

17 October 2016



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

Horse Hill-1 Oil Discovery, Weald Basin, UK
Planning Application for Significant Appraisal Programme, UK Weald
Basin

Alba Mineral Resources plc (AIM: ALBA) announces that Horse Hill Developments Ltd ("HHDL") has informed the Company that a planning application has been submitted to Surrey County Council seeking permission to conduct further significant appraisal testing and drilling at the Horse Hill-1 ("HH-1") oil discovery, located in Licence PEDL137, close to Gatwick Airport. The HH-1 oil discovery achieved an aggregate stabilised flow rate of 1688 bopd from two Kimmeridge limestones plus the overlying Portland sandstone. The Company holds a 9.75% interest in PEDL137.

Subject to the required regulatory approvals, the first phase of the proposed development is planned to consist of the extended production testing of four zones, designed to confirm the commerciality of the discovery, and to examine a previously untested Kimmeridge limestone. The planning application also seeks permission for a two-well drilling phase the purpose of which, contingent on successful production testing, would be further to appraise the extent of the oil accumulations and the field's production capabilities. The proposed drilling phase includes plans for a deviated sidetrack, HH-1z, which would be drilled from the existing HH-1 borehole, together with a new well, Horse Hill-2 ("HH-2"). On completion of drilling, both HH-1z and HH-2 are planned to be long-term production tested.

In order to minimise the impact upon the locality, feedback from both a public consultation and engagement process, undertaken in July, and subsequent meetings with local residents' representatives, was incorporated into the envisaged development design and planning application. The normal local planning authority cycle for an application not requiring an Environmental Impact Assessment, such as at Horse Hill, takes approximately 13 weeks.

HHDL and the Company's Interest in the Licences

HHDL is a special purpose vehicle, which owns a 65% working interest and operatorship of the Horse Hill licences, being PEDL137 and PEDL246. Alba owns a 15% shareholding in HHDL, which equates to a 9.75% net working interest in the Licences. The remaining 35% interest in the Licences is held by Magellan Petroleum (UK) Limited.

Mike Nott, Alba's Chief Executive Officer, commented:

"This planning application is designed to move these already discovered assets into near-term oil production and the monetisation of our recoverable resources. It is also one of the key steps in furthering our knowledge of the Kimmeridge Micritic Limestone formations that also lie beneath our other oil and gas interests at Brockham (PL235), which is also in the Weald Basin some eight kilometres to the north-west of the HHDL site. We look forward to further engaging with stakeholders and to a successful planning outcome."

Qualified Person's Statement:

Michael Nott, aged 67, Alba's Chief Executive Officer, who has over 45 years' relevant experience in the geological, mining, minerals, waste disposal, industrial minerals, oil, drilling, mineral planning and quarrying industries, has approved the information in this announcement.

Mr Nott holds a BSc. degree in Geology from Queen Mary, University of London, a MSc. Degree in Mineral Production Management from the Royal School of Mines, Imperial College, University of London, the Diploma of Imperial College in Mineral Production Management and is a Chartered Engineer. He is a Fellow of the Institute of Materials, Minerals and Mining, a Fellow of the Minerals Engineering Society, a Fellow of the Institute of Quarrying and an Associate of the Royal School of Mines Association.

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About ALBA

Alba holds a 15 per cent interest in Horse Hill Developments Limited, the company which has a 65 per cent participating interest and operatorship of the Horse Hill oil and gas project (licences PEDL 137 and PEDL 246) in the UK Weald Basin. Alba is also earning a 5% interest in Production Licence 235, which comprises the producing onshore Brockham Oil Field.

Alba has the right to earn up to 70 per cent of the Amitsoq Graphite Project in Southern Greenland. In addition, the Company has recently renewed its Limerick base metal and gold licence in the Republic of Ireland, and has applied for the reissue of a uranium permit in northern Mauritania. The new Mauritanian permit will be on a reduced area, and is centred on known uranium-bearing showings.

Alba continues actively to review and discuss other project opportunities which have value-enhancing potential for the Company whether by acquisition, farm in or joint venture in a range of jurisdictions around the world.

Glossary:

discovery	a discovery is a petroleum accumulation for which one or several exploratory wells have established through testing, sampling and/or logging the existence of a significant quantity of potentially moveable hydrocarbons
extended production test	a flow test, or extended well test as per the permission granted by the Oil and Gas Authority, with an aggregate flow period duration over all zones of greater than 96 hours and up to 90 days maximum
sidetrack	re-entry of a well from the well's surface location with drilling equipment for the purpose of deviating from the existing well bore to achieve production or well data from an alternative zone or bottom hole location, or to remedy an engineering problem encountered in the existing well bore.