

18th APRIL 2007



FORTUNE OIL PLC
(“Fortune Oil” or “the Company”)

Fortune Liulin Gas Joint Venture

Fortune Oil wishes to announce that China United Coalbed Methane Corporation Ltd (“CUCBM”), the Chinese Government agency responsible for the development of coal bed methane (“CBM”) projects in China, has formally reached agreement with Fortune Liulin Gas Company Limited (“FLG”) on the past costs incurred in the Liulin CBM block.

It has been finally agreed that US\$2 million expenditure was incurred by Molopo prior to the transfer of its CBM interest in the Liulin block to FLG. Under the Production Sharing Contract for the Liulin block these past costs will be recovered by FLG in the development phase, which will benefit the FLG cashflow.

FLG is a subsidiary of Fortune Oil with 60 per cent held by the Company and 40 per cent by Molopo. Molopo is an Australian CBM specialist with particular expertise in horizontal drilling technology. Its team was enhanced recently through its acquisition of the BHP Billiton CBM team.

Fortune Oil will announce its preliminary results for 2006 on 26 April 2007.

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