

MEDITERRANEAN OIL & GAS PLC
(the “Company” or “MOG”)

Date: 5 March 2008

Mediterranean Oil & Gas Secures €18 million Bank of Scotland Credit Facility

The Board of Mediterranean Oil & Gas Plc (AIM: MOG) is pleased to announce that it has entered into an €18 million credit facility with the Bank of Scotland Plc.

The €10 million tranche A facility will be applied towards the development cost of the Company's interest in the Guendalina Gas Field (operator ENI: MOG 20%) and repaid from the Company's share of Guendalina's production. The Company estimates the Guendalina Gas Field has 2P reserves of 28 Bcf (100% basis) and expects first gas production in early 2010. Gas production is expected to be 5 Bcf (100% basis) in the first full year.

The €8 million tranche B facility is for general corporate purposes. It will be applied by the Company towards its other exploration and development assets including the OM2 appraisal/development well on the Company's 100% owned Ombrina Mare oil and gas field. The MV Galloway Jack-up rig is scheduled to commence mobilisation for the OM2 well on 8 March 2008.

The credit facilities are available for a period of 30 months from the date of the agreement. The Company has a right to extend the facilities for a further 30 months if the Company meets the requirements to convert the loan to a borrowing base facility. The requirements for conversion and extension of the facility primarily relate to the Company continuing to replace reserves utilised in production and a performance test on Guendalina once the field commences production. Costs of funds for the facility range between 8.6 % and 9.4 % per annum, based on a fully drawn basis. The facilities are secured against the Company's assets and are also subject to normal banking covenants including periodic reviews of the reserves.

Sergio Morandi the Company's CEO said:

“In addition to our ongoing revenue from production, the Company now has in excess of €33 million available (post the recently announced JKX Italia acquisition) to fund our current work programme.

The good operating cash flow from our Italian production and strong operational team in Italy enabled us to secure debt finance on attractive commercial terms from a quality institution, the Bank of Scotland, despite the current volatility in debt markets. We believe this ability to appropriately use debt and cash flow to fund our expansion gives us a competitive advantage.”

Michael Thorpe (Lead Director) and Rakesh Ramana (Associate Director) of Bank of Scotland Corporates Oil & Gas Team said:

“We are delighted to be working with Mediterranean Oil & Gas in developing the Guendalina gas field and expanding its portfolio of Italian oil and gas assets. We are already active in the Italian gas market and look forward to being a long term partner as the Company continues to grow its operation.”

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 seven years 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 and is a Board member of Associazione Mineraria Italiana. He has compiled, read and approved the technical disclosure in this regulatory announcement. The technical disclosure in this announcement complies with the SPE/WPC standard.

GLOSSARY

Bcf	Billion cubic feet
2P Reserves	Proven plus Probable reserves as defined in the SPE definitions
Scm/Mscm	Standard cubic metres/Million standard cubic metres
SPE/WPC	Society of Petroleum Engineers/World Petroleum Congress

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