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

Gas Reserves Certification and Resources update
Ombrina Mare Oil & Gas Field; BR269 Permit, Italy (MOG 100%)

The Board of Mediterranean Oil & Gas Plc (AIM: MOG) is pleased to announce that, following the successful appraisal of Ombrina Mare oil and gas discovery independent reserve engineers, Studio Ingegneria Mineraria ("SIM"), have certified 6.5 Bcf of Proven plus Probable (P1 + P2) gas reserves in the field. A further 10 Bcf in possible gas reserves ("P3") associated with the Ombrina Mare Field and best case prospective resources in the BR269 Permit ("Permit") have also been assessed.

Background:

- The Ombrina Mare 2 vertical ("OM2") and horizontal ("OM2dir") wells confirmed the presence of oil and gas fields and successfully appraised the Ombrina Mare oil field structure to a distance of approximately 1.7 km east of the OM1 discovery well.
- 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.
- OM2dir well was producing oil at a rate of approximately 1000 Bbls/d without any formation water.
- OM2Dir well was completed as an oil producer.
- P1 & P2 oil Reserves of 20 MMbbls of recoverable oil were certified by independent reserve engineers in June 2008.
- Whilst drilling OM2, significant gas shows from 5 to 12% (C1) were recorded in the Pliocene sand complex between 1500 and 1800m. Most of the Pliocene gas sands were associated with direct hydrocarbon indications such as seismic amplitude anomalies and/or AVO (amplitude versus offset) visible effects on the seismic image and had a good correlation with the main gas sand levels of the discovery well OM1 (where the same sands produced 150,000 to 190,000 scm/day (5.3 to 6.7 MMcf/d) of dry gas (methane (C1) 99.5%)). The Company chose to complete the OM2 well as an oil producer and therefore for technical reasons it was not possible to also undertake a production test of the several gas bearing Pliocene sands encountered by OM2.

OM - Gas Reserves and Resources certification:

The Company has now completed a full technical re-assessment of the Pliocene gas sand complex. The reassessment included re-interpretation of the OM1 and OM2 logs and the 2D and 3D seismic from the permit area and detailed mapping of all the encountered gas sand levels. SIM has carried out an independent reserve calculation on the gas sands, in accordance with the SPE/WPC Standard which requires the application of the 2007 Petroleum Resources Management System standards. SIM has now certified the following Reserves and Resources in the Ombrina Mare Pliocene gas complex:

- **Proven plus Probable (2P) Gas Reserves: 6.5 Bcf**
- **Upside of 5.8 Bcf comprising Possible Gas Reserves (P3): 2.9 Bcf and Best Case Prospective Resources: 2.8 Bcf**

The Pliocene gas levels of the Ombrina Mare field are constituted by thin sand levels in the upper sequence and thick sand levels in the lower sequence with generally high water saturation and good porosity. The gas bearing sand levels cover a wide area and are not all vertically stacked. The calculation was based on 11 selected gas levels from the 16 gas levels intersected by OM2.

Additional Gas Resources in the Permit Area

The Permit has significant upside for gas beyond the certified 2P reserves. The upside comes from:

- a. P3 reserves in the Ombrina Mare Field Pliocene sands which were intersected by the OM1 and OM2 wells;
- b. Prospective resources in gas sands overlaying the Ombrina Mare Field which have not yet been intersected by a well; and
- c. Prospective resources identified in other prospects and leads within the Permit.

SIM identified 5.8 Bcf of additional gas upside in the main Ombrina Mare field area comprising possible reserves (P3) of 2.9 Bcf and best case prospective resources of 2.8 Bcf from the two main prospects overlying the main field. The difference in the sums is due to rounding.

In addition to the gas reserves and resources overlaying the main Ombrina Mare Field which were certified by SIM, the Company has assessed other significant gas prospects in the Permit area and identified an estimated further 4 Bcf of best case gas prospective resources.

In summary, the reserves and resources in the Permit currently assessed following the latest SIM report are the following:

	Reserves		Resources	
	P1+P2	P3	Prospective Resources Best Case	Contingent Resources Best Case
Ombrina Field Oil	20MMbbls ¹		Being assessed ²	11MMbbls ² (18MMbbls high case)
Ombrina Field Gas	6.5Bcf ¹	2.9Bcf ¹	2.8Bcf ¹	
BR269 Other Prospects Oil			Being assessed ²	
BR269 Other Prospects Gas			4Bcf ²	

There are additional unappraised structures on the Permit (notably OM South and OM South East) which are still being reassessed. Once this process is completed the Company will be able to announce revised prospective oil resources numbers.

¹ Certified by SIM

² Company calculation

The Company is considering development models utilising 2 or 3 gas production wells to produce the 6.5 Bcf of 2P gas reserves from Ombrina Mare as well as to appraise the identified 5.8 Bcf of potential P3 and prospective resources upside. Subject to a successful appraisal, the same wells would be utilised to produce these resources and P3 reserves. At least two of the proposed gas production wells could be drilled from the oil production platform with a double completion (oil and gas). This would optimise the additional capex required for the total development of the oil and gas field.

Ombrina Mare Operational Update:

The Company has continued with its capital works programme at Ombrina Mare. The set up of a tripod temporary platform at the OM2 well head is progressing well and the platform is close to completion. This platform will allow well inspection and maintenance until the field is developed and production can commence. Photographs of progressive work on the temporary structure have been posted on MOG's web site.

Engineering consultants have been appointed to assist MOG in the preparation of the field development plan and the production licence application. The feasibility study on the field development is progressing as scheduled and the Company anticipates that it will be able to complete a development plan, which provides for development of the Pliocene gas complex at the same time as the oil field, in time to allow the submission of the application for the Production Concession to the Italian Authorities as scheduled by November 2008.

Sergio Morandi, the Company's CEO, stated:

"Following the OM2 and OM2dir well results, the independent reserves assessment now certifies in addition to 20 MMbbls of P1& P2 of oil reserves, 6.5 Bcf of P1+P2 gas reserves that add substantial additional value to the discovery. The Ombrina Mare gas increases MOG's total 2P gas reserves by more than 60% from 10.2 Bcf to 16.7 Bcf. Ombrina Mare continues to produce excellent results that are propelling us to our goal of being a medium sized oil and gas producer."

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, 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. 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

2D	Two dimensional seismic
3D	three dimensional seismic
Bbls/day	stock tank barrels of oil per day
Bcf	billion cubic feet of gas
C1	methane gas
Contingent Oil/Gas Resources	has the meaning ascribed by the SPE/WPC Standard
MMbbls	Million stock tank barrels
MMcf/d	Million cubic feet of gas
MMscm	Million cubic metres
P1 & P2 Reserves	Proven plus Probable reserves as defined in the SPE/WPC Standard
Prospective Oil/Gas Resources	has the meaning ascribed by the SPE/WPC Standard
scm/day	cubic metres per day
SPE/WPC	Society of Petroleum Engineers/World Petroleum Congress
SPE/WPC Standard	definitions and methodology for certifying hydrocarbon reserves and resources adopted by the SPE/WPC from time to time which presently requires the application of the 2007 Petroleum Resources Management System standards

ENQUIRIES:

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