

Regulatory Announcement

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Company	Mediterranean Oil & Gas Plc
TIDM	MOG
Headline	Admission to AIM
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Mediterranean Oil and Gas Plc

Admission to AIM

16th November 2005

Mediterranean Oil and Gas Plc ("MOG" or "the Group"), the London-based oil exploration and gas production company with a portfolio of assets in countries within the European Union, namely Italy and Malta, was today admitted to AIM (TIDM: MOG). Admission follows a recent placing of 11.7 million new Ordinary Shares at a price of £1.00 per Ordinary Share ("the Placing") to raise £11.7 million (gross of expenses). WH Ireland Limited is acting as Nominated Adviser and Broker to the Company. The market capitalisation of MOG on admission is approximately £33.3 million.

Portfolio of Assets

The Group's principal assets are as follows:

- The Group owns 100 per cent. of the Ombrina Mare Concession, located offshore Italy in approximately 20m of water. The permit contains the Ombrina Mare oil discovery, which has been estimated by the Group's Competent Person, RPS Energy, to hold on a Best Estimate basis some 19.5 million barrels ("Mbbbl") Net Contingent Resources; 89 Mbbbl Stock Tank Oil Initially in Place ("STOIIP") – both on 100% basis. Two satellite oil prospects and three gas leads are to be evaluated by the Company to ascertain whether there is a potential to develop those prospects in conjunction with any development of the main Ombrina Mare field.
- The Group holds the benefit of an Exploration Study Agreement over blocks 4, 5, 6, and 7 in Offshore Malta Area 4 on the Mediterranean Pelagian Shelf. Area 4 lies to the south of Malta abutting the boundary with the Libyan offshore area 44. A small part of the total area has been subjected to 3D seismic and three prospects have been identified in that area. RPS Energy has estimated, for the three identified prospects in Block 7 which have been matured by 3D seismic, to hold on a Best Estimate basis a total of 218.2 Mbbbl Net Prospective Oil Resources; 648.1 Mbbbl STOIIP – both on 100% basis un-risked. The Board believes that the area is prospective and wishes to both mature the identified prospects and carry out more regional seismic testing within its permits in order to attempt to identify further prospects within the Group's concession.
- The Group holds 20 per cent. of the Serra San Bernardo permit in joint venture with ENI S.p.A. ("ENI") and Total Italia S.p.A. amongst others. The Company, as operator under the joint venture, proposes to mature the permit in order to drill the Monte Grosso prospect located within it. RPS Energy has estimated the Monte Grosso prospect to hold on a Best Estimate basis a total of 120.7 Mbbbl Prospective Oil Resources; 710.7 Mbbbl STOIIP – both on 100% basis un-risked.
- The Group holds 20 per cent of the Guendalina gas discovery offshore Adriatic. RPS Energy has

estimated this prospect to hold on a Best Estimate basis a total of 455 million standard cubic meters ("Mscm") Contingent Gas Resources; 796 Mscm Gas Initially in Place – both on 100% basis. This interest is operated by ENI.

The Group is one of a relatively small number of Italian oil and gas producers and holds interests in a variety of granted production concessions. The Group currently owns interests in: eighteen production concessions, for nine of which it is the operator; seven exploration concessions, for five of which it is the operator; and four permit applications for two of which it will act as operator in Italy. The Group will endeavour through investment in further exploration and development to increase production from identified reserves in these concessions.

Current Financial Status

MOG is already a significant player in gas production in Italy. The portfolio of assets that the Group has established has been generating revenue for a number of years.

The Directors believe that the Group, with the proceeds of the Placing, is well positioned to execute its exploration and development programme and assist its further growth and development. The Directors consider that together, with the funds currently available to the Company, having its Ordinary Shares traded on AIM and the increased profile associated with being a publicly quoted company will significantly assist in the expansion of the Group's operations and the development of its assets.

