



MIDNIGHT

Oil Exploration Ltd.

PRESS RELEASE

MIDNIGHT OIL EXPLORATION LTD. IS PLEASED TO ANNOUNCE THE CLOSING OF ITS RED EARTH PROPERTY ACQUISITION

Calgary, Alberta, November 30, 2005 - Midnight Oil Exploration Ltd. ("Midnight") (MOX – TSX) is pleased to announce that it has closed on November 29, 2005 the previously announced acquisition of Red Earth assets from Tempest Energy Corp. effective October 1, 2005, for a purchase price of \$46 million (the "Acquisition") which is subject to final closing adjustments.

The Red Earth assets include 2.1 million boe of high quality, long life oil and natural gas reserves on a proven plus probable basis, 67,700 net acres of undeveloped land, 144 square kilometers of 3D seismic and production of approximately 850 boe/d after taking into consideration MRLs (Maximum Rate Limitations). Midnight has commenced an active drilling program on these lands with 8 wells planned for the 4th quarter of 2005. Since October 1, 2005, 4 gross (2.8 net) successful oil wells have been drilled and production has increased from 650 boe/d to the current 850 boe/d level.

In conjunction with the closing of the Acquisition, the gross proceeds of \$48,000,000 from the recently completed private placement of subscription receipts have now been released from escrow and utilized to finance the Acquisition. In accordance with the subscription receipt agreement governing the terms of the subscription receipts dated October 6, 2005, the subscription receipts will be deemed to be converted into common shares of Midnight on a one-for-one basis for an aggregate issuance of 12,000,000 common shares without any further action on the part of the holder effective November 30, 2005 being the "deemed exercise date" and the transfer register for the subscription receipts is closed effective as at such date.

The financing for the private placement of the subscription receipts was sold through a syndicate of underwriters co-led by GMP Securities Ltd. and Sprott Securities Inc., and included Canaccord Capital Corp., CIBC World Markets Inc., FirstEnergy Capital Corp. and MGI Securities Inc.

In conjunction with the acquisition, Midnight has increased its credit facility to \$20 million with a Canadian Chartered Bank to provide funding for its aggressive winter drilling program.

Midnight is pleased to provide its most recent November corporate presentation which is available on our website at www.midnightoil.ca.

Forward-Looking Statements

Certain information set forth in this press release, including management's assessment of the future plans and operations of Midnight, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Midnight's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The actual results, performance or achievement of Midnight could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance 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 that Midnight will derive therefrom. Midnight disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Midnight Oil Exploration Ltd. is a crude oil and natural gas exploration and production company headquartered in Calgary, Alberta, Canada. Its common shares trade on the TSX under the symbol "MOX".

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