



26 January 2010

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

Operations Update Well-13

Matra Petroleum today provides an update on its appraisal well-13 on the Sokolovskoye field, in the Orenburg region, Russia.

As announced on the 22nd December 2009, due to the technical difficulties encountered at the depth of 738 meters, the Company suspended drilling in order to regain control of the well and permit it to drill down to the projected total depth of 3850 meters.

Whilst drilling has not yet re-commenced, considerable progress has been made in controlling the Nitrogen influx and curing mud losses. The wellbore appears to be in good condition and the drill string has been pulled back into the safety of the casing at 650m

Prior to restarting drilling operations, Matra has also served notice on Petromanagement Drilling and has identified a replacement contractor with a view to improve performance and efficiency.

In order to minimise further delays the parties have agreed that the existing rig will be leased from Petromanagement by Siberian Service Kompania ("SSK") drilling company and operated by them. SSK will then complete the well on a turnkey basis. SSK operates almost 100 rigs in Russia, 17 of them from their base in Samara which adjoins Orenburg Oblast. They have significant experience in the Orenburg area.

Once the mud losses are resolved and drilling recommenced the well will take approximately 90-100 days to complete. Results from the main zones of interest are therefore not expected until late April/May.

Matra's Managing Director, Peter Hind said:

"Since encountering the technical problems, our operating team has made substantial progress to safely secure the well and prepare it for recommencement of drilling.

Although, these delays are disappointing they have no bearing on the company's financial position with "control of well" insurance expected to cover any significant incremental costs and with a new contractor we are confident of completing this appraisal well."

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