



13 December 2007

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

Farm-In – Bullseye Prospect

The Board of Modena Resources Limited is pleased to announce it has farmed into an oil and natural gas exploration venture in Iberia Parish, South Louisiana, USA.

The Farm-in covers one prospect, Bullseye with leases covering 1,700 net acres. The Bullseye prospect is testing deeper untested fault blocks on the crest of the Laurel Ridge field. Laurel Ridge Field is a "Turtle" feature or an (inverted basin) feature discovered in 1944 by Humble Oil (ExxonMobil)

At Bullseye, the intention is to test two deeper geopressed targets with one vertical well. These have combined gross best estimate potential reserves (previously described as "P50 potential reserves") of 12.5 million barrels ("mmbbl") of liquids and 33 billion cubic feet ("bcf") of natural gas.

It is estimated that the well will take approximately 30 days to reach total depth on a trouble-free basis. The drilling location has been approved and the pad is under construction. Golden Gate Petroleum will act as the operator, having farmed-in to this prospect on similar terms.

Farm in Terms

Modena has formally been offered and accepted the opportunity to participate in the Bullseye Prospect for an initial fifteen percent (15%) working interest. The initial cost to Modena to participate in the Prospect will be \$450,000USD.

Modena shall pay its working interest and share of all future land and drilling costs after execution of the Participation Agreement. The estimated cost to Modena to drill the initial well in the Prospect to casing point will be \$810,000 USD for Modena's (15%) working interest and completion costs will be approximately \$225,000 USD.

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Bullseye Prospect

The high probability of success attributed to Bullseye is a result of:

- 1) Two independent traps mapped by high quality seismic data that has been calibrated to the lithology;
- 2) Offset log with indicated pay and mud log shows in the Miogyp; and
- 3) numerous successful direct, local analogs for prospects with these seismic characteristics and trap geometries

The Bullseye Prospect is a deeper pool prospect that targets Miogyp and Cib Haz sandstones between 12,400 ft and 13,500ft on the crest of the Laurel Ridge anticline. Existing shallow normal pressured sands (10,100ft to 10,600ft) have produced 146 BCF and 4 MMBO and are now depleted.

The initial location is offset to a previously drilled well in which electric logs indicated 50ft of pay in the Miogyp, that well was lost due to mechanical difficulties and did not reach the Cib Haz. Mud log data from this well indicate gas and condensate shows across the Miogyp section. 3D seismic acquisition was completed in 2005 and clearly identifies independent stratigraphic traps in each zone. The high impedance sands are identified as high amplitude positive reflections within a much thicker shale section. The initial well will test both the Miogyp and Cib Haz objectives. Both the Miogyp and Cib Haz sands are high quality reservoirs with porosity ranging from 24-30% and permeability of 300-1000mD. This results in observed producing well rates from surrounding analog fields, of 500-1000 barrels per day and 4-10 million cubic feet of gas per day.

Yours Faithfully

Craig Willis
Director
Modena Resources Limited

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