



EXPLORING WITH ENERGY AND EXPERIENCE

Successful winter program fuels strong growth and Midnight's transition to an oil-weighted junior explorer

PRESIDENT'S MESSAGE

“Our Red Earth area continues to generate a tremendous positive impact on Midnight. With the success of this component of our portfolio we are able to be more aggressive in our overall program. As a result, we executed the most active program in our history as we drilled more (19 gross – 10.8 net) wells in the first quarter than in all of last year,” stated Fred Woods, President of Midnight. “In addition, relative to the commodity price cycle, it is an excellent counter-balance for our prospect inventory to have this high value light oil production to complement our high potential multi-zone natural gas opportunities.”

FIRST QUARTER 2006 HIGHLIGHTS:

Midnight's continued successful exploration drilling program drives record reserve additions, production volumes and cash flow growth.

TECHNICAL EXPERTISE – SUCCESSFUL EXPLORATION

Midnight's aggressive exploratory drilling program generates the most active and successful quarter in our history highlighted by:

- Q1 drilling over 75% of wells drilled were exploratory
- Q1 drilling results over 95% success rate
 - 19 gross (10.8 net) wells
 - 8 gross (3.8 net) natural gas wells
 - 10 gross (6.0 net) oil wells
- Increased control as Midnight owns and operates over 60% of its drilling and field operations
- Results expand prospect inventory throughout our 179,400 net acres of undeveloped land
 - Light oil at Red Earth
 - Natural gas at Wapiti, Sheldon, and Windfall

RESERVES – DRILLBIT ADDITIONS

Highly successful drilling results throughout our program deliver strong reserves additions

- Total proved plus probable reserves increased to 5,930 mboe
 - Reserve additions of 23% in the quarter
 - Replaced 670% of Q1 2006 production

PRODUCTION – ONSTREAM ADDITIONS

Strong reserve additions drive increases in oil and gas production throughout the quarter

- Q1 2006 production volumes increased 140% to 1,889 boe per day from Q1 2005
- Q1 2006 exit production volumes were over 2,800 boe per day
 - 11,200 mcf per day of natural gas
 - 1,000 bbls per day of oil and liquids
- 2006 average production guidance of 3,300 to 3,500 boe per day

CASH FLOW – SOLID GROWTH

On-stream production generates cash flow growth

- Increased Q1 2006 cash flow 239% to \$5.2 million from Q1 2005
 - Increased Q1 2006 cash flow per share 133% to \$0.14 from Q1 2005
- Q1 2006 operating netbacks per boe increased 41% to \$33.54 per boe from Q1 2005

FINANCIAL FLEXIBILITY

Subsequent to the end of the quarter, Midnight raised gross proceeds of \$20.4 million through a bought deal flow-through private placement of 4 million shares at \$5.10 per share.

Credit facility increased to \$30 million.

Our forecast net debt to cash flow drops below one times for the balance of the year.

OPERATIONS

The end of March brought Spring Break-Up and the conclusion of our winter drilling program. Our success is the result of Midnight's experience and high-end technical expertise in these high potential multi-zone areas. Over our winter drilling program, Midnight had a 97% drilling success rate with 36 gross (15.3 net) wells resulting in 18 gross (9.8 net) oil wells, 17 gross (4.5 net) gas wells, and 1 gross (1.0 net) dry hole. Over two thirds of our targets were exploratory wells. Not only do our results speak highly of the technical ability of the Midnight team, but they also illustrate the ability of Midnight to efficiently and effectively manage a full cycle of intense oilfield activity from spud to production — during a very active and competitive winter operating season.

In addition to our successful results, we have further grown and expanded our prospect inventory increasing our ownership and operatorship as we continue to pursue our objective of controlling our activities.

Our first quarter new wells included numerous new pool oil discoveries at Red Earth and exploratory gas discoveries at Wapiti and Sheldon that have expanded our already large drilling and prospect inventory. Prior to the end of the quarter we successfully tied in and brought on-stream much of our sweet gas discoveries at Wapiti and Sheldon and new production from our light oil exploration at Red Earth. Currently, we have 300 barrels per day of oil shut in due to road bans. We continue to work to expand existing facilities and to construct new facilities in order to bring the remaining discoveries to production.

At Red Earth, Midnight was active with drilling, tie-ins, pipeline construction, seismic and land sale acquisitions. During the quarter we drilled 10 gross (6.0 net) wells with 100% success. Our successful drilling results highlight the prospectivity and potential of this area and continue to validate our multi-disciplinary approach in locating new and highly prospective reservoirs. Red Earth holds considerable upside through additional exploration and development drilling and ongoing waterflood development.

On the Peace River Arch, Midnight was again very active with an aggressive drilling program, tie-ins, pipeline construction, seismic and land sale acquisitions. Our drilling success included 4 gross (3.3 net)

gas wells and 1 gross (1.0 net) dry hole. This quarter's program epitomizes the high potential multi-zone potential of this area — from our shallow sweet natural gas targets at Sheldon to the multi-zone high potential in the Deep Basin areas of Wapiti.

At Sheldon, our 2005 new pool discoveries were placed on-stream late in the first quarter of 2006. Midnight constructed a 20 km pipeline providing take away capacity for our new core exploration area. Additional drilling is scheduled to commence in June/July subject to surface conditions.

In the Wapiti area, our large land holdings continue to deliver multi-zone success as we drilled 2 gross (1.3 net) gas wells, adding new pool Cretaceous gas discoveries to our expanding prospect portfolio. We plan five additional wells at Wapiti before year end and continue to grow the prospect inventory in this area.

In our West Central area we drilled 4 gross (0.5 net) gas wells with a 100% drilling success rate. This includes Windfall (MOX 15% W.I.) where we were successful with a new pool discovery. We have a further Windfall well planned during the second quarter as we continue to develop this prospect following up on our Q1 success.

OUTLOOK

We are very pleased with the results of our expanded exploratory drilling program. As a result, we now have additional plays and prospects in inventory beyond our earlier budget outlook. During the second quarter, which is typically a slower activity period in the industry due to restricted surface access, we plan to prioritize our opportunities to rebalance our program for the second half of the year.

