

Petro Matad Limited ("Petro Matad" or the "Company")
Issue of Equity

Petro Matad announces that 83,534 ordinary shares of US\$0.01 each (the "**Performance Shares**") were issued today under the Company's Long Term Equity Incentive Plan (the "**Plan**"). The 83,534 Performance Shares were issued, under the terms of the Plan, at nominal value.

The Company also announces that 7,500 ordinary shares of US\$0.01 each (the "**Option Shares**") were issued today as a result of the exercise of options held by an employee under the Company's Plan. The Option Shares were issued at a price of 11 pence per share.

The Performance Shares and the Option Shares will rank *pari passu* with the existing ordinary shares of the Company. Application has been made for the Performance Shares and the Option Shares to be admitted to trading on AIM and this is envisaged to occur on 17 June 2011.

Following the issue of the Performance Award Shares and the Option Shares, there will be 184,190,287 ordinary shares in issue.

Note to Editors:

About Petro Matad Limited

Petro Matad is the parent company of a group focussed on oil exploration, as well as future development and production in Mongolia. The Group holds the sole operatorship of three Production Sharing Contracts with the Government of Mongolia. The principal asset is the PSC for Block XX, a petroleum block of 10,340km² in the far eastern part of the country. The two other Blocks, IV and V are located in central Mongolia and jointly cover 71,040km².

Petro Matad Limited is incorporated in the Isle of Man under company number 1483V. Its registered office is at Victory House, Prospect Hill, Douglas, Isle of Man, IM1 1EQ.

Further information:

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