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Reabold Resources PLC
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Reabold Resources plc

("Reabold" or the "Company")

Update on Romania Well Flow Test Operations

Reabold, the AIM investing company which focuses on investments in upstream oil and gas projects, provides an update on well flow test operations at the Iecea Mica-1 ("IMIC-1") well in Romania as part of the 2020 work programme (the "Work Programme").

The Work Programme is being carried out by Danube Petroleum Limited ("Danube"), which has a 100 per cent. interest in the Parta Sole Risk Area and will, on completion of the farmout to Tamaska Oil & Gas (see Reabold's announcement of 8 April 2019) have a 50 per cent. interest in the Parta Exploration Licence.

Reabold holds a 50.8 per cent. equity interest in Danube. ADX Energy Ltd ("ADX") is the operator of IMIC-1.

Highlights:

- Remobilisation of wireline crew and further diagnosis work including down hole pressure measurement and sampling of reservoir fluids using wireline planned for 27 July 2020

- Down hole fluid sampling recovered methane gas and drilling fluids from reservoir

- Pressure build up at surface indicates gradual influx of the gas from the reservoir resulting in pressure at the well head increasing from 780 psi to 1650 psi

- Acidisation equipment sourced to stimulate the well in order to create a flow path for gas from the reservoir to the wellbore:

    - Detailed rock typing has identified calcite and siderite cement in the reservoir which otherwise has excellent parameters with matrix porosity at just over 20 per cent.

    - Acidisation can dissolve over 20 per cent. of the cement and is commonly used in such reservoirs in Western Romania

Further to the announcement made on 2 July 2020, Reabold announces that the reinstatement of COVID-19 quarantine requirements (the "Requirements") in Romania

has caused a short delay to the ongoing well flow testing programmes at the IMIC-1 well site onshore Romania. The Hungarian wireline contractor required to undertake ongoing pressure measurement and sampling of reservoir fluids on the well has been delayed from returning to site due to these Requirements.

Positive indications of methane gas have been observed from down hole sampling which recovered methane gas and drilling fluids from the reservoir based on laboratory compositional analysis. The recovery of drilling fluids is a further indication of mud filtrate build up. Ongoing pressure build up has been monitored at surface indicating a gradual influx of gas from the reservoir. The well head pressure during the past 16 days has increased from 780 psi to 1650 psi.

ADX, the operator of the well, has sourced all necessary acidisation equipment in Romania to stimulate the well and perform the test. Injection of acid into the reservoir is intended to create a flow path for reservoir gas beyond the previously announced mud filter cake built up around the well bore while drilling and possible invasion into the reservoir. Acidisation is common practice for such reservoirs in Romania and the equipment required is readily available. Laboratory testing indicates that over 20 per cent. of the reservoir cement can be dissolved by acid.

The wireline contractor is expected to be back on site on 27 July 2020 to resume pressure monitoring operations on the well. The results of down hole pressure monitoring will be required to determine future flow testing operations and programmes.

A further update will be provided in due course.

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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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