

## Press Release

21 August 2019

### Regal Petroleum plc ("Regal" or the "Company")

#### Reserves & Resources Update

Regal Petroleum plc (AIM: RPT), the AIM-quoted oil and gas exploration and production group, is pleased to announce an update on the Reserves and Contingent and Prospective Resources at its 100% owned and operated Vasyshevskoye ("VAS") gas and condensate licence in Ukraine.

The Company engaged independent petroleum consultants, DeGolyer and MacNaughton, to prepare an updated assessment of the remaining Reserves and Contingent Resources attributable to the VAS field, and the Prospective Resources attributed to the Vvdenska ("VED") prospect, located within the VAS licence area, as of 31 December 2018 (the "Report") as set out below. The Report accords with the March 2007 (as revised in June 2018) SPE/WPC/AAPG/SPEE Petroleum Resources Management System ("PRMS") standard for classification and reporting.

The Report estimates the remaining Reserves as at 31 December 2018 in the VAS field as follows:-

	Proved (1P)	Proved + Probable (2P)	Proved + Probable + Possible (3P)
Gas	9,114 MMscf / 258 MMm <sup>3</sup>	15,098 MMscf / 427 MMm <sup>3</sup>	18,816 MMscf / 533 MMm <sup>3</sup>
Condensate	206 Mbbl / 25 Mtonne	346 Mbbl / 42 Mtonne	401 Mbbl / 48 Mtonne
<b>Total</b>	<b>1.895 MMboe</b>	<b>3.145 MMboe</b>	<b>3.890 MMboe</b>

The Report estimates the Contingent Resources as at 31 December 2018 in the VAS field as follows:-

	Contingent Resources (1C)	Contingent Resources (2C)	Contingent Resources (3C)
Gas	0	0	2,912 MMscf / 83 MMm <sup>3</sup>
Condensate	0	0	74 Mbbl / 9 Mtonne

The Report estimates the Prospective Resources as at 31 December 2018 in the VED prospect as follows:-

	Low (1U)	Best (2U)	High (3U)	Mean
Gas	23,721 MMscf / 672 MMm <sup>3</sup>	38,079 MMscf / 1,078 MMm <sup>3</sup>	62,293 MMscf / 1,764 MMm <sup>3</sup>	41,291 MMscf / 1,169 MMm <sup>3</sup>



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Note: Under the current PRMS standard, 1U, 2U and 3U denote the unrisked low, best and high estimates respectively qualifying as prospective resources.

The VAS licence is located approximately 17 km south-east of Kharkiv in north-eastern Ukraine and extends over an area of 33.2 km<sup>2</sup>. The production licence was granted in August 2012, and has a duration of 20 years. The gas and condensate resources located within the licence area are trapped in an anticlinal structure broken into several faulted blocks, which are gently dipping to the north, stretching from the north-east to south-west along a main bounding fault. These resources are located within Carboniferous sandstones of Bashkirian, Serpukhovian and Visean age at depths of 2,900 – 3,400 metres below the surface.

The Report is consistent with the proposed field development plan for the VAS field, which comprises continued production from the existing four wells and the drilling of three additional wells to recover the 2P and 3P Reserves.

The Report provides an update on the Company's Reserves and Resources since the previous estimation undertaken by Senergy (GB) Limited ("Senergy") as at 1 January 2016 (announced on 5 July 2016) and takes into account data and information gathered since then. The Report shows a material increase in the Proved (1P) and Proved + Probable (2P) categories of remaining Reserves from the 2016 Senergy estimates, which were 0.66 MMboe and 1.8 MMboe respectively. These increases reflect a higher level of confidence in the understanding of the subsurface at the field as a result of the new data obtained since 2016.

Sergii Glazunov, Chief Executive Officer said: *"We are very pleased with the increase in reserves and resources estimated in this new independent assessment, both in relation to the producing VAS field and the recognition of the prospectivity of the VED prospect. It supports our confidence in the potential of the licence. The Report demonstrates the positive outcomes of the latest drilling project, derived from the successful implementation of efficient drilling and operations technologies. We are continuing with further work to integrate the new 3D seismic data into our subsurface model, with the aim of developing a comprehensive understanding of the reservoirs, which will be utilised in our planned field development programme."*

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Dmitry Sazonenko, MSc Geology, MSc Petroleum Engineering, Member of AAPG, SPE and EAGE, Director of the Company, has reviewed and approved the technical information contained within this press release in his capacity as a qualified person, as required under the AIM Rules.



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### Definitions

AAPG	American Association of Petroleum Geologists
bbl	barrel
boe	one barrel of oil, plus (i) gas converted to oil equivalent using a conversion rate of 1,000 cubic metres of gas for 6.5704 barrels of oil equivalent; and (ii) condensate converted to oil equivalent using a conversion rate of one metric tonne of condensate for 8.033 barrels of oil equivalent
Gas	sales gas (meaning the total quantity of gas to be produced from the reservoirs, measured at the point of delivery, after reduction for field separation, usage, and other losses)
km	kilometre
m <sup>3</sup>	cubic metre
Mbbl	thousand barrels
MMboe	million barrels of oil equivalent
MMm <sup>3</sup>	million cubic metres
MMscf	million standard cubic feet
Mtonnes	thousand tonnes
scf	standard cubic feet measured at 20 degrees Celsius and one atmosphere
SPE	Society of Petroleum Engineers
SPEE	Society of Petroleum Evaluation Engineers
WPC	World Petroleum Council

The SPE/WPC/AAPG/SPEE Petroleum Resources Management System document, which includes definitions of Reserves and Contingent Resources categorisations, can be viewed at:-

[www.spe.org/industry/reserves.php](http://www.spe.org/industry/reserves.php)