

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

Horse Hill Oil Field Update

Alba Mineral Resources plc (AIM: ALBA), the diversified mineral exploration and development company, announces that it has received the following update from 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 in which Alba has an 11.765% interest:

HH-2z well

- The first phase of open hole EWT and associated well clean-up has been completed at the Horse Hill-2z ("HH-2z") horizontal well.
- HH-2z is currently shut-in for a scheduled long-duration pressure build-up test ("PBU"), during which time preparations will be finalised for a series of planned interventions to further optimise flow rates from the Portland reservoir.
- Whilst HH-2z continued to clean-up prior to the current shut-in, returning oil, completion and drilling fluids to surface, evidence of formation water ingress was also recorded. Consequently, an additional well intervention is planned to shut-off the water source.
- The HH-2z interventions are planned to commence in the New Year following completion of the HH-2z PBU and will be reported in due course.

HH-1 well

- Immediately following the current HH-2z shut-in, flow lines were reconnected to HH-1 and dry Kimmeridge oil flow was resumed on 18 December 2019 at an initial half-hourly rate of 354 barrels of oil per day ("bopd"). HH-1 is currently producing at around the average rates previously reported.
- Upon establishment of stable oil flow from HH-2z, a short HH-1 intervention is also planned to further optimise both Kimmeridge and Portland test production from the vertical wellbore.

FDP

- A field development plan ("FDP") has been submitted to the Oil and Gas Authority, seeking consent for the field's planned first development phase, consisting of two producing wells, HH-1 and HH-2z. Subsequent phases, involving further infill production wells and a possible water reinjection well, are planned to be submitted as FDP addenda in the coming year, once longer-term well behaviour is more comprehensively understood.

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

Qualified Person's Statement

The technical information contained in this announcement has been reviewed and approved by Feroz Sultan (B.Sc (Hons) Geology, M.Sc, Petroleum and Structural Geology, Karachi and M.Sc Petroleum Geology, Imperial College London), a petroleum geologist with over 45 years' experience in the management, exploration, development and production of oil and gas.

Glossary

<i>horizontal well</i>	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;
<i>oil field</i>	an accumulation, pool or group of pools of oil in the subsurface that produces oil to surface; and
<i>well test</i>	or "flow 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 and volumes.

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Alba's Project and Investment Portfolio

Project (commodity)	Location	Ownership
<i>Mining Projects</i>		
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%
<i>Oil & Gas Investments</i>		
Brockham (oil)	England	5%
Horse Hill (oil)	England	11.765%

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