



3 March 2017

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

**Brockham Oil Field –Drilling Results Confirm  
Intention to Produce from Kimmeridge Formation**

Alba Mineral Resources plc (AIM: ALBA) is pleased to announce that it has been advised by the Operator, Angus Energy plc ("Angus" or the "Operator") that, following extensive analysis of the BR-X4Z sidetrack well, the Operator's intention is to bring the Kimmeridge into production at the existing Brockham production facility as soon as the necessary OGA approval is in place.

The Brockham X4Z well, drilled to a total depth of 1,391m, was planned to evaluate the Portland, Corallian and Kimmeridge formations at Brockham, including an evaluation of the Kimmeridge reservoir that had been demonstrated by the Horse Hill discovery 8 km to the South. Horse Hill Developments Limited ("HHDL"), the operator of the well at Horse Hill, in which project Alba has a 9.75% economic interest, has announced cumulative production rates of over 1,500 barrels per day in short term testing.

The Brockham X4Z well was intended to establish whether the evidence of a potential reservoir reported at Horse Hill extended further north into the Brockham licence. The well was therefore intended to answer three main questions: Is the reservoir section in Brockham similar in thickness and reservoir properties to what had been reported at Horse Hill? Is there evidence of naturally occurring fractures to enable production of oil using conventional means? Is the content of oil in the Kimmeridge similar to Horse Hill where oil was tested at substantial rates?

Alba is therefore pleased to report that Angus has confirmed as follows:

- The preliminary results from the Brockham X4Z well confirm very similar thickness of reservoir and properties to those reported at Horse Hill. The gross thickness of the Kimmeridge formation in Brockham X4Z is some 385m.
- The two limestone intervals (each around 30m) tested in Horse Hill are also seen in the Brockham well.
- The reservoir properties appear to be very similar to Horse Hill, based on electrical logging evidence.
- The first use in Europe of the Weatherford Ultra Wave Acoustic borehole imaging tool has made it possible to see fractures in the borehole directly, without the need to infer fractures from logs. The information thereby obtained has confirmed not only evidence of natural fractures in the two main limestones intervals previously tested at Horse Hill, but also confirmed abundant natural fractures in sections of interbedded shales and limestones between and below the two main limestones. Around 200m of the reservoir has this potential.

- Angus took many samples during the drilling to use for geochemical analysis. The initial results of this work show total organic content through the Kimmeridge section between 2-12%, exceeding Horse Hill in places. Furthermore, evidence shows that the highest organic content corresponds to the limestones and, in particular, the intervals in between the limestones which have natural fracturing. Whilst organic content is not the same as oil content, it is indicative of those sections where oil content will be highest. This supports the potential for some 200m of reservoir of interest. Actual oil content depends on the extent to which burial has resulted in pressures and temperatures sufficient to generate oil. Initial Tmax and Hydrogen Index readings correspond with Horse Hill data. Since oil was produced briefly at Horse Hill and as it is most likely that the oil in the Portland Sandstone in Brockham is sourced from the Kimmeridge, the evidence backs a similar oil content to Horse Hill.
- Therefore, based on the evidence so far, Angus has confidence that the well will be similar to Horse Hill and, perhaps, given that the reservoir is potentially much thicker in zones not previously tested, the results could be even better. These results achieve everything short of production to prove the potential from this zone.
- Operations are in hand to install new production facilities for the well and to prepare for production as soon as necessary OGA approval is in place. Production is targeted for spring/summer 2017. The Operator will shortly be meeting Surrey County Council to discuss the position in relation to the sidetrack and also to agree what further planning permissions are necessary in order to regularise the existing site cabins, fencing and associated structures.
- Additional oil shows were observed in the Portland and Corallian formations. Currently, the Brockham number 2 well is a temporarily suspended producing well from the Portland reservoir and the Operator is confident of additional production from the Portland from Brockham X4Z in due course. The Corallian formation, with good indications of both gas and oil, is still being evaluated.
- Further technical analysis of the results is contained in a presentation prepared by Angus, a copy of which is available on the Angus website ([www.angusenergy.co.uk](http://www.angusenergy.co.uk)).

**Michael Nott, CEO, commented:** "These results are very positive for the Weald Basin as a whole, and very positive also for Alba given our interests at both Horse Hill and Brockham. We look forward to the work that will be undertaken by the consortium over the coming months and the benefits that will arise for all shareholders and stakeholders."

**Qualified Person's Statement:**

Michael Nott, aged 68, Alba's CEO, 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.

He 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.

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

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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 is the owner of 90 per cent of the Amitsoq Graphite Project in Southern Greenland. In addition, the Company recently renewed its Limerick base metal licence in the Republic of Ireland until May 2018. The Company 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 numerous other project opportunities which have value-enhancing potential for the Company whether by bolt-on or stand-alone acquisition, farm in or joint venture in a range of jurisdictions around the world.

**Technical Glossary**

**Burial:** As layers are piled one upon another, the sediments beneath are buried.

**Hydrogen Index:** The number of hydrogen atoms per unit volume divided by the number of hydrogen atoms per unit volume of pure water at surface conditions. The hydrogen index (HI) is thus the density of hydrogen relative to that of water. It is a key factor in the response of a neutron porosity log.

**OGA:** the Oil & Gas Authority, an independent Government agency, established by the UK Government in its current form on 1 October 2016.

**Tmax:** The temperature at which the maximum rate of hydrocarbon generation occurs in a kerogen sample during pyrolysis analysis

**Weatherford Ultra Wave Acoustic borehole imaging tool:** Acquires high resolution images in Oil Based Mud Environments. Its two measurements are the travel time and amplitude of the ultrasonic wave emitted from the ultrasonic transducer and reflected back from the formation to the tool. It provides calliper measurement and the detection of formation/geological features (beddings and fractures) and borehole breakouts from the change in signal amplitude.