On April 28, 2006 we entered into a bought deal financing to raise an additional \$20 million to pursue a further expanded program for the balance of the year. We will issue 4 million shares at a price of \$5.10 per flow-through share and have until the end of 2007 to incur the exploration expenditures. The renunciation to the investors will be for the year ended 2006.

Pursuant to the proposed merger of Daylight Energy Trust with Sequoia Oil & Gas Trust, which was announced on April 20, 2006, Daylight has undertaken to terminate the Technical and Administrative Service Agreement with Midnight on mutually acceptable terms. No set date has been determined for the termination and as such we will continue to follow the terms of this agreement during the second quarter. Midnight has retained substantially the same core group of high-end professionals from the highly successful Midnight Oil & Gas Ltd. team.

Clearly, we continue to enjoy a highly successful drilling program while the depth and breadth of our opportunities continue to grow throughout our prospect portfolio. Midnight's highly successful light oil and natural gas drilling program, expanded opportunities and Midnight's large prospect inventory has positioned the company well for the future benefit of our shareholders.

Fred Woods

President and Chief Executive Officer

May 11, 2006

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis as provided by the management of Midnight should be read in conjunction with the unaudited Interim Consolidated Financial Statements and accompanying notes for the three months ended March 31, 2006 and 2005 and the audited Consolidated Financial Statements, related notes and Management Discussion and Analysis for the periods ended December 31, 2005 and 2004.

Basis of Presentation – The financial data presented below has been prepared in accordance with Canadian Generally Accepted Accounting Principles (“GAAP”). The reporting and the measurement currency is the Canadian dollar. For the purpose of calculating unit costs, natural gas is converted to a barrel equivalent (“boe”) using six thousand cubic feet of natural gas equal to one barrel of oil unless otherwise stated.

Non-GAAP Measurements - Within the Management Discussion and Analysis references are made to terms commonly used in the oil and gas industry. Funds from operations, funds from operations per share and netbacks are not defined by GAAP in Canada and are referred to as non-GAAP measures. Funds from operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net income per share. Netbacks equal total revenue less royalties, operating costs and transportation costs calculated on a boe basis. Management utilizes these measures to analyze operating performance and leverage. Funds from operations is commonly referred to as cash flow by research analysts and is used to value and compare oil and gas companies and is frequently included in published research when providing investment recommendations. Total boes are calculated by multiplying the daily production by the number of days in the period.

Forward Looking Statements - Certain statements contained within the Management Discussion and Analysis, and in certain documents incorporated by reference into this document, constitute forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. We believe the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this Management Discussion and Analysis should not be unduly relied upon. These statements speak only as of the date of this Management Discussion and Analysis or as of the date specified in the documents incorporated by reference into this Management Discussion and Analysis, as the case may be.

In particular, this Management Discussion and Analysis, and the documents incorporated by reference, contain forward-looking statements pertaining to the following:

- *the performance characteristics of our oil and natural gas properties;*
- *oil and natural gas production levels;*
- *the size of the oil and natural gas reserves;*
- *projections of market prices and costs;*
- *supply and demand for oil and natural gas;*
- *expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development;*
- *treatment under governmental regulatory regimes and tax laws; and*
- *capital expenditures programs.*

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Management Discussion and Analysis:

- *volatility in market prices for oil and natural gas;*

- liabilities inherent in oil and natural gas operations;
- uncertainties associated with estimating oil and natural gas reserves;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of acquisitions;
- geological, technical, drilling and processing problems;
- changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry and income trusts; and
- the other factors discussed under "Risks and Uncertainties" in the annual Management and Discussion Analysis.

Statements relating to "reserves" or "resources" are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward looking statements contained in this Management Discussion and Analysis and the documents incorporated by reference herein are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking statements.

This Management Discussion and Analysis is dated as of May 11, 2006.

Selected Quarterly Information

Financial (000's, except for per share amounts)	2006	2005				2004
	Q1	Q4	Q3	Q2	Q1	Q4 ⁽¹⁾
Petroleum and natural gas sales	\$ 9,191	\$ 8,772	\$ 5,997	\$ 5,050	\$ 3,170	\$ 977
Funds from operations	\$ 5,187	\$ 4,991	\$ 3,073	\$ 2,374	\$ 1,529	\$ 397
Per share – Basic	0.14	0.16	0.12	0.09	0.06	0.02
– Diluted	0.13	0.16	0.12	0.09	0.06	0.02
Net income	\$ 208	\$ 864	\$ 487	\$ 158	\$ 160	\$ 15
Per share – Basic	0.01	0.03	0.02	0.01	0.01	0.00
– Diluted	0.01	0.03	0.02	0.01	0.01	0.00
Additions to capital assets	\$ 29,485	\$ 55,285	\$ 8,175	\$ 4,482	\$ 8,565	\$ 2,680
Net debt	41,028	16,730	11,344	6,242	4,134	(2,902)
Total assets	134,452	111,171	54,187	47,350	45,106	42,120
Shares outstanding						
Basic	38,328	38,328	26,328	26,328	26,328	26,328
Diluted	41,495	41,511	29,360	29,393	28,821	28,661
Operations						
Average daily production						
Natural gas (mcf/d)	5,926	4,694	4,885	5,151	3,924	3,549
NGLs & crude oil (bbls/d)	901	600	270	297	135	132
Combined (boe/d)	1,889	1,382	1,084	1,156	788	723

(1) 2004 is since inception for the period of November 29, 2004 to December 31, 2004.

In the first quarter of 2006, Midnight drilled 19 gross (10.8 net) wells, spending \$29.5 million to set the stage for future growth. The quarterly analysis highlights that funds from operations have increased quarter over quarter since inception due to the increases in production accompanied by strong commodity prices. Since inception share capital has increased only once - on November 30, 2005 in conjunction with the \$47.7 million acquisition of the Red Earth assets. As a result, funds from operations per share have also grown consistently quarter over quarter.

Relationship with Daylight Energy Trust (“Daylight”)

Since November 30, 2004, Midnight and Daylight have operated under an Administrative and Technical Services Agreement which provides for the sharing of services required to manage Midnight’s activities and govern the allocation of general and administration expenses between the entities. Under this agreement, Daylight is the employer on behalf of the parties and receives payment for certain technical and administrative services provided to Midnight. Both Midnight and Daylight have established independent Corporate Governance committees within their respective Boards of Directors to monitor compliance with this agreement. Pursuant to the proposed merger of Daylight with Sequoia Oil & Gas Trust, which was announced on April 20, 2006, Daylight has undertaken to terminate this agreement with Midnight on mutually acceptable terms.

