

9 February, 2010

MEDITERRANEAN OIL & GAS PLC

(AIM: MOG)

(the “Company” or “MOG”)

**Italy – Ombrina Mare Oil & Gas Field (MOG 100%, and Operator)
Oil Reserves Upgrade**

Highlights

- Doubling of 2P oil reserves at Ombrina Mare field to 40 MM bbls
- Includes increase in proven oil reserves (P1) to 12 MM bbls

Sergio Morandi, the Company’s CEO, stated:

“We are extremely pleased with the updated certification of the proved and probable reserves at the Ombrina Mare oil and gas field. The increase in proved reserves to 12 MMbbls and 2P reserves to 40 MMbbls doubles the initial analysis and confirms the field’s critical mass. The new oil reserve numbers establish the Ombrina Mare field as a significant European oil project and further confirm MOG’s technical ability to operate and progress this important project.

Our discussions with financial institutions continue, and we aim shortly to select a banking advisor to assist with the analysis of financing options. Further, MOG is progressing activities to secure final approval of the field development plan on the current timetable, which foresees the grant of the production concession by the end of this year.”

The Board of Mediterranean Oil & Gas Plc (AIM: MOG), the central Mediterranean-focused producer, developer and explorer of oil and gas assets, is pleased to announce a significant increase in 2P oil reserves in the Oligo-Miocene carbonate reservoir of the Ombrina Mare field to 40 MMbbls. The reserves were certified by the independent reservoir engineers, Studio Ingegneria Mineraria (“SIM”). The new certification represents a 100% increase relative to the June 2008 2P oil reserve certification by SIM (20 MMbbls).

Under the SIM certification, the 2P recoverable oil reserves of the Ombrina Mare field are distributed as follows:

Proven oil reserves (P1): 12 MMbbls
Probable oil reserves (P2): 28 MMbbls

2P (Proven + Probable) oil reserves: 40 MMbbls

The SIM certification report is available for review on the Company’s web site, at www.medoilegas.com.

The new certification incorporates the results of detailed technical studies that have been conducted by the Company in 2009 in conjunction with qualified contractors, universities and research institutes.

These technical studies relate to:

- seismic re-interpretation and construction of a new depth map of the top of the Oligo-Miocene reservoir;
- detailed, regional to field scale, geological models;
- routine and special core analysis;
- review of reservoir thickness distribution and reservoir parameters;
- analysis of fluid parameters and Pressure-Volume-Temperature (PVT) data; and
- analysis of production tests and expected well production and performance.

A major component of the revised certification is the further development of a detailed 3D geological model, which represents the current “geological most likely case” and incorporates analysis of all data made available from the above studies.

The Company is continuing with further technical studies of the Ombrina Mare field. The reprocessing and inversion of the Ombrina Mare 3D seismic is being conducted, to increase the imaging of both the oil and gas reservoirs, as well as the accuracy of the seismic interpretation and the conversion in depth. In addition, formation evaluation, bio-stratigraphic and facies analysis are also being progressed to further refine the knowledge of the reservoir.

The reserves upgrade represents a recalculation of the Oligo-Miocene 2P oil reserves based on the above studies. There is no migration from contingent oil resources, previously calculated by the Company, to the revised 2P oil reserves. However, in light of the revised certification, the Company will also re-assess its contingent oil resources and will advise the market of any changes.

Following SIM’s re-assessment of the Ombrina Mare oil reserves, the discovered and potential hydrocarbon assessment of the Ombrina Mare area is updated as follows:

	Reserves	Reserves	Reserves		Resources	
	P1	P2	2P (P1+P2)	P3	Contingent (best to high)	Prospective (best to high)

					case)	case)
Ombrina Mare – Oil (MMbbls)	12.220**	28.018**	40.240**		11 to 18 *°°	
Ombrina Mare – Gas (Bcf)			6.5 **	2.9 **	2.8 to 3.43 *	
Other prospects – Oil (MMbbls)						10 to 20 *°°
Other Prospects – Gas (Bcf)						4.0 to 8.0 *

** Independent Certification by SIM

* Company calculation

*°° Company calculation, currently under review and re-assessment

In October 2008, MOG also announced that 6.5 Bcf of recoverable 2P gas reserves, trapped in the Pliocene clastic sequence above the oil field, had been certified by SIM. This gas reserve certification has not been reviewed by SIM in the current report. Once the ongoing 3D seismic reprocessing, inversion, seismic-stratigraphic and sedimentological studies are completed, the Company will notify the market of any revised certification of the gas reserves.

