

MEDITERRANEAN OIL & GAS PLC
(the "Company" or "MOG")

26 November 2008

Convertible Bond Extension

The Board of Mediterranean Oil & Gas Plc (AIM: MOG) is pleased to announce that it has agreed with Stark Master Fund Limited ("the Bond Holder") to extend the term for conversion or repayment of the existing £4,766,000 convertible bonds on issue by eighteen months from 31 March 2009 to 30 September 2010. All other terms of the Bonds remain unchanged.

The Bonds will continue to be interest free and convertible at any time at the Bond Holders option at an exercise price of 50 pence per ordinary share in the capital of MOG ("Ordinary Shares"). The number of Ordinary Shares to be issued if the Bonds were converted in full is therefore 9,532,000. In the event that the term for conversion or repayment is not extended and the Bond Holder elects not to convert, the Bonds would be fully redeemable by MOG on 31 March 2009. The Bonds must now be redeemed in full on 30 September 2010, unless converted earlier by the Bond Holder.

Related Party Transaction

For the purposes of the AIM Rules the extension of the period for redeeming or converting the Bonds is considered to be a related party transaction as the Bond Holder is a substantial shareholder in the Company. Accordingly, the directors of the Company consider, having consulted with W H Ireland Ltd, the Company's nominated adviser, that the terms of the extension of the convertible bonds are fair and reasonable insofar as the shareholders of the Company are concerned.

Appointment of CFO (non board appointment)

The Company advises that Mr. Antonio Proietti has been appointed Chief Financial Officer (CFO) to replace Mr. Fabio Bortolotti with effect from 24 November 2008. The Board expresses their appreciation for the service provided by Mr. Bortolotti.

Mr. Antonio Proietti has a degree in economics and accounting and has over 15 years of relevant experience in senior positions including the last 2 years as head of accounts in our Rome Office. Mr. Proietti has been a member of the Board of Statutory Auditors since 1993.

For enquiries please contact:

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