

25 March 2008

MERIDIAN PETROLEUM PLC
("Meridian" or the "Company")

Update on Offer and Operations

Meridian Petroleum (AIM: MRP), the US-focused oil and gas company announces the following Offer and Operations update.

Offer Talks

Further to the announcement made on 6 February 2008 that the Company had 'received early stage approaches from more than one party covering a range of strategic options, which may or may not lead to an offer being made for the entire issued share capital of the Company,' the Board now confirms that all discussions specifically relating to an offer for the Company have ceased and, as a consequence, the Company is no longer in an offer period.

As highlighted in the Strategy and Operations Update of 15 February 2008, the Board of Meridian Petroleum is actively pursuing attractive opportunities to acquire further US assets, and in addition, is considering the possibility for asset swaps with third parties.

Operations Update

Orion 36

The Orion 36 well in Michigan has set new daily gas production records for the well in March.

Average daily gas production up to the 23rd March was 4.21mmcf/d and the well achieved a new daily record gas flow of 4.53mmcf/d.

Production of natural gas liquids during the period averaged 60 bbls/day.

With the well performing particularly strongly at present, the Company will defer any planned work on the well for the time being.

Milford 36

Extended testing of the Milford 36 well in Michigan is now underway. Gas flow began on 19 March 2008, and the well is expected to be on test for some 30 days.

This well was originally drilled by the Company in 2005, and has a complex history including some damage to the reservoir and extensive perforation of the reservoir reef. With over 100 ft of net pay and good recorded bottom-hole pressures, the Board believes there is potential in the well, but gas flow rates have never been clearly established, primarily due to excessive water production.

This extended test will help to assess the commercial viability of gas production. There is local infrastructure available so if commerciality is proven then the Company expects a reasonably rapid and low-cost tie-in for production.

The test will also evaluate the potential for oil and condensate production which is currently uncertain.

Following negotiations with the partners in the well and the operator, Meridian now has a 30% working interest in the Milford 36 well.

Stephen Gutteridge, Chairman, said:

“Orion continues to perform well and provide a steady, increasing source of revenue for the Company. By testing Milford we are continuing with our stated plan of focusing on low-cost, quick-to-market solutions for our existing assets and we are also making good progress with our strategy of identifying and adding other US assets with similar characteristics.”

Ed Childers, the Company’s Chief Operating Officer, who meets the criteria of a qualified person under the AIM guidance note for mining, oil and gas companies, has reviewed and approved the technical information contained in this announcement.

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