



Ginger Oil AB (publ)
Stockholm, Aug 28, 2006

Half year report June 30, 2006

Activity

Ginger Oil AB (publ) is a Swedish public company and is listed on the Gothenburg OTC-list. Our stock can be traded through brokers authorized to trade on this exchange. The stock price is listed in the Swedish press and on the Internet. More information can be found on www.gingeroil.com. Ginger Oil Company is a wholly owned subsidiary of Ginger Oil AB. It is the business unit under which all business activity occurs. Ginger Oil Company is active in the exploration, exploitation and production of oil and gas.

Important activities during the first half of 2006

Reserves

Since Ginger's Arkansas projects currently represent a large portion of Ginger Oil Company's value an external opinion on the Arkansas portion of our reserves has been rendered. The opinion was rendered by Ralph E. Davis & Associates an independent consultant consisting of registered petroleum geologists and engineers. An independent opinion on possible reserves was not rendered.

Proved reserves have increased from 1,355,000 barrels equivalent to 1,661,000. The increase is mainly due to increased ownership interest in the Arkansas area.

Probable reserves have decreased from 12,025,000 to 10,638,000 barrels equivalent. Although not considered a dry hole, the temporarily abandoned, Mestayer #1 in Iberia Parish, Louisiana, is responsible for this reduction.

Possible reserves (Gingers internal estimates) have increased from 12,882,000 barrels equivalent to 18,841,000 mainly due to new areas in Ohio.

The reserves stated are net to Ginger Oil Company after landowners, etc. have received their share.

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Arkansas

Searcy #3 is currently being drilled and is a replacement well for Searcy # 2, which encountered mechanical problems after completion and could not be repaired. Potential net reserves for Searcy #3 are 77 mbbblseq.

Treat #1, Windmill prospect will be drilled immediately after Searcy #3. Potential net reserves are 137 mbbblseq (thousand barrels oil equivalent).

Louann prospect. This well will commence drilling within two weeks. Potential net reserves are 749 mbbblseq.

Stephens 3-d seismic acquisition. Permits have been obtained and the work has started. Potential net reserves are 6,155 mbbblseq.

Area three 3. 3-D seismic acquisition will commence immediately after Stephens shoot. Potential net reserves are 1,568 mbbblseq.

Area four. 3-D seismic acquisitions will be done during 2007. Potential net reserves are 4,662 mbbblseq.

Louisiana

The Kings Ridge Prospect well, (Lafourche School Board #1) has been drilled and three zones containing natural gas and condensate were encountered and are being analyzed. The well will be completed for production.

The Mestayer #1 well has been tested and is now temporarily abandoned. Several zones tested initially with good rates, but depleted quickly indicating limited reservoir size. The operator is currently attempting to farm-out the project to industry. If a second well is drilled, it will most likely be drilled before the leases expire in February 2007.

The Little Village Prospect, (Bundy Heirs #1) will start drilling at the latest on Sept 10, 2006. Location is ready and we are slotted for a rig. Potential net reserves are 664,000 barrels oil equivalent.

Ohio

Three more seismic lines have been shot and analysed. The results have been promising and we are engaged in a comprehensive leasing program. Discussions with larger landowners are under way.

New areas in Ohio have been investigated with EM (surface electro-magnetic) with promising results. Seismic over these new areas will be shot in the near future.

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North Sea

Several studies have been conducted and, together with our partners, we applied for licenses at the 24th bid round June 16, 2006. The awards are expected in September 2006.

Shares

The company stock was listed December 15, 2003 on the Gothenburg OTC-exchange that is a part of the Nordic OTC trading system. So far this year (August 17, 2006) 4,139,133 shares have been traded between 11.90 SEK (01/03/06) and 35.20 SEK (05/15/06). Last trade (August 17, 2006) was at 22.50 SEK. Interested parties can follow the trading at THENBERG & KINDE's or NORDIC OTC's web page (www.thenberg.se or www.ngm.se Nordic OTC/kurser).

Listing in Oslo

Ginger has an agreement with the Norwegian firm CAR to advise and assist the company to enter the Oslo stock exchange. CAR has also assisted Ginger in a private placement that was completed July 21, 2006 for 11,5 MMSEK. It was directed to a Norwegian fund and several private investors.

For questions please contact:

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