Background on Ombrina Mare Production Concession Application (d30 BC MD):

The application for the production concession to permit development of the Ombrina Mare oil and gas field was submitted on 17 December 2008. It covers an offshore area of approximately 100 sq.km. in the central Adriatic Sea. The "CIRM" committee of the Italian Ministry of Environment issued the technical approval of the Ombrina Mare Field Development Plan ("FDP") on 23 June 2009. On 3 December 2009, the Company submitted the Environmental Impact Assessment Study ("EIAS") to the Italian Ministry of Environment for the relevant environmental approvals. MOG expects to have completed the environmental approval process by the third quarter of 2010, and is targeting the final grant of the full production licence by the end of 2010.

Oil is trapped in a Miocene and Cretaceous carbonate platform reservoir and gas is trapped in 16 sand levels in the middle-upper Pliocene gas sands complex. The OM2dir well produced 17-19 °API oil at a rate of approximately 1,000 bbls/d, without any formation water. The OM2dir well was completed as an oil producer and a temporary platform has been installed.

The proposed development plan comprises:

- A single production platform at the OM2dir temporary platform location;
- 5 development wells (including the already completed and suspended oil producer, OM2dir), two of which will have double completion for oil and gas;
- 1 FPSO plant designed for maximum oil production of up to 10,000 bbls/d and to store up to 50,000 tonnes of oil; and
- A 12km submarine gas pipeline to connect gas produced from the Ombrina Mare field to an existing offshore gas production plant.

The current estimated capital expenditure for the FDP amounts to between €150 and €180 million, based on prices prevailing in 2008. Under the FDP, gross oil and gas production from the main Ombrina Mare field is targeted to progressively increase to a peak of 5,000 to 7,500 bbls/d of oil and 3.5 MMcf/d of gas. In

the Company's "fast track" development scenario, production is now scheduled to start in late 2012, once all of the development wells have been drilled and the production facilities are in place.

An additional and contingent development plan has also been submitted in the application for the oil and gas production concession. This plan is directed at obtaining the approvals to drill further possible appraisal/ development wells and explore the additional contingent and prospective oil and gas resources identified inside the Ombrina Mare production concession area. It will be implemented once the main field is in production.

The revised 2P oil reserves certification will not impact the FDP for which approval has been sought, since the proposed facilities have already been designed to support higher production rates. Further, the production platform has been designed with additional flexibility to host a larger number of development wells than are currently assumed in the FDP.

QUALIFIED PERSON

Sergio Morandi (a director of the Company) holds a first class honours degree in geology from La Sapienza University (Rome) and has over twenty eight years of E & P experience spent in oil and gas exploration and operations management and seismic data acquisition, processing and interpretation with ENI, Coparex, ELF, Enterprise Oil, Shell Italia E&P and Shell International E&P. Mr Morandi's last position held was as International Geophysical and Business Advisor with Shell International E&P at EPTS - Centre of Expertise in The Netherlands. His earlier roles include Head of Exploration for Shell Italia E&P and as Head of Exploration and Chief Geophysicist for Enterprise Oil Italiana. Mr Morandi has been a lecturer in Applied Seismology at the Basilicata University in Italy, is a board member of Associazione Mineraria Italiana, is a current member of the European Association of Geoscientists and Engineers, registered member number 563 of the Lazio Geologists' Order and is a registered geological adviser to the Rome and Viterbo Tribunals in Italy. Mr Morandi is a "qualified person" for the purposes of the AIM Guidance Note for Mining and Oil and Gas Companies June 2009. He has compiled, read and approved the technical disclosures contained in this regulatory announcement which comply with the SPE/WPC standard.

GLOSSARY

Bcf	billion cubic feet of gas
Bbls/d	barrels of oil per day
Bbls	barrels
FPSO	Floating Production, Storage and Offloading
m	meters
MMscm	millions of standard cubic meters
MMbbls	millions of barrels
MMcf	million cubic feet of gas
MMcf/d	million cubic feet of gas per day
P1	proven reserves as defined in the SPE/WPC standard

P2	probable reserves as defined in the SPE/WPC standard
PVT	pressure, volume, temperature
Scm	standard cubic meters
SPE	Society of Petroleum Engineers
WPC	World Petroleum Congress
2P	proven plus probable reserves as defined in the SPE/WPC standard

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