



MIDNIGHT

Oil Exploration Ltd.

A Top Quality Junior E&P Company

Light Oil Weighted Production Base

Multi-Year Prospect Inventory

Solid Balance Sheet

Excellent Value

Tremendous Potential

DECEMBER 2007

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.



MIDNIGHT

Oil Exploration Ltd.

CORPORATE PROFILE

TSX Listed and Symbol	MOX
Enterprise Value	+/- \$ 90 MM
Shares Outstanding	
Basic	47.5 MM
Fully diluted	52.0 MM
Undeveloped Land Base (net acres)	157,000
Management Ownership (fd)	~ 15 %
Q3 2007 Production (boe/d)	2,047
Light Oil and Liquids Weighted	~ 51 %



MIDNIGHT OIL STRATEGY

PROVEN TEAM – EXPERIENCE AND EXPERTISE

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

ENHANCE TOP QUALITY ASSET BASE - EXCELLENT VALUE

- ◆ Build Light Oil Production And Reserve Base
- ◆ Top Quartile, Revenues, Cash Flow And Netbacks

EXPAND PROSPECT INVENTORY - TREMENDOUS POTENTIAL

- ◆ Build Multi-year Prospect Inventory – Development & Exploration
- ◆ Deliver High Rate Drilling Success

ENSURE STRONG FINANCIAL POSITION

- ◆ Control Costs And Capital Expenditures
- ◆ Maintain A Solid Balance Sheet
 - Low Debt And Additional Borrowing Capacity

Planning and Execution

Excellent Value - Tremendous Potential – Maintain Financial Strength



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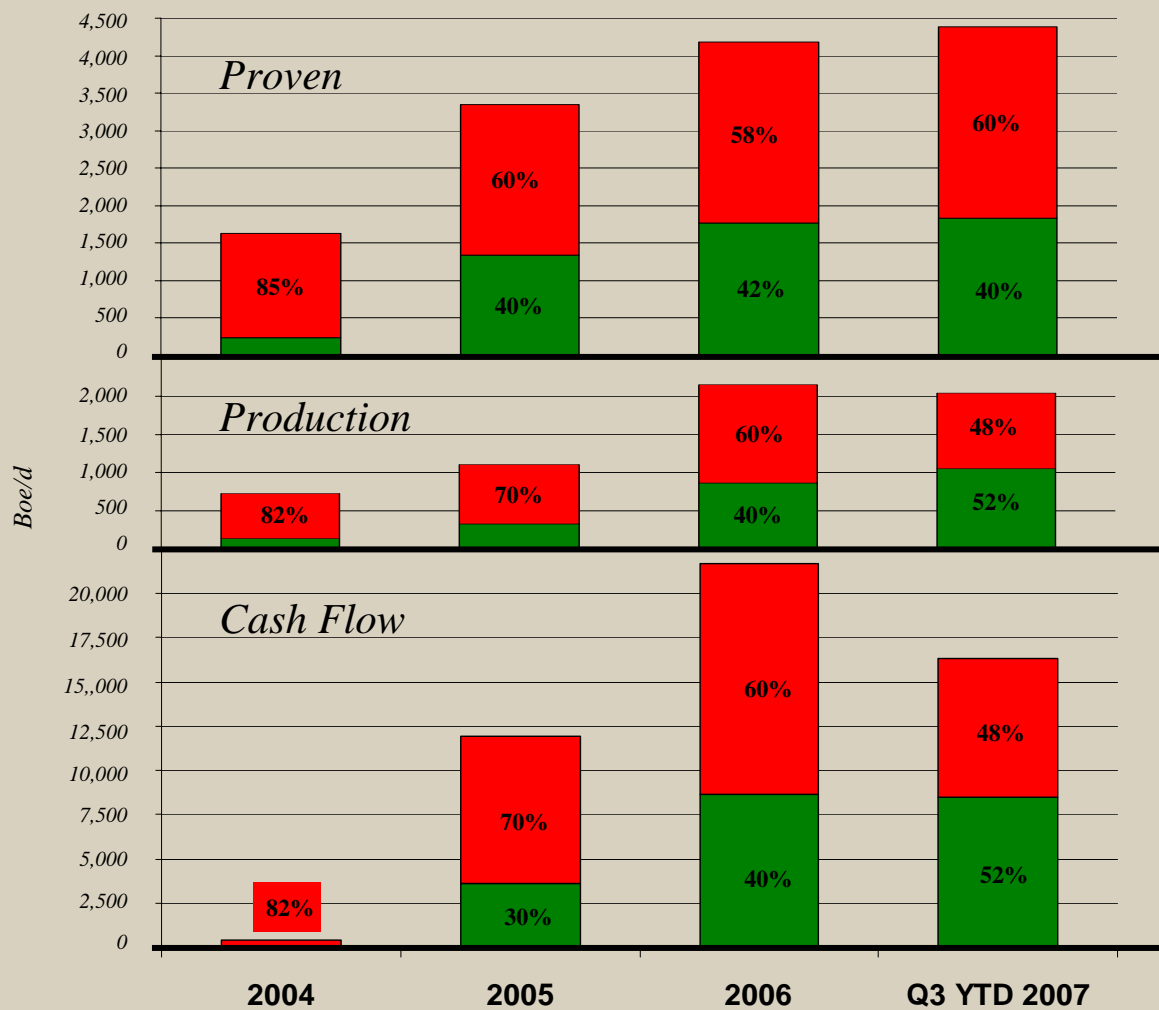
EXCELLENT FINANCIAL RESULTS

