

## COSTA RELEASES 2007 YEAR-END RESULTS

**CALGARY, April 30, 2008 – COSTA Energy Inc.** (“COSTA” or the Company)(TSX Venture Exchange: COE) has released its financial and operating results for the year ended December 31, 2007.

<b>SUMMARY</b>			
<b>Year Ended Dec. 31,</b>	<b>2007</b>	<b>2006</b>	<b><u>2007</u></b>
<b>Production and prices</b>			
Natural gas sales (mcf/d)	439	697	
Oil and NGL sales (bbls/d)	22	25	
BOE sales (boe/d)	95	140	
Natural gas price (\$/mcf)	\$ 6.67	\$6.59	
Oil and NGL price (\$/bbl)	\$64.80	\$ 61.92	
<b>Financial (Audited)</b>			
Oil and gas revenue (\$000's)	\$ 1,584	\$ 2,217	
Net loss and comprehensive loss (\$000's)	\$ 3,449	\$ 6,031	
Net loss per share, basic and diluted	\$ 0.10	\$ 0.46	
<b>Shares (Audited)</b>			
Weighted average basic and diluted	34,215,807	13,030,672	
Outstanding at year end	43,260,735	26,753,742	

The Company experienced a net loss and comprehensive loss of \$3,449,096 (\$0.10 per share, basic and diluted) for the year ended December 31, 2007, including a ceiling test impairment of \$1.95 million. The Company was successful in selling its fully developed properties at Boundary Lake in the second quarter and at Pembina in the fourth quarter, both at prices significantly above their estimated engineering values. In July 2007, the Company issued 16.5 million at \$0.11 per unit for gross proceeds of \$1.8 million. Each unit consists of one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one common share at a price of \$0.16 per share until July 19, 2009 (as extended from March 31, 2008).

On October 22, 2007, the 2,350,151 Non-voting Shares were converted to common shares on a one-for-one basis for no additional cash consideration.

Total capital of \$1.6 million was invested in 2007, including 1 well (net 0.5) drilled, 7 wells (net 3.04) recompleted and a new pipeline at Alderson to access alternate processing facilities.

### **2008**

On February 28, 2008, the Company issued 990,000 units at \$1.00 per unit consisting of \$1.00 principal amount of subordinated secured debentures and 0.67 of one common share purchase warrant. Each one warrant will entitle the holder thereof to purchase one common share at a price of \$0.10 per share until June 30, 2009. The \$990,000 principal amount of debentures bears interest at 12% per annum (payable quarterly) and has a maturity date of December 31, 2008. Proceeds of the sale of units were used to repay the outstanding debentures.

Subsequent to December 31, 2007, the Company disposed of its Pembina plant interest and Veteran properties for net proceeds of \$95,062.

After considerable evaluation of various alternatives for the future of the company, COSTA announced in March that it had retained Sayer Energy Advisors to consider various strategic alternatives. On April

17, 2008 Sayer commenced marketing COSTA's wholly-owned subsidiary COSTA Resources Ltd., which includes all of the Company's oil and gas assets. Bids are to be received on May 22, 2008.

### **Reserves Reporting**

COSTA also announces that it has filed with the appropriate Canadian securities administrators its requisite disclosure and reports relating to reserves data and other oil and gas information as at December 31, 2007 required pursuant to National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

### **About COSTA**

COSTA's 2007 annual report, management's discussion and analysis, audited financial statements and reserve reports for the year ended December 31, 2007 are available on [www.sedar.com](http://www.sedar.com) and the Company's website at [www.costaenergy.com](http://www.costaenergy.com).

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

Requests for shareholder information should be directed to:

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*Forward-Looking Statements: Certain information in this press release contains forward-looking statements, including, without limitation, drilling plans, expected results and certain expected expenses and costs in subsequent periods. These forward-looking statements involve inherent risks and uncertainties, some of which are beyond the Company's control, including but not limited to the impact of general economic conditions, industry conditions, commodity price volatility, currency fluctuations, environmental risks, competition, reserve estimates, ability to access sufficient capital from internal and external sources and industry regulation. The assumptions used in the preparation of such information, although considered reasonable by COSTA at the time of preparation, may prove to be incorrect and actual results may differ materially from those expressed in or implied by these forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities laws.*

*Oil Equivalent Conversion: Barrel of oil equivalent ("boe") amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil and natural gas liquids equivalent. This ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead or point of sale. Barrel of oil equivalents may be misleading, particularly if used in isolation.*

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