

## COSTA ANNOUNCES REVISED WARRANT TERMS

**CALGARY, March 31, 2008 – COSTA Energy Inc.** ("COSTA" or the "Company") (TSX Venture Exchange: COE) announces that the terms of its warrants issued December 29, 2006 and July 19, 2007 have been amended. The 12,794,616 warrants issued December 29, 2006 were previously exercisable at a price of \$0.145 each until March 31, 2008. Such warrants will now be exercisable until December 29, 2008. The 16,506,993 warrants issued July 19, 2007 were previously exercisable at a price of \$0.16 each until March 31, 2008. Such warrants will now be exercisable until July 19, 2009.

Application has been made to the TSX Venture Exchange and the extension to the terms of the warrants is subject to TSX Venture Exchange approval.

COSTA is a Calgary based junior oil and gas company, which develops, produces, and sells crude oil, natural gas liquids and natural gas in Alberta.

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*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*