24 October 2014

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

Portland Oil Discovery, Horse Hill-1, Weald Basin UK

Alba Mineral Resources PLC (AIM: ALBA) today announces that, following preliminary evaluation of the electric logs, the Horse Hill-1 well has discovered an oil accumulation in the conventional Upper Jurassic Portland Sandstone at a top reservoir depth of 1,791 feet TVDss.

A preliminary most likely estimate of 3.1 million barrels ("mmbbls") of gross in place hydrocarbon volume has been calculated within the upper Portland, with a further gross unrisked in place prospective hydrocarbon volume of 16.8 mmbbls of oil in a separate lower sand in the Portland interval located in an untested fault block to the south. As previously announced, the well is being deepened to the Triassic where an additional target, believed to have potential for gas, is expected to be reached in the next two weeks.

The Portland Sandstone was previously reported on 16 October 2014 to have oil shows in cuttings and elevated gas readings whilst drilling and these indications have been confirmed by independent petrophysical analysis of the electric logs acquired in the well during the last week. Further analysis is continuing to establish the recoverable volume of oil that has been discovered.

Michael Nott, Alba's CEO, commented:

"We are delighted with the results so far from this well. The presence of a larger, unappraised, Portland feature creates considerable further upside. We are now looking forward to drilling the Triassic, which is a new and untested exploration target in the area and which, if successful, may contain appreciable volumes of gas."

The Horse Hill-1 well is located on the northern side of the Weald Basin near Gatwick Airport. Alba owns a 5% interest in Horse Hill Developments Limited ("HHDL"), a special purpose company. HHDL owns a 65% participating interest and is the operator of onshore licences PEDL 137 and the adjacent licence PEDL 246 in the Weald Basin. The participants in the Horse Hill-1 well are HHDL with a 65% working interest and Magellan Petroleum Corporation with a 35% interest. Alba's net interest in any discovery is 3.25%.

Additional analysis:

The upper Portland Sandstone reservoir, which produces at the nearby Brockham oil field, was also intersected by the Collendean Farm-1 exploration approximately 790 metres north of the Horse Hill-1 well. Using the solely available 2D seismic data and the well results, the operator has mapped an area of closure of approximately 3.8 square kilometres where the Portland Sandstone is above the observed oil down to a depth of 1,901 feet TVDss. The presence of two wells within the same mapped structural closure significantly increases the confidence in a commercial discovery and there is every indication that the Portland reservoir can be developed as a commercial oil field.

The gross oil bearing upper Portland Sandstone interval in Horse Hill-1 measures 102 feet, has an average porosity of over 16% and average oil saturation is estimated as 36%. Based on regional and local trends, confirmed by wells at Brockham, these reservoir parameters indicate a high likelihood of production at commercial rates. The equivalent interval in the Collendean Farm-1 well, drilled by Esso in 1964, shows similar reservoir characteristics over a 97 foot gross interval. The gross oil column contained within the Horse Hill-Collendean Farm structure is in excess of 140 feet.

The lower Portland Sandstone reservoir, which is seen to be water wet in Horse Hill-1 and Collendean Farm-1, lies above the oil down to an untested fault block to the south of the Horse Hill-1 well and is interpreted to contain a prospective most likely in place oil gross volume of 16.8 mmbbls.

The Corallian Sandstone and Great Oolite targets in the Horse Hill-1 well are not seen on electric logging to contain moveable hydrocarbons, however, further evaluation of several thick Kimmeridgian-age limestones, which had hydrocarbon shows and elevated mud gas readings whilst drilling, may provide additional oil potential within the well.

Low, medium and high estimates of Portland oil in place are summarised in Table 1.

Table 1: Estimated gross in place discovered and undiscovered oil volumes

mmbbls, in-place-oil	Low (P90)	Medium (P50)	High (P10)
Discovered	1.5	3.1	4.8
Undiscovered	7.8	16.8	29.7

The gross in place hydrocarbon volumes have been prepared by Stephen Sanderson acting as the competent person on behalf of HHDL.

Volumes have been prepared using the methodologies and standards published by the Society of Petroleum Engineers.

The gross in place hydrocarbon volumes presented should not be considered as either contingent resources or reserves.

Competent Person's Statement:

The technical information contained in this announcement has, for the purposes of the AIM Guidance Note for Mining, Oil and Gas companies, been reviewed and approved by Jonathan Tidswell-Pretorius, Executive Director at HHDL and Chairman of Angus Energy Ltd, a UK registered onshore operator who has 15 years of relevant experience in the oil and gas industry. Mr. Tidswell-Pretorius is a member of the Society of Petroleum Engineers and United Kingdom Onshore Oil and Gas (UKOOG) industry bodies.

Glossary:

2D seismic	seismic data collected using the two-dimensional common depth point method
contingent resources	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality
discovered/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
mmbbls	million barrels
oil down to	the deepest level where oil saturation is measured at the base of a porous reservoir where it directly overlies rock of very low porosity and permeability where no reliable oil water contact can be established
oil in place	the quantity of oil or petroleum that is estimated to exist originally in naturally occurring accumulations before any extraction or production
oil saturation	the percentage of available pore space within the reservoir containing oil
P10	a 10% probability that a stated volume will be equalled or exceeded
P50	a 50% probability that a stated volume will be equalled or exceeded
P90	a 90% probability that a stated volume will be equalled or exceeded
porosity	the percentage of void space in a rock formation, where the void may contain, for example, water or petroleum
reserves	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations at a given date forward under defined conditions
TVDss	true vertical depth below a subsea datum
undiscovered	those quantities of petroleum which are estimated, as of a given date, to be contained within accumulations that have not been tested by drilling

For further information:

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Notes to Editors:

Alba holds interests in Mauritania (uranium: JV with FOSSE Investments Limited) and Ireland (base metals). It also owns a 5 per cent interest in Horse Hill Developments Limited, the company which owns a 65 per cent participating interest and operatorship of the Horse Hill oil and gas project. The projects are at different stages of development. The Mauritania uranium project comprises early phase exploration targets, whereas drilling has been undertaken on the Irish base metals project. The Horse Hill-1 well is now being drilled and the operator is planning to drill to a depth of 8,512 feet, targeting a number of conventional stacked oil and gas targets.

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.

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