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Reabold Resources PLC
18 December 2019

Market Abuse Regulation (MAR) Disclosure
Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement

18 December 2019

Reabold Resources Plc
("Reabold" or the "Company")
West Newton Project Update

Reabold, the AIM investing company which focuses on investments in pre-cash flow upstream oil and gas projects, is pleased to announce an update in respect of the Extended Well Test ("EWT") on the West Newton A-2 appraisal well, of the West Newton area contained within onshore UK licence PEDL183.

Reabold has an approximate 39 per cent. indirect interest in the West Newton licence via its 59 per cent. equity interest Rathlin Energy (UK) Limited ("Rathlin"). Rathlin holds a 66.67 per cent. direct interest in licence and is the operator.

Highlights

- EWT operations, suspended in August 2019 in order to review and revise the well test design, to be recommenced following receipt of required regulatory approvals
- Following the EWT, the well will be monitored for inflow, shut in and suspended
- Estimated cost of work is well within original well test budget
- Planning permissions in place for two additional wells, to test Kirkham Abbey formation and Cadeby formation respectively

EWT operations on the Kirkham Abbey formation at the West Newton A-2 well were temporarily suspended in August 2019, as modifications to handle to the newly recognized liquid content of the originally approved gas testing programme were limited by equipment availability at the time. Gas flow to surface was achieved and flared during operations, but reservoir fluids were not recovered.

Following the discovery of a reservoir containing a 45 metre liquid hydrocarbon column underlying a 20 metre gas column, the EWT was suspended in order to review and revise the well test design to seek to deliver and validate this identification of liquid hydrocarbons. The oil zone was not fully evaluated during the initial phase of testing.

Pumping, surface separation, fluid storage tanks and other testing equipment has been sourced to undertake this work. Regulatory approvals to re-commence the EWT are currently being sought. Once these approvals have been received, the equipment will be mobilised to site at the earliest opportunity and the EWT will re-commence.

The programme will include pulling the existing completion assembly from the well, running a new tubing and pumping bottom hole assembly and the installation of a pumping wellhead. These operations will be followed by the running in of the pump and well rods and the installation of a surface pumping unit. The well will then be pumped to recover load fluid, directing all recovery through the test unit and incinerator. The well will be monitored for inflow and, following the EWT, will be shut in and suspended.

The estimated cost of this additional work is well within the original well test budget.

Furthermore, statutory planning permissions are in place to drill two additional wells, West Newton B-1 and B-2, the locations of which are considered to be optimal to test the Kirkham Abbey formation and test the potential of the prognosed Cadeby formation, a further, highly important and potentially high value target.

Rathlin is fully funded for the 2020 work programme.

Stephen Williams, Co-CEO of Reabold, commented:
"Reabold is delighted with the progress that continues at the West Newton A-2 well to further our understanding of the discovery and welcomes the near-term resumption of the well test.

Reabold's recently increased interest in Rathlin provides us further exposure to what continues to develop into a very exciting, large-scale asset. Once the test is complete, we look forward to drilling the additional two wells to test the Kirkham Abbey formation and the potential of the Cadeby formation, which is considered a highly important and valued target."

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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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