Production

Midnight’s Q1 2006 production averaged 1,889 boe per day consisting of 5,926 mcf per day of natural gas, 765 bbls per day of crude oil and 136 bbls per day of natural gas liquids. Production for the current quarter was 140% higher than Q1 2005 and 37% higher than Q4 2005. Natural gas production for Q1 increased 51% over Q1 2005 and 26% over the previous quarter. This increase was a result of bringing on production at Sheldon during mid March and adding additional production at Wapiti.

Oil production increased 63% from Q4 2005 and 1,291% from Q1 2005. Production increased in the current quarter as production from Red Earth was included for the whole quarter adding approximately 750 boe per day, while in Q4 2005 volumes were only included from December as the acquisition of the properties closed on November 30, 2005. Q1 2006 production at Red Earth has been restricted with 13 wells being subject to Maximum Rate Limitations (“MRLs”). Midnight also shut-in production at various times during the quarter to retire “overproduction” on certain wells acquired on the acquisition.

The following table outlines our production volumes for the periods indicated below:

Production	Q1 2006	Q1 2005	Q4 2005
Natural Gas (mcf/d)	5,926	3,924	4,694
Oil (bbls/d)	765	55	470
Liquids (bbls/d)	136	80	130
Total (boe/d)	1,889	788	1,382

Pricing

Midnight markets its natural gas on a daily spot market basis at various delivery points in Alberta and therefore the average Alberta spot market price in Canadian dollars per mcf is an appropriate benchmark for our gas. We continue to receive a slight premium to the Alberta spot price for our gas sales and expect our future realized price to coincide with the Alberta spot price. Gas production increased in March when the Alberta spot price averaged only \$6.48 per mcf, a 12% discount to the average for the quarter leading to a lower price than otherwise would be expected. Our realized price for NGLs remains at approximately 84% of Edmonton Par. Our crude oil from Red Earth tracks to Edmonton Par at approximately a \$5 discount due to tariff charges and quality adjustments.

Midnight did not buy or sell any commodity or currency hedges during the period.

The following table outlines benchmark prices compared to Midnight's realized prices:

Prices and Marketing	Q1 2006	Q1 2005	Q4 2005
Benchmark Prices			
Alberta spot (\$/mcf)	\$ 7.34	\$ 6.86	\$ 11.46
WTI oil (\$US/bbl)	63.34	49.85	60.02
Cdn/US average exchange rate	0.8662	0.8040	0.8522
Edmonton Par (\$Cdn/bbl)	\$ 69.27	\$ 61.16	\$ 71.40
Midnight's Realized Price			
Natural gas (\$/mcf)	\$ 7.39	\$ 6.92	\$ 11.73
Crude oil (\$/bbl)	64.91	67.48	68.02
NGLs (\$/bbl)	60.01	53.13	59.52
Combined oil & NGLs (\$/bbl)	64.17	58.96	66.19
Total (\$/boe)	\$ 54.07	\$ 44.68	\$ 69.02

Petroleum and Natural Gas Sales

Petroleum and natural gas sales totaled \$9,191,000 for Q1 2006. The petroleum and natural gas sales for Q1 2006 increased 190% from Q1 2005 and 5% from Q4 2005. Of the \$6 million increase in sales year over year, \$4.4 million relates to production with a 140% increase in volumes and \$1.6 million relates to the higher realized prices. Of the \$0.4 million increase in sales from Q1 2006 versus Q4 2005, \$3 million relates to higher production which is offset by \$2.6 million reduction in price.

The following tables outline our production sales and average sales price for the periods indicated below:

Petroleum and Natural Gas Sales (000's)	Q1 2006	Q1 2005	Q4 2005
Natural Gas	\$ 3,942	\$ 2,444	\$ 5,065
Oil	4,470	332	2,939
Liquids	734	381	709
Royalty income	45	13	59
Total	\$ 9,191	\$ 3,170	\$ 8,772

Royalties

Royalty payments are made to the owners of the mineral rights on our leases which include provincial governments (Crown) and freehold landowners as well as to other third parties by way of contractual overriding royalties.

In Alberta, royalties on natural gas and NGLs are charged by the government based on an established monthly Reference Price. The Reference Price is meant to reflect the average price for gas and NGLs in Alberta. Gas cost allowance, custom processing credits, and other incentive programs reduce the effective royalty rate.

Oil royalty rates are generally a function of production rates on a per well basis and market prices. They may also be subject to certain reductions and incentives. Crown royalties in Alberta are generally satisfied by delivering the required amount of oil to the Crown.

Royalties by Type (000's)	Q1 2006	Q1 2005	Q4 2005
Crown	\$ 1,448	\$ 703	\$ 2,083
Gross overriding ARTC	317 (111)	29 (30)	232 (143)
Total	\$ 1,654	\$ 702	\$ 2,172
\$/boe	\$ 9.73	\$ 9.89	\$ 17.09
% of revenue	18.0	21.6	24.8

Royalties by Commodity	Q1 2006	Q1 2005	Q4 2005
Natural Gas			
000's	\$ 1,209	\$ 586	\$ 1,319
% of revenue	30.7	16.3	26.0
Oil			
000's	\$ 348	\$ 54	\$ 811
% of revenue	7.8	16.3	27.6
NGLs			
000's	\$ 208	\$ 92	\$ 185
% of revenue	28.3	24.1	26.1

Royalties for the period ended Q1 2006 increased 136% to \$1.65 million from Q1 2005 but decreased 24% from Q4 2005. During the first quarter certain wells in the Red Earth area received a Third Tier Exploratory Exemption resulting in no crown royalties on these wells. Under this program exploratory oil wells are exempt from royalties for up to one year or \$1 million in royalties. These exemptions drove down our royalty rate on oil to 7.8% of revenue. As a result, our overall royalty rate has decreased to 18.0% of revenue from 24.8% of revenue in Q4 2005 and 21.6% in Q1 2005. We anticipate the overall royalty rate to increase to the 20% to 21% corporate level once we receive full credit for the exemptions and as we bring on additional production that is not eligible for the exemptions.

