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NEO ACQUIRES 5% INTEREST IN 12.5 MMBO & 33 BCF BULLSEYE PROSPECT

Nuenco is pleased to announce it has acquired a 5% working interest in Bullseye, a new prospect located in South Louisiana with a target reservoir potential of 12.5 million barrels of oil (mmbo) and 33 billion cubic feet of gas (BCF).

The first well in the prospect, Jumonville #1, spudded on 28 April 2008 and is currently drilling ahead at 9,432 feet measured depth. The well has a planned total depth of 14,200 feet and is expected to take 4 weeks to reach total depth. NEO is paying 6.67% of the well costs to earn a 5% interest in the Bullseye prospect, an area of 1,700 acres. The Bullseye prospect has several follow-up drill targets in the event Jumonville #1 is successful.

This new prospect is an excellent addition to Nuenco's exploration portfolio. Bullseye is a highly prospective, high impact prospect in a proven oil and gas field available on reasonable terms. The ability to farm-in on an advanced project is also attractive, with not only target generation complete, but drilling operations underway.

This project compliments NEO's existing Californian operations, where two high impact wells (NEO 50% working interest) are expected to be drilled within the next 3 months. A further announcement will be made immediately upon these wells being finalised. The Company intends to fund this proposed drilling program through a 1 for 1 rights issue to Nuenco shareholders. The pro-rata rights issue will be priced at 2.5c per share.

The well is being operated by Golden Gate Petroleum Ltd (ASX code: GGP), an experienced operator with a significant paying working interest participation in the project. A leading drilling contractor, Helmrich & Payne, has been contracted to drill the Jumonville # 1 well. Additionally, experienced consultants with a proven track record for successfully drilling similar wells are contracted to manage operations.

PROJECT HIGHLIGHTS

- The total combined reserves in the three objective reservoirs are estimated at 12.5 million barrels of oil and 33 billion cubic feet of gas.
- Estimated NPV value to NEO in the event of success is 12 cents per share (post a 1 for 1 rights issue) on an unrisksed basis.
- Multiple structures and sands (Camerina, Miogyp and Cib Haz) with three main prospective targets with independent traps, defined by new, proprietary 3D seismic data.
- The targeted reservoirs in this region are highly productive sandstones and given analogous producing well rates in the area, any discovery would yield almost immediate strong cash flow due to nearby established infrastructure.

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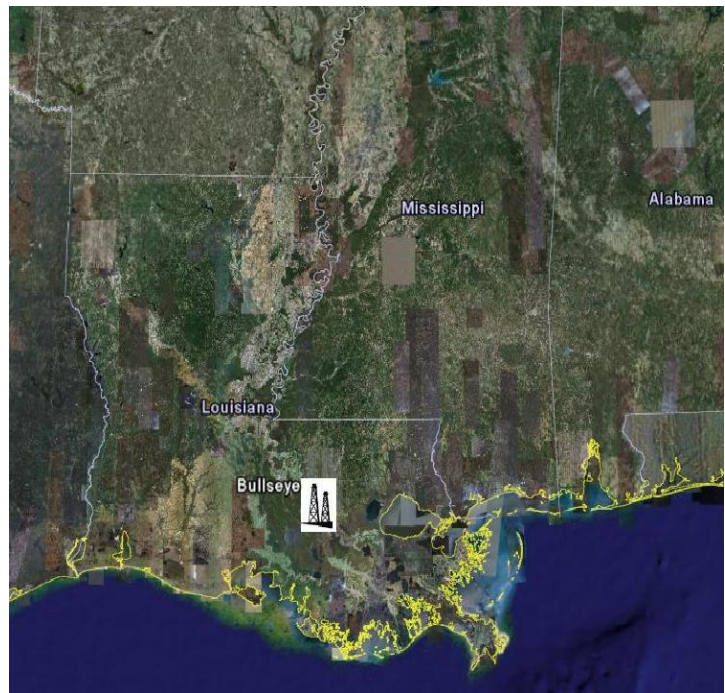
The areal extent of the Miogyp and Cib Haz reservoir sands are clearly delineated by the seismic at thicknesses in excess of 20 feet. The initial location offsets a previously drilled well which demonstrated 50 feet of Miogyp sands on the logs but was not completed due to mechanical difficulties in reaching a deeper objective.

Both the Miogyp and Cib Haz sands are high-quality reservoirs with porosity ranging from 24-30% and permeability of 300-1,000mD. This results in initial well rates observed in surrounding fields in the range of 500-1,000 barrels per day of oil and 4-10 million cubic feet of gas per day. These high rate wells provide an excellent economic return. A successful discovery will also benefit from high near-term US oil and gas prices. Current oil sales contract for the area has a \$2.55 per barrel premium to West Texas Intermediate prices due to the high quality of the liquids.

The Operator has put in place a permanent drilling pad suitable for multiple development wells with excellent access. This will allow for accelerated development drilling and early cash flow in the event of success.



**RIG H&P #72
On Location**



LOCATION MAP



Partners in the Jumonville #1 well* are:

Nuenco NL (ASX code: NEO)	6.67% WI
Golden Gate Petroleum Ltd (ASX code: GGP)	43.33% WI
Modena Resources Limited (ASX code: MDA)	15.00% WI
Pantheon Resources PLC	15.00% WI
Eastern Advisors	20.00% WI

** Working Interests are reflected prior to 25% back-in rights of project vendor.*

On behalf of the Board of Directors

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Compliance Statement

The geological information included in this announcement is the technical assessment of the available information by Mr Jack West, a qualified geologist employed as a technical consultant to Nuenco. Jack has practiced as a geologist in the petroleum industry for 44 years.

Forward Looking Statements

This announcement contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.