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Reabold Resources PLC
02 July 2019

2 July 2019

Reabold Resources Plc

("Reabold" or "the Company")

Notice of Annual General Meeting ("AGM") and Proposed Capital Reduction

Reabold, the AIM investing company which focusses on investments in pre-cash flow upstream oil and gas projects, announces that it has posted to shareholders a formal notice of AGM and explanatory circular ("the Circular"), together with a form of proxy. The AGM is to be held at the offices of Hill Dickinson LLP, The Broadgate Tower, 20 Primrose Street, London EC2A 2EW at 10.30 a.m. BST on 30 July 2019. Copies of the Circular and form of proxy are available on the Company's website: www.reabold.com

Among the resolutions to be proposed at the AGM is a resolution for a proposed capital reduction, which, if approved, will enhance the Company's ability to return surplus capital, undertake share buybacks and pay dividends to Shareholders in the future. The Board considers the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the Annual General Meeting. The Circular sets out full details of the proposed capital reduction. Selected information from the Circular is reproduced below.

For further information please contact:

Reabold Resources plc c/o Camarco

Stephen Williams +44 (0) 20 3757 4980

Sachin Oza

Strand Hanson Limited (Nominated and Financial Advisor) +44 (0)20 7409 3494

James Spinney

Rory Murphy

James Dance

Camarco	+44 (0) 20 3757 4980
James Crothers	
Ollie Head	
Billy Clegg	
Whitman Howard Limited - Joint Broker	+44 (0) 20 7659 1234
Nick Lovering	
Grant Barker	
Turner Pope Investments (TPI) Ltd - Joint Broker	+44 (0) 20 3621 4120
Andy Thacker	

Please note, the information below has been copied from the Circular dated 2 July 2019. Any references to page numbers, Parts or 'this Document' refer to the Circular which is available for download from the Company's website.

Expected Timetable of Principal Events

	Time and date
Publication of this Document	2 July 2019
Latest time and date for receipt of Forms of Proxy	10.30 a.m. on 26 July 2019
Annual General Meeting	10.30 a.m. on 30 July 2019
Expected date of initial directions hearing of the Court	5 August 2019
Expected date of Court Hearing to confirm the Capital Reduction	27 August 2019
Registration of Court Order and expected effective date for the Capital Reduction	27 August 2019

Notes

1. The expected dates for the confirmation of the Capital Reduction by the Court and the Capital Reduction becoming effective are based on provisional dates that have been obtained for the required Court hearings of the Company's application. These provisional hearing dates are subject to change and dependent on the Court's timetable. If the expected dates of the Court hearings are changed (and consequently the expected effective date for the Capital Reduction), the Company will give notice of this to the extent practicable by issuing an announcement via a Regulatory Information Service.

2. The timetable assumes that there is no adjournment of the Annual General Meeting. If there is an adjournment, all subsequent dates are likely to be later than those shown. If expected dates change the Company will give notice of this by issuing an announcement via a Regulatory Information Service.

3. References to time in this document are to BST unless otherwise stated.

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

"Act"	the Companies Act 2006 (as amended);
"AIM"	a market operated by the London Stock Exchange plc;
"Annual General Meeting" or "AGM"	the annual general meeting of the Company convened for 10.30 a.m. on 30 July 2019, notice of which is set out at the end of this Document;
"Articles"	The articles of association of the Company as amended from time to time;
"Board" or "Directors"	the directors of the Company as at the date of this Document, whose names are set out on page 5 of this Document;
"BST"	British Summer Time;
"Capital Reduction"	the proposed cancellation of the Company's Share Premium Account as set out in the Notice of Annual General Meeting;
"Company" or "Reabold"	Reabold Resources Plc, a public limited company incorporated in England and Wales under registered number 03542727 and having its registered office at The Broadgate Tower, 20 Primrose Street, London EC2A 2EW;
"Court"	the High Court of Justice in England and Wales;
"Court Hearing"	the hearing by the Court to confirm the Capital Reduction;
"Court Order"	the order of the Court confirming the Capital Reduction;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);

"CREST Manual"	the rules governing the operation of CREST, as published by Euroclear (as defined in the CREST Regulations);
"CREST participant"	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (as amended);
"CREST sponsor"	a CREST participant admitted to CREST as a CREST sponsor;
"CREST sponsored member"	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members);
"Deferred Shares"	The "A" deferred shares of 1.65 pence each having the rights set out in the Articles;
"Document"	this document and its contents;
"Effective Date"	the date of registration of the Court Order at Companies House, on which date the Capital Reduction will become effective
"Form of Proxy"	the form of proxy enclosed with this Document for use by Shareholders in connection with the AGM;
"Group"	the Company and its subsidiaries and subsidiary undertakings (as defined in the Act);
"Notice of Annual General Meeting" or "Notice of AGM"	the notice convening the AGM, which is set out at the end of this Document;
"Ordinary Shares"	the ordinary shares of 0.1 pence each in the capital of the Company;
"Regulatory Information Service"	a service approved by the UK Financial Conduct Authority for the distribution to the public of regulatory announcements;
"Resolutions"	the resolutions set out in the Notice of AGM;
"Shareholders"	holders of Ordinary Shares and the term "**Shareholder**" shall be construed accordingly;
"Share Premium Account"	the share premium account of the Company;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland; and
"£"	pounds sterling, the lawful currency of the United Kingdom.

