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***For Immediate Release***

**COMPANY UPDATE**

**August 25, 2006** Vancouver, BC - **Ona Explorations Inc.** (the “Company”)(**CNQ: OEIX**) is pleased to provide an update on the Dutch Oil Wells project (the Dutch Oil Wells Project), located in the Regency of Musi Banyuasin (Muba), South Sumatra and the 3 x 35 MW coal-fired Power Plant project (the Medan Power Project), located in Medan, North Sumatra, Indonesia.

**The Dutch Oil Wells Project**

The Company has renegotiated the terms of a definitive joint venture agreement with PT Petro Muba, a state own limited liability company registered under the laws of the Republic of Indonesia and associates (PTPM). Under the new agreement, the Company will hold an 80% interest a joint venture to rework and develop a number of abandoned oil wells that were originally drilled in the Dutch colonies era. The oil wells are located within the boundary of the area covered under the Corridor Block Production Sharing Contract (PSC) being an area that was previously managed by ConocoPhillips. ConocoPhillips surrendered the rights to manage these oil wells to Muba and PTPM in December of 2004.

In consideration for the acquisition of the 80% interest in the joint venture with PTPM, the Company has agreed to reimburse PTPM for up to US\$200,000 in expenses incurred by PTPM. The agreement also provides for the management and rehabilitation of the abandoned oil wells located within the boundary of the Corridor Block PSC area in the Keluang, Karangrigin, and Suban Baru oil fields. Under this agreement, the Company is entitled to 80% of the net profit of the Contractor’s take after expenses and taxes under the PSC with the Indonesian government.

**The Medan Power Project**

The company reports that it has commenced proceedings with PT Peresero Listrik Negara, an Indonesian National Utility company, to have the power purchase agreement (PPA) previously signed with PT Cahaya Sakti officially transferred to the joint-venture company held by PT Cahaya Sakti and associates and Ona Energy and Power Corporation, a wholly owned subsidiary of Ona Exploration Inc. In addition, the Company has requested an extension to the PPA in order to allow sufficient time for the joint-venture company to arrange financing.

**For information on the Company please contact:**

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