

Stock Data

Share Price: 1.07p
Market Cap.: £40.9m
Shares in issue: 3,823.1m

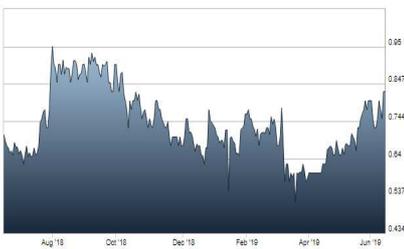
Company Profile

Sector: Oil & Gas
Ticker: RBD.L
Exchange: AIM

Activities

Reabold is a strategic investor in near term, high growth potential oil and gas companies where its capital injection can facilitate near term activity.

Share price performance



Source: LSE

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TPI acts as joint broker to Reabold Resources Plc

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Reabold Resources Plc

Preliminary data from the West Newton appraisal well suggests that the discovery is at least as big as the pre-drill estimate of 189 BCF of gas. This implies that West Newton could be the largest onshore UK gas field discovered since 1973, assuming that subsequent testing confirms the scale of the resource. Reabold holds an indirect interest of 24.7% through its 37.08% interest in the operator, Rathlin Energy (UK) Limited.

The West Newton A-2 appraisal well was spudded on 26 April 2019 and reached a total depth of 2,061 metres on 9 June 2019. A 28 metre core was extracted successfully from the primary Kirkham Abbey formation and logging operations were successfully completed.

The well encountered a 65 metre hydrocarbon saturated interval from the Kirkham Abbey formation indicating a substantial hydrocarbon accumulation, including a significant liquids component. Drilling operations have now concluded and production casing has been set in preparation for testing the formation. A subsequent extended well test, expected to commence in Q3 2019, will determine flow rates and set the basis for a forward work programme.

The pre-drill estimate for the West Newton discovery was Best Estimate Contingent Resources of 189 BCF of gas according to a Competent Persons Report compiled by Deloitte. Reabold notes that initial data obtained from the West Newton A-2 well correlates positively with the petrophysical results from the initial West Newton A-1 well and volume expectations will be updated after further core and log analysis.

The West Newton well was drilled by Rathlin Energy (UK) Limited; a wholly owned subsidiary of Calgary based Connaught Oil & Gas Limited. Rathlin is operator of West Newton with a working interest of 66.67% and through its 37.08% interest in Rathlin, Reabold holds an indirect interest of approximately 24.7% in the West Newton discovery.

The well also encountered hydrocarbon shows from a secondary deeper target, the Cadeby formation with an oil saturated core. This is very encouraging and this formation is planned to be intersected from the West Newton B location where optimal reservoir development is expected and planning permission is already in place. The Cadeby formation was ascribed gross prospective resources of 79.1 mmbbls and a 24% chance of success prior to the drilling of West Newton A-2 well.

Reabold notes that West Newton is located in an area of abundant production infrastructure near the city of Hull. Consequently, we believe that material volumes of gas could be developed quickly for delivery into local markets at comparatively low cost.

This is unequivocally good news for Reabold. The results of the West Newton A-2 appraisal well have exceeded pre-drill expectations and the demonstration of significant liquid hydrocarbon upside suggests that West Newton is a major accumulation located in an area with well-developed gas infrastructure. The upcoming well tested, scheduled for Q3 2019, will demonstrate more fully the commercial potential of West Newton and the likely value to Reabold.

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