



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

11 May 2017

**FDP Addendum submitted to commence production
from Brockham X4Z Kimmeridge layers**

The Company is pleased to announce that it has been advised the Operator, Angus Energy plc ("Angus Energy" or the "Operator"), that, following consultation with the UK's Oil & Gas Authority (OGA), it has submitted the required Field Development Plan (FDP) Addendum to commence production from the Kimmeridge layers at its Brockham Oil Field, Production Licence 235. In addition to the standard HSE consent for any well operations, Angus Energy advises that the FDP Addendum approval from the OGA is the sole regulatory approval required to produce hydrocarbons from the Kimmeridge layers in addition to the existing Portland production.

The Company will update investors once it is informed that the OGA has approved the FDP Addendum.

In addition, the Company has also been advised by the Operator of the following additional information and updates pertaining to the planning-related matters referred to in the Company's announcement on 10 March 2017:

- Following Angus Energy's RNS dated 10 March 2017, Angus Energy's guidance from 10 March 2017 is unchanged.
- Following various press reports and speculation pertaining to the BR-X4Z sidetrack, the legal status of said sidetrack and the future of production from the Brockham Oil Field, for the avoidance of any doubt Angus Energy has taken the precaution of obtaining additional legal review from Queen's Counsel.
- Queen's Counsel (the "QC") has confirmed her considered view that well BR-X4 (the donor well of the X4Z sidetrack, also known as well no. 3) has planning permission until 2036. Similarly, the QC confirms that the sidetrack to Well BR-X4, drilled in January 2017, is authorised by the 2006 planning permission.
- With the review completed, Angus Energy highlights below the potential cause for any perceived misunderstanding. Although not material in its own right, a mismatch of well numbering in prior administrative paperwork provided to Angus Energy appears to have allowed some confusion to arise as to the actual operations at the Brockham Oil Field. The key points highlighted by Angus Energy are as follows:

- As stated in Angus Energy's admission document to AIM, it was the objective to drill a sidetrack from the BR-X4 well to ensure the continued use and production from the Portland reservoir and assess the hydrocarbon production potential from the Kimmeridge layers and Corallian section.
- During the preparation phase of the drilling operation, Angus Energy detected that the surface infrastructure of the BR-X4 well did not match its expected subsurface composition but instead, based on the documentation available to Angus Energy, appeared to be the original Brockham-X1 well. Angus Energy acquired the Brockham Oil Field in 2012 and had not re-entered either the BR-X4 or Brockham-X1 well before commencement of these operations, so this was the first time this apparent mismatch in surface and subsurface composition had come to light.
- In addition to necessary maintenance, re-entry of the original Brockham-X1 well also allowed for the proper assessment of the layers of interest.
- The Brockham site had the benefit of existing planning permissions granted by Surrey County Council (SCC) and the required approvals from the EA, HSE and OGA for the maintenance work, re-entry and/or planned sidetrack, therefore the subsurface assessment continued. The re-entry with Measurement While Drilling (MWD) tools confirmed that the well that had been entered was indeed BR-X4 rather than Brockham-X1.
- Best practice for operational safety dictated that only when operations were finished and the well was safely cased off could Angus Energy determine the root cause of the well numbering confusion. Angus Energy determined that the mismatch was caused by an undocumented, non-standard, spool piece which was installed by the previous owners of the field and resulted in the 'mislabelling' of the well head.
- No matter the determination by Angus Energy, whether it was a re-entry of Brockham-X1 or a sidetrack of BR-X4, either operation was fully permitted within Angus Energy's regulatory approvals from the relevant authorities. It should be noted, that a sidetrack is a component of a drilled well. It is not a well and cannot be created or exist independent of the actual well.
- Angus Energy has been transparent throughout its operations. As such, it apprised the SCC of the documentation discrepancy as discovered during the January operations.
- Prior to the confusion over well numbering, in December 2016 the County Council gave advice that any new well was not to be drilled into *'any different geological formations or to a deeper depth or into any undrilled area than already drilled to'*. The geological area of interest was already drilled and defined by the existing permits for the wells and their inclusive sidetracks. Taken in the context of the actual communications, this letter is unrelated to the operations in January.
- For reference, the original Brockham-X1 well was drilled by BP to a total depth of 2,070m Total Vertical Depth (TVD) while the X4Z sidetrack only reached a depth of 1,391m TVD. Well within the constraints of the existing geological envelope of operations.
- Despite the misleading press reports, no new well was drilled nor were any operations conducted into any different geological formations, at a deeper depth or in any undrilled area.

- Upon OGA approval, Angus Energy plans to put this well into production as soon as possible.

Michael Nott, Alba's CEO, commented:

"We are very pleased to report that the Field Development Plan (FDP) Addendum has now submitted to the OGA to commence production from the Kimmeridge layers at the Brockham Oil Field. We await further updates from the Operator, Angus Energy, with great interest."

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 also has a direct 5% interest in Production Licence 235, which comprises the producing onshore Brockham Oil Field.

Alba owns a 90 per cent interest in the Amitsoq Graphite Project in Southern Greenland and has an option over the remaining 10 per cent.

In addition, the Company has 100 per cent of the Limerick base metal project in the Republic of Ireland and has applied for the reissue of a uranium permit in northern Mauritania, 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.