Operating Expenses

Operating expenses for Q1 2006 increased 18% on a boe basis from Q4 2005 consistent with our expectations. However, operating expenses per boe declined \$1.35 or 12% year over year. The Red Earth area has higher operating expenses per boe than our existing base and therefore we expected our operating expenses to increase in the first quarter of 2006. We expect to reduce costs to the \$9 per boe range as we bring on new natural gas production with lower operating costs.

Operating Expenses (000's)	Q1 2006	Q1 2005	Q4 2005
Operating expenses	\$ 1,645	\$ 782	\$ 1,044
Total (\$/boe)	\$ 9.68	\$ 11.03	\$ 8.22

Transportation Expenses

Transportation expenses are defined by the point of legal custody transfer of the commodity and are influenced by the nature of the production, location, availability of transportation and the sales point. The cost of delivering production to the custody transfer point is shown separately as transportation expense.

Transportation charges have increased as certain locations at Red Earth require oil to be trucked to the sales point. Natural gas is usually transported to an established delivery point such as AECO in Alberta and then delivered to the purchaser.

Transportation Expenses (000's)	Q1	Q1	Q4
	2006	2005	2005
Transportation expenses	\$ 191	\$ 3	\$ 3
\$ per boe	\$ 1.12	\$ 0.04	\$ 0.03

Interest Expense

During the first quarter interest expense totaled \$170,000 representing an effective interest rate of 4.7% on average debt of \$14.9 million. In Q4 2005 bank debt averages only \$9.2 million and the effective interest rate was 4.4% resulting in a lower interest expense. Our effective interest rate is expected to fluctuate with the changes in the Bank of Canada rates.

General and Administration Expenses

During the quarter, net general and administration ("G&A") expenses totaled \$436,000 or \$2.56 per boe. Midnight's general and administration expenses have been allocated based on the Administrative and Technical Service Agreement with Daylight. This agreement enables Midnight to use the Daylight personnel to manage its operations. Midnight is charged administration for its direct activities and for its proportionate share of overhead based on production and capital spending. Capitalized G&A is derived directly from the capital portion of the Administrative and Technical Service Agreement.

The components of general and administration expense are as follows:

General and Administration Expenses (000's)	Q1	Q1	Q4
	2006	2005	2005
Direct G&A	\$ 143	\$ 35	\$ 195
Technical service fee from Daylight	1,003	529	948
Overhead recoveries from Daylight	(128)	(51)	(77)
Capitalized G&A	(582)	(372)	(575)
Net G&A	\$ 436	\$ 141	\$ 491
Net G&A (\$/boe)	\$ 2.56	\$ 1.99	\$ 3.86

Direct G&A and the Technical Service fees for the quarter were consistent with Q4 2005, but with higher production volumes our cost per boe has declined. Midnight expects this charge to increase due to the higher proportionate share of Midnight's production and capital relative to the combined production and capital of both Midnight and Daylight. As previously announced, both Daylight and Midnight have agreed to terminate the agreement on mutually acceptable terms. No set date has been determined for the termination and as such we will continue to follow the terms of this agreement for at least the second quarter. We have a core group of staff committed to Midnight who will create the foundation to grow the Company.

Stock-Based Compensation

The Company applies the fair value method for valuing stock option grants and warrants. Under this method, compensation cost attributable to all share options granted and warrants issued are measured at fair value at the grant and issuance date and expensed over the vesting period with a corresponding increase to contributed surplus. Midnight recognized stock-based compensation expense of \$151,000 for the quarter which is consistent with Q4 2005 as no additional options have been granted. Midnight's unamortized portion of stock-based compensation is \$1.3 million, which will be expensed over the next three years.

Depletion, Depreciation and Accretion

For the first quarter, depletion and depreciation was \$4.6 million versus \$3.4 million for the fourth quarter and \$1.1 million for the first quarter of 2005. The increase is a result of higher production with only a slight impact from finding costs. On a boe basis, first quarter depletion, depreciation and accretion was \$27.19 versus fourth quarter depletion and depreciation charge of \$26.84. Midnight expects to lower its depletion and depreciation rate as we add additional proved reserves at a lower cost than our current rate.

Taxes

The Q1 2006 future tax expense of \$216,000 results in an effective rate of 49%. The difference in the expected rate of 37.6% and the effective rate is from permanent differences relating to stock-based compensation and the difference between non-deductible crown royalties and the resource allowance.

During the Q1 2006, Midnight has recognized \$17,000 in capital tax being a quarter of the yearly provision versus \$88,000 of capital tax expense in Q4, 2005. Midnight only became taxable under the Large Corporations Tax in the 4th quarter with the acquisition of Red Earth and the issuance of additional equity. The Federal budget proposes to eliminate this tax effective January 1, 2006 and once the legislation has been passed, Midnight will reverse the provision. The Company has approximately \$126.8 million in tax pools to shelter taxable income in future years.

Funds from Operations and Net Income

For Q1 2006, funds from operations totaled \$5,187,000 or \$0.14 and \$0.13 per basic and diluted share respectively. Funds from operations totaled \$4,991,000 for Q4 2005 and \$1,529,000 for Q1 2005. On a per share basis, funds from operations increased 117% from \$0.06 per diluted share in Q1 2005 to \$0.13 per diluted share in Q1 2006. Net income for Q1 2006 totaled \$208,000 versus \$160,000 for Q1 2005.

The following table summarizes the netbacks on a barrel of oil equivalent basis for the periods indicated:

(\$/boe)	Q1 2006	Q1 2005	Q4 2005
Sales price	\$ 54.07	\$ 44.68	\$ 69.02
Royalties	9.73	9.89	17.09
Operating expenses	9.68	11.03	8.22
Transportation expenses	1.12	0.04	0.03
Operating netback	\$ 33.54	\$ 23.72	\$ 43.68
General and administration	2.56	1.99	3.86
Interest (income)	1.01	(0.25)	(0.53)
Other income	(0.70)	-	-
Capital tax	0.11	-	0.69
Cash flow netback	\$ 30.56	\$ 21.98	\$ 39.66
Depletion, depreciation and accretion	27.19	15.90	26.84
Stock-based compensation	0.89	0.75	1.19
Future tax	1.26	3.07	4.83
Net income	\$ 1.22	\$ 2.26	\$ 6.80

Midnight's funds from operations are significantly influenced by production volumes and commodity prices. The fourth quarter, 2005 represented the highest cash flow netback and net income per boe since inception leading to record funds from operations and net income for Midnight. The higher production volumes in Q1 2006 led to a \$196,000 increase in actual funds from operations over Q4 2005.

