

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

24 April 2008

**Drilling Update**

**The Board of Mediterranean Oil & Gas Plc (AIM: MOG)** wishes to announce the latest operational update on its drilling programme.

**Italy- Appraisal Well Ombrina Mare 2 (MOG Operator, 100%)**

Status:

- Significant gas shows encountered in secondary target (Pliocene gas sands complex)
- Drilling operation proceeding satisfactorily

The Ombrina Mare 2 (“OM2”) appraisal well has encountered significant gas shows in the secondary target zone, the middle-upper Pliocene gas sands complex.

The middle-upper Pliocene gas sands complex sequence is constituted by prevalent shales alternated with levels of sands. Significant gas shows from 5 to 12 % (C1) have been recorded during drilling corresponding with the sand levels between 1500 to 1800m (in Ombrina Mare 1 (“OM1”), gas shows encountered whilst drilling were between approximately 1 and 2%).

The gas shows are considered particularly material in the context that the drilling mud weight in this area has a specific gravity of 1.21. These shows are associated with seismic amplitude anomalies visible on the seismic image and also have a good correlation with the main gas bearing sand levels of the discovery well OM1, where they produced 150,000 to 190,000 scm/day (5.3 to 6.7 MMcf/d) of gas (99% (C1) methane).

The OM2 appraisal well is proceeding satisfactorily in line with our geological projection. The well had reached a depth of 1,900m as of 23 April 2008 and is continuing through the secondary target zone.

The forecast drilling programme for the next week is:

- drill to the next casing point at 2107m, just above the carbonate appraisal oil target
- execute a complete run of logs along the Pliocene gas sands complex in order to evaluate further the encountered gas shows
- casing set up and cementing
- start drilling the carbonate sequence to TD to verify and to quantify the up-dip of carbonate levels which were found to be oil bearing in OM1, where they produced 400 bbls/day of 18 API° oil

Sergio Morandi, the Company’s CEO, stated:

*“The gas shows encountered in the Pliocene clastic complex whilst drilling OM2 indicate the potential to produce significant gas volumes from the secondary target gas sands. We will be running logs over the gas bearing section during the next few days to evaluate these gas shows further and decide the appropriate test programme on the gas sand levels. Once the testing is carried out we will be in a position to better estimate the gas volumes and economic potential of the gas sands (which have already produced gas from OM1). Given the already certified 5MMbbls of P1 & P2 oil reserves from OM1, a significant gas discovery alone in OM2 should enable the Company to apply for a production concession and initiate the development phase*

*OM2, the first off-shore well operated in Italian waters by a junior oil & gas company for more than 25 years, has so far performed in line with our technical expectations.”*

#### **Tunisia - Exploration Well Teboursouk 1 (“TEB1”) (Range Operator; MOG 25%).**

The drill stem test (“DST”) carried out on three fractured zones inside the Carbonate Complex Formation between 976m and 1,002m depth confirmed the presence of a high fracture porosity system but produced “formation water with a salinity of about 100g/L”. The fair to good cut fluorescence recorded while drilling is associated with residual oil only.

The preliminary re-interpretation of seismic data based on TEB1 results indicates that there is potential to have updips of the structural trap for both the shallower Carbonate and the deeper sandstone oil targets. From the new data it may now be deduced that the TEB1 well location was not optimal.

The well has therefore been suspended whilst detailed analysis is undertaken of the data to incorporate the results of the well in the geological model.

Based on the results of the current analysis, the joint venture will next acquire infill 2D seismic crossing the well location so that we are able to target updip areas of the prospect via a sidetrack from the existing well.

TEB1 well was the first deep exploratory well drilled in the Tunisia belt and in the southern part of the Medjerda Permit. This exploration well was designed to evaluate a new oil and gas play concept for the area where several Cretaceous proven source rocks are expected to participate in feeding the structures with hydrocarbons. TEB1 encountered the expected sequence and successfully identified the presence of an active petroleum system with good reservoir sources and seals.

Sergio Morandi, the Company’s CEO, stated:

*“Whilst we are naturally disappointed that the TEB1 well was not a producer, the results of TEB1 are very encouraging and the Medjerda permit’s exploration potential after this well can be considered higher than previously thought.*

*In addition to the need to evaluate potential structural updip on the Teborsouk prospect, 7 other leads have been already been identified in the permit and a 2D seismic campaign of more than 200 km is planned in 2008 to infill the existing seismic grid, detail the highlighted leads and assess more properly the remaining exploration potential of the block.”*

**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/day	stock tank barrels of oil per day
C1	methane gas
g/L	grams per litre
Gas show	means the appearance of natural gas in the returning drilling fluid. Gas show is a term used in mud logging to show the amount and composition of natural gas above background gas levels.
MMbbls	millions stock tank barrels of oil
MMcf/d	million cubic feet per day
P1 & P2 Reserves	Proven plus Probable reserves as defined in the SPE definitions
scm/d	cubic metres per day
SPE/WPC	Society of Petroleum Engineers/World Petroleum Congress
TD	target depth

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