

Press Release

31 July 2018

REGAL PETROLEUM PLC ("Regal" or the "Company")

Reserves & Resources Update

Regal Petroleum plc, the AIM-quoted (RPT) oil and gas exploration and production group, is pleased to announce an update on its hydrocarbon Reserves and Contingent Resources at its 100% owned and operated Mekhediviska-Golotvshinska ("MEX-GOL") and Svyrydivske ("SV") gas and condensate fields in Ukraine.

The Company engaged independent petroleum consultants, DeGolyer and MacNaughton ("D & M"), to prepare an updated assessment of the remaining Reserves and Contingent Resources attributable to the Company's MEX-GOL and SV fields as of 31 December 2017 (the "Report"). The Report is consistent with Regal's current field development plans, which include the drilling of a further 24 wells, and accords with the March 2007 SPE/WPC/AAPG/SPEE Petroleum Resources Management System standard for classification and reporting.

The Report estimates the remaining Reserves as of 31 December 2017 in the MEX-GOL and SV fields as follows:-

	Proved (1P)	Proved + Probable (2P)	Proved + Probable + Possible (3P)
Gas	121.9 Bscf / 3.5 Bm ³	218.3 Bscf / 6.2 Bm ³	256.5 Bscf / 7.3 Bm ³
Condensate	4.3 MMbbl / 514 Mtonne	7.9 MMbbl / 943 Mtonne	9.2 MMbbl / 110 Mtonne
LPG	2.8 MMbbl / 233 Mtonne	5.0 MMbbl / 418 Mtonne	5.8 MMbbl / 491 Mtonne
Total	27.8 MMboe	50.0 MMboe	58.6 MMboe

The Report estimates the Contingent Resources as of 31 December 2017 in the MEX-GOL and SV fields as follows:-

	Contingent Resources (1C)	Contingent Resources (2C)	Contingent Resources (3C)
Gas	14.7 Bscf / 0.42 Bm ³	38.3 Bscf / 1.08 Bm ³	105.9 Bscf / 3.00 Bm ³
Condensate	1.17 MMbbl / 144 Mtonne	2.8 MMbbl / 343 Mtonne	6.6 MMbbl / 812 Mtonne
Total	3.8 MMboe	9.6 MMboe	25.3 MMboe



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The MEX-GOL and SV fields contain two main prospective reservoir intervals: the principal reservoirs in the Carboniferous Visean ("B-sands") and the deeper Carboniferous Tournasian ("T-sands"). In the Report, the vast majority of Reserves and Resources are contained in the Visean reservoirs, but D & M has estimated small volumes of Probable and Possible Reserves and Contingent Resources in the deeper Tournasian interval.

The Report provides an update on the Company's Reserves and Resources since the previous Reserves estimation undertaken by ERC Equipose Limited ("ERCE") as at 31 December 2013 and takes into account data and information gathered since then. This data and information includes the results of the comprehensive re-evaluation study of the geology, geophysics, petroleum engineering and well performance of the fields undertaken by P.D.F. Limited over the last two years and the data obtained from further seismic reprocessing and the drilling of additional wells in the fields.

The Report shows a material increase in the Proved (1P) and Proved + Probable (2P) categories of remaining Reserves from the ERCE 2013 estimates, which were 1.9 MMboe and 11.7 MMboe respectively. These increases reflect a higher level of confidence in the understanding of the subsurface at the fields as a result of the re-evaluation study and new data obtained since 2013, which has led to a revision of the development plan for the fields, including an increase in the number of new wells (from 10 to 24) and an acceleration of the phasing of these new wells.

Sergii Glazunov, Chief Executive Officer said: *"Based on this independent assessment, a significant volume of remaining Reserves has been estimated in the MEX-GOL and SV fields. Among other data, the Report takes into consideration the positive outcomes of the latest drilling and workover projects, derived from the successful implementation of efficient drilling and operations technologies. This, in turn, makes us optimistic about the future prospects for the fields. In light of this, we are continuing with further work aimed at providing a comprehensive understanding of our reservoirs, so as to continue to improve the level of confidence in our field development programme."*

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

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Philip Frank, PhD Geology, Chartered Geologist, FGS, PESGB, 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
bbbl	barrel
Bm ³	thousands of millions of cubic metres
boe	one barrel of oil, plus (i) gas converted to oil equivalent using a conversion rate of 5,661 standard cubic feet of gas for each barrel of oil equivalent; (ii) condensate converted to oil equivalent using a conversion rate of one barrel of condensate for each barrel of oil equivalent; and (iii) LPG converted to oil equivalent using a conversion rate of 1.43 barrels of LPG for each barrel of oil equivalent
Bscf	thousands of millions of standard cubic feet
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)
LPG	liquefied petroleum gas
m ³	cubic metres
Mtonnes	thousand tonnes
MMbbl	million barrels
MMboe	million barrels of oil equivalent
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/spe-app/spe/industry/reserves/prms.htm