The following table provides a reconciliation to the change in funds from operations and net income for Q1, 2006 versus Q1, 2005 and Q1, 2006 compared to Q4, 2005.

Change in Funds from Operations and Net Income (000's)	Q1 2006 vs Q1 2005		Q1 2006 vs Q4 2005	
	Funds from Operations	Net Income	Funds from Operations	Net Income
Comparative period	\$ 1,529	\$ 160	\$ 4,991	\$ 764
Increase (decrease) in revenue:				
Change in production volumes	4,424	4,424	2,960	2,960
Change in prices	1,597	1,597	(2,541)	(2,541)
Change in royalties	(952)	(952)	518	518
Change in other income	101	101	(62)	(62)
(Increase) decrease in expenses:				
Operating	(863)	(863)	(601)	(601)
Transportation	(188)	(188)	(188)	(188)
Interest	(170)	(170)	(57)	(57)
General and administration	(295)	(295)	55	55
Stock-based compensation	-	(97)	-	1
Depletion, depreciation and accretion	-	(3,494)	-	(1,210)
Taxes	(17)	(15)	71	569
Abandonment expenditures	21	-	41	-
Current period	\$ 5,187	\$ 208	\$ 5,187	\$ 208

Capital Expenditures

Midnight had its most active drilling program during the first quarter of 2006. We drilled 19 gross (10.8 net) wells comprised of 10 (6.0 net) oil wells and 8 (3.8 net) natural gas wells with one dry hole achieving a 95% success rate. All 10 oil wells were drilled in the Red Earth area, while 2 (1.3 net) natural gas wells were drilled at Wapiti, 2 (2.0 net) natural gas wells were drilled at Sheldon and 4 (0.5 net) natural gas wells were drilled in our West Central area. To bring on production from these successes, Midnight incurred facility costs of \$2.6 million in Red Earth, \$3.1 million at Sheldon and \$1.1 million at Wapiti. Midnight spent \$3.6 million on Crown sales during the quarter. Midnight has undeveloped land at March 31, 2006 of approximately 179,400 net acres of which \$23.5 million or \$130 per acre has been excluded from the depletion calculation in the quarter. Over the next twelve months, approximately 20 percent of Midnight's net undeveloped acreage will be subject to expiry. But with an active drilling program, Midnight anticipates minimal undeveloped acres to expire with expiring in 2006.

During the fourth quarter of 2005, Midnight acquired the Red Earth assets for \$47.7 million and drilled 8 (3.8 net) oil wells in this area. Also in Q4 2005, we drilled 9 (0.8 net) natural gas wells for a total of 17 (4.6 net) wells in Q4, 2005. In the first quarter of 2005, we drilled a total of 11 (2.7 net) wells.

The following table highlights the breakdown of expenditures by category for the periods indicated:

Capital Expenditures (000's)	Q1	Q1	Q4
	2006	2005	2005
Land	\$ 3,682	\$ 1,327	\$ 291
Property acquisitions	-	-	47,666
Geological and geophysical	1,093	372	631
Drilling	13,086	4,365	3,882
Completions	4,613	1,780	1,927
Facilities pipelines and equipment	7,011	721	888
Total expenditures	\$ 29,485	\$ 8,565	\$ 55,285

Equity

During the first quarter, the only activity in share capitalization was the cancellation of 15,500 stock options. As at May 11, 2006 the Company had outstanding 38,327,829 common shares, 1,084,300 stock options and 2,083,333 warrants. The average exercise price of the stock options outstanding is \$3.50 per share.

Share Information (000's)	Q1	Q4	Periods ended December 31	
	2006	2005	2005	2004
Shares outstanding				
Basic	38,328	26,328	38,328	26,328
Diluted	41,495	28,821	41,511	28,661
Weighted average shares outstanding				
Basic	38,328	26,328	27,347	25,651
Diluted	38,776	26,714	27,696	25,804

On April 28, 2006 we announced that we have entered into a private placement flow-through common share financing agreement, on a bought deal basis, to issue 4,000,000 flow-through common shares at an issue price of \$5.10 per share for gross proceeds of \$20.4 million. This financing is expected to close on May 17, 2006.

Liquidity and Capital Resources

Midnight Oil Exploration Ltd. was listed as a senior issuer on the Toronto Stock Exchange on December 2, 2004 trading under the symbol "MOX". The Company's market capitalization at March 31, 2006 was \$151 million.

Trading History on the TSX	Q1	Q4	Periods ended December 31	
	2006	2005	2005	2004
High	\$ 4.70	\$ 4.85	\$ 4.98	\$ 4.20
Low	\$ 3.70	\$ 3.80	\$ 3.06	\$ 3.20
Close	\$ 3.94	\$ 4.42	\$ 4.42	\$ 3.40
Volume (000's)	4,973	3,725	25,427	6,559

At March 31, 2006, Midnight had drawn \$17.7 million on its \$20.0 million credit facility and had a working capital deficit of \$23.3 million. Bank debt and working capital deficiency increased to \$41.0 million from \$16.7 million at December 31, 2005 as a result of the planned higher capital spending. Subsequent to the quarter, Midnight announced it had entered into a bought deal financing to raise \$20.4 million from a new flow-through equity issue and increased its bank credit facility to \$30 million.

The new facility is available on a revolving basis until May 31, 2007. On this date and at the Company's discretion, the facility is available on a non-revolving basis for a period of 366 days, at which time the

facility would be due and payable. Alternatively, the facility may be extended for a further 364-day period at the request of the Company and subject to approval by the bank. The credit facility bears interest at either the bank's prime rate or Bankers' Acceptances plus a stamp based on the Company's debt/cash flow ratio, calculated using the two most recent fiscal quarters. The facility is secured by a \$50 million first floating charge debenture and a general securities agreement.

Midnight anticipates that it will have adequate liquidity to fund future working capital and forecasted capital expenditures during 2006 through a combination of cash flow and additional debt. Expenditures for our flow-through program will not be completed until 2007 and will be financed from funds from operations. Our forecasted net debt drops below one times net debt to cash flow for Q2, 2006 and for the balance of the year.

