

24 August 2007

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

Production Update

Meridian Petroleum (AIM: MRP), the independent oil and gas exploration and production company with key assets in the USA and Australia announces a production update.

Key Points

- Orion 36 (75% Net Revenue Interest (NRI)) latest projected production rate - over 5 mmcfd from next week
- Calvin 36-1 (68.75% NRI) production steady at around 50 mcf/d - further action required
- Victory 1-21 (10% NRI) production during June/July showed a 65% increase on May at 130 mcf/d
- Milford 36 (29% NRI) Extended production test to commence now Orion 36 is online

Orion

Following the commencement of production on August 15, the extensive testing of the system with live gas and the final arrangements for commercial sales to CMS have been completed, as follows:

- All lines have been pressure tested with no leaks or problems
- Major plant and equipment, including the refrigeration unit, are all operating effectively
- The interconnect line with CMS has been blown clear with nitrogen with no issues encountered
- The bottom hole pressure bomb has been dropped and testing is underway
- Minor problems associated with metering and electrical communications were encountered but have now been resolved

Commercial sales to CMS are planned to commence today, slightly later than expected, but with the extra data now available and the success of the live gas testing programme, the Company now expects those sales to be greater than anticipated, with production building up over the weekend to in excess of 5 mmcfd next week.

At this rate of gas production, the Company also expects to benefit from combined liquid output of NGL's and Condensates of some 50 bbls/day. These liquids will sell for some 80 -100% of the West Texas Intermediate oil price.

Calvin

The 36-1 well has not yet responded to further treatment and production is steady at around 50 mcf/d. Further action will be required in the coming weeks and the Company is currently reviewing the options to improve output.

Victory 1-21

Ominex, the operator of Victory 1-21 has reported improved performance from the well in recent weeks. Average production in June/July was over 130 mcf/d which was a substantial improvement on the 80 mcf/d averaged in May.

Milford 36

As previously announced, the Milford 36 well will now be put on extended test to evaluate both the gas and oil production potential.

Further Updates

The Company will announce its 2007 Interim Results on 6 September and will provide a further update on both production and plans for the Company's other assets in the USA and Australia.

Stephen Gutteridge, Chairman said: 'Our work over the past week to complete the testing on the Orion facility has gone well, and commercial sales are now projected to be better than our initial expectations. We are now producing from 3 assets with a fourth going onto extended test shortly. We are now looking forward to building up our experience as a US gas producer, and the next stage in our development is to prioritise the best opportunities within our portfolio of assets for reinvestment of the cash generated by this production.'

John Randell, who works for Wellmaster, Inc., is an independent contractor 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 with respect to Orion.

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Notes to Editors

About Meridian

Meridian is an oil and gas exploration and production company with key on-shore assets in the United States and Australia. Meridian is quoted on the AIM market of the London Stock Exchange (ticker: MRP), and is headquartered in London, with offices in Houston, Texas and Adelaide, Australia.