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Centralised Company Announcements Platform
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10th floor, 20 Bond Street
Sydney NSW 2000

APPALACHIAN PROJECT DRILLING UPDATE

Emerald Oil & Gas NL hereby provides an update on drilling operations at its Appalachian Gas Project, USA as at 10 pm 19 August 2008 (Eastern USA time).

APPALACHIAN BASIN GAS DEVELOPMENT PROJECT

(Emerald 80% Working interest, Operator: P&J Resources Inc.)

CHIARENZELLI # 1 WELL, WAYNE COUNTY, WEST VIRGINIA, USA

Current Activity: Current depth 350 feet. Set 13 inch surface casing, then 9 5/8 inch casing at 300 feet.

Future activity: Drilling ahead to primary objective Big Six formation. Total planned depth 5,200 feet.

MYRTLE CRUM # 1 WELL, WAYNE COUNTY, WEST VIRGINIA, USA

Current Activity: Awaiting completion rig to carry out three stage completion.

Future activity: Plan to hook up to production facilities following fracture stimulation.

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About the Appalachian Gas Development Project

Emerald has a Drilling and Operating Agreement to develop two 45,000 acre lease areas in eastern Kentucky and western West Virginia. Under the agreement Emerald will earn an 80% working interest in a 4000 foot radius spacing unit for each well drilled for 100% of the drilling costs of each well. Both acreage areas have significant potential for infill drilling on 40 acre spacing, as well as several productive horizons.

The Appalachian Valley is USA's oldest oil and gas producing area. Recent discoveries in the Marcellus Shale have now focused renewed exploration activity on the region. Combined with high gas prices, extensive infrastructure, enhanced drilling and completion techniques the area now offers extensive upside potential and compelling economics.

About Emerald Oil & Gas NL

Emerald Oil & Gas NL (ASX: EMR) was listed on the ASX in June 2006. Emerald is an oil and gas exploration and production company with project interests in Kentucky, West Virginia, North Dakota and Texas in the USA and in the Canning Basin of Western Australia. Emerald's focus is on both conventional and non-conventional reservoir targets for oil and gas prospects. Its primary objective is to achieve near term production and cashflow to build shareholder value and provide funds to fuel further growth. Emerald's strategy is to take modest but meaningful positions in exploration projects that can be swiftly brought into production.

Information in this announcement pertaining to exploration potential was compiled by Robert Berven, Emerald Oil & Gas NL's Technical Director who is a Member of the Australasian Institute of Mining and Metallurgy and the American Association of Petroleum Geologists CPG # 2498.

Statements regarding Emerald's plans with respect to its petroleum properties are forward-looking statements. There can be no assurance that Emerald's plans for development of its petroleum properties will proceed as currently expected. There can be no assurance that Emerald will be able to confirm the presence of additional petroleum deposits, that any discovery will prove to be economic or that an oil or gas field will successfully be developed on any of Emerald's petroleum properties.