Contractual Obligations

The contractual obligations for which the Company is responsible are as follows:

Contractual Obligations (000's)	Total	Less than 1 Year	1-3 Years	4-5 Years	After 5 Years
Technical service agreement	\$ 1,270	\$ 1,270	\$ -	\$ -	\$ -
Long-term debt	17,682	-	17,682	-	-
Asset retirement obligations	4,653	265	325	190	3,873
Total Contractual Obligations	\$ 23,605	\$ 1,535	\$ 18,007	\$ 190	\$ 3,873

Midnight enters into many contractual obligations in the course of conducting its day to day business. Material contractual obligations consist only of our Administrative and Technical Service Agreement with Daylight and our long-term debt with a major bank. The payment terms on the asset retirement obligation is based on an estimated timing of expenditures to be made in future periods, actual expenditures and when they may occur may differ materially than presented above. Midnight has not entered into any firm transportation commitments to date.

Financial Instruments

Financial instruments comprise cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying amounts due to their short-term maturities. The Company's long-term debt bears interest at a floating market rate and accordingly the fair market value approximates the carrying value.

Critical Accounting Estimates and Changes in Accounting Policies

There have been no changes in our critical accounting estimates, nor changes in accounting policies.

Additional Information

Additional information relating to Midnight is filed on SEDAR and can be viewed at www.sedar.com. Information can also be obtained by contacting the Company at Midnight Oil Exploration Ltd., 2100, 144 4th Ave S.W., Calgary, Alberta T2P 3N4 or by email to ir@midnightoil.ca or by accessing our website at www.midnightoil.ca.

Consolidated Balance Sheets

(000's) (unaudited)

	March 31, 2006	December 31, 2005
Assets		
Current assets:		
Accounts receivable	\$ 4,439	\$ 6,259
Deposits and prepaid expenses	80	80
	4,519	6,339
Petroleum and natural gas assets (note 1)	129,933	104,832
	\$ 134,452	\$ 111,171
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 27,865	\$ 11,096
Long-term debt (note 2)	17,682	11,973
Future taxes	445	229
Asset retirement obligations (note 3)	1,644	1,416
Shareholders' equity:		
Share capital (note 4)	84,262	84,262
Warrants (note 4)	42	42
Contributed surplus (note 4)	620	469
Retained earnings	1,892	1,684
	86,816	86,457
	\$ 134,452	\$ 111,171

Subsequent event (note 5)

See accompanying notes to consolidated financial statements.

On behalf of the Board:

Signed *"Tom Medvedic"*
Director

Signed *"Paul Moynihan"*
Director

Consolidated Statements of Income and Retained Earnings

Three months ended March 31,

(000's, except per share amounts) (unaudited)

	2006	2005
Revenues:		
Petroleum and natural gas sales	\$ 9,191	\$ 3,170
Royalties	(1,654)	(702)
Other income	119	18
	7,656	2,486
Expenses:		
Operating	1,645	782
Transportation	191	3
Interest	170	-
General and administration	436	141
Stock-based compensation	151	54
Depletion, depreciation and accretion	4,622	1,128
	7,215	2,108
Income before taxes	441	378
Taxes:		
Capital	17	-
Future	216	218
	233	218
Net income	208	160
Retained earnings, beginning of period	1,684	15
Retained earnings, end of period	\$ 1,892	\$ 175
Income per share: (note 4)		
Basic	\$ 0.01	\$ 0.01
Diluted	\$ 0.01	\$ 0.01

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Three months ended March 31,

(000's) (unaudited)

	2006	2005
Cash provided by (used in):		
Operations:		
Net income	\$ 208	\$ 160
Items not involving cash:		
Depletion, depreciation and accretion	4,622	1,128
Stock-based compensation	151	54
Future taxes	216	218
Abandonment expenditures	(10)	(31)
Funds from operations	5,187	1,529
Changes in non-cash working capital	(168)	337
	5,019	1,866
Financing:		
Increase in long-term debt	5,709	590
Changes in non-cash working capital	(5)	-
	5,704	590
Investments:		
Petroleum and natural gas additions	(29,485)	(8,565)
Changes in non-cash working capital	18,762	1,078
	(10,723)	(7,487)
Changes in cash	-	(5,031)
Cash, beginning of period	-	5,031
Cash, end of period	\$ -	\$ -
Taxes paid		
	\$ 88	\$ -
Interest paid		
	\$ 200	\$ 18

Cash is defined as cash and cash equivalents.

See accompanying notes to consolidated financial statements

Notes to Consolidated Financial Statements

For the three months ended March 31, 2006 and 2005
(Tabular amounts are stated in thousands of dollars except share and per share amounts)
(unaudited)

The interim consolidated financial statements for Midnight Oil Exploration Ltd. ("Midnight" or the "Company") have been prepared in accordance with accounting principles generally accepted in Canada, using the same accounting policies and methods of computation as set out in note 1 to the consolidated financial statements for the year ended December 31, 2005. The disclosures provided below are incremental to those included with the audited consolidated financial statements for the year ended December 31, 2005. The interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2005.

Relationship with Daylight

An Administrative and Technical Services Agreement with Daylight Energy Trust ("Daylight") provides for the shared services required to manage Midnight's activities and govern the allocation of general and administration expenses between the entities. Under this agreement, Daylight receives payment for certain technical and administration services provided to Midnight on a cost recovery basis. The Administrative and Technical Service Agreement has no set termination date and will continue until terminated by either party upon three months prior written notice to the other party. Pursuant to the Administrative and Technical Services Agreement and for the three months ended March 31, 2006 \$421,000 (2005 – \$141,000) of fees were charged relating to general and administration activities and \$582,000 (2005 – \$372,000) of fees were charged relating to capital expenditures.

1. Petroleum and natural gas assets:

	March 31, 2006	December 31, 2005
Cost	\$ 143,259	\$ 113,567
Accumulated depletion and depreciation	(13,326)	(8,735)
	\$ 129,933	\$ 104,832

During the three months ended March 31, 2006 the Company capitalized \$582,000 (2005 – \$372,000), of general and administration expenses related to exploration and development activities.

