

Mediterranean Oil & Gas Plc

Grant of Options

Date: 3 May 2006

The Company today announces that the Board has approved, following the recommendation of a meeting of the Remuneration Committee held on 26 April 2006, the grant the following options:-

- options exercisable over 100,000 ordinary shares at an exercise price of £1.90 per share in favour of David Lenigas, the non-executive chairman, between 26 April 2005 and the second anniversary of the date of grant;
- options over 100,000 ordinary shares in favour of Giovanni Catalano, the Managing Director, exercisable at a price of £1.90 per share at any time between the date of grant and the second anniversary of the date of grant. This option has been granted in consideration of Mr Catalano bringing the St Laurent opportunity to the Company;
- options exercisable over 42,500 ordinary shares at a price of £1.90 per share granted to various employees of the Group, exercisable between 26 April 2005 and the second anniversary of the date of grant.

In addition, the Board has resolved to grant:-

- subject to the Company not being in a close period on 12 July 2006, Mr Catalano options exercisable over 100,000 ordinary shares at an exercise price of £1.05 in accordance with the terms of engagement of Mr Catalano;
- further options exercisable over 42,500 ordinary shares at an exercise price of £1.90 per share on 26 April 2007 to employees of the Group, conditional on the relevant employees being employed by the Company on 26 April 2007 and their continuing to perform well.

The mid-market price of the Company's ordinary shares on the date the Remuneration Committee met were £1.90 which was the highest price of the shares from flotation until that date. The options to employees and Mr Lenigas were granted in recognition of services performed prior to 31 March 2006.