Group Strategy

The proceeds of the Placing will be used to help effect the Board's strategy, which is to become a medium sized oil and gas production company. The Board intends to effect its strategy by:

- expediting the appraisal, development and exploitation of oil and gas discoveries and prospects within the Ombrina Mare Concession;
- advancing the drilling of Offshore Malta Block 7 which comprises three mature prospects and progress the very large Italian Monte Grosso prospect;
- expanding the Group's production and reserves in Italy in order to increase earnings and cash flow; and
- the simultaneous exploration and development of the Group's current concessions, thereby spreading the risk across a number of projects.

Management Team

Mediterranean Oil and Gas benefits from a strong Board and senior management team; it has extensive experience of oil exploration and development, as well as project management and resource financing.

David Lenigas (*non-executive Chairman*) has over twenty years' experience in the gold, diamond, coal, oil and gas and base metals industries. He has extensive experience operating in the AIM environment and is currently the joint managing director of Asia Energy Plc and a director of BDI Mining Corp, Braemore Resources Plc and River Diamonds Plc, all of which are quoted on AIM.

Giovanni Catalano (*Chief Executive Officer*) took up his position in June 2005. He has had over twenty-five years in the upstream oil and gas industry with the last position held in Woodside Energy Pty Ltd, Perth, Western Australia as Far East Business Development Manager. In addition, Mr Catalano played an instrumental role in growing Woodside's overseas business with world-wide new ventures and exploration/development projects, with particular emphasis on the Italian, African and Asian regions. Prior to Woodside (7 years) he was with AGIP (9 years) and LASMO International (11

years). He is a former Director of the Woodside Energy UK and AGIP Mauritania BV companies and former Chairman of Woodside Energias SA in Spain.

Anthony (Tony) Trevisan (*Executive Director*) has, over twenty years, played major roles in a large number of corporate transactions involving financing, mergers and acquisitions, the restructuring of industrial, petroleum and mineral resources based public companies. He has participated in the establishment, from start up, of substantial operating businesses and been responsible for public offerings and the floating of companies on the Australian and other international Exchanges. Mr Trevisan has held senior executive positions in listed public companies, including petroleum, mining, industrial and high technology interests such as Arabex Petroleum (Rubiales petroleum discovery), Callina NL (petroleum workover project in the Russia, Komi Oil Field), Trident Petroleum (Joint Venture with Conoco - now Conoco Phillips in Papua New Guinea) and Aqua Vital (Australia) Ltd (now owned by Coca Cola), amongst others.

MOG's other current Directors are Salvatore Russo, Peter Clutterbuck and Patrick Collins (all *non-executive*). Salvatore has held senior positions on the Boards of some of Italy's largest corporations including chairman and CEO Saipem S.p.A., chairman and CEO of both Snam S.p.A. and Snam Rete Gas S.p.A. He is currently chairman and CEO EnerTAD S.p.A. and has served on the Boards of a number of companies including Agip, EniChem and Italgas.

Peter has broad experience in exploration, development and production in the USA, North Sea, former Soviet Union (FSU), Latin America, Middle East, Africa and Asia. He began his career with BP Group, and has subsequently managed independent oil companies for over 20 years.

Patrick holds an MBA from New York University's Stern School of Business and was formerly a Restructuring Investment Banking Analyst at the New York based insolvency restructuring firm of Zolfo, Cooper & Co. After stints with Morgan Stanley and Merrill Lynch in New York, in 2000 he moved to London to Head Merrill Lynch's European Distressed Debt Trading team. Mr. Collins joined Mizuho International plc to establish and run the Global Special Situations Group, where he a non-executive director.

Giovanni Catalano, Chief Executive Officer, Mediterranean Oil and Gas Plc, said: "MOG will be something of a rarity on AIM, as it is already a producing, cash-generating gas production company. The team believes that our flotation on AIM will fundamentally improve the visibility of the Group and has allowed it to access the necessary funding to exploit its substantial existing and potential oil and gas assets in Italy and Malta. We look forward to sharing our success with our shareholders."

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