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Alba Mineral Resources PLC
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Alba Mineral Resources plc
("Alba" or the "Company")

Dry Oil Flows to Surface Following Horse Hill-2z Water Shut-Off Programme

Alba Mineral Resources plc (AIM: ALBA), the diversified mineral exploration and development company, announces that it has received the following update from UK Oil & Gas Plc ("UKOG"), the majority owner of Horse Hill Developments Limited ("HHDL"), the operator of Horse Hill licences PEDL 137 and PEDL 246 in which Alba has an 11.765% interest:

- The intervention to shut off significant formation water ingress into the Horse Hill-2z ("HH-2z") horizontal production well has been successful.

- Following the identification of the water ingress source via production logging, a rigid setting Thermatek® plug was set over a zone of open natural fractures clustered at the deepest part or "toe" of the wellbore. Initial testing of HH-2z post-Thermatek® has demonstrated a flow of dry oil to surface, confirming that the plug was successfully set.

- Dry oil flow rates during the initial 48-hour period to date are encouraging, with metered daily rates during periods of flow averaging 223 barrels of oil per day ("bopd"). However, as is to be expected in the very early "clean-up" stage of such a horizontal wellbore, both oil and associated gas rates have been very variable. Half hourly measured rates have thus ranged from a high of 778 bopd to a low of around 10 bopd.

- The water ingress problem meant that HH-2z remained shut-in for almost three months, with spent drilling and completion fluids within the near wellbore. Consequently, it is expected that the full clean-up process is likely to take a number of weeks of aggregate flow. As part of the clean-up process, to ensure the full remaining horizontal section contributes towards aggregate oil flow, further interventions are planned to help fine-tune and optimise flow from the well.

- HH-2z clean-up operations are planned to continue over the coming week, after which essential maintenance and a planned upgrade of well test and production facilities will occur. These operations, designed primarily to enable simultaneous production from HH-1 and HH-2z, will require both HH-1 and HH-2 to be shut-in for a period of up to ten days.

- Full extended well test operations with simultaneous multi-well production are planned to resume directly after the shut-in.

George Frangeskides, Alba's Executive Chairman, commented:

"We are very pleased to learn of the completion of the well intervention involving HH-2z and that, for the first time since completion of the drilling of the well in late 2019, a significant amount of dry oil has flowed to surface. We look forward to hearing of the outcome of the further works now planned to optimise and stabilise flow from the well."

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

Qualified Person's Statement

The technical information contained in this announcement has been reviewed and approved by Feroz Sultan (B.Sc (Hons) Geology, M.Sc, Petroleum and Structural Geology, Karachi and M.Sc Petroleum Geology, Imperial College London), a petroleum geologist with over 45 years' experience in the management, exploration, development and production of oil and gas.

Glossary

horizontal well	a well that during drilling is steered so as to follow and remain within a particular geological stratum or reservoir unit having a trajectory that runs approximately parallel to the top and or base of the target horizon;
oil field	an accumulation, pool or group of pools of oil in the subsurface that produces oil to surface; and
Thermatek®	a Halliburton trademarked rigid setting fluid plug designed to isolate zones within a completed wellbore
well test	or "flow test", involves testing a well by flowing hydrocarbons to surface, typically through a test separator; key measured parameters are oil and gas flow rates, downhole pressure and surface pressure. The overall objective is to identify the well's capacity to produce hydrocarbons at a commercial flow rate and volumes.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

For further information, please contact:

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Alba's Project and Investment Portfolio

Project (commodity)	**Location**	**Ownership**
Mining Projects		
Amitsoq (graphite)	Greenland	90%
Clogau (gold)	Wales	90%
Inglefield (copper, cobalt, gold)	Greenland	100%
Limerick (zinc-lead)	Ireland	100%
Melville Bay (iron ore)	Greenland	51%
TBS (ilmenite)	Greenland	100%
Oil & Gas Investments		
Brockham (oil)	England	5%
Horse Hill (oil)	England	11.765%

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