

The background of the slide is a dark blue gradient. On the left, there is a large, bright, circular moon. On the right, there is a silhouette of an oil drilling rig against a large, cratered moon. The text is overlaid on this background.

MIDNIGHT

Oil Exploration Ltd.

**Corporate Presentation
Annual General Meeting
May 14, 2008**

***Exploring for Energy with
Experience and Expertise***

FORWARD LOOKING STATEMENT

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the company's control, including: the impact of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Midnight's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the company will derive therefrom.



CORPORATE PROFILE

TSX Listed and Symbol	MOX
Enterprise Value	+/- \$ 105 MM
Shares Outstanding	
Basic	47.4 MM
Fully Diluted	53.5 MM
Undeveloped Land Base (net acres)	153,000
Management Ownership (fd)	~ 18 %
2007 Production (boe/d)	~ 2,100
Light Oil and Liquids Weighted	~ 50 %

Exciting Natural Gas Growth Potential



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MIDNIGHT OIL STRATEGY

PROVEN TEAM – EXPERIENCE AND EXPERTISE

- ◆ Highly Qualified Technical Team & Strong Business Execution Skills
- ◆ Planning & Executing A Strategic Business Plan

TOP QUALITY ASSET BASE - EXCELLENT VALUE

- ◆ Build Long Term Top Quality Production & Reserve Base
- ◆ Top Quartile Revenues, Cash Flow & Netbacks

LARGE PROSPECT INVENTORY - TREMENDOUS POTENTIAL

- ◆ Increased Focus On Natural Gas Prospects In 2008
- ◆ Expand Multi-year Prospect Inventory – Development & Exploration

STRONG FINANCIAL POSITION

- ◆ Disciplined Capital Expenditure Program
- ◆ Solid Balance Sheet

Excellent Value - Tremendous Potential

STRONG FINANCIAL RESULTS

(Per Boe)	Q1 2008	Y/E 2007
Average Production (boe/d)	1,756	2,098
Revenues * <i>Top decile</i>	\$ 70.35	\$ 56.34
Operating & Transportation Costs	\$ 14.78	\$ 12.91
Operating Netback	\$ 39.67	\$ 34.48
Cash G&A	\$ 5.07	\$ 4.76
Interest	\$ 2.48	\$ 2.05
Cash Flow Netback * <i>Top quartile</i>	\$ 32.76	\$ 27.90

*** Q1 Commodity prices: WTI US\$97.86/bbl - AECO C\$7.77/mcf & US\$/C\$1.00**



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SOLID RESERVES, PRODUCTION & CASH FLOW



Compound Annual Growth
 Production 31%
 Proved Reserves 36%
 P+P Reserves 42%

*Poised for Natural
 Gas Driven Growth
 in 2008*

■ Gas
 ■ Oil

* Annualized

EXCELLENT POTENTIAL

Tremendous Multi-Year Prospect Inventory

Attributes

Focused in multi-zone high potential areas
Multi year prospect inventory – gas and oil

