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Centralised Company Announcements Platform
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Sydney NSW 2000

US PROJECTS UPDATE

Emerald is pleased to provide an update on its US activities.

GREENBUSH PROSPECT, WARD & RENVILLE COUNTIES, NORTH DAKOTA *(Emerald 15% Working interest, Operator: Golden Eye Resources Inc.)*

Emerald is pleased to announce that the Operator of the Greenbush Project has reached agreement to farm-out the project to Encore Operating LP on the following terms:

- Encore to fund the drilling of a horizontal well from the Brekhus#2 well location to target the Bakken formation, planned for November 2008;
- Encore to earn 75% by drilling Bakken well through to the tanks, with Greenbush partners being free carried for a 25% working interest after payout.
- Encore to reimburse Greenbush project partners for previous sunk costs in the project;

Emerald will retain a free carried 3.75% working interest in the project and receive full reimburse for its costs incurred in drilling, seismic and leasing on the project.

APPALACHIAN BASIN GAS DEVELOPMENT PROJECT *(Emerald 80% Working interest, Operator: P&J Resources Inc.)*

50 well acquisition

Emerald announced it had entered into an MOU to acquire a 25% interest in 50 existing wells in Magoffin County Kentucky and associated infrastructure as well as a 25% interest in a 10 mile pipeline and production 'tap' in Wayne County West Virginia from P&J Resources.

Emerald is proceeding with its technical due diligence in relation to the fifty well acquisition, and hopes to be in a position to conclude the transaction in the coming month.

Operations update

Kentucky

Emerald has the following 6 wells that were put onto production in August 2008. Each well was equipped with a "scrubber" to treat any H₂S, pending the completion of installation of P&J Resources' Amine plant. Production was through the existing gathering lines with sales through a capped quota with Jefferson Energy. The Operator P&J Resources suspended production during the month due to the high cost of "Sulphur Treat", a chemical used in the scrubbers to treat the H₂S, which made it not economic given the limited production available.

All wells will be put on full production once the installation of the Amine plant and construction of the 35 mile 8 inch pipeline are complete and gas can be sold into new customer agreements with more capacity. Completion of the installation is anticipated in late October.

Emerald will be in a position to give production flow rates once the wells have been put on full production and production rates have stabilised. Based on actual flow rates achieved Emerald will proceed with fracture stimulation to enhance production.

Well	Emerald USA NRI	Date Drilled	Depth (feet)	Formation	Fracture Stimulated	Status
JD Vander-pool #5	70%*	Completed May 2008	~4,000	Big Six	No	Pending equipment completion
JM-1	70%*	Sep 06	2,976	Big Six	No	Pending equipment completion
JM-2	70%*	Sep 06	3,147	Big Six	No	Pending equipment completion
TK-1	70%*	Sep 06	2,280	Big Six	No	Pending equipment completion
DC-1	70%*	Sep 06	2,446	Big Six	No	Pending equipment completion
TIM-2	70%*	Sep 06	~3000	Big Six	No	Pending equipment completion

* Emerald has proposed to Avant Garde Resources LLC to take half of Emerald's working interest in these wells. Avant Garde has committed, on completion of its funding arrangement, to reimburse Emerald for 100% of the drilling/acquisition costs of these wells for a 40% working interest. Once the transfer of this interest has occurred, and payment received, Emerald will show a reduced Net Revenue interest.

West Virginia

The Company will have two wells in West Virginia, following the Chiarenzelli #1 well, which is nearing target depth (see further below). Both wells are to be fracture stimulated prior to putting on production. Production will be through P&J Resources new 10 inch pipeline that links up to El Paso's regional trunkline.

Well	Emerald USA NRI	Date Drilled	Depth (feet)	Formation	Fracture Stimulated	Status
Myrtle Crum #4	66%*	Aug 08	5,200	Big Six	Pending	Awaiting frac
Chiarenzelli #1	66%*	Spudded Aug 08	~5,200	Big Six	Pending	Drilling ahead at 4600 feet

Chiarenzelli #1 well, Wayne County, West Virginia

Current Activity: Current depth 4,600 feet. Good gas shows were encountered in the Big Six formation, and several secondary targets.

Future Plans: Drilling ahead 500 feet to target depth, prior to logging and fracture stimulation in the coming week.

Funding Agreement Avant-Garde Resources LLC

In July 2008 Emerald executed a Participation Agreement with Avant-Garde Resources LLC, a Kentucky corporation, whereby Avant-Garde will contribute a minimum of US\$4 million per quarter for a 40% working interest in each well drilled, leaving Emerald with a 40% interest and P&J Resources with 20%.

Emerald is continuing to work with Avant-Garde to finalise its funding arrangements and is confident that Avant-Garde will be in a position to contribute the First Drilling program costs in the next quarter.

NORTH WEST ALICE, JIM WELLS COUNTY, TEXAS

(Emerald 10% Working Interest; Operator: Noble Energy Inc.)

The Operator has completed processing and interpretation of the 3D seismic data covering the large 100 Bcf anticline structure where the discovery well was drilled in March 2007. The operator is completing the acquisition of further leases in the Area of Mutual Interest following the interpretation of the 3D seismic data. A follow up well is planned for early 2009.

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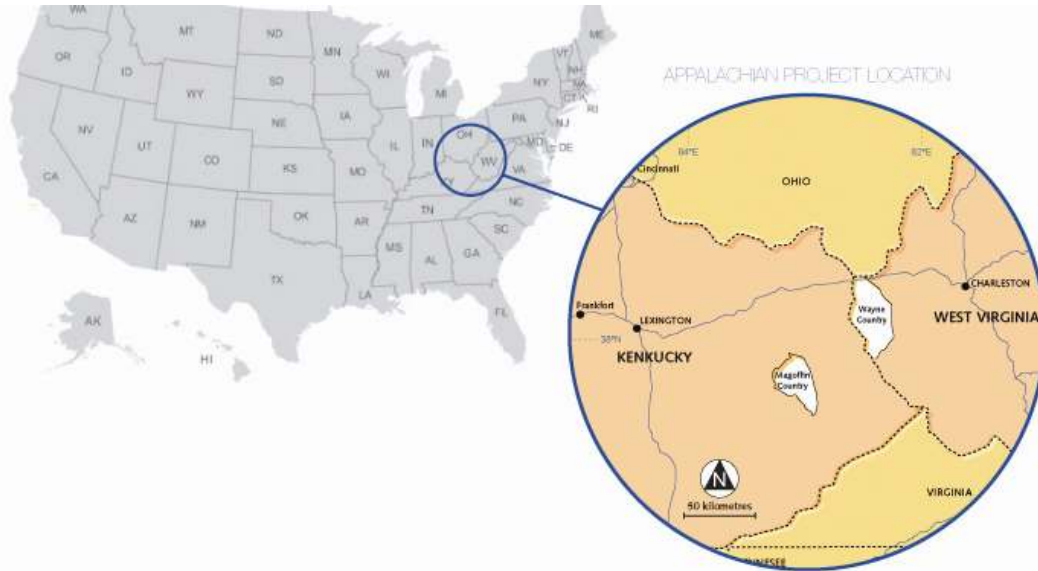
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Emerald announced on April 30, 2008 that it had entered into a Drilling and Operating Agreement to develop two 45,000 acre lease areas in eastern Kentucky and western West Virginia. Under the agreement Emerald will earn an 80% working interest in a 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), listed on the ASX in June 2006, 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 low risk 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.