LETTER FROM THE CHAIRMAN

To all Shareholders

Notice of Annual General Meeting and Proposed Capital Reduction

1 INTRODUCTION

I am writing to invite you to the annual general meeting of the Company to be held at 10:30 a.m. on 30 July 2019 at the offices of Hill Dickinson LLP, The Broadgate Tower, 20 Primrose Street, London EC2A 2EW and to explain the Resolutions to be proposed at the AGM, which are set out in the Notice of AGM in Part II of this Document. In particular, I am writing to provide you with details of the proposed Capital Reduction which will enhance the Company's ability to return surplus capital, undertake share buybacks and pay dividends to Shareholders in the future.

The Company currently has negative distributable reserves and is therefore prohibited under the Act from making distributions, including dividends, to its Shareholders.

Accordingly, your approval is being sought to carry out a reduction of the Company's capital by way of the cancellation of the amount standing to the credit of the Company's Share Premium Account so as to create distributable reserves.

The Capital Reduction is conditional upon, amongst other things, the Company obtaining approval of the Shareholders at the Annual General Meeting. Part II of this Document contains a Notice of Annual General Meeting.

The purpose of this Document is to provide you with information about the Capital Reduction and to explain why the Board considers the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and unanimously recommends that you vote in favour of the Resolutions to be proposed at the Annual General Meeting. Shareholders should note that, unless Resolution 7 is approved at the Annual General Meeting (and the Court subsequently confirms the Capital Reduction), the Capital Reduction will not take place.

The Definitions section at page 3 of this Document contains definitions of words and terms that have been used throughout it. Please refer to this section as you review this Document.

2 BACKGROUND TO, AND REASONS FOR, THE CAPITAL REDUCTION

The Ordinary Shares of the Company were admitted to AIM on 19 April 2002.

As mentioned above, the Share Premium Account comprises a non-distributable reserve for the purposes of the Act, which as at 31 December 2018 had a balance of £25,301,392.

The Company is not permitted to undertake share buybacks nor pay any dividends unless it has distributable reserves. The Share Premium Account only has limited applications and, accordingly, the Company is proposing to cancel its Share Premium Account, in order to create distributable reserves to support: (i) the future payment by

the Company of dividends to its Shareholders; and (ii) share buybacks should circumstances dictate it desirable to do.

In light of the Group's prospects and current strong financial position, the Directors believe it is now desirable to consider future potential share buybacks or payment of dividends to Shareholders. However, the Company currently has negative distributable reserves and is, therefore, prohibited under the Act from making distributions to its Shareholders, including the payment of dividends.

On completion of the Capital Reduction, the Company's Share Premium Account will be cancelled and, subject to the Court being satisfied with the Company's approach to creditors as outlined below, the amount of distributable reserves will be approximately £25,301,392.

The completion of the Capital Reduction will not affect the rights attaching to the Ordinary Shares and the Deferred Shares and will not result in any change to the number of Ordinary Shares or Deferred Shares in issue (or their nominal value).

3 THE CAPITAL REDUCTION

Shareholder Approval

In order to effect the Capital Reduction, the Company requires the approval of its Shareholders pursuant to section 641(1)(b) of the Act. The Capital Reduction cannot be effected unless the Company receives the approval by the requisite majority of Shareholders and in the requisite manner as set out in this section of the Document.

The Shareholders, being holders of Ordinary Shares, are entitled to receive notice of, attend, speak and vote at the Annual General Meeting. The votes of the Shareholders will be added together at the Annual General Meeting and the Resolution to approve the Capital Reduction, which will be proposed as a special resolution, requires a majority in favour of at least 75% of those Shareholders attending and voting in person or by proxy in order to be passed.

The holders of the Deferred Shares are not entitled to receive notice of or to attend, speak or vote at any general meeting of the Company, except in respect of any vote concerning a proposed variation of the class of rights of the Deferred Shares. The proposed Capital Reduction does not alter the rights attaching to the Deferred Shares and therefore the Company does not require the approval of the holders of the Deferred Shares.

Court Approval

In addition to the approval by the Shareholders of the relevant Resolution, the Capital Reduction requires the approval of the Court. Accordingly, following the Annual General Meeting, an application will be made to the Court in order to confirm and approve the Capital Reduction.

The Company is not proposing to offer any undertakings to the Court for the protection of creditors in connection with the proposed Capital Reduction, as the Board is satisfied that there is no real likelihood that the Capital Reduction would result in the Company being unable to discharge a creditor's debt or claim when it falls due. If, however, the Court takes the view that there is a real likelihood that the Capital Reduction will prejudice creditors' interests, it may require the Company to give an appropriate undertaking. This could include, for example, an undertaking by

the Company to create a special, undistributable reserve in its accounts for so long as any creditors at the Effective Date remain unpaid.

It is anticipated that the initial directions hearing in relation to the Capital Reduction will take place on 5 August 2019, with the final Court Hearing taking place on 27 August 2019 and the Capital Reduction becoming effective on the same day, following the necessary registration of the Court Order at Companies House.

The Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company. Pursuant to Part 23 of the Act, the distributable reserves arising on the Capital Reduction will, subject to the discharge of any undertakings required by the Court as explained above, support the Company's ability to undertake share buybacks or pay dividends, should circumstances in the future make it desirable to do so.

The Board reserves the right to abandon or to discontinue (in whole or in part) the application to the Court in the event that the Board considers that the terms on which the Capital Reduction would be (or would be likely to be) confirmed by the Court would not be in the best interests of the Company and/or its Shareholders as a whole. The Board has undertaken a thorough and extensive review of the Company's liabilities (including contingent liabilities) and considers that the Company will be able to satisfy the Court that, as at the date (if any) on which the Court Order relating to the Capital Reduction and the statement of capital in respect of the Capital Reduction have both been registered by the Registrar of Companies at Companies House and the Capital Reduction will therefore become effective, the Company's creditors will be sufficiently protected.

4 EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

The following notes give an explanation of the proposed Resolutions. Resolutions 1 to 5 are proposed as ordinary resolutions. This means for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 6 and 7 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three quarters of the votes cast must be in favour of these resolutions.

Ordinary Business

Resolution 1 - Receiving and Considering the Accounts

This is an ordinary resolution to receive and adopt the annual accounts of the Company for the financial year ended 31 December 2018 together with directors' reports and auditor's report on those accounts.

Resolution 2 - Reappointment of Director

The board recommends the re-election of Jeremy Edelman as a director of the Company who is retiring by rotation pursuant to article 83 of the Articles. Mr. Edelman being eligible, offers himself for re-appointment.

Resolution 3- Reappointment of Director

The board recommends the re-election of Anthony Samaha as a director of the Company who is retiring by rotation pursuant to article 83 of the Articles. Mr. Samaha being eligible, offers himself for re-appointment.

Resolution 4 - Re-appointment of Auditors

This Resolution seeks to authorise the appointment of Mazars LLP as the Company's auditors to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting at which the accounts are laid before the Company and to authorise the directors to determine their remuneration.

Resolution 5 - Directors' Authority to Allot Shares

This is an ordinary resolution to grant the Directors the authority to allot and issue shares and grant rights to subscribe for shares in the Company for the purposes of Section 551 of the Act up to the maximum aggregate nominal amount of £2,000,000. This resolution replaces any existing authorities to issue shares in the Company and the authority under this resolution will expire at the conclusion of the next annual general meeting of the Company.

Resolution 6 - Disapplication of Pre-emption Rights

Resolution 6 proposes to dis-apply the statutory rights of pre-emption in respect of the allotment of equity securities for cash under Section 561(1) of the Act. This is a special resolution authorising the Directors to issue equity securities as continuing authority up to an aggregate nominal amount of £2,000,000 for cash on a non-pre-emptive basis pursuant to the authority conferred by Resolution 5 above. The authority granted by this Resolution will expire at the conclusion of next annual general meeting of the Company.

Special Business

Resolution 7 - Cancellation of the Company's Share Premium Account

Resolution 7 is a special resolution to cancel the Share Premium Account of the Company pursuant to the proposed Capital Reduction outlined above.

5 ANNUAL GENERAL MEETING

The Notice of Annual General Meeting at which the Resolutions will be proposed is set out in Part II of this Document.

The Annual General Meeting will take place at 10:30 a.m. BST on 30 July 2019.

6 ACTION TO BE TAKEN

Shareholders will find a Form of Proxy enclosed for use at the Annual General Meeting. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to Neville Registrars Limited at Neville House, Steelpark Road, Halesowen B62 8HD by not later than 10:30 a.m. on 26 July 2019.The completion and return of a Form of Proxy will not preclude Shareholders from attending the Annual General Meeting and voting in person should they so wish.

7 RECOMMENDATION

The Directors recommend that Shareholders vote in favour of the Resolutions proposed at the Annual General Meeting, as they intend to do so in respect of their own holdings of Ordinary Shares which amount, in aggregate, to 191,808,676 Ordinary Shares representing 5.02 per cent of the issued Ordinary Shares.

Yours faithfully,

Jeremy Edelman
Non-Executive Chairman

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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