

23 October 2020

To the Zero Carbon Humber Partners,

Reabold Resources PLC (“Reabold”) is an oil and gas investing company listed on AIM, which has made a significant investment in the Humber region. Reabold holds ca. 56% direct and indirect interest in the onshore oil and gas licence PEDL 183 near Hull. Reabold has provided the majority of the funding for the recent and ongoing activity under the licence. In June 2019, we discovered West Newton, potentially one of the largest UK onshore hydrocarbon accumulations on PEDL 183.

We believe that this resource could have an important role to play in satisfying the key requirements of energy policy in the UK, namely: security of supply; affordability; job creation; and in the medium term, net low carbon emissions.

On this last point, our view is that in order to decarbonise energy intensive industrial clusters, a combination of hydrogen generation with carbon capture and storage provides the most cost effective and efficient solution. The Humber region is the largest industrial cluster in the UK employing over 55,000 people and contributing £18 billion each year to UK Gross Value Added, its range of industries and offshore infrastructure makes it the ideal area for investment in decarbonisation with the potential to remove 12.4 Mt of CO₂ annually.¹

The Zero Carbon Humber Partnership brings together international energy companies, heavy industry, leading infrastructure and logistics operators, global engineering firms and academic institutions in a plan to create the world’s first net zero industrial cluster by 2040. This £75 Million bid would install carbon capture infrastructure along both the South and North bank connecting power generation sites, refineries, chemical plants and gas terminals before exporting offshore for storage. The project would also include the installation of hydrogen generation with the option to scale as demand increases to provide clean fuels for industry and production of green ammonia for export.

The West Newton field holds a potentially large natural gas resource. This resource could provide an important feedstock into many of the processes in the industrial cluster and also for the hydrogen generation as envisaged by the Zero Carbon Humber Partnership.

The Zero Carbon Humber bid would accelerate decarbonisation in the UK’s most carbon intensive industrial region, helping to support clean growth, future-proof vital industries and create more than 20,000² new jobs from fuel switching. As an estuary region, the investment to address climate change is critical to the River Humber, to protect housing, to build back better, and to deliver the UK’s commitment to achieving net zero by 2050.

Reabold is of the opinion that government support for such a project would facilitate and accelerate investment in the West Newton field and the region more broadly, thereby supporting national energy

¹ Source: <https://www.zerocarbonhumber.co.uk>

² Source <https://www.zerocarbonhumber.co.uk>

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policy, creating jobs and providing an important template for the role that hydrocarbons can play in the move to a low carbon future.

Yours sincerely,

A handwritten signature in black ink that reads 'Sachin'.

Sachin Oza, Co-CEO Reabold Resources PLC