



7 April 2008

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Manzano Well (ST Tract 991 #1) – Strong Gas Flow

Modena Resources Limited ("Modena") is pleased to advise that the Manzano Shallow well, which spudded on 2 February 2008, has successfully flowed gas and has been brought into immediate production.

The well has been tied directly into the sales grid and is presently producing at a rate of 3.1 million cubic feet per day of gas as well as some condensate from a perforated 6 ft interval. Water production of around 190 bbls per day is believed to be from a deeper zone and due to a fault in the casing cement. Once the rig is finished with drilling the development well the current producing well will be cement squeezed and re-perforated to cure the water production. In the mean time the JV will continue to produce and sell gas from the well and dispose of the water.

Seismic interpretation and correlation with other wells in the area suggest that this reservoir may be part of a single large accumulation covering an area of more than 1,000 acres. This interpretation will be tested by the drilling of a development well which it is anticipated will commence within the next few days.

Following the success of Manzano Shallow the Operator (BNP) has proposed the drill of a follow-up development well to be spudded immediately in order to reduce mobilisation and demobilisation costs significantly. Modena has agreed to participate in the drilling of this well at its 12.5% working interest. Following the successful drilling and completion of Manzano Shallow the estimated drilling costs of a follow-up development well are \$US301,250 net share to Modena.

Type: Oil/Gas
Location: Kleberg County Texas
Field Block: Manzano Prospect
Status: Drilling Completed with strong gas flow
Working Interest: 12.5%
Operator: BNP Petroleum Corporation

Yours faithfully

Craig Willis
Director
Modena Resources Limited