

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

Block XX Drilling Programme

Spudding of DT-4

Petro Matad (AIM:MATD) is pleased to announce that the Davsan Tolgoi-4 ("DT-4") exploration well was spudded at 0000hrs(midnight) Mongolian time on 15November 2010 (1600 hours on 15 November 2010, GMT).

The DT-4 well is being drilled vertically to an estimated target depth of approximately 2,020 metres. The well is being drilled by the company’s contractor, “DQE International”. A further announcement will be made once drilling is completed, or as appropriate. This well will test a four-way fold closure that is part of a fault block prospect named DavsanTolgoi West. DT-4 is 3.4kms west of DT-1.

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.

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