

## Petro Matad Limited (“Petro Matad” or the “Company”)

### Issue of Equity

Petro Matad, the AIM quoted parent company of a group focused on oil exploration as well as future development and production in Mongolia, is pleased to announce that it has issued 13,730,103 new ordinary shares of \$0.01 (the “**New Share(s)**”) to the European Bank for Reconstruction and Development (the “**EBRD**”).

The New Shares were issued pursuant to the subscription agreement between the Company and the EBRD dated 18 December 2009 and represent the first tranche, of \$3 million, of the EBRD’s \$6 million subscription.

The second tranche of \$3 million will be issued on the satisfaction of certain further conditions, principally the appointment of a representative of the EBRD to the board of Petro Matad. It is anticipated that these conditions precedent will be satisfied by 31 March 2010. The number of shares to be issued in the second tranche will again be calculated based upon the sterling to US dollar exchange rate on the business day before the subscription.

The New Shares will rank *pari passu* with the existing ordinary shares of the Company. Application has been made for the New Shares to be admitted to trading on AIM and this is envisaged to occur on 24 February 2010.

Following the issue of the New Shares, there are 139,071,892 ordinary shares in issue and the EBRD has a holding of shares representing 9.87 per cent. of the enlarged issued share capital.

#### **Note to Editors:**

##### **About Petro Matad**

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 (“**PSCs**”) with the Government of Mongolia. The principal asset is the PSC for Block XX, a petroleum block of 14,250km<sup>2</sup> in the far eastern part of the country. The two other Blocks, IV and V, are located in central Mongolia and jointly cover 73,498km<sup>2</sup>.

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

##### **About the EBRD**

The EBRD is an international financial institution that supports projects in 29 countries from central Europe to central Asia. The EBRD is the largest single investor in the region and also mobilises significant foreign direct investment into its countries of operations. Owned by 61 countries and two intergovernmental institutions, the EBRD maintains a close political dialogue with governments, authorities and representatives of civil society to promote its goals. In all its operations the EBRD follows the highest standards of corporate governance and sustainable development. [www.ebrd.com](http://www.ebrd.com)

Further information:

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