



March 18, 2009

MIDNIGHT OIL EXPLORATION LTD. ANNOUNCES STRONG 2008 YEAR END RESULTS

CALGARY, ALBERTA – (Marketwire – March 18, 2009)

Midnight Oil Exploration Ltd. ("Midnight") (TSX:MOX) today is pleased to announce its financial and operational results for the year ended December 31, 2008. Midnight has filed its audited Consolidated Financial Statements and related Management's Discussion and Analysis ("MD&A") for the year ended December 31, 2008 on www.sedar.com and on its website at www.midnightoil.ca.

Please refer to our press release dated March 13, 2009 "Midnight Announces Highly Successful Tight Gas Resource Program in the Deep Basin and Significant 2008 Year End Reserve Additions" for an operation update on our winter drilling program and on our year end reserve additions as determined by our independent reserve evaluators GLJ Petroleum Consultants Ltd.

Certain selected financial and operational information for the three and twelve months ended December 31, 2008 and the 2007 comparatives are set out below and should be read in conjunction with Midnight's Consolidated Financial Statements and related MD&A.

Financial (000's, except for per share amounts)	Q4 2008	Q4 2007	2008	2007
Petroleum and natural gas sales	\$ 7,828	\$ 10,811	\$ 49,577	\$ 43,153
Royalties	1,515	1,649	10,794	6,854
Operating expenses	1,683	2,746	7,654	8,930
Transportation expenses	64	200	465	956
Operating netback	\$ 4,566	\$ 6,216	\$ 30,664	\$ 26,413
G&A – cash charge	1,012	1,128	4,293	3,645
Interest expense	257	369	1,372	1,573
Other income	(1,385)	(179)	(1,527)	(179)
Funds from operations	\$ 4,682	\$ 4,898	\$ 26,526	\$ 21,374
Gain on investments	(2,037)	-	(2,037)	-
Depletion, depreciation and accretion	5,349	5,900	21,468	23,709
Stock-based compensation	144	153	551	565
Future taxes	466	(1,136)	1,955	(1,681)
Net income (loss)	\$ 760	\$ (19)	\$ 4,589	\$ (1,219)
Funds from operations per share				
Basic	\$ 0.10	\$ 0.10	\$ 0.56	\$ 0.45
Diluted	\$ 0.10	\$ 0.10	\$ 0.56	\$ 0.45
Net income per share				
Basic	\$ 0.02	\$ -	\$ 0.10	\$ (0.03)
Diluted	\$ 0.02	\$ -	\$ 0.10	\$ (0.03)
Petroleum and natural gas additions	\$ 13,423	\$ 8,092	\$ 36,167	\$ 27,330
Property disposition	(30,371)	-	(30,371)	-
Net debt	8,730	28,374	8,730	28,374
Shares outstanding				
Basic	46,175	47,595	46,175	47,595
Diluted	50,318	52,600	50,318	52,600

Operations	Q4 2008	Q4 2007	2008	2007
Average daily production				
Natural gas (mcf/d)	5,465	5,573	5,651	6,050
Oil (bbls/d)	683	820	754	911
Natural gas liquids ("NGLs") (bbls/d)	120	216	138	179
Combined (boe/d)	1,714	1,965	1,834	2,098
Average prices received				
Natural gas (\$/mcf)	\$ 6.96	\$ 6.17	\$ 8.53	\$ 6.68
Oil (\$/bbl)	61.63	85.23	102.49	74.70
NGLs (\$/bbl)	40.95	58.26	65.87	52.36
Combined (\$/boe)	\$ 49.65	\$ 59.81	\$ 73.87	\$ 56.34
Royalties	9.61	9.12	16.08	8.95
Operating expenses	10.67	15.19	11.41	11.66
Transportation expenses	0.41	1.11	0.69	1.25
Operating netback (\$/boe)	\$ 28.96	\$ 34.39	\$ 45.69	\$ 34.48
G&A – cash charge	6.42	6.24	6.40	4.76
Interest expense	1.63	2.04	2.05	2.05
Other income	(8.78)	(0.99)	(2.28)	(0.23)
Funds from operations (\$/boe)	\$ 29.69	\$ 27.10	\$ 39.52	\$ 27.90

All shareholders are invited to attend Midnight's 2009 Annual and Special Meeting that will be held at the Sun Life Conference Centre, Plus 15 Level, Sun Life Plaza, 140 – 4th Avenue SW, Calgary, Alberta, Thursday, May 14, 2009 at 10:00 AM MDT.

Midnight is a Calgary, Alberta based junior energy company primarily focused on natural gas exploration, development and production in the Deep Basin portion of northwest Alberta. Common shares of Midnight are listed on the Toronto Stock Exchange under the symbol MOX.

FOR FURTHER INFORMATION PLEASE CONTACT:

Fred Woods, President and CEO
Phone: (403) 303-8505
Fax: (403) 264-0085
Email: fwoods@midnightoil.ca

Judy Stripling, Executive Vice-President and CFO
Phone: (403) 303-8502
Fax: (403) 264-0085
Email: jstripling@midnightoil.ca

Website: www.midnightoil.ca

Forward Looking Statements - Certain statements contained within documents incorporated by reference in this press release contain 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. 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 incorporated by reference should not be unduly relied upon. The projections, estimates and beliefs contained in such forward looking statements are based on management's estimates, opinions and assumptions at the time the statements were made including assumption relating to economic conditions, industry conditions, the production performance of Midnight's oil and gas assets, commodity prices and exchange rates, the cost and competition for services throughout the oil and gas industry, interest rates and the continuation of the current regulatory and tax regime in Canada, and necessarily involve known and unknown risks and uncertainties which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward looking statements, including those material risks discussed in Midnight's Annual Information Form under "Risk Factors" and in Midnight's MD&A under "Risk Factors." Accordingly, readers are cautioned that events or circumstance could cause results to differ materially from those predicted. The forward looking statements contained in the documents incorporated by reference herein are expressly qualified by this cautionary statement. The forward looking statements contained in this document speak only as of the date of this document and Midnight does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

Boe: Barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. In accordance with NI 51-101, a boe conversion ratio for natural gas of 6 mcf:1 bbl has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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The TSX has neither approved nor disapproved the contents of this press release.