

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

Drilling Update – 17 March 2008

The Board of Mediterranean Oil & Gas plc (AIM:MOG) wishes to make available the latest operational update on its exploration well **Teboursouk 1 ("TEB1") in Tunisia** (Range Operator; MOG 25%).

CTF – Rig 06 is currently drilling at 1616 m of depth. During the week the well drilled an alternance of beige to dark limestones and dark marls both rich in organic matter. Gas shows of 0.5% to 3.3% have been recorded during drilling.

The well logs, carried out over the weekend, are showing that the well drilled at least 5 metres of **oil bearing** dark limestones in the Bahloul Formation, inside the well's secondary target. The Bahloul Formation is considered as a good source rock in the region.

The permeability of these limestones was measured as low and it was not possible to sample any oil. A full evaluation of well logs results is ongoing. No decision to test the oil bearing interval/s has been taken as yet and the position will be evaluated once the well has reached the forecast total depth.

The program is now to proceed with the set up of 9 5/8 inch casing and continue to drill.

.TEB1 well is the first exploratory well on the Teboursouk prospect located in the southern part of the Medjerda Permit. The exploration well is designed to evaluate a new oil play concept for the area. Several Cretaceous proven source rocks are expected to participate in feeding the Teboursouk structure with hydrocarbons. The main exploration target is inside the Aptian sandstones expected from about 2000m to Target Depth.

The exploration target should be reached and drilled during the next drilling phase that will start in about 5 days after the logging and casing set up.

Sergio Morandi, Company CEO said "Teboursouk 1 is progressing satisfactorily and should start to drill the main exploration target in about a week. The presence on logs of positive oil bearing indications in the exploration secondary target sequence is promising for the prospectivity in the Aptian sandstones, the main exploration target"

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

“Marl” is a mixture of clays, calcium and magnesium carbonate and the remnants of shells.

“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.

ENQUIRIES:

Mediterranean Oil & Gas Plc

www.medoilgas.com

Sergio Morandi, CEO
Tony Trevisan, Executive Director

Tel: +39 335 584 0043
Tel: +44 790 162 4290

WH Ireland Limited

James Joyce / David Porter

Tel: +44 (0) 20 7220 1666

Tristone Capital Limited

Nick Morgan

Tel: +44 (0) 20 7355 5800

Pelham Public Relations

Charles Vivian
Lucy Frankland

Tel: +44 (0) 20 7743 6672