

The following replaces Matra Petroleum RNS statement 9386Q released at 7.00am today

Release reissued correcting cash position under the highlights section

12th August 2010

Matra Petroleum PLC

(“Matra” or the “Company”)

Matra Petroleum PLC, an independent oil and gas exploration and production Company with operations in Russia, today announces its results for the period ended 30 June 2010

Highlights

Operational

- The first appraisal well in the Sokolovskoe Field, Well-13, successfully proved the presence of an oil reservoir and a short open-hole test produced light, sweet oil at a rate of approximately 110 bbl/day
- Permission granted to re-enter Well-12 to re-establish production

Financial

- Cash of €4.1 million at period-end
- Zero debt

Outlook

- Plans to bring Well-13 on production
- Complete the remapping and geological modelling of the Sokolovskoe field

Peter Hind, Managing Director commented:

“2010 is an important year for Matra. We have completed our first appraisal well in the Sokolovskoe Field, proving the presence of the same oil reservoir 2.6 km from the discovery well. The result has provided information to assist our understanding of the field and how best to take the development forward. In the coming months we hope to have both wells on production and to have completed remapping and re-evaluation of the field.”

Enquiries:

Matra Petroleum plc

www.matrapetroleum.com

Peter Hind, Managing Director

+44 (0) 7990 807855

Pelham Bell Pottinger

Evgeniy Chuikov

+44 20 7861 3148

Nick Lambert

+44 20 7861 3169

Matrix Corporate Capital LLP

Louis Castro

+44 20 3206 7000

MANAGING DIRECTOR'S STATEMENT

Dear Shareholder,

On behalf of the Board, I am pleased to present the Interim Report of Matra Petroleum plc for the six months ended 30 June 2010.

The focus of our efforts has been to complete the drilling of Well-13 after considerable technical difficulties at the end of last year and the early part of 2010. Well-13, the first appraisal well in the Sokolovskoe Field proved successfully the presence of an oil reservoir 2.6 kilometres from the discovery well. The well encountered a thicker net pay section compared to well-12 but of poorer quality and deeper than expected. The well also showed oil down to a greater depth than previously anticipated. A short open-hole test produced light, sweet oil at a rate of approximately 110 bbl/day. As is common in carbonate reservoirs, the producing horizon appears to have been damaged during drilling.

The main drilling rig has now been demobilised in order to make way for a smaller rig which will complete the well for production and allow the well to be tested further and acidized to remove formation damage.

Although we are still experiencing a delay in the issue of the Production Licence for the Sokolovskoe Field, the relevant Russian authority has granted approval to re-enter Well-12 (utilising a work-over rig) in order to identify the source of water production and to isolate it in the well. This work has now commenced and if successful will allow oil production to restart. The same authority has granted approval to produce the well on test for a further period until the end of this year.

The results of Well-13 were not in accordance with our geological and seismic models although this is not untypical for a new field in which only one well has been drilled. Before drilling further it is key for us to refine our models in order to understand the full value of the field and how best to develop it. Equipoise Solutions Limited has been contracted to remap the field and to generate a new geological model which will define the next steps in the field development. This work is now well underway and we expect to report further information about it during the fourth quarter.

Our focus for the immediate future is to bring Well-13 onto production, to attempt to re-establish production from Well-12, to complete the remapping and geological modelling and to obtain the Production Licence for the field. I look forward to reporting our progress through the remainder of 2010.

