



# THE COLLE SANTO INVESTMENT

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SUMMARY

# THE COLLE SANTO INVESTMENT



**1966**

The field was discovered by Agip while drilling the Bomb1 Well.

**1997-2006**

No public information available on progress.

**2007**

Two wells drilled: (Monte Pallano 1 & Monte Pallano 2). Operator Forest Oil.

**2008**

No public information available on progress.

**2009**

**20 February 2009**

Production Concession submission:

**2010-2015**

No public information available on progress.

**2016**

**28 June 2016**

Environmental Impact Assessment submitted.

**2017**

No public information available on progress.

**2018**

**26 October 2018**

Environmental Impact Assessment rejected.

**2019-2021**

No public information available on progress.



**Still unapproved as of 12 November 2023.**



## 2022

**15 June 2022**

Submission of a scoping document including the request for a 24-month production test by CMI Energia and signed by **Steven Mark Frascogna** to the “Technical Commission for Environmental Impact Verification - Via and Vas Subcommittee Via of the Ministry of the Environment and Energy Security “(**Commissione Tecnica di Verifica dell’Impatto Ambientale – Via e Vas Sottocommissione Via del Ministero dell’Ambiente e della Sicurezza Energetica**).

**14 November 2022**

24 month production test rejected by the “Technical Commission for Environmental Impact Verification - Via and Vas Subcommittee Via of the Ministry of the Environment and Energy Security “ (**Commissione Tecnica di Verifica dell’Impatto Ambientale – Via e Vas Sottocommissione Via del Ministero dell’Ambiente e della Sicurezza Energetica**).

### Official extract of the opinion of the VIA \_VAS commission. Opinion no. 601 of 14 November 2022

Dovrà essere indagato il rischio derivante dalla presenza e dalle condizioni strutturali e manutentive della Diga di Bomba, valutando anche scenari di rischio correlati ad eventi straordinari ed eccezionali antropici e naturali, cumulati con gli effetti della realizzazione del progetto.

Sempre in relazione alle esigenze di approfondimento istruttorio, si ritiene non possibile effettuare delle prove di produzione per un periodo di 24 mesi, con contestuale commercializzazione del gas a fini compensativi per sostenere gli investimenti necessari a svolgere gli approfondimenti mancanti, data la criticità del territorio, come più volte ricordato dallo stesso Proponente e la previsione normativa della necessità che le valutazioni siano concluse prime dell'autorizzazione delle opere e dell'esercizio dell'attività.

### CERTIFIED LEGAL ENGLISH TRANSLATION

We must investigate the risk deriving from the presence and from the structural and maintenance conditions of the Diga di Bomba dam, also assessing risk scenarios associated with extraordinary and exceptional man-made and natural events, cumulated with the effects of implementing the project.

Again, with regard to the need for in-depth preliminary investigations, it is not considered possible to carry out production tests for a 24-month period, while at the same time selling gas for compensation purposes in order to support the investments required to carry out the in-depth investigations needed, given the critical nature of the area, as repeatedly mentioned by the Proposing Party itself, and given the fact that by law, the assessments need to be completed before the works are authorised and before the activities are carried out.

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## 2023

### 5 May 2023

Reabold pay £250,000 cash for 3.1% of LNEnergy Limited.

### 12 June 2023

Reabold pay £500,000 cash and £1,500,000 by issuing 810,810,811 shares for a further 13.2% of LNEnergy Limited.

### 23 June 2023

TRI notification issued showing Robert Price (director of LNEnