

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

Ombrina Mare Production Concession Update

25 June 2009

The Board of Mediterranean Oil & Gas Plc (AIM: MOG) is pleased to announce that the Company has reached a critical milestone in the approval process for the Ombrina Mare Oil and Gas Field development.

The Company has been advised that the Italian Ministry for Economic Development’s Interministerial Committee for Mineral Research (“CIRM”) has approved the technical aspects of the Company’s application for Production Concession d30 BC MD. Formal documentation from the Ministry is expected shortly.

The Company’s wholly owned subsidiary, Medoilgas Italia S.p.A., owns 100% of Production Concession application d30 BC MD. The production concession application is for an offshore area of approximately 150 sqkm in the central Adriatic Sea and covers the Ombrina Mare Oil and Gas Field in which independent reservoir engineers have certified to date 2P reserves of 20 MMbbls oil and 6.5Bcf of gas.

The CIRM has provided favourable advice to the Ministry for Economic Development on the field development plan (“FDP”), investment plan and development work programme that the Company submitted to the Italian authorities with the production concession application. The CIRM’s approval of the technical aspects of the application is a pre-condition to submitting the proposed development for environmental approval and a critical milestone in the approval process.

The Company is well underway with preparing an environmental impact assessment study of the proposed development and now anticipates being in a position to submit the study to the Italian Ministry for the Environment during the next quarter.

Notification of the CIRM’s approval of the technical aspects of the application means the Company remains on its timetable for completion of the development approval process for the Ombrina Mare Oil and Gas Field by the third quarter 2010.

The application for the production concession to permit development of the Ombrina Mare Oil and Gas Field was submitted on 17 December 2008, following the completion of:

- the independent oil and gas reserves assessment by independent reservoir engineers, Studio Ingegneria Mineraria (“SIM”)
- formal recognition of the hydrocarbon discovery by the Italian Authorities
- completion of the OBM2dir temporary platform and certification of its compliance from RINA (the responsible Italian authority)
- completion of a preliminary feasibility study on the FDP prepared by PROGER Engineers.

The FDP to produce the currently certified 20 MMbbls and 6.5Bcf 2P oil and gas reserves from the Ombrina Mare Oil and Gas Field provides for a development with:

- a single production platform at the OBM2dir producer well location

- 5 development wells (including the already completed and suspended oil producer OBM2dir) two of which will have a double completion for oil and gas
- 1 FPSO plant designed for a maximum oil production of 10,000 bbls/d and to store up to 50,000 tonnes of oil
- a 12km submarine gas pipeline to connect the produced gas from the Ombrina Mare area to an existing gas production plant.

The preliminary feasibility study on the proposed development of the certified reserves in the main Ombrina Mare field indicates oil and gas production should progressively reach 5,000 to 7,500 bbls/d of oil and 3.5 MMcf/d of gas.

The Company has also submitted further options to the FDP in the production concession application in order to obtain approval to appraise and explore the contingent and prospective oil and gas resources identified inside the production concession area.

Oil and Gas Reserves and Resources within d30 BC MD.

	Reserves		Resources	
	P1 & P2	P3	Contingent (best to high case)	Prospective (best to high case)
Ombrina Mare - Oil	20 MMbbls**		11 to 18 MMbbls*	
Ombrina Mare – Gas	6.5 Bcf **	2.9 Bcf **	2.8 to 3.43 Bcf*	
Other prospects – Oil				10 to 20 MMbbls*
Other Prospects – Gas				4.0 to 8.0 Bcf*

* Company calculation

** Independent certification by SIM

The Company's CEO, Sergio Morandi, said:

"The CIRM's technical approval of the Ombrina Mare Production Concession application just 12 months after OM2+OBM2dir appraisal wells represents a major success for our Company and is testament to the Company's ability to operate in Italy and deliver on schedule.

Our team continues to achieve major milestones on the path to developing Ombrina Mare and to our goal of becoming a medium sized oil and gas producer. With this same motivation we are now working to complete all of the necessary studies to submit the Ombrina Mare Development for the Ministry of the Environment's approval too.

The Company is committed to apply in its projects the highest environmental and health & safety standards and the CIRM's approval reflects the standards and approach adopted in preparing our development plan."

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

Bbls/d	barrels of oil per day
Bcf	billion cubic feet of gas
FPSO	Floating Production, Storage and Offloading
MMbbls	million barrels of oil
MMcf/d	million cubic feet of gas per day
2P reserves	proven plus probable reserves as defined in the SPE/WPC standard
P1	proven reserves as defined in the SPE/WPC standard
P2	probable reserves as defined in the SPE/WPC standard
P3	possible reserves as defined in the SPE/WPC standard
SPE/WPC	Society of Petroleum Engineers/World Petroleum Congress
Sqkm	square kilometres

ENQUIRIES:

Mediterranean Oil & Gas Plc

www.medoilgas.com

Sergio Morandi, CEO
Tony Trevisan, Executive Director

Tel: 0039 0668 8941
Tel: +44 790 162 4290

WH Ireland Limited

David Porter/Sarang Shah

Tel: +44 (0) 20 7220 1666

Tristone Capital Limited

Nick Morgan

Tel: +44 (0) 20 7355 5800