



PRESS RELEASE

20 October 2011

Matra Petroleum plc ("Matra" or the "Company")

Operations Update

Matra, an independent oil and gas exploration and production Company with operations in Russia, announces an update on its operations and plans in the Sokolovskoe Field, Russia.

Current Operations

Well-12

The additional data acquisition on Well-12, as recommended by the Gaffney Cline review has been completed. The well temporarily produced under gas lifting with Nitrogen and a series of production logs and pressure surveys have been acquired.

We have undertaken a detailed review of the data acquired. We are pleased to report that the pressure data showed that the reservoir recovered to its initial pressure and showed no signs of depletion. The data also showed signs of pressure support from another (water) zone.

Analysis of the production logs showed indications of water influx from behind the liner possibly from the higher Franski zone that is a known water bearing reservoir in this well.

As a result of this the workover rig has recommenced operations and is currently undertaking preparatory works before setting a plug and perforating the liner to ascertain if a remedial squeeze cementation on the liner section, between the Franski water bearing zone and the Aphonenski oil reservoir, is possible.

A further announcement will be made once this work is complete.

Managing Director, Peter Hind commented:

"Progress has been made on resolving the issues around Well-12 and this has allowed us to recommence operations with the workover rig.

Separately, we continue to move forward with our plans to drill Well-14 and commission a 3D seismic survey. We are currently considering a number of financing options, with the best interests of shareholders in mind."

Competent Person's Statement

The information in this release that relates to technical matters has been reviewed by Dr Neil Hodgson (BSc, PhD) Matra's Exploration Director, a Petroleum Geologist with 25- years experience and who is a Fellow of the Geological Society and a member of the Petroleum Exploration Society of Great Britain (PESGB).

For further information, please contact:

Matra Petroleum plc

Peter Hind, Managing Director

Neil Hodgson, Exploration Director

www.matrapetroleum.com

Tel: +44 (0) 7990 807855

Tel: +44 (0) 7973 342822

Matrix Corporate Capital LLP

Stephen Mischler

Nick Stone

Tel: +44 (0) 20 3206 7000

Pelham Bell Pottinger

Henry Lerwill

Tel: +44 (0) 20 7861 3169