for the Nine Months ended September 30, 2007

(Per Boe)	MOX	50 Company Peer Group Median	MOX Quartile Ranking
Average Production	2,143	1,270	2
Operating & Transportation Costs	\$ 11.86	\$ 10.93	3
Field Netback	\$ 34.68	\$ 26.15	1
G&A	\$ 4.30	\$ 3.75	3
Interest	\$ 2.06	\$ 1.90	3
Cash Flow Netback	\$ 28.32	\$ 24.76	1
Net Debt to 2007e Cash Flow	1.13x	1.81x	1
Reserve Life Index	8.29	8.27	2



SOLID RESERVES, PRODUCTION and CASH FLOW



Compound Annual Growth

Production 55%

Proved Reserves 46%

P+P Reserves 58%

Light Oil Drives Growth

■ Gas
■ Oil



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EXCELLENT POTENTIAL

Attributes

Focused in multi-zone high potential areas
Multi year light oil & liquids rich gas prospect inventory

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

- ◆ Gross 493,000
- ◆ Net 189,000

Total undeveloped acreage – Peace River Arch and Red Earth

- ◆ Gross 199,000
- ◆ Net 144,000

Midnight Operated drilling and production
Highly successful oil development and exploration program

2007 Program +/- \$25-30 million
Focused on Red Earth Oil
Drilling inventory Multi year Development & Exploration
135-170 gross wells

Tremendous Multi-Year Prospect Inventory



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RED EARTH AREA

Attributes

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

Total undeveloped acreage

- ◆ Gross 91,000
- ◆ Net 67,000

Operated drilling and production

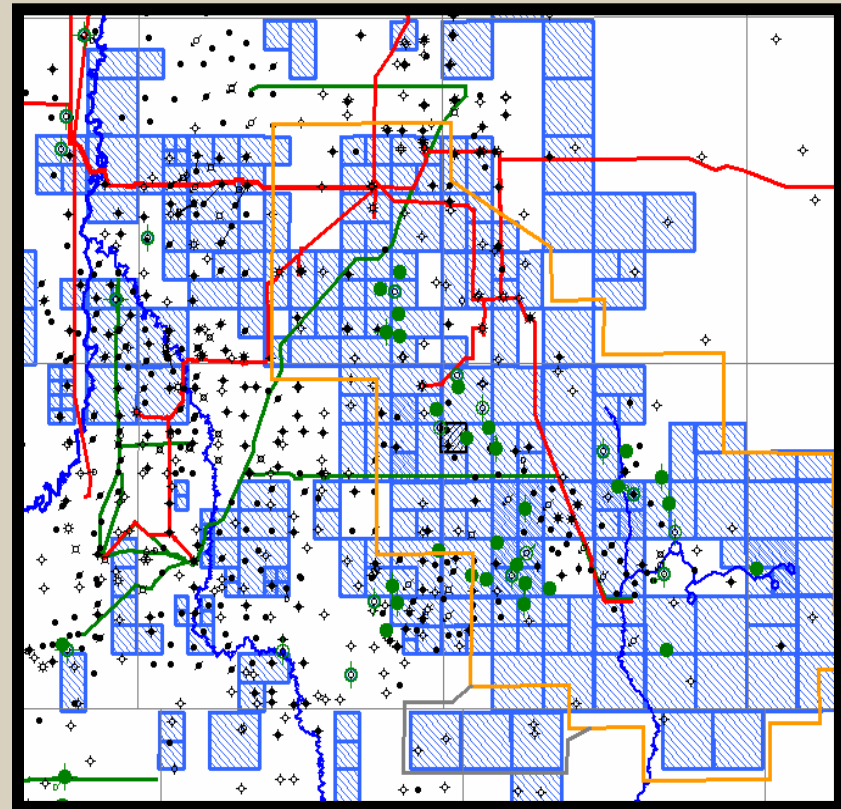
Successful program - 22/22 oil wells

- ◆ 3D seismic programs, farm-ins, land acquisitions
- ◆ Pipeline and facilities construction

