the Polish State Company ("POGC").

A new Mining Usufruct Agreement ("MUA") is currently being negotiated between PGNiG and the Polish licensing authorities. The Concessions are in the process of being transferred from Eurogas to PGNiG. A new joint operating agreement ("JOA") will be executed, under which PGNiG will hold the MUA and the Concessions on behalf of Aurelian and Eurogas, and under which the interests will be:

PGNiG (Operator) 50%
Aurelian 25%
Eurogas 25%

The Concessions, which cover 3,481.5 sq. kms. are located in the southeast of Poland in the heart of the Carpathians where oil and gas have been produced since the mid-1850s. The Przemysl field, Poland's largest gas field with reserves of 2.43 tcf (70 bcm), lies adjacent to the northeast.

Several oil and gas fields lie within the Concession boundaries although these are not included as part of the Concessions. These fields are mainly old and shallow, although one (Strachocina) has recently been converted for gas storage purposes. The existence of the fields however indicates the presence of an active hydrocarbon system, consistent with that of the producing Carpathian trend

Only six modern seismic lines exist within the entire Concession area, but these do indicate the presence of potentially large hydrocarbon-bearing undrilled structures at depth. It is anticipated that new seismic will be undertaken and a well drilled during the first 3-year term of the Concessions.

The arrangements with McCallan and Eurogas provide for Aurelian to earn its 25% interest by paying for Eurogas' 25% share of obligatory expenditures incurred by the joint venture during the first 3-year term of the Concessions. Under a separate agreement, Aurelian will provide technical management services to Eurogas in relation to the Concessions.

Michael Seymour, Managing Director of Aurelian Oil & Gas PLC commented:

"These concessions, which are almost unexplored, contain one of the most prospective areas in Poland and, indeed, the whole Carpathian oil and gas producing trend. The Carpathian trend, which extends from Austria in the west, through the Czech and Slovak Republics into Poland, the Ukraine and Romania, is a prolific oil and gas region which has been producing since the middle of the nineteenth century. This addition to our portfolio of projects is complementary to our other interests in Poland and the Carpathians. We are very pleased to be joining Eurogas and PGNiG and look forward to the commencement of joint operations."

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Notes to Editors:

Aurelian Oil & Gas PLC, was founded in December 2002, by current Managing Director, Michael Seymour. The Company's strategy is to explore for, appraise, develop and produce oil and natural gas reserves mainly in Central Europe.

The Company's expertise lies in identifying sound projects, negotiating with the relevant Ministries or state companies, and conducting high quality technical work to upgrade its projects to the point where they are ready for drilling and development

Aurelian currently has projects in four countries with a diverse range of risk profiles. In Romania, the Company is operator and holds interests in four blocks; Brodina (28.75%) Cujeziu (28.75%), Bacau (47.5%) and Suceava (50%). In Bulgaria, Aurelian has a 50% interest in the B-Golitza and B1-Golitza Blocks operated by JGX Oil & Gas plc, whilst in Poland Aurelian is the operator of the Poznan East gas appraisal project with a 90% interest. In Slovakia, Aurelian has 100% interest in three license blocks awarded in August 2006.

The Company listed on AIM on 22 August 2006. On Admission to AIM, Aurelian had cash resources of approximately £40.36 million, having raised £12.63 million at Admission.

Central Europe is one of the oldest petroleum provinces in the world but has suffered over recent decades from a lack of investment and technology. In working in this area, Aurelian will be using seismic, drilling and production technologies which, while standard practice for many of the world's important producing basins (such as the North Sea and the Gulf of Mexico), have not yet been used in Central Europe.