

25 January 2010

## **Sound Oil plc**

("Sound Oil" or the "Company")

### **Share price movement**

Sound Oil, the upstream oil and gas company with assets in Indonesia, notes the recent movement in its share price and the relatively high volumes of shares traded. On 4 December 2009, the Company announced the termination of discussions about a possible acquisition and that it would consider other opportunities; since then, the Company has received approaches from a number of parties regarding potential transactions, although none has yet progressed beyond relatively early stage discussions. The above announcement also referred to a notice received from the operator of the Bangkanai PSC seeking to terminate the Company's interest in the PSC. The Company continues to contest the notice received from the operator and also has established with the Indonesian authorities that the Company remains in good standing on this PSC. Sound Oil believes that the Indonesian government may grant an extension to the initial exploration period which was due to expire at the end of 2009, thereby leaving the Bangkanai PSC in place. A further announcement will be made in relation to these matters in due course.

Further information on the Company can be found at [www.soundoil.co.uk](http://www.soundoil.co.uk).

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