Total acreage – Peace River Arch, Red Earth , West Central

- ◆ Gross 484,000
- ◆ Net 184,000

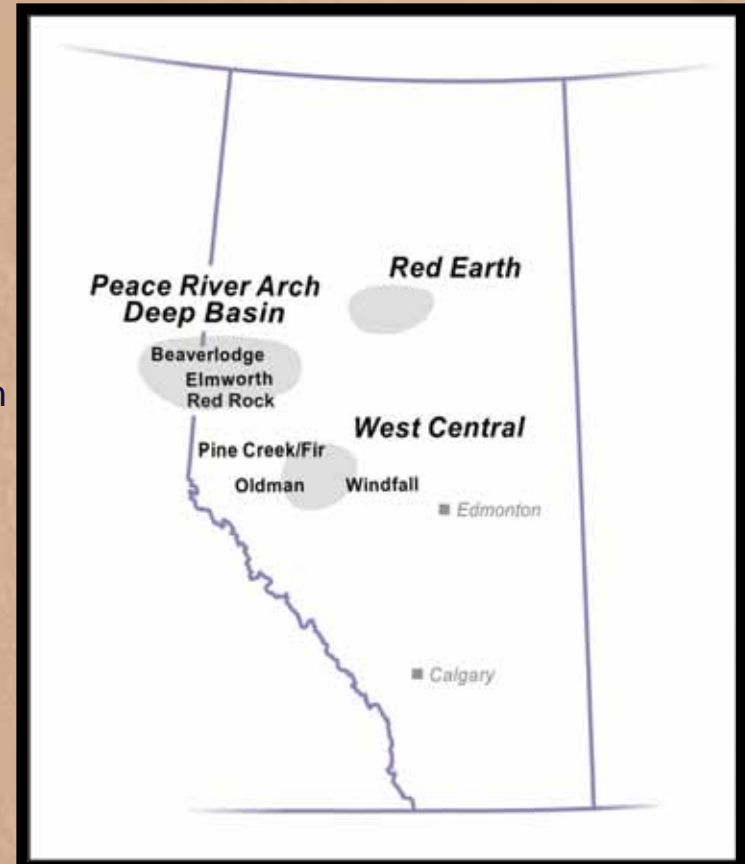
Total undeveloped acreage – Peace River Arch and Red Earth

- ◆ Gross 192,000
- ◆ Net 140,000

Highly Successful gas exploration augments oil base
High Potential Natural Gas prospect inventory

Q1 2008 Drilling 10/10 Wells - 100% Success
9 (2.86 net) gas wells
1 (0.25 net) oil well

Drilling inventory Multi year Development & Exploration
Gas and oil - 135-170 gross wells



RED EARTH AREA

High Potential Light Oil Project

Attributes

Working Interest: 25-100% (Operated)
Large exploration/development project
High value – top quality light oil property

Total undeveloped acreage

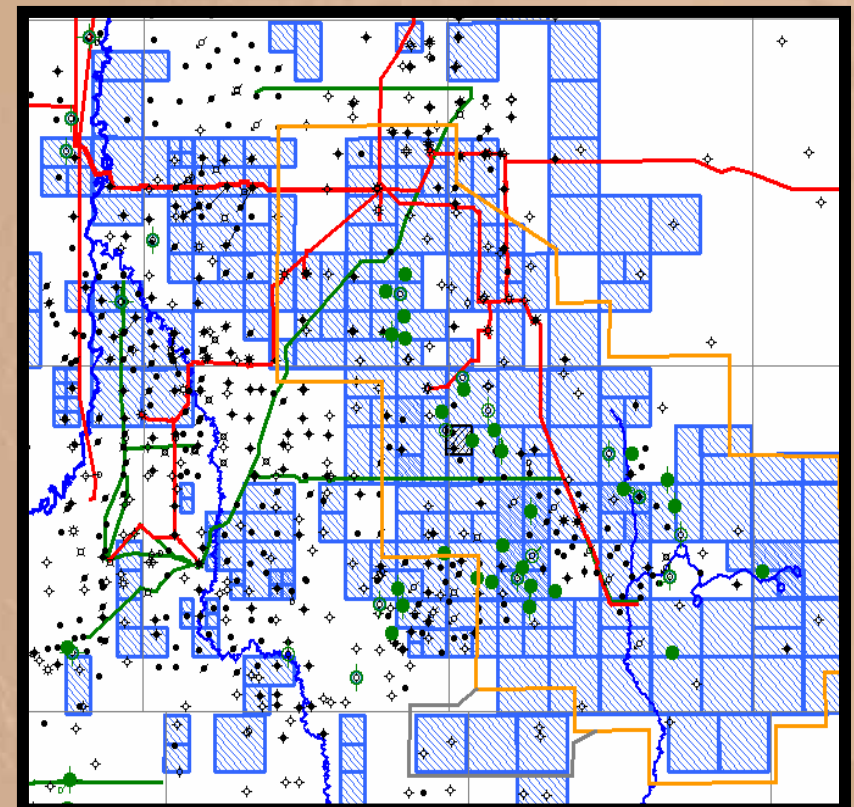
- ◆ Gross 81,000
- ◆ Net 58,000

Operated drilling and production

- ◆ 3D seismic programs, farm-ins, land acquisitions
- ◆ Pipeline and facilities construction
- ◆ Waterflood and waterhandling added this winter
- ◆ Reduced operating costs - impactful