Peter Hind
Managing Director

11 August 2010

INDEPENDENT REVIEW REPORT FOR THE PERIOD ENDED 30 JUNE 2010

INDEPENDENT REVIEW REPORT TO MATRA PETROLEUM PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2010 which comprises the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Statement of Cash Flow and related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2010 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

BDO LLP
Chartered Accountants and Registered Auditors
United Kingdom

11 August 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2010**

	30 June 2010 unaudited €	30 June 2009 unaudited €	31 December 2009 audited €
Administration expenditure	(749,518)	(854,704)	(2,315,702)
Loss from operations	(749,518)	(854,704)	(2,315,702)
Finance income	58,287	389	17,956
Finance costs	(6,738)	(6,986)	(27,307)
Loss before taxation	(697,969)	(861,301)	(2,325,053)
Taxation	-	22,742	-
Loss after taxation attributable to equity holders of parent company	(697,969)	(838,559)	(2,325,053)
Loss per share			
Basic and diluted	(0.00066)	(0.00181)	(0.00328)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2010**

	30 June 2010 unaudited €	30 June 2009 unaudited €	31 December 2009 audited €
Loss after taxation	(697,969)	(838,559)	(2,325,053)
Other comprehensive income:			
Exchange differences on translating foreign operations	1,873,464	(484,068)	(456,840)
Other comprehensive income for the period	1,873,464	(484,068)	(456,840)
Total comprehensive income for the period	1,175,495	(1,322,627)	(2,781,893)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2010**

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total
	€	€	€	€	€
Audited					
Total equity as at 1 January 2009	661,127	28,813,816	(4,325,773)	(15,545,880)	9,603,290
Total comprehensive income for the period	-	-	(456,840)	(2,325,053)	(2,781,893)
Shares issued	694,095	7,715,123	-	-	8,409,218
Share issue costs	-	(244,904)	-	-	(244,904)
Recognition of share based payment	-	-	-	377,517	377,517
Total equity as at 31 December 2009	1,355,222	36,284,035	(4,782,613)	(17,493,416)	15,363,228
	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total
	€	€	€	€	€
Unaudited					
Total equity as at 1st January 2009	661,127	28,813,816	(4,325,773)	(15,545,880)	9,603,290
Total comprehensive income for the period	-	-	(484,068)	(838,559)	(1,322,627)
Recognition of share based payment	-	-	-	(639)	(639)
Total equity as at 30 June 2009	661,127	28,813,816	(4,809,841)	(16,385,078)	8,280,024
	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total
	€	€	€	€	€
Unaudited					
Total equity as at 1 January 2010	1,355,222	36,284,035	(4,782,613)	(17,493,416)	15,363,228
Total comprehensive income for the period	-	-	1,873,464	(697,969)	1,175,495
Recognition of share based payment	-	-	-	-	-
Total equity as at 30 June 2010	1,355,222	36,284,035	(2,909,149)	(18,191,385)	16,538,723

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2010**

	30 June 2010 unaudited €	30 June 2009 unaudited €	31 December 2009 audited €
Non-current assets			
Property, plant and equipment	28,869	47,432	37,290
Intangible assets	11,971,633	7,361,495	8,365,849
	12,000,502	7,408,927	8,403,139
Current assets			
Inventories	13,224	158,122	163,745
Trade and other receivables	668,525	248,555	224,646
Cash and cash equivalents	4,108,076	658,610	6,727,308
	4,789,825	1,065,287	7,115,699
Total assets	16,790,327	8,474,214	15,518,838
Capital and reserves attributable to equity holders of the Company			
Ordinary shares	1,355,222	661,127	1,355,222
Share premium	36,284,035	28,813,816	36,284,035
Foreign currency translation reserve	(2,909,149)	(4,809,841)	(4,782,613)
Retained earnings	(18,191,385)	(16,385,078)	(17,493,416)
Total equity	16,538,723	8,280,024	15,363,228
Current liabilities			
Trade and other payables	251,604	194,190	155,610
Total liabilities	251,604	194,190	155,610
Total equity and liabilities	16,790,327	8,474,214	15,518,838

The financial statements are approved and authorised for issue by the Board on 11 August 2010.

