

26 August 2015

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



Schlumberger Independent Assessment of Horse Hill Licence Area

The Board of Alba Mineral Resources plc (AIM: ALBA) announces that a mean Oil in Place ("OIP") of 10.993 billion barrels has been independently calculated by Schlumberger to lie within the 55 square miles of the PEDL137 and PEDL246 Horse Hill licences ("the Licence Area") in the Weald Basin, located in the South East of England. Alba has a net attributable interest of 6.5% in the Licence Area.

The tight Jurassic limestones and shales of the Kimmeridge Clay Formation in the Licence Area are calculated to contain a total OIP of 8.262 billion barrels, with the shales of the Oxford Clay and Lias Formations containing an aggregate OIP of 2.731 billion barrels, as shown in Table 1.

Table 1: Licence Area mean OIP estimates, millions of barrels ("MMBO")

Formation	Mean OIP (MMBO)
Kimmeridge Clay	8,262
Oxford Clay	1,017
Lias	1,714
TOTAL	10,993

Schlumberger acquired the Horse Hill-1 well ("HH-1") electric logs during the drilling of HH-1. This analysis builds on their previous petrophysical evaluation of HH-1, located in PEDL137 near to London Gatwick Airport, as announced on 5 June 2015. In that previous HH-1 analysis, a total mean OIP, excluding the Upper Portland sandstone oil discovery, of 255 million barrels of oil per square mile was calculated. The current report incorporates the analysis of a further nine wells located within and beyond the Licence Area.

It should be noted, as previously reported, that the HH-1 Upper Portland sandstone oil discovery is a geologically separate oil accumulation from, and additional to, the identified underlying Jurassic tight oil plays.

As previously stated by the Company, the above estimated OIP hydrocarbon volumes should not be construed as recoverable resources or reserves and also should not be construed in any way to reflect potential producibility of hydrocarbons from the formations evaluated. The Company would expect to report estimated recoverable resources following a successful well flow test, in order to comply with the standards of the Society of Petroleum Engineers' 2007 Petroleum Resources Management System.

The report's findings will now be integrated into the planned flow test of HH-1 expected later this year, subject to approval by the Environment Agency. This is another key step in the proof of concept process for Jurassic tight oil and the Kimmeridge limestone reservoirs in particular.

Additional internal and external technical studies are now well advanced in order to fully understand the possible implications of the report's key findings upon the hydrocarbon potential of the Weald Basin.

Mike Nott, Alba's CEO, commented:

"Schlumberger's report for the HH licences has calculated OIP 19% higher than Nutech's equivalent OIP estimate. These two specialist companies have therefore independently confirmed the significance of the tight oil Jurassic resource play in the Weald Basin. As with Nutech's analysis, Schlumberger used a number of wells in the Weald Basin in deriving their estimate. Alba looks forward to moving ahead with the planned Horse Hill-1 flow test."

Future Plans:

In parallel with its subsurface and HH-1 flow test studies for the Portland sandstone and underlying tight Jurassic oil zones, related engineering and environmental studies have been commissioned to investigate a conceptual Weald Jurassic field development, with the prime objective that it must respect and preserve the rural beauty and way of life of the area, with minimal environmental impact, while at the same time providing a valuable contribution to the area's economy.

Alba's interest in the Licence Area and Horse Hill:

The Licence Area, comprising licences PEDL137 and PEDL246, is located on the northern side of the Weald Basin of South East England near Gatwick Airport. The HH-1 discovery well is located in PEDL137. Alba owns a 10% direct interest in Horse Hill Developments Ltd ("HHDL"). HHDL is a special purpose company that owns a 65% participating interest and is the operator of the Licence Area. The remaining 35% participating interest in the Licence Area is held by Magellan Petroleum Corporation.

Qualified Person's Statement:

Stephen Sanderson, who has over 30 years of relevant experience in the oil industry, has approved the information contained in this announcement on behalf of Alba. Mr Sanderson is a Fellow of the Geological Society of London and is an active member of the American Association of Petroleum Geologists.

For further information please contact:

Alba Mineral Resources plc

Michael Nott, CEO +44 20 3696 4616

Cairn Financial Advisers LLP

Avi Robinson / James Caithie +44 20 7148 7900

Dowgate Capital Stockbrokers Limited

Jason Robertson / Neil Badger +44 1293 517744

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
electric logs	tools used within the wellbore to measure the rock and fluid properties of surrounding rock formations
flow test	a flow test or well 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
limestone	a sedimentary rock predominantly composed of calcite (a crystalline mineral form of calcium carbonate) of organic, chemical or detrital origin. Minor amounts of dolomite, chert and clay are common in limestones. Chalk is a form of fine-grained limestone
mean	or expected value, is the probability-weighted average of all possible values and is a measure of the central tendency either of a probability distribution or of the random variable characterised by that distribution
oil in place	the quantity of oil or petroleum that is estimated to exist originally in naturally occurring accumulations before any extraction or production
petrophysics	the study of physical and chemical rock properties and their interactions with fluids utilising electric logs, physical rock and fluid measurements
play	a set of known or postulated oil and or gas accumulations sharing similar geologic, geographic, and temporal properties, such as source rock, migration pathways, timing, trapping mechanism, and hydrocarbon type
recoverable resources	those quantities of petroleum (oil in this case) estimated, as of a given date, to be potentially recoverable from known accumulations
reserves	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions; reserves must further satisfy four criteria: they must be discovered, recoverable, commercial and remaining (as of the evaluation date) based on the development project(s) applied; reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by development and production status
reservoir	a subsurface rock formation containing an individual natural accumulation of moveable petroleum
sandstone	a clastic sedimentary rock whose grains are predominantly sand-sized. The term is commonly used to imply consolidated sand or a rock made of predominantly quartz sand
shale	a laminated and fissile very fine-grained sedimentary rock, consisting of compacted silt and clay-size mineral particles. Can contain high proportions of organic material, which if subjected to heat and pressure over geological time can generate petroleum (a petroleum source rock)
tight oil play, or resource play	a play where oil is found or expected to be present within a reservoir with low permeability, i.e. a tight reservoir. The term, in the case of HH-1, is applied to a play where trapped petroleum accumulations are expected to be pervasive throughout a large area and that are not significantly affected by hydrodynamic influences (also called "continuous-type deposits").

END