The cost of unproven properties at March 31, 2006 of \$27,126,000 (2005 - \$15,717,000) has been excluded from the depletion and depreciation calculation. Future development costs of proven reserves of \$7,717,000 (2005 - \$3,061,000) have been included in the depletion and depreciation calculation.

On November 29, 2005, Midnight closed a property acquisition for a purchase price of \$47,666,000. The acquisition had an effective date of October 1, 2005. As part of the acquisition, Midnight assumed asset retirement obligations of \$707,000. This acquisition was completed in connection with Daylight's acquisition of the outstanding shares of Tempest Energy Corp. which closed on November 30, 2005.

2. Long-term debt:

Midnight has a revolving term credit facility available up to \$30 million with a Canadian chartered bank effective May 11, 2006. The facility is available on a revolving basis until May 31, 2007. On May 31, 2007, at the Company's discretion, the facility is available on a non-revolving basis for a period of 366 days, at which time the facility would be due and payable. Alternatively, the facility may be extended for a further 364-day period at the request of the Company and subject to approval by the bank. The credit facility bears interest at the bank's prime rate or Bankers' Acceptances plus a stamp based on the Company's debt/cash flow ratio, calculated using the two most recent fiscal quarters. The facility is secured by a \$50 million first floating charge debenture and a general securities agreement. At March 31, 2006, \$17,682,000 was drawn on this facility. The effective interest rate for the bank debt was 4.7% for the three months ended March 31, 2006. The \$30 million borrowing base is subject to a semi-annual and annual review by the bank.

3. Asset retirement obligations:

The Company's asset retirement obligations result from net ownership interests in petroleum and natural gas assets including well sites, gathering systems and processing facilities. The Company estimates the total undiscounted amount of cash flow required to settle its asset retirement obligations is approximately \$4,653,000 which will be incurred from 2006 to 2054. The majority of the costs will be incurred between 2010 and 2020. An inflation factor of 2% has been applied to the estimated asset retirement cost at March 31, 2006. A credit-adjusted risk-free rate of 8% was used to calculate the fair value of the asset retirement obligations at March 31, 2006.

A reconciliation of the asset retirement obligations is provided below:

	March 31, 2006	December 31, 2005
Balance, beginning of period	\$ 1,416	\$ 542
Liabilities incurred	207	215
Acquired on property acquisition (note 1)	-	707
Liabilities settled	(10)	(95)
Accretion expense	31	47
Balance, end of period	\$ 1,644	\$ 1,416

4. Share capital:

(a) Authorized:

The authorized share capital consists of an unlimited number of common shares without par value.

(b) Issued and outstanding:

	Number of Shares	Amount
Common shares:		
Balance, December 31, 2004	26,327,829	\$ 38,240
Issued pursuant to private placement	12,000,000	48,000
Share issue costs (net of tax of \$1,114)	-	(1,978)
Balance, December 31, 2005 and March 31, 2006	38,327,829	\$ 84,262

On November 30, 2005, the Company issued 12,000,000 Common Shares at a price of \$4.00 per share. The proceeds, net of share issue cost of \$3.1 million (\$2.0 million net of tax), were \$44.9 million.

(c) Per share amounts:

Per share amounts have been calculated on the weighted average number of shares outstanding. The weighted average shares outstanding for the three months ended March 31, 2006 were 38,327,829 (2005 – 26,327,829). Diluted per share amounts are calculated based on the diluted weighted average number of shares outstanding. The diluted weighted average shares outstanding for the three months ended March 31, 2006 were 38,775,537 (2005 – 26,713,952) due to the dilutive effect of warrants and stock options.

(d) Stock options:

The Corporation has reserved 2,581,670 common shares for granting under option to employees, directors and other persons who provide ongoing management or consulting services to the Corporation. Stock options are granted for a term up to five years and vest over three years from the date granted. The exercise price of each option equals the market price of the Corporation's common shares on the date of the grant.

The summary of stock option activity is presented below:

	Number of options	Weighted average exercise price
Balance, December 31, 2004	-	\$ -
Granted	1,174,300	3.49
Cancelled	(74,500)	3.30
Balance, December 31, 2005	1,099,800	\$ 3.50
Cancelled	(15,500)	3.48
Balance, March 31, 2006	1,084,300	\$ 3.50
Exercisable at March 31, 2006	53,333	\$ 3.75

(e) Warrants:

	Number of Warrants	Amount
Warrants:		
Balance, December 31, 2004	2,333,333	\$ 47
Cancelled	(250,000)	(5)
Balance December 31, 2005 and March 31, 2006	2,083,333	\$ 42

Each warrant is exercisable into one common share of the Company at a price of \$3.00 per share. The warrants vest equally over three years and expire on November 29, 2008. One third of the warrants vested on November 29, 2005 with 694,444 warrants being exercisable at March 31, 2006.

(f) Stock-based compensation:

Midnight accounts for its stock-based compensation plan using the fair value method. Under this method, a compensation cost is charged over the vesting period for warrants and options granted to employees, officers, directors and other service providers.

Midnight has not incorporated an estimated forfeiture rate for stock options that will not vest, rather the Company accounts for actual forfeitures as they occur.

The fair value of options and warrants granted were estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions and resulting values for the year ended December 31, 2005:

	2005
Weighted average fair value of options granted	\$ 1.31
Risk free interest	3.7%
Estimated hold period prior to exercise	4 years
Expected volatility	40%
Dividend per share	\$ 0.00

No options were granted in the three months ended March 31, 2006.

(g) Contributed surplus:

The following table reconciles Midnight's contributed surplus:

	March 31, 2006	December 31, 2005
Balance, beginning of period	\$ 469	\$ 15
Stock-based compensation expense	151	449
Cancellation of warrants	-	5
Balance, end of period	\$ 620	\$ 469

5. Subsequent event

On April 28, 2005, Midnight announced that it had entered into an agreement to issue 4 million flow-through common shares on a bought deal basis at a price of \$5.10 per flow-through common share to raise gross proceeds of \$20.4 million. The proceeds of the offering will be used to finance Midnight's capital expenditures. Directors, officers and service providers of Midnight will be offered to participate in this financing up to a maximum of 400,000 flow-through common shares.