Ongoing waterflood development

2007 budget +/- \$12 million
10 Gross (6.3 net) wells
Drilling inventory 45-55 gross wells

High Potential Light Oil Project



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PEACE RIVER ARCH

Attributes

Working Interest: 25-100% (Operated)
Focused high impact multi-zone gas program

Large reserve high productivity

- ◆ 2-4 bcf, 2-5 mmcf/d

Total undeveloped acreage (Peace River Arch)

- ◆ Gross 108,000
- ◆ Net 79,000

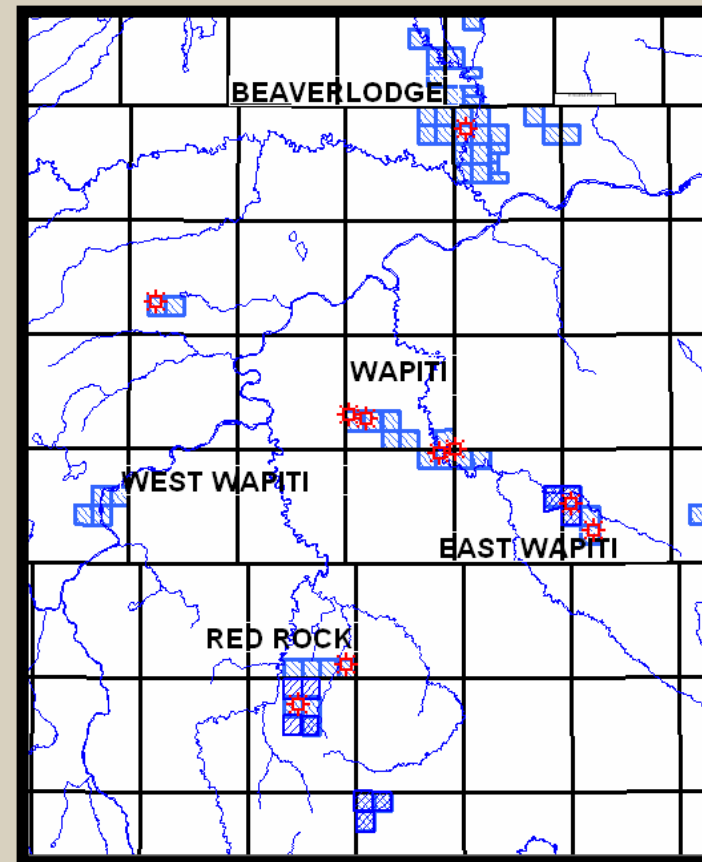
Highly Successful program

2007 budget +/- \$11.5 million

9 Gross (4.7 net) wells

Drilling inventory 15-25 gross wells

High Potential Multi-Zone Gas Project



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WEST CENTRAL ALBERTA

Attributes

Working Interest: 3-25%

High rate multi-zone gas potential

- ◆ Wells - 1-3 mmcf/d (2-5 bcf/well)

