

2 May 2024

**Reabold Resources plc**

("Reabold" or the "Company")

**Heads of Agreement Signed between Gunvor and LNEnergy**

Reabold Resources plc, the investing company focussed on developing strategic gas projects for European energy security, is pleased to announce the execution of a non-binding Heads of Agreement ("HoA") between Gunvor International B.V. ("Gunvor") and LNEnergy Limited ("LNEnergy") for the purchase of liquefied natural gas ("LNG") by Gunvor from LNEnergy from the Colle Santo gas field, located onshore Italy. LNEnergy has the exclusive right to acquire a 90% interest in Colle Santo and Reabold owns a 26.1% equity interest in LNEnergy.

The HoA provides the terms on which Gunvor will purchase LNG from LNEnergy at its planned small-scale LNG production facility at the Colle Santo gas field. Gunvor will purchase approximately 44,000 tonnes of LNG per annum. The point of sale will be the truck loading flange at the small-scale LNG plant, and the LNG will then be delivered by truck in Italy. The price for the LNG will be aligned with the Italian PSV price. The contract term will be for an indefinite period with a minimum term of five years.

The HoA also provides for a potential prepayment by Gunvor for a portion of the first five years of deliveries, with such amounts subject to prepayment being a total of approximately 66,000 tonnes of LNG, or 999,000 MWh. The average forward Italian PSV gas price for the years 2025-2030 is currently approximately €30 / MWh. The prepayment is conditional on agreeing definitive transaction documentation and LNEnergy obtaining the required permits to construct and operate the LNG production facility.

On the basis of the HoA, LNEnergy and Gunvor intend to negotiate a fully-termed LNG sale and purchase agreement over the next six months. During such time, LNEnergy will exclusively discuss the sale and purchase of LNG from Colle Santo with Gunvor.

Further announcements will be made in due course.

**About Gunvor Group**

Gunvor is one of the world's largest independent commodities trading houses by turnover, creating logistics solutions that safely and efficiently move physical energy from where it is sourced and stored to where it is demanded most. Gunvor has strategic investments in industrial infrastructure - refineries, pipelines, storage and terminals - that complement our core trading activity and generate sustainable value across the global supply chain for our customers. The company, which in 2023 generated US\$127 billion in revenue on 177 million MT of volumes, is the leading independent global trader of liquefied natural gas (LNG).

**Stephen Williams, Co-CEO of Reabold commented:**

*"We are delighted with this progress towards an extremely significant milestone for our LNG project at Colle Santo in Italy. The agreement envisages a counterparty of the highest quality potentially providing both offtake and a prepay, which is extremely valuable for the project in these times of capital scarcity in the industry."*

*"In keeping with Reabold's broader strategy, Colle Santo has the potential to provide significant, reliable and low carbon energy into the Italian market, improving European energy security whilst contributing to an efficient energy transition."*

ENDS

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#### **Notes to Editors**

##### **Reabold**

Reabold Resources plc has a diversified portfolio of exploration, appraisal and development oil & gas projects. Reabold's strategy is to invest in low-risk, near-term projects which it considers to have significant valuation uplift potential, with a clear monetisation plan, where receipt of such proceeds will be returned to shareholders and re-invested into further growth projects. This strategy is illustrated by the recent sale of the undeveloped Victory gas field to Shell, the proceeds of which are being returned to shareholders and re-invested.

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