Selected Quarterly and Annual Information

Financial (000's, except for per share amounts)	2006	2005					2004
	Q1	Q4	Q3	Q2	Q1	Year	Q4 ⁽¹⁾
Petroleum and natural gas sales	\$ 9,191	\$ 8,772	\$ 5,997	\$ 5,050	\$ 3,170	\$ 22,989	\$ 977
Royalties	1,654	2,172	1,678	1,401	702	5,953	211
Operating expenses	1,645	1,044	902	969	782	3,697	249
Transportation expenses	191	3	5	-	3	11	1
Net backs	\$ 5,701	\$ 5,553	\$ 3,412	\$ 2,680	\$ 1,683	\$ 13,328	\$ 516
General and administration	436	491	278	292	141	1,202	126
Net interest (income)	170	(68)	58	4	(18)	(24)	(12)
Abandonment expenditures	10	51	3	10	31	95	5
Seismic sales	(119)	-	-	-	-	-	-
Capital tax	17	88	-	-	-	88	-
Funds from operations	\$ 5,187	\$ 4,991	\$ 3,073	\$ 2,374	\$ 1,529	\$ 11,967	\$ 397
Per share – Basic	0.14	0.16	0.12	0.09	0.06	0.44	0.02
– Diluted	0.13	0.16	0.12	0.09	0.06	0.43	0.02
Net income	208	\$ 864	\$ 487	\$ 158	\$ 160	\$ 1,669	\$ 15
Per share – Basic	0.01	0.03	0.02	0.01	0.01	0.06	0.00
– Diluted	0.01	0.03	0.02	0.01	0.01	0.06	0.00
Additions to capital assets	\$ 29,485	\$ 55,285	\$ 8,175	\$ 4,482	\$ 8,565	\$ 76,507	\$ 2,680
Net debt	41,028	16,730	11,344	6,242	4,134	16,730	(2,902)
Total assets	134,452	111,171	54,187	47,350	45,106	111,171	42,120
Shares outstanding							
Basic	38,328	38,328	26,328	26,328	26,328	38,328	26,328
Diluted	41,495	41,511	29,360	29,393	28,821	41,511	28,661
Operations							
Average daily production							
Natural gas (mcf/d)	5,926	4,694	4,885	5,151	3,924	4,666	3,549
NGLs & crude oil (bbls/d)	901	600	270	297	135	326	132
Combined (boe/d)	1,889	1,382	1,084	1,156	788	1,104	723
Average prices received							
Natural gas (\$/mcf)	\$ 7.39	\$ 11.73	\$ 9.70	\$ 7.62	\$ 6.92	\$ 9.07	\$ 7.00
NGLs & crude oil (\$/bbl)	64.17	66.19	64.97	53.64	58.96	62.35	50.75
Combined (\$/boe)	\$ 54.07	\$ 69.02	\$ 60.13	\$ 48.01	\$ 44.68	\$ 57.04	\$ 43.58
Royalties	9.73	17.09	16.82	13.33	9.89	14.77	9.40
Operating expenses	9.68	8.22	9.05	9.20	11.03	9.17	11.14
Transportation expenses	1.12	0.03	0.05	-	0.04	0.03	0.00
Netback received (\$/boe)	\$ 33.54	\$ 43.68	\$ 34.21	\$ 25.48	\$ 23.72	\$ 33.07	\$ 23.04

(1) 2004 is for the period of November 29, 2004 to December 31, 2004 and therefore represents both the fourth quarter and the results for the period ended December 31, 2004.

Abbreviations

/d	per day	mboe	thousand barrels of oil equivalent
bb1(s)	barrel(s)	mmbtu	millions of British thermal units
mbbls	thousand barrels	ARTC	Alberta Royalty Tax Credit
mcf	thousand cubic feet	WTI	West Texas Intermediate crude oil
mmcf	million cubic feet	NGLs	natural gas liquids
bcf	billion cubic feet	Cdn	Canadian
boe	barrels of oil equivalent	US	United States

Corporate Information

DIRECTORS

Paul E. Moynihan, Chairman of the Board ^{1, 2, 3, 4}
Managing Director and Partner
Mustang Capital Partners Inc.
Calgary, Alberta

Jay D. Squiers ^{1, 2, 3, 4}
Managing Director
Fortress Investment Group LLC
Dallas, Texas
United States

Tom J. Medvedic ^{1, 2, 3, 4}
Vice President, Finance and Chief Financial Officer
Calfrac Well Services Ltd.
Calgary, Alberta

Frederick N. Woods
President and Chief Executive Officer
Midnight Oil Exploration Ltd.
Calgary, Alberta

Anthony M. Lambert
President and Chief Executive Officer
Daylight Energy Trust
Calgary, Alberta

Members of the following Committees

1 Audit

2 Compensation

3 Reserves

4 Corporate Governance

CORPORATE OFFICE

Sun Life Plaza, West Tower
Suite 2100, 144 - 4th Avenue S.W.
Calgary, Alberta T2P 3N4
Phone: 403-303-8500
Fax: 403-266-6988
Email: ir@midnightoil.ca
Website: www.midnightoil.ca

OFFICERS

Frederick N. Woods
President and Chief Executive Officer

Judith A. Stripling
Vice-President, Finance and Chief Financial Officer

Thomas F. Moslow
Vice-President, Exploration

W. Randy Ford
Vice-President, Operations

Andrew D. Weldon
Vice-President, Land

Chris von Vegesack, Corporate Secretary
Partner
Burnet, Duckworth & Palmer LLP
Calgary, Alberta

Banker
Canadian Imperial Bank of Commerce
Calgary, Alberta

Legal Counsel
Burnet, Duckworth & Palmer LLP
Calgary, Alberta

Auditors
KPMG LLP
Chartered Accountants
Calgary, Alberta

Evaluation Engineers
GLJ Petroleum Consultants
Calgary, Alberta

Registrar and Transfer Agent
Valiant Trust Company
Calgary, Alberta

TSX Symbol: MOX





MIDNIGHT

Oil Exploration Ltd.

EXPLORING WITH ENERGY AND EXPERIENCE

MOX

Sun Life Plaza, West Tower
Suite 2100, 144 - 4th Avenue SW
Calgary, Alberta T2P 3N4
Phone: 403-303-8500 Fax: 403-266-6988
Email: ir@midnightoil.ca
Website: www.midnightoil.ca