

21 June, 2010

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

Emerald Consolidating Appalachian operations

Highlights:

- ❖ **Emerald consolidating wells previously operated by P&J Resources into KEP operations in response to P&J's non-performance as Operator and recent bankruptcy**

Emerald hereby provides an update in relation to its Appalachian Gas operations with P&J Resources.

Starting in 2008, Emerald entered into several dealings with P&J Resources (P&J), a local operator based in Eastern Kentucky, to variously drill, recompleat and operate production from gas wells in Magoffin, County Kentucky and Wayne County, West Virginia in the USA.

P&J has not conducted operations to a standard acceptable to Emerald and recently filed for Chapter 11 bankruptcy.

Emerald is now initiating actions to selectively acquire title to necessary leases and to re-bond several of Emerald's 8 affected wells in Kentucky, with Kentucky Energy Partners (KEP) as operator. These wells will then be incorporated into KEPs development plans and operations.

KEP is a company Emerald formed in November, 2009 with Slone Production LLC, a competent local gas field operator and engineering consultant. Emerald holds a 75% interest, with Slone owning the remaining 25% in KEP. To date KEP has secured approximately 2000 acres of leases, containing 14 potentially productive existing gas wells in Magoffin County, Kentucky. KEP is progressing three separate gas projects concurrently to build Appalachian gas production as part of Emerald's objective to achieve a sustainable operating cash surplus during 2010. The Emerald wells previously operated by P&J will now contribute to this objective.

For more information please contact:

Emerald Oil & Gas NL

Tel: +618 9482 0510

MIKE KRZUS

Managing Director

mkrzus@emeraldoilandgas.com

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 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.

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.