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Reabold Resources PLC
04 May 2022

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**Reabold Resources plc**

("**Reabold**" or the "**Company**")

**Conditional, non-binding offer for Corallian and conditional acquisition by Reabold of exploration and appraisal licences**

**Highlights:**

- Corallian Energy Limited ("**Corallian**") has received a non-binding, conditional offer from a credible party for the acquisition of its entire issued share capital (the "**Potential Sale**")

- Corallian's board considers the Potential Sale to be sufficiently attractive to seek to conclude a sale process and is progressing negotiations with the potential purchaser

- Reabold to acquire Corallian's portfolio of six attractive exploration and appraisal licences, excluding the Victory licence, for £250,000 (the "**Acquisition**")
  - Significant prospective and contingent resources
  - Opportunity to de-risk, then monetise prospects
  - Low work programme commitments
  - Corallian's only remaining asset, at the time of completion of the Acquisition, will be licence P2596 (containing the Victory gas development opportunity)

- Reabold is a 49.99% shareholder in Corallian

Reabold, the AIM quoted investing company which focuses on investments in upstream oil and gas projects, is pleased to announce that, as part of the ongoing strategic review of Corallian, as announced on 20 October 2021, Corallian has received a non-binding offer from a credible party for the Potential Sale. The Board of Corallian is progressing negotiations with the potential purchaser, including the purchaser finalising its due diligence process. The Corallian board of directors currently considers the offer sufficiently attractive for all shareholders to commence a sale process. A further update will be provided in due course.

Reabold is a 49.99% shareholder in Corallian. As part of the Potential Sale process, Reabold is pleased to announce that it has entered into a conditional sale and purchase agreement ("**SPA**") to acquire Corallian's working interest in all the non-Victory licences

within the Corallian portfolio for a cash consideration of £250,000, which is immediately payable (subject to adjustment) ("**Cash Consideration**"). The licences that will be acquired are P2396, P2464, P2493, P2504 and P2605 (all at 100% working interest) and P2478 (36% working interest). Accordingly, at the time of completion of the Acquisition and the Potential Sale, Corallian's only remaining asset will be licence P2596, which contains the Victory gas development opportunity. Reabold will become Licence Administrator but does not intend to become Licence Operator and will therefore seek appropriate farm-out opportunities with third party operators following completion of the Acquisition, in order to de-risk and monetise the prospects.

The Acquisition is conditional, *inter alia*, upon (1) Corallian receiving notice from the purchaser that the Potential Sale may proceed to completion and (2) approval from the North Sea Transition Authority. If the Acquisition does not complete before 31 August 2022, either party may terminate the SPA and Corallian will be required to repay the Cash Consideration to Reabold within 90 days.

**Summary of Key Licences:**

P2605 (100%)
The licence is located West of Shetland, northwest of the Victory licence (P2596) and contains the Laxford gas discovery, made in 1984 by British Gas well 214/30-1, which flowed 17.5 mmscfg / day from the Palaeocene Vaila Sandstone.

The licence also contains the Scourie prospect, a Palaeocene Vaila Sandstone target exhibiting a seismic amplitude anomaly similar to that seen at the nearby Glenlivet gas field.

The P50 prospective recoverable resource of Laxford is 68* bcfe, and for Scourie is 90* bcfe.

P2478 (36%)
The licence is located in the Inner Moray Firth and contains the Dunrobin Prospect. The primary reservoir intervals are sandstones of the Beatrice Formation and Dunrobin Bay Group and the reservoir quality of these formations in nearby wells is good to excellent. A potential secondary reservoir is provided by Triassic Lossiehead Formation sandstone.

The estimated P50 prospective recoverable resource is 115* mmboe gross.

It is worth noting that the Dunrobin Prospect is located in shallow water, with shallow target depths and consequently drilling costs are expected to be relatively low.

P2464 (100%)
The licence is located in the East Shetland Basin and contains the Unst gas prospect, an Eocene Frigg sandstone prospect which exhibits a seismic amplitude anomaly similar to that observed at the nearby Nuggets Fields.

The estimated P50 prospective recoverable resource volume is 68* bcfe, located within 30km of gas infrastructure.

The licence also contains the Quoys prospect, a Jurassic structural / stratigraphic trap up dip of the 3/19b-2 oil discovery.

P2504 (100%)

The licence is adjacent to licence P2464 in the East Shetland Basin and contains the Oulton oil discovery, drilled by Amoco in 1974 in the 3/11-1 and side-track 3/11-1ST wells. Light oil was tested from the Jurassic Emerald sandstones contained within a fault block trap as imaged on 3D seismic data.

The discovery is estimated to contain 10-19 million barrels of oil recoverable (1C to 3C Contingent Resources), based upon a Schlumberger CPR completed in 2018.

The block also contains the Oulton West prospect, a stratigraphic trap at the Emerald level, which is up-dip and potentially connected to the Oulton discovery via a structural saddle mapped in the south-eastern limit of the prospect.

In addition, the Oulton West prospect is overlain by an Eocene-aged Frigg sandstone gas prospect exhibiting a direct hydrocarbon indicator (DHI) in the form of an amplitude anomaly which conforms to structure at the mapped top reservoir horizon.

**Sachin Oza, co-Chief Executive Officer of Reabold, commented:**

*"This is potentially a very exciting transaction for Reabold. As part of the Corallian strategic review, which has reached the stage of a non-binding, conditional offer for Corallian based on its Victory asset, we have agreed to acquire six licences from Corallian. Four of the licences in particular have significant prospective potential in addition to the de-risked contingent resources associated with Oulton, which we believe, can be progressed in a low-cost manner given, inter alia, the low spending commitments."*

*"We look forward to providing further updates in the weeks ahead."*

**Regulatory Information**

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.

This Announcement contains inside information for the purposes of the UK version of the market abuse regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

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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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* Corallian Management Estimate

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