



PRESS RELEASE

3rd November 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 where Matra has a 100% interest.

Current Operations

Well-12

Workover operations on Well-12 have been suspended following preliminary works to establish the viability of a cement squeeze to shut-off water flow. The operation successfully established liquid flow outside the liner, however, after a short period the flow path became plugged, preventing further circulation.

After acidisation, Well-12 had flowed oil at rates in excess of 1,000 bopd on clean-up with nitrogen but a subsequent mechanical failure appears to have occurred due to excessive pressure drawdown at the end of that operation. A decision has been taken to suspend Well-12 at this time.

Managing Director, Peter Hind commented:

"It was encouraging that Well-12, showed oil flow rates in excess of 1,000 bopd on clean-up with nitrogen. However, remedial cementation is always a difficult operation, made more complicated in this case being a side-track and because of the proximity of the original hole that was drilled below the oil-water-contact. The establishment of fluid circulation outside the liner is further support for the conclusion that water has been flowing outside the liner from the higher Franski zone, located above the target Aphonenski oil reservoir.

Well-12 was originally drilled as an exploration well rather than a production well and, reassuringly, on two occasions it has demonstrated excellent productivity even though it is in a non-optimal field location being located towards the flank of the field.

Although we will not continue with remedial operations on Well-12, we have every confidence in the overall potential of the Sokolovskoe oilfield. The productivity of Well-12 also bodes well for future field development as we look forward to receiving approvals to drill Well-14 in the near future."

Notes to Editors:

The exploration Well-12 was originally drilled in 2007 and discovered the Sokolovskoe oilfield and it produced high quality oil from a Devonian carbonate reservoir (Aphonenski). This was subsequently appraised by Well-13, which completed operations in summer of 2010 and flowed oil at sustained rates on long-term test. Based on the results of a study by Equipoise Solutions Ltd ("Equipoise"), a specialist geoscience consultancy and all other field data, Energy Resource Consultants Ltd ("ERC"), an independent reservoir evaluation company, completed a Competent Persons Report on the Sokolovskoe Field that determined P50 recoverable contingent resources of 15.1 million barrels.

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).

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