

RNS Number : 4721R
Alba Mineral Resources PLC
09 March 2016

9 March 2016

ALBA MINERAL RESOURCES PLC
("Alba" or the "Company")

Further Update on Horse Hill-1 Flow Test
Portland Zone Flows Oil at a Sustained Rate of 168 Barrels Per Day

Alba Mineral Resources plc (AIM: ALBA) announces that Horse Hill Developments Limited ("HHDL") has informed the Company that 37-degree API, light, sweet, dry (99-100% oil) crude has flowed to surface, via rod pumping, at an average stabilised rate of 168 barrels per day over a continuous 9-hour period. The flow is from a 103-ft aggregate perforated zone within the Upper Portland sandstone interval at a depth of approximately 615 metres below ground level. Maximum flow during this test period was restricted by the initial rod pump configuration. The flow test will now continue with a pump configuration designed to permit optimal flow over a longer flow period.

The Horse Hill-1 ("HH-1") well has now produced at a combined average stable rate of over 1,528 bopd from the two Kimmeridge and Upper Portland zones.

Horse Hill-1 Discovery Well and Licence

The exploration drilling phase of the HH-1 discovery well was originally completed at the end of 2014. The well is located within onshore exploration Licence PEDL137, on the northern side of the Weald Basin near Gatwick Airport. Alba owns a 9.75% interest in PEDL137.

Alba's interest in Horse Hill

The HH-1 well is located within onshore exploration Licence PEDL137, on the northern side of the Weald Basin near Gatwick Airport. Alba owns a 15% direct interest in HHDL, a special purpose company that owns a 65% participating interest and operatorship of licence PEDL137 and the adjacent Licence PEDL246 in the UK Weald Basin

Qualified Person's Statement:

Stephen Sanderson, UKOG's Executive Chairman, who has over 35 years of relevant experience in the oil industry, has approved the information contained in this announcement. 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

choke	a device incorporating a fixed or variable orifice that is used to control fluid flow rate during testing of an exploratory discovery
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
extended flow test	a flow test, as per the permission granted by the Oil and Gas Authority, with an aggregate flow period duration over all zones of greater than 96 hours and up to 90 days maximum.
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

Additional Information

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 has the right to earn up to 70 per cent of the Amitsoq Graphite Project in Southern Greenland. In addition, the Company holds a base metal licence in the Republic of Ireland, and 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 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.