Peter Hind
Managing Director

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 30 JUNE 2010**

	30 June 2010 unaudited €	30 June 2009 audited €	31 December 2009 audited €
Loss before taxation	(697,969)	(861,301)	(2,325,053)
Adjustments for:			
Depreciation	13,906	12,517	25,220
Share based payments	-	(639)	377,517
Foreign currency differences	(155,032)	(119,789)	29,610
Cash used in operating activities before changes in working capital and provisions	(839,095)	(969,212)	(1,892,706)
Decrease in inventories	150,521	8,918	3,295
(Increase) / decrease in receivables	(443,879)	1,017,146	1,041,055
Increase / (decrease) in payables	95,994	16,723	(21,857)
Cash used in operations	(1,036,459)	73,575	(870,213)
Income taxes credited	-	22,742	-
Cash used in operating activities	(1,036,459)	96,317	(870,213)
Purchase of property, plant and equipment	(584)	-	(2,842)
Expenditure on oil and gas assets	(2,402,138)	(40,964)	(1,135,293)
Cash used in investing activities	(2,402,722)	(40,964)	(1,138,135)
Proceeds from issue of shares	-	-	8,409,218
Share issue expenses paid	-	-	(244,904)
Cash used in financing activities	-	-	8,164,314
Net (decrease) / increase in cash and cash equivalents	(3,439,181)	55,353	6,155,966
Cash and cash equivalents at beginning of period	6,727,308	530,265	530,265
Effect of foreign exchange rate differences	819,949	72,992	41,077
Cash and cash equivalents at end of period	4,108,076	658,610	6,727,308

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

1. Accounting policies

The financial information set out in this report is based on the consolidated financial statements of Matra Petroleum plc and its subsidiary companies (together referred to as the 'Group'). The accounts of the Group of the 6 months ended 30 June 2010 were approved and authorised for issue by the Board on 11 August 2010. The interim results have not been audited, but were the subject of an independent review carried out by the Company's auditors, BDO LLP. Such unaudited results do not constitute statutory accounts of the Company or the Group. These accounts have been prepared in accordance with the accounting policies that are expected to be applied in the Report and Accounts of Matra Petroleum plc for the year ended 31 December 2010 and are consistent with IFRS as adopted by the European Union. The financial information for the year ended 31 December 2009 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for 2009 have been filed with the Registrar of Companies. The Independent Auditors' Report and Financial Statements for 2009 was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The unaudited condensed consolidated financial statements incorporate the results of Matra Petroleum plc and its subsidiaries undertakings as at 30 June 2010. The corresponding amounts are for the year ended 31 December 2009 and the 6 month period ended 30 June 2009.

Based upon cash flow projections the Directors are of the view that the Group has sufficient cash to fund overheads and the planned work programme for the next 12 months.

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2010**

2. Loss per share

Basic loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of Ordinary Shares outstanding during the period.

	6 months to 30 June 2010 Unaudited €	6 months to 30 June 2009 Unaudited €	Year ended 31 December 2009 Audited €
Profit /(Loss) attributable to ordinary shareholders	(697,969)	(838,559)	(2,325,053)
	Number of Shares	Number of Shares	Number of Shares
Weighted average number of shares used in the calculation of basic loss per share	1,064,917,872	463,251,205	708,399,007
Effect of dilutive share options	-	-	-
Weighted average number of shares used in the calculation of diluted loss per share	1,064,917,872	463,251,205	708,399,007
Loss per share (basic and diluted)	(0.00066)	(0.00181)	(0.00328)

The effect of all potential ordinary shares arising from the exercise of options is anti-dilutive and therefore diluted earnings per share has not been calculated. At the balance sheet date there were 52,200,000 (30 June 2009: 30,950,000, 31 December 2009: 52,200,000) potentially dilutive shares.

No new shares were issued in the period to 30 June 2010.

3. Interim report

Copies of this interim report for the six months ended 30 June 2010 will be available from the offices of Matra Petroleum plc, 120 Bridge Road, Chertsey, Surrey, KT16 8LA, United Kingdom and on the company's website www.matrapetroleum.com.