Q1 2008 Drilling 1 (0.25 net) Keg River “B” Pool

Drilling Inventory 35-45 gross wells



PEACE RIVER ARCH

High Potential Multi-Zone Gas Project

Attributes

Working Interest: 50-100% (Operated)
Focused high impact multi-zone gas program

Large reserve high productivity

- ◆ 2-5 mmcf/d, 2-4 bcf

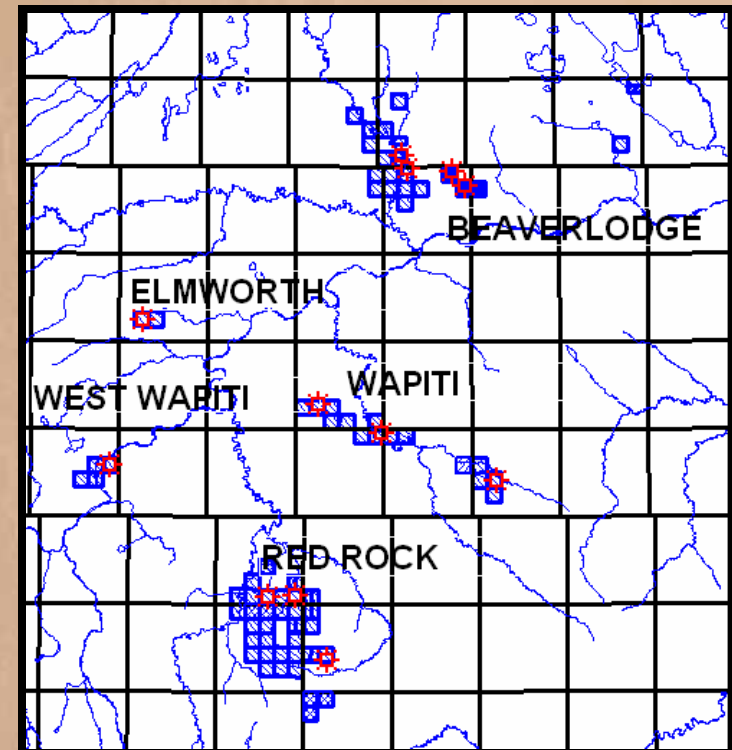
Total undeveloped acreage (Peace River Arch)

- ◆ Gross 111,000
- ◆ Net 82,000

Highly successful gas program
Expanded play and prospect potential

Q1 2008 Drilling 100% Success
1 Elmworth horizontal gas (50% WI)
2 Red Rock gas wells (100% WI)
Earned additional acreage

