



For Immediate Release: November 23rd 2007

**Prevail Energy Establishes Joint-Venture on the giant
Mengo-Kundji-Bindi Oilfields with SNPC in Republic of Congo**

Montreal, Quebec, November 23rd, 2007: **Prevail Energy** ("PE"), a private international oil & gas E&P company based in Montreal, announces that on August 20th 2007, it signed a "Protocole d'Accord" (the "MOU") with **SNPC**, the national oil company of the Republic of Congo (Brazzaville). This historical accord gives its controlled subsidiary, Prevail Energy Congo S.A. (PEC S.A.), a 30% stake in the **Mengo-Kundji-Bindi ("MKB")** oil exploitation permit, under certain agreed financial and regulatory terms and conditions. Most recently PE paid SNPC the agreed project entry fee, thus firmly securing its holding in the project.

The exploitation permit for the Kundji and Bindi fields was originally awarded to SNPC by Presidential decree in February 2007. This has now been extended about 700 km² to include the giant Mengo field and the Tchiniambi field. SNPC has progressed negotiations for the execution of the Production Sharing Contract with the Ministry of Hydrocarbons. The Mengo, Kundji, Bindi and Tchiniambi fields contain high quality 32 degrees API crude oil, were discovered by Elf Congo in the early 80's and were in production between 1980 and 1992, before its own decision to shut them down. The fields were discovered with old vintage seismic data of the 70's and did not see modern seismic, drilling, or completion technology. Recent interpretation of re-processed seismic data suggests that both the Kundji and Bindi fields extend farther and contain substantially bigger oil in place than initially assessed. In addition to the 2 billion barrels in place known to exist on the Mengo field, the exploitation permit more likely contains over between 3 and 4 billion barrels in place that are awaiting modern technology for optimum recovery. There is exploration upside in the deeper Vandji play that currently produces at the nearby Kouakouala and the giant M'Boundi fields. Please find herewith a link to the press release of the Congo government regarding the award of the Kundji-Bindi licence <http://www.congo-site.com/pub/fr/v4x/actualites/article.php?num=5977>.

Alain Mizelle, President/CEO of Prevail Energy commented "The signing of the MOU on this MKB project marks the beginning of a long-term joint-venture partnership with SNPC and is a significant achievement for PEL under the current highly competitive oil industry environment. This is a high impact value-adding project with potentially very large multi-billion barrels of oil-in-place that only awaits modern technology to maximise its potential and the joint-venture could see first-oil and cashflow within the next 12 months. This also signals the beginning of the build-up by PEL of a world-class portfolio of E&P assets in Africa and elsewhere internationally."

Whilst Prevail Energy is currently a privately-owned international oil & gas company based in Montreal, with its commitments to fund the development of the MKB Project, the company may now seek to enter into negotiations that will lead to its listing on the London AIM or TSX markets.

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