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Reabold Resources PLC
02 December 2019

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Reabold Resources Plc

("Reabold" or the "Company")

Exercise of Danube Options

Highlights

- Reabold has fully exercised its option to further invest in Danube Petroleum Limited ("Danube"), taking its ownership to approximately 51 per cent.
- Danube is now funded for a high impact 2020 work programme, including testing the IM-1 well, drilling the IM-2 well, and acquiring significant seismic data to identify subsequent targets
- Commercialisation studies underway in relation to the IM-1 discovery

Reabold, the AIM investing company which focuses on investments in pre-cash flow upstream oil and gas projects, is pleased to announce that it has fully exercised its option to increase its investment in Danube through the subscription for additional shares. Following the Company's announcement of 22 November 2019, which detailed Reabold's initial exercise of options to subscribe for 200,000 Danube shares, Reabold has now exercised its options over a further 1,427,604 Danube shares at a subscription price of £1.20 per share, being an investment of £1,713,125.

The operator, ADX Energy Limited ("ADX"), has elected to partially exercise its own corresponding options, subscribing for 241,929 Danube shares at £1.20 per share.

Following these investments, Reabold will own 50.8 per cent. of Danube, with the remaining 49.2 per cent. held by ADX.

Danube will utilise the funding to carry out an impactful work programme in 2020. The successful drilling result at the IM-1 well has led to the decision to configure the well as a producer. A production test is expected to take place in February 2020. In the meantime, studies will commence to assess commercialisation options for IM-1.

The investments announced herein also allow ADX, on behalf of Danube, to commence preparations for the drilling of the IM-2 well. Planning and licensing for the IM-2 well has already been completed. As such, the timing of drilling will be determined by long lead item delivery (well heads and casing) and rig availability. ADX currently expects that drilling will commence during the third quarter of 2020.

ADX is also undertaking planning and licensing work in the Parta Exploration License to acquire a 100km^2 3D seismic programme ("Parta 3D Programme"). The seismic

programme will be funded by Tamaska Oil and Gas ("Tamaska") pursuant to a farm in agreement where Tamaska will fund a US$1.5 million seismic programme to earn a 50 per cent. interest in the Parta Exploration Licence (see the Company's announcement of 8 April 2019 for further information). The Parta Exploration Licence does not include the Parta sole risk area that contains both IM-1 and IM-2, which will continue to be owned 100 per cent. by Danube. The aim of the Parta 3D Programme is to generate high quality exploration targets with multiple stacked oil and gas pay drilling opportunities.

In conjunction with the Parta 3D Programme, ADX intends to acquire a number of high resolution 2D seismic lines across the IM-1 and IM-2 accumulations to better define the extent of gas zones where ADX has identified substantial stratigraphic upside potential following the recent drilling of the IM-1 well.

For the period ended 31 December 2018, Danube reported a loss of £84,543. As at 31 December 2018, Danube reported net assets of £5.6 million.

The announcement from ADX can be viewed here: https://adx-energy.com/documents/funding-for-romanian-appraisal-and-development.pdf

Sachin Oza, Co-CEO of Reabold, commented:

"We are delighted to be increasing our holding in Danube, with its recent discovery at IM-1, as well as provide funding for the work programme going forwards, including the proposed drilling of IM-2. Further, we now believe that a successful test at IM-1 will lead to potential commercialisation and are therefore able to start work on bringing the field into production in parallel with the preparations for drilling at IM-2."

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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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