Drilling Inventory Multi-well, multi-zone prospect inventory



ELMWORTH

Tight Gas Sand Reservoir

Attributes

Working Interest: 50%
Focused high impact multi-zone gas program

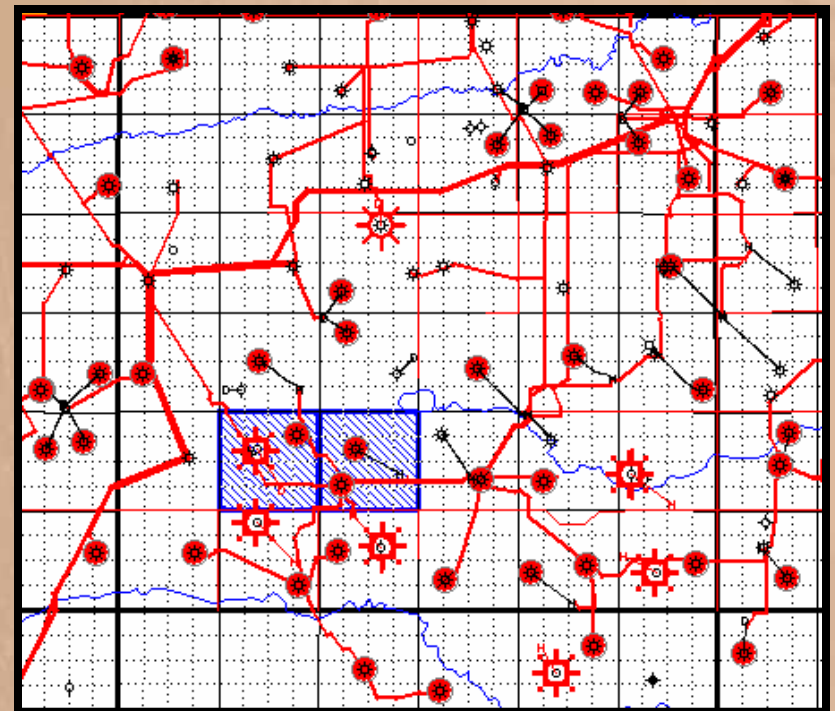
Large reserve high productivity

- ◆ 3-5 mmcf/d
- ◆ 2-3 bcf per well
- ◆ Downspacing 3-4 wells per section

Horizontal Exploration/Exploitation

High Potential Multi-Zone Program

2008 Drilling	Successful horizontal well rig release in late March
	Multi-zone completion including offset vertical
	Additional downspacing for horizontals



RED ROCK AREA

New Exploration / Exploitation Prospect

Attributes

Working Interest: 50-100% (Operated)
Focused high impact multi-zone gas program

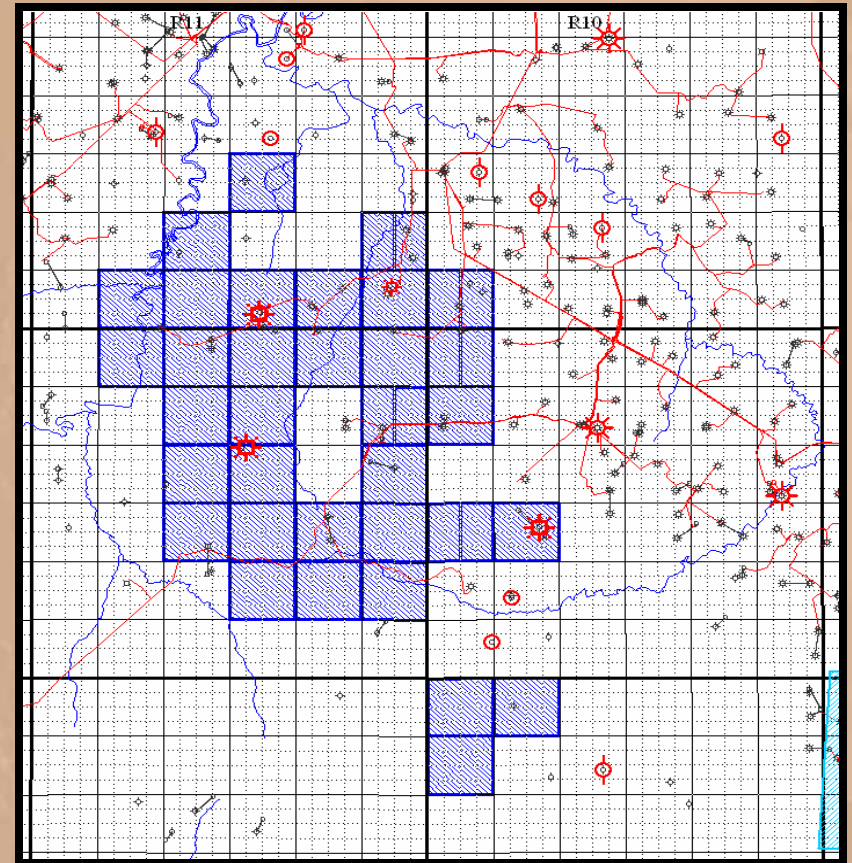
Large reserve high productivity
Significant multi-zone potential

Total undeveloped acreage (Red Rock)

