

11 July 2014



Alba Mineral Resources plc

("Alba" or "the Company")

Investment in drill ready onshore UK oil and gas project

Alba Mineral Resources plc (AIM:ALBA) ("Alba" or the "Company"), the UK based exploration company, is pleased to announce that it has signed a binding Heads of Agreement with Horse Hill Developments Ltd ("HHDL") for Alba to invest in a UK onshore oil and gas project.

The Horse Hill-1 well, which is scheduled to be completed by the end of August 2014, is planned to test several conventional stacked oil and gas targets in the proven productive Portland Sandstone, Corallian Sandstone and Great Oolite Limestone levels in the well-defined Horse Hill prospect in the Weald Basin situated in Surrey, England.

Acquisition Terms

Alba has a binding agreement in place to acquire a 5% interest in HHDL, a special purpose company which has the right to acquire a 65% participating interest and operatorship of PEDL 137. The total consideration payable by the Company is £300,000. An initial non-refundable deposit of £10,000 is payable upon signing, with completion subject to the execution of definitive documentation which the parties are in the process of finalising. Upon completion, Alba will make a further payment of £40,000, with the balance of £250,000 payable in line with the cash calls required for the drilling of the well.

Horse Hill Prospect

The 99.29 square kilometres (24,535 acre) Petroleum Exploration and Development Licence No. 137 ("PEDL 137"), held by a subsidiary of Magellan Petroleum Corporation, is located in the Weald Basin in Surrey. The Horse Hill prospect lies about 3 kilometres from Gatwick Airport and covers an area of up to 16 square kilometres in the south-west of PEDL 137. The Collendean Farm-1 well was drilled by Esso in 1964 on the north-eastern edge of the Horse Hill structure and found good oil shows.

The participants in the Horse Hill-1 well are HHDL as operator with a 65% farm in interest and Magellan Petroleum Corporation with a 35% interest. HHDL has the right to

earn a 65% participating interest in PEDL 137 by completing the proposed well at the property.

Alba is pleased to further announce that it has been informed by the operator that site construction has now commenced on the Horse Hill site in preparation for the drilling of the proposed 2,594 metre (8,512 feet) Horse Hill-1 well. The well is expected to spud later this month and is targeting a number of conventional stacked oil and gas targets.

Comment

Michael Nott, Alba's CEO, commented:

“We are very pleased to have secured an investment in this highly prospective conventional onshore oil and gas exploration project in the UK. The next six months should be an exciting time for the Company with the drilling of the Horse Hill-1 well. Horse Hill has significant potential, especially after the results Esso obtained in the 1960s. Alba also continues to pursue its own exploration activities at its wholly-owned lead-zinc-silver project in Ireland and its uranium joint venture project in Mauritania. In addition we continue to evaluate other project opportunities in a number of countries.”

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Notes to Editors:

Alba holds interests in Mauritania (uranium: JV with FOSSE Investments Limited) and Ireland (base metals). 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. 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.