

17 January 2022

Reabold Resources plc

("Reabold" or the "Company")

West Newton Modelled Flow Rate Potential and Fluid Analysis Update

Reabold, the AIM investing Company focused on upstream oil and gas projects, is pleased to announce initial results of analysis of the West Newton Extended Well Test ("EWT") programme carried out in the second half of 2021 by RPS Group ("RPS") and the results of analysis carried out on fluids produced to surface.

Highlights

- Independent study by RPS Group* indicates potential for initial production rates of 35.6 million cubic feet of gas per day ("mmcf/d") (5,900 barrels of oil equivalent per day "boepd") from a horizontally drilled well situated in the gas zone, based on the data from the West Newton A-2 well
- Study also indicates potential initial production rates of 1,000 barrels of oil per day ("bopd") from a horizontally drilled well situated in the oil zone, based on well data from West Newton A-2
- Fluid analysis confirms that hydrocarbon liquids recovered to surface are low specific gravity, low viscosity, light oil or condensate, and that gas recovered to surface is good quality with high heat content

Independent Review of West Newton Flow Rate Potential

Following the completion of the West Newton EWT in Q4 2021, the project operator, Rathlin Energy Limited ("Rathlin"), commissioned RPS, a highly-regarded independent consultant, to produce a review that assessed well productivity potential from the West Newton field, and investigated optimised drilling and well completion methodologies.

The RPS review concluded that the Kirkham Abbey reservoir is likely to deliver substantially higher production rates from horizontal wells compared to vertical wells. The report also concluded that, based on RPS modelling, most of the acid stimulation carried out during the EWT only interacted with a small section of the perforated intervals due to the permeability contrast across the Kirkham Abbey formation in both wells. This suggests that potential flow rates from wells in the Kirkham Abbey reservoir would

benefit from an optimised acid stimulation programme that includes active diversion techniques.

The analysis was based on a comprehensive suite of data provided from operations to date at West Newton, including logs, core data, petrophysical analyses, drilling and completion information, stock tank oil analysis, and other existing third-party reports.

The RPS review modelled potential flow rates from the Kirkham Abbey reservoir, assuming horizontal drilling, similar acid concentrations and diluted volumes per interval as utilised during the EWT operations and an optimised acid-based stimulation and are as follows:

West Newton (A-2 Location) Initial 1 Month Average Production Per Day			
Phase	Well and Completion Type	Average Daily Production	
Gas	Vertical Well Optimised Acid Stimulation	1.8	mmscfd
Gas	Horizontal Well Optimised Acid Stimulation	35.6	mmscfd
Oil	Vertical Well Optimised Acid Stimulation	64	bopd
Oil	Horizontal Well Optimised Acid Stimulation	1,000	bopd

Whilst the well productivity and therefore project economics are significantly optimised through horizontal drilling, the modelling also indicates that optimised acidization should lead to both oil and gas flow from vertical wells. Therefore, it may be possible to recomplete the existing wells to achieve sustained flow rates, which would further de-risk and help optimise subsequent horizontal drilling.

It should also be noted that the RPS modelling does not take into account any potential contribution to productivity resulting from the natural fracturing that has been identified within the Kirkham Abbey Formation. It is Rathlin management's belief that natural fracturing is likely to be present within future completion zones, which may further enhance well productivity.

Further evaluation is ongoing to support the economic feasibility of horizontal wells, including an assessment of longer term production rates. A number of additional workstreams and studies are currently underway, and further announcements are expected in due course.

Analysis of Fluids Recovered from the EWT

A number of natural gas and liquid hydrocarbon samples were collected and analysed from both the West Newton A-2 well and the West Newton B-1z well. The natural gas had measured specific gravities of 0.63; a methane content of ca 90 per cent. and an ethane content of ca 4.5 per cent.

The liquid hydrocarbons had measured API gravities between 45.9° and 49° pointing to a very light oil or condensate. The samples also displayed a low viscosity measured at between 0.80 centipoise at 40° C, 0.91 centipoise at 25° C.

Stephen Williams, co-CEO of Reabold, commented:

"We are delighted by the findings so far following completion of the EWT, which demonstrate, as per the RPS Group report, that West Newton could be a significant hydrocarbon producer.

"Following this analysis, we have no doubt that we have a significant resource in place, and crucially the recovery of what we can now confirm to be high quality light oil in addition to good quality gas has further de-risked the project significantly.

"The data garnered from the operation has allowed the modelling of potential flow rates, independently assessed, for the first time, and the results are extremely exciting.

"Further work, including lab-based analysis of the core under reservoir conditions, is planned and ongoing, which will further inform optimal future drilling and completion methods at West Newton. This will feed into our plans for the next phase of activity at the field, including the potential to re-complete the existing wells in order to achieve sustained hydrocarbon flow. We look forward to providing further updates in due course."

***About RPS Group**

RPS is a leading global professional services firm. Within the energy sector and the oil and gas sub-sector, specifically, RPS has a long history of working on some of the world's most technically demanding oil and gas projects, both on and offshore. RPS specialises in technical and advisory services for projects delivered in remote, sensitive and operationally challenging environments.

Qualified Person's Statement

Pursuant to the requirements of the AIM Rules - Note for Mining and Oil and Gas Companies, the technical information contained in this announcement has been reviewed by Dr Jeremy Jarvis as a Qualified Person. Jeremy has more than 35 years' experience as a petroleum geologist, holds a BSc in Geology from the University of Dundee and a Ph.D. from Imperial College, University of London. He is a member of the American Association of Petroleum Geologists and the Petroleum Exploration Society of Great Britain.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

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Notes to Editors

Reabold Resources plc is an investing company investing in the exploration and production ("E&P") sector. The Company's investing policy is to acquire direct and indirect interests in exploration and producing projects and assets in the natural resources sector, and consideration is currently given to investment opportunities anywhere in the world.

As an investor in upstream oil & gas projects, Reabold aims to create value from each project by investing in undervalued, low-risk, near-term upstream oil & gas projects and by identifying a clear exit plan prior to investment.

Reabold's long term strategy is to re-invest capital made through its investments into larger projects in order to grow the Company. Reabold aims to gain exposure to assets with limited downside and high potential upside, capitalising on the value created between the entry stage and exit point of its projects. The Company invests in projects that have limited correlation to the oil price.

Reabold has a highly-experienced management team, who possess the necessary background, knowledge and contacts to carry out the Company's strategy.

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