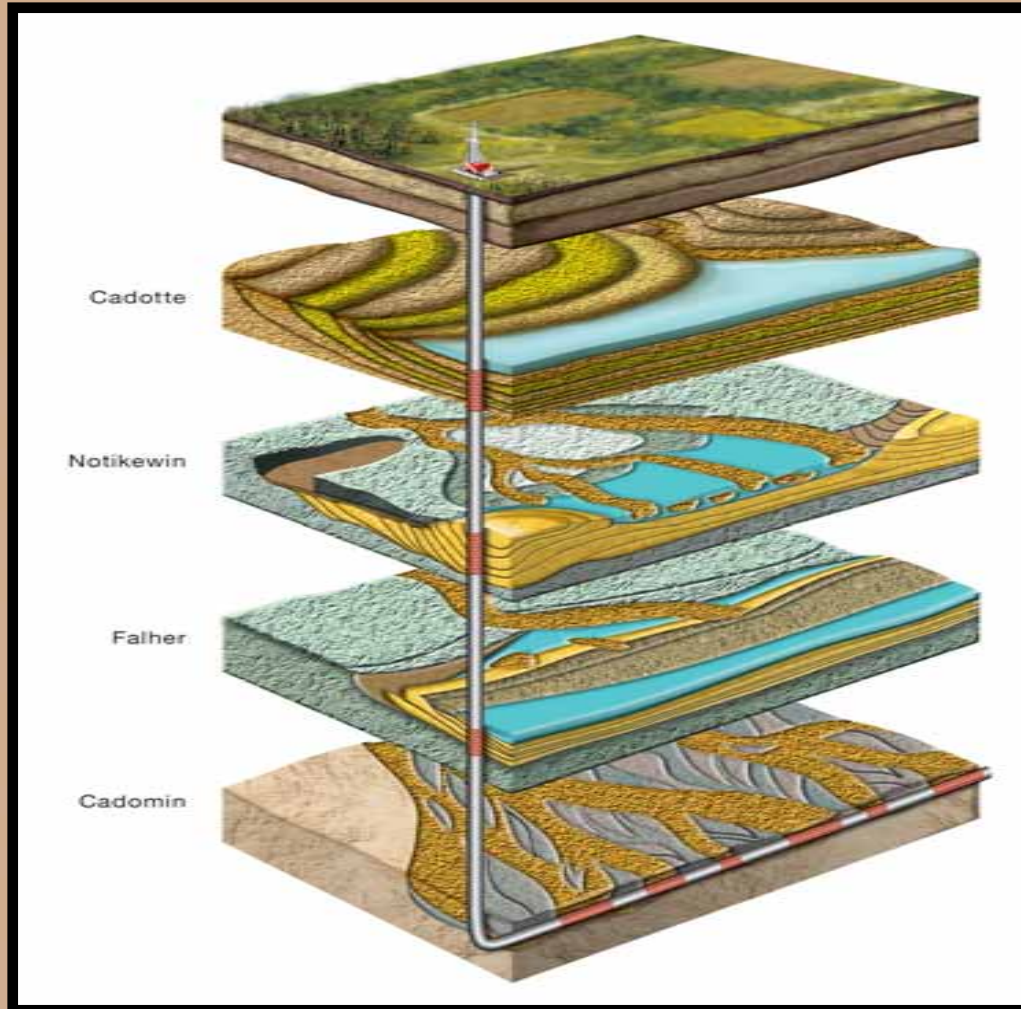
- ◆ Gross 26,000
- ◆ Net 21,000

Active Exploration area

2008 Activity Pipeline and tie-in
New well - deepen and re-entry
New drill - successful multi-zone
Additional drilling to follow



MULTI-ZONE GAS COMPLETIONS



Deep Basin Attributes

Basin Centred Gas Accumulation

Multi-zone
Large Reserve – High Potential

Evolving
Completion Techniques Unlock
Tight Gas Reservoirs

WEST CENTRAL ALBERTA

Attributes

Working Interest: 3-25%

High rate multi-zone gas potential

- ◆ Wells - 2-6 mmcf/d (2-5 bcf/well)

Large concentrated landholdings

Total acreage

- ◆ Gross 253,000
- ◆ Net 19,000

Owned infrastructure

On-going successful program

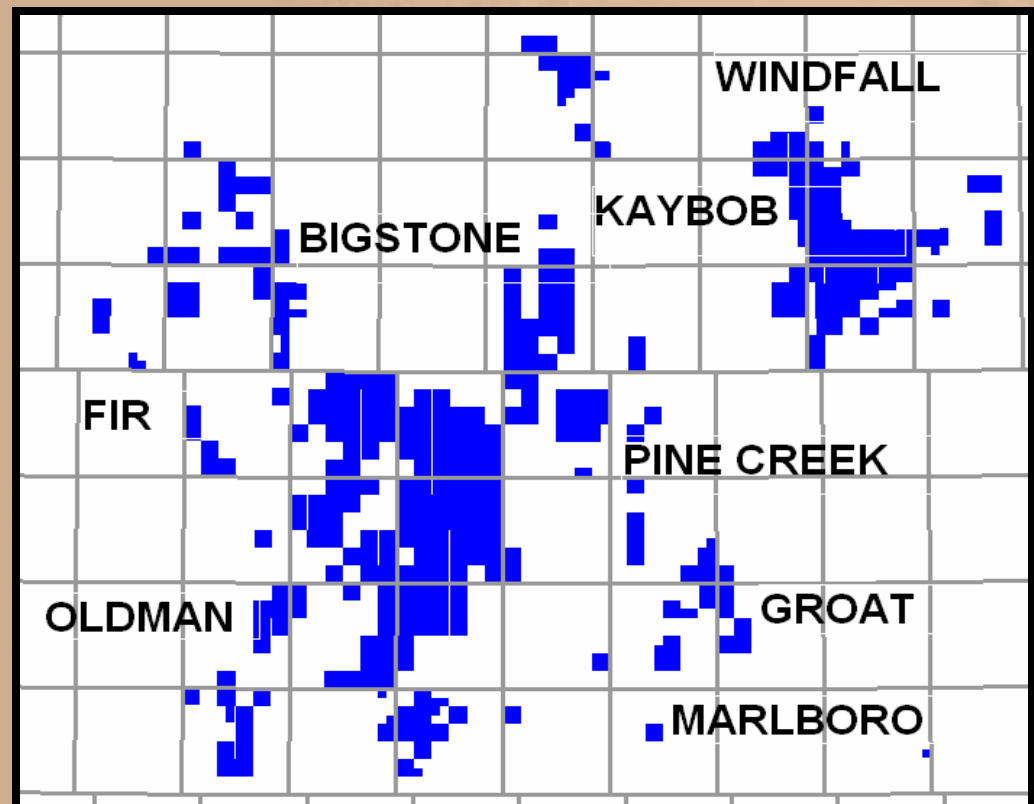
- ◆ Non-operated
- ◆ Advanced completion technique using multi-stage frac technology

Q1 2008 Drilling 6 (0.36 net) wells

Drilling Inventory 75-85 locations

Additional downspacing

Multi-Year Development Prospect Inventory



MIDNIGHT PORTFOLIO ECONOMICS

	Red Earth East Light Sweet Oil	Peace River Arch Horizontal Gas Well
Capital (millions/well)	\$ 2.0	\$ 5.0
Reserves (mboe)	80 – 100	470
F&D (\$/boe)	\$ 20 – 25	\$ 10.65
Production (boe/d)		
MRL	100	525
GPP	200	
\$ per flowing barrel	\$ 20,000	\$ 9,525
Netbacks (\$/boe)*	\$ 65.00	\$ 27.50
Recycle ratio	2.6	2.6

Excellent Go Forward Economics - High Value Oil & Natural Gas Prospects

* Commodity prices: WTI US\$100/bbl - AECO C\$9.00 & US\$/C\$1.00

2008 BUDGET

Area	Inventory	Gross Wells	Net Wells	2008 Total Capex \$MM
Red Earth	35-55	5	2.0	\$ +/- 4.0
Peace River Arch				
Deep Basin	20-25	7	5.5	\$ +/- 21.0
Beaverlodge	3-5	1	0.5	\$ +/- 1.5
West Central	75-85	18	1.1	\$ +/- 4.0
Other	2-5	1	0.4	\$ +/- 1.5
Land & Seismic				\$ +/- 3.0
	135-165	38	12.5	\$ +/- 35.0

High Potential Multi-Year Prospect Inventory

LAND BASE

Area	Developed		Undeveloped		Total	
	Gross	Net	Gross	Net	Gross	Net
	<i>(acres)</i>		<i>(acres)</i>		<i>(acres)</i>	
Peace River Arch	23,000	14,000	111,000	82,000	134,000	96,000
Red Earth	16,000	11,000	81,000	58,000	97,000	69,000
West Central Area	154,000	6,000	99,000	13,000	253,000	19,000
Total WCSB	193,000	31,000	291,000	153,000	484,000	184,000

Acreage as at March 31, 2008

Large Undeveloped Land Holdings - Large Prospect Inventory

SUMMARY AND HIGHLIGHTS

◆ ***PROVEN TEAM – EXPERIENCE AND EXPERTISE***

- ◆ Highly Qualified Technical Team & Strong Business Execution Skills
- ◆ Planning & Executing A Strategic Business Plan

◆ ***ENHANCE TOP QUALITY ASSET BASE - EXCELLENT VALUE***

- ◆ Built Red Earth Long Term Asset Base
- ◆ Solid Cash Flow & Top Decile Netbacks

◆ ***EXPAND PROSPECT INVENTORY - TREMENDOUS POTENTIAL***

- ◆ Increased Land Holdings With Natural Gas Farm-in
- ◆ Large Development & Exploration Prospect Inventory

◆ ***STRONG FINANCIAL POSITION***

- ◆ Disciplined Capital Expenditure Program
- ◆ Strong Cash Flow & Top Decile Netbacks

Excellent Value - Tremendous Potential



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THE HISTORY OF MIDNIGHT

- ◆ July 2000 - Midnight Oil & Gas Ltd. raises a \$15.0 MM non-brokered blind pool financing to commence operations as a private oil and gas exploration and production company. The Midnight Team comprises the senior management and technical team from Ulster Petroleums.
- ◆ December 2002 - Midnight Oil & Gas Ltd. completes a reverse takeover of a TSX listed Oil & Gas company and commences trading under the symbol “MOG”.
- ◆ April 2003 – MOG completes a \$22.4MM strategic acquisition of a private oil and gas company.
- ◆ November 2004 – MOG executes a highly accretive \$350MM reverse takeover of Vintage Petroleum Canada, reorganizing to form Daylight Energy Trust and **Midnight Oil Exploration Ltd. – “MOX”**.
- ◆ November 2005 – Midnight Oil Exploration Ltd. completes a strategic property acquisition in the Red Earth, AB area, adding top quality light oil production and a large high potential prospect inventory.
- ◆ November 2007 – Midnight announces a Normal Course Issuer Bid in response to a discounted share price and the market’s response to government initiatives.

CORPORATE INFORMATION

OFFICERS

Fred Woods
President & CEO

Judy Stripling
Executive VP & CFO

Chad Kalmakoff
VP, Finance

C. Donald Leitch
VP, Operations

Thomas F. Moslow
Senior VP, Exploration

Peter O'Leary
VP, Geology

Martin Saizew
VP, Engineering

Andrew D. Weldon
VP, Business Development

Chris von Vegesack
Corporate Secretary

DIRECTORS

Peter T. Harrison

Anthony M. Lambert

Tom J. Medvedic

Jay D. Squiers

Fred Woods (Chairman)

CORPORATE OFFICE

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TSX LISTING

Trading Symbol: MOX

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Judy Stripling, Exec. VP & CFO

BANK

Canadian Imperial Bank of
Commerce

LEGAL COUNSEL

Burnet, Duckworth & Palmer
LLP

AUDITORS

KPMG LLP

RESERVE ENGINEERS

GLJ Petroleum Consultants

TRANSFER AGENT

Valiant Trust Company



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Notes

