

Petro Matad Limited ("Petro Matad" or the "Company")
Exercise of options and director holdings

Petro Matad announces that 678,750 ordinary shares of US\$0.01 each (the "**Option Shares**") were issued today as a result of the exercise of options held by directors and employees under the Company's employee share scheme.

The following directors have exercised existing options and were issued with the following Option Shares:

Janchiv Oyungerel	125,000 Option Shares
Douglas McGay	175,000 Option Shares
Clyde Evans	200,000 Option Shares
Sarangua Davaadorj	75,000 Option Shares

The Option Shares were issued at a price of 11p each except for those issued to Clyde Evans, which were issued at the following prices:

50,000 Option Shares at US\$0.75 each
 150,000 Option Shares at 11p each

The Option Shares will rank *pari passu* with the existing ordinary shares of the Company. Application has been made for the Option Shares to be admitted to trading on AIM and this is envisaged to occur on 18 April 2011.

Following the issue of the Option Shares, there will be 183,931,806 ordinary shares in issue.

Petro Matad further announces that it has been notified that Douglas McGay today disposed of 175,000 ordinary shares of US\$0.01 each in the Company at a price of £2 per ordinary share.

The following changes have occurred to notifiable holdings as a result of the issue of the Option Shares and the disposal by Mr McGay:

	Previous Shareholding	New Shareholding	Percentage of Petro Matad's Issued Share Capital
Janchiv Oyungerel ¹	6,460,000	6,585,000	3.58%
Douglas McGay ²	3,975,000	3,975,000	2.16%
Clyde Evans ³	3,982,377	4,182,377	2.27%
Sarangua Davaadorj	75,000	150,000	0.08%

¹Dr Oyungerel controls more than 20% of Petrovis LLC. The combined holding of Dr Oyungerel and Petrovis LLC is 43,269,262 ordinary shares in the Company, representing 23.52% of the Company's issued share capital.

²Mr McGay's interest is held both directly and through an interest in Canning International Ltd

³Mr Evans's interest is held directly and through an interest in the Evans Family Superannuation Fund

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:

Petro Matad Limited
Douglas J. McGay - CEO
+976 11 331099

Westhouse Securities Limited
Richard Baty/Petre Norton
+44 (0)20 7601 6100