Large concentrated landholdings

Total acreage

- ◆ Gross 258,000
- ◆ Net 22,000

Owned infrastructure

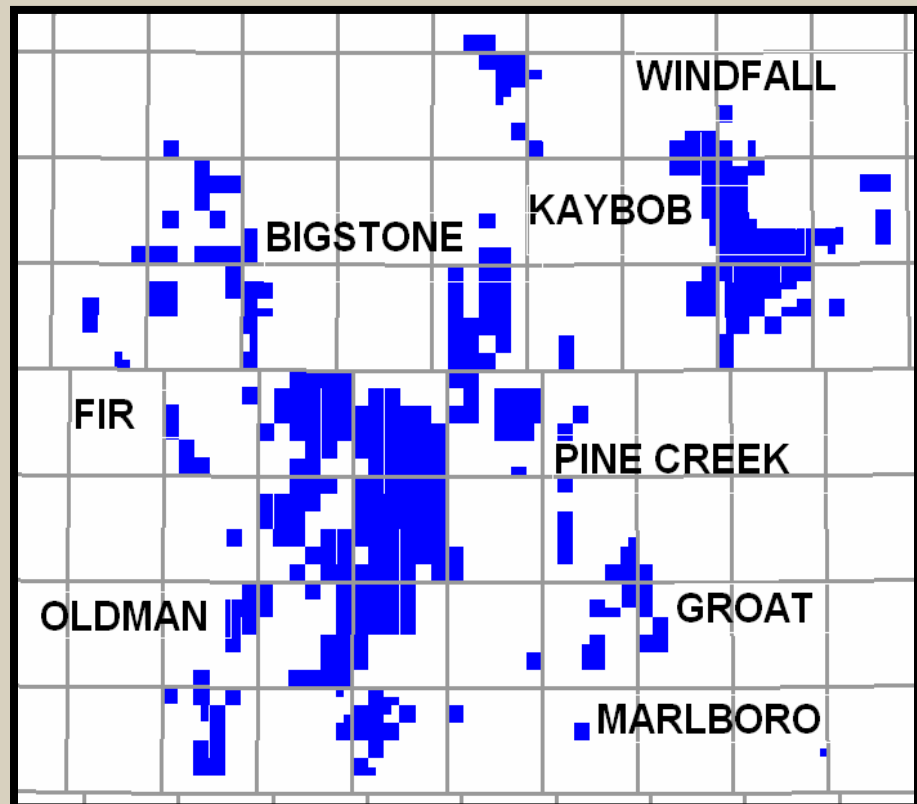
On-going successful program

- ◆ 3D Seismic
- ◆ Windfall follow-up well

2007 budget +/- \$4.0 million

Drilling inventory 75-85 locations

Multi-Year Development Prospect Inventory



MIDNIGHT PORTFOLIO ECONOMICS

	Red Earth East Light Sweet Oil	Peace River Arch Liquids Rich Gas
Capital (millions/well)	\$ 2.7	\$ 3.1
Reserves (mboe)	150	215
F&D (\$/boe)	\$ 18.00	\$ 14.50
Production (boe/d)		
MRL	125	215
GPP	250	
\$ per flowing barrel	\$ 21,600	\$ 14,400
Netbacks (\$/boe)*	\$ 48.00	\$ 25.70
Recycle ratio	2.7	1.8

Excellent Go Forward Economics - High Value Oil & Gas Prospects

* Commodity prices: WTI US\$75/bbl - AECO C\$7.00 & US\$/C\$1.00

2007 BUDGET

Area	Inventory	Gross Wells	Net Wells	2007 Total Capex \$MM
Red Earth	45-55	10	6.3	\$ +/- 12.0
Peace River Arch				
Deep Basin	10-15	4	2.5	\$ +/- 6.0
Beaverlodge	5-10	5	2.2	\$ +/- 3.5
West Central	75-85	18	1.1	\$ +/- 4.0
Other	1-5	1	0.4	\$ +/- 1.5
Land & Seismic				\$ +/- 3.0
	135-170	38	12.5	\$ +/- 30.0

High Potential Multi-Year Light Oil and Liquids Rich Gas Drilling Program



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LAND BASE

Area	Developed		Undeveloped		Total	
	Gross	Net	Gross	Net	Gross	Net
	<i>(acres)</i>		<i>(acres)</i>		<i>(acres)</i>	
Red Earth	15,000	11,000	91,000	66,000	106,000	77,000
Peace River Arch	21,000	12,000	108,000	78,000	129,000	90,000
West Central Area	152,000	9,000	106,000	13,000	258,000	22,000
Total WCSB	188,000	32,000	305,000	157,000	493,000	189,000

Acreage as at September 30, 2007

Large Undeveloped Land Holdings - Large Prospect Inventory



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SUMMARY AND HIGHLIGHTS

PROVEN TEAM - Executed a Business Strategy

- ◆ Enhance Value and Potential
- ◆ Maintain Solid Balance Sheet and Financial Flexibility

ENHANCE TOP QUALITY ASSET BASE - EXCELLENT VALUE

- ◆ Built Red Earth Asset Base
- ◆ Solid Cash Flow And Top Decile Netbacks

EXPAND PROSPECT INVENTORY - TREMENDOUS POTENTIAL

- ◆ Built Multi-year Light Oil Prospect Inventory
- ◆ Large Development And Exploration Prospect Inventory

ENSURE STRONG FINANCIAL POSITION

- ◆ Solid Balance Sheet – Low Debt With Additional Borrowing Capacity
- ◆ Strong Cash Flow and Top Decile Netbacks

Planning and Execution

Excellent Value - Tremendous Potential – Solid Financial Position



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 Petroleum with a proven track record of value added drilling and strategic acquisitions.
- ◆ 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.



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

Sun Life Plaza, West Tower
Suite 2100, 144 – 4th Avenue SW
Calgary, AB T2P 3N4

T: (403) 303-8500

F: (403) 264-0085

Email: ir@midnightoil.ca

Website: www.midnightoil.ca

TSX LISTING

Trading Symbol: MOX

CONTACTS

Fred Woods, President & CEO
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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