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

Horse Hill Oil Field Granted Long-term Production Consent by Surrey County Council

Alba (LON: ALBA) announces that it has been informed by 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, containing the Horse Hill-1 ("HH-1") oil discovery, that, earlier today, Surrey County Council's ("SCC") Planning and Regulatory Committee granted full planning consent for long-term oil production at the Horse Hill oil field near Gatwick Airport, subject to certain stipulated conditions.

UKOG has further advised as follows below:

Summary of Planning Consent

- The planning consent gives permission to produce oil over a period of 25 years at up to 3,500 barrels of oil per day from a total of six wells within the Portland and Kimmeridge oil pools, including the existing Horse Hill-1 ("HH-1") and the forthcoming HH-2/2z horizontal well.
- Consent also includes permission to drill one water reinjection well to help maximise oil recovery. All existing and future wells will be drilled from within the existing 20 x 15 metre concrete pad. No further drilling sites beyond Horse Hill are required.
- This consent means that the field's immediate oil production from HH-1 and HH-2/2z will no longer be limited to existing extended well test planning consents. Consequently, for the first time in Horse Hill's history, Proven and Probable (recoverable) Reserves for the field's full 25-year economic life can be assigned.
- The permission also enables the Field Development Plan to be finalised and submitted to the Oil and Gas Authority ("OGA") for the necessary regulatory and technical consent. Meetings in this respect have been scheduled with OGA in the coming weeks.
- The field's environmental permit application, covering the four new wells and production activities, was submitted to the Environment Agency ("EA") in January and is under determination. As a statutory consultee to the planning application, the EA has stated to SCC that it has no concerns regarding either production activities or water reinjection. Drilling of the four new production and reinjection wells will require the usual drilling regulatory consents from the HSE and OGA.

Forward Operational Plans at Horse Hill

- The first new horizontal production well, Horse Hill-2/2z ("HH-2/2z") is scheduled to start drilling before the end of this month, with a further new Portland production well and Portland water reinjection well planned to follow upon completion of production testing in early 2020.
- During HH-2/2z drilling, the Kimmeridge oil pool will continue to be production tested to provide further key technical data and associated sales revenues to partially offset drilling and testing costs. Planning approval also exists to sidetrack the HH-1 well horizontally into either the Kimmeridge or Portland oil pools.

George Frangeskides, Alba's Executive Chairman, commented:

"The decision of Surrey County Council today to grant planning permission for long-term production from Horse Hill is a critical milestone in this project. Alba was a founding partner in the Horse Hill consortium and over the past four years has provided significant funds for the project, which support has contributed in large measure to this positive outcome. We look forward to providing further updates as Horse Hill now progresses on its final path to long-term production."

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

Glossary

flow test or well test: a flow test or well 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.

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.

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Alba's Project & 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%

Web: www.albamineralresources.com

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