



8th September 2008

MERIDIAN PETROLEUM plc
(‘Meridian’ or the ‘Company’)

Operations Update

Meridian Petroleum (AIM: MRP), the oil and gas exploration and production Company with producing assets in the USA and exploration licences in Australia, announces an update on its US operations in Michigan and Louisiana for the month of August 2008.

Orion 36 Well, Michigan, USA

The Orion 36 well set two new gas production records in August helped by minimal down-time during the month. A new gross daily production record of 6.05mmcf was achieved on 15 August 2008. During the month the average gross daily gas production rate was 5.7mmcf and the well produced 171mmcf, comfortably exceeding the previous record month. Production of natural gas liquids (NGL's) during the month was 1511 bbls.

Net production to Meridian in August (based on a Net Revenue Interest (NRI) of 54.589%) was 93.3mmcf of gas and 825bbls of NGL's. This is equivalent to 16375 barrels of oil equivalent (boe) at a daily production rate of 528 boe/day.

At the end of August typical flowing well-head pressure was in the range of 550 - 600 psi and following the very successful build-up of production over the past 12 months, the management believes that this is likely to be the peak month for the Orion 36 well.

RPS Energy have evaluated the bottom hole pressure data obtained in July and have provided the Company with updated reserve figures calculated as at 1 July 2008. When compared with the previous figures and allowing for production during the first half of 2008, 1P remaining recoverable reserves have increased by 7.5% to 1.27bcf (as at 1 July 2008). Calculated 2P reserves have however declined by 11% to 1.46bcf as at 1 July 2008.

US gas prices were lower in August but recovered a little at the end of the month to average \$9.14 per mcf for gas produced. The Company’s gas hedging contracts produced a profit of over \$100,000 in total for July and August.

‘Orion2’ Prospect, Michigan, USA

Wellmaster, the Orion contract operator, is in the process of finalizing the leasing and permitting arrangements required to drill this prospect from the existing site. Discussions between the Company and Wellmaster on the commercial arrangements have begun, and it is expected that these will be similar to the existing Orion arrangements. Efforts are now underway to secure the necessary equipment and resources, and although the market remains tight, there is a reasonable prospect of drilling commencing before the end of the year.

East Lake Verret Field (ELV), Louisiana, USA

The ELV Field continued to deliver a steady performance in August although production was affected by the need to shut down at the very end of the month to prepare for Hurricane ‘Gustav.’ The storm passed right over the ELV facilities but no significant damage was reported and the field was brought back on-line by 4 September 2008.

As a result of this shut-in, the August figures are subject to final confirmation, but we expect gross gas production of 140mmcf and gross oil production of 6450bbbls. Meridian’s net share of production is 28.4mmcf of gas and 1458bbbls of oil, equivalent to 6190 boe at an average daily rate of 200 boe.

The Company is continuing to progress plans for the drilling of 2-3 wells to bring the proven undeveloped reserves of ELV on-stream as quickly as possible. Initial geological work is underway and the procedures for clearance with partners and the Louisiana State authorities have commenced. Based on the information provided at the time of the acquisition of the ELV interests, proven undeveloped reserves comprise some 500,000 boe compared with 200,000 boe of proven producing reserves. A number of drilling locations are being evaluated with the objective being to materially increase the Company’s net production from the field.

Stephen Gutteridge, Chairman of Meridian, said:

“Our producing assets continue to perform well. Our plans for drilling a second Niagaran reef, the ‘Orion2’ prospect, are timely, and it is an opportunity to offset the expected future decline in Orion 36 output with a new source of production and continue the efficient utilisation of our plant capacity. Together with the 500,000 boe of untapped proven reserves in ELV, we are anticipating adding material new production in the next 6 to 9 months.”

Resources Update

The reserves estimates reproduced below have been prepared in accordance with the standards adopted by the Society of Petroleum Engineers. 1P reserves are Proved reserves with a 90% probability that value will be equal to or greater than stated value. 2P reserves are Proved plus Probable reserves with a 50% probability that value will be equal to or greater than stated value.

Orion – Gross Remaining Recoverable Reserves

Reserves (bcf)	As at 1 Jan 2008	Production Jan – June 2008	Calculated Reserves as at 1 July 2008	Latest Reserves estimate as at 1 July 2008	Inc/(Dec) in Reserves %
1P	1.91	0.73	1.18	1.27	7.5
2P	2.37	0.73	1.64	1.46	(11.0)

RPS Energy has approved these reserve figures.

ELV Net Reserves as at 1 March 2008 (as reported in the Acquisition announcement of 12 June 2008)

Reserves	Total Hydrocarbons ('000 boe)
Proven – Producing	206
Proven – Non-Producing	58
Proven - Undeveloped	504
Total - Proven	768
Probable	252
Total Proven & Probable	1020

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

For further information contact:

Meridian Petroleum	+44 (0) 207 811 0140
Stephen Gutteridge, Chairman	
Ambrian Partners	+44 (0) 207 634 4711
Tim Goodman	
Financial Dynamics	+44 (0) 207 831 3113
Ben Brewerton / Ed Westropp	

www.meridianpetroleum.com.

Glossary of Terms

1P	Proven reserves
2P	The sum of Proven reserves plus Probable reserves
bbls	Barrels (of oil)
boe	Barrels of oil equivalent (natural gas converted at 1 boe = 6000 cf)
boepd	Barrels of oil equivalent per day
bcf	Billion cubic feet (of natural gas)
cf	Cubic feet (of natural gas)
mcf	Thousand cubic feet (of natural gas)
mmcf	Million cubic feet (of natural gas)
NGL's	Natural Gas Liquids
NRI	Net Revenue Interest

- Ends -