



24<sup>th</sup> November 2010

Companies Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

## FUNDING SHALLOW WELL PROGRAM

**Modena Resources Limited** (ASX: **MDA**, the Company) is pleased to announce that it has received a letter of interest from Macquarie Bank Limited (Macquarie Bank) to propose funding for an initial package of four shallow drilling prospects in its South Texas Development Project subject to the satisfactory completion of technical due diligence and Macquarie Bank's usual internal approvals.

The Company is currently providing additional technical data along with an independent reserve report and seismic data to progress Macquarie Bank's technical due diligence process.

The Company has approximately 15,000 acres of prospective exploration acreage as part of the assets purchased including 20 oil and gas production wells in South Texas via its wholly owned US subsidiary Modena Petroleum LLC.

The Company's technical team has identified its top four shallow drilling targets, from a current prospect inventory of approximately 40 prospects and leads. These four projects carry an estimated budget of **US\$15 million** and are targeting an estimated **32 BCF 3P reserves**.

### Funding

The Company has also completed an additional \$2.5 million to fund the restoration of production in three stages to reach a targeted 14,900 MCFPD within the next twelve months. The current wellbore utility program is being implemented as permitting is completed and budgeting programs are finalised.

The Company expects further updates as production increases over the coming months and to date is pleased to report that the wells currently being reinstated have responded positively with increases in production.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A R HAMILTON', with a long horizontal line extending to the right.

**A R HAMILTON**  
Chairman

The information in this announcement has been reviewed and signed off by Mr David Gibbs, a consultant to Modena Resources Ltd. Mr Gibbs received a Bachelor of Mechanical Engineering from the Georgia Institute of Technology in 1975 and an Offshore Operators Certification from the University of South Western Louisiana in 1979 and has more than 35 years relevant petroleum experience within the oil and gas sector Internationally.