



PRESS RELEASE

11 November 2011

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

Matra Raises £0.85 Million in Placing

Highlights

- Financing to raise £0.85 million
- Funded to first production from the Sokolovskoe Field in early 2012
- Anticipated Delek Energy Systems Ltd will subscribe for a further £350,000 next week and when completed will bring total proceeds raised to £1.2 million
- Appointment of Fox-Davis Capital Limited as broker

Matra, the independent oil and gas exploration and production Company with operations in Russia that owns 100% of the Sokolovskoe oil field discovery, is pleased to announce a placing, through Fox-Davies Capital Limited, of 170,000,000 new ordinary shares at 0.5p per share (the "Placing Shares") to raise £850,000 before expenses (the "Placing").

The funds raised under the Placing will be used for working capital and to initiate production from Well A-13, the Sokolovskoe Field.

Application has been made to the London Stock Exchange for admission of the Placing Shares to trading on AIM ("Admission"). It is expected that Admission will become effective and that trading in the Placing Shares will commence on or about 16 November 2011. The Placing Shares will rank *pari passu* in all respects with existing ordinary shares in the Company.

Following Admission, the Company will have 1,284,917,872 ordinary shares in issue. This figure may be used by shareholders in the Company as the denominator for calculations by which they will determine if they are required to notify their interest in, or a change to their interest, under the Disclosure and Transparency Rules.

In addition it is anticipated that Delek Energy Systems Ltd will subscribe for a further new 70,000,000 new ordinary shares at 0.5p per share next week to raise a further £350,000 and when completed will bring the total proceeds raised to £1.2 million.

The Company also announces the appointment of Fox-Davies Capital Limited as broker to the Company, replacing Matrix Corporate Capital LLP.

Matra's Managing Director, Peter Hind said:

"We are delighted to have successfully completed this Placing and to welcome Fox-Davies as the Company broker.

The funds raised will allow Matra to commence initial production in early 2012 from the Sokolovskoe Field that has 15.1 million barrels of 2C recoverable contingent resources and finalise plans to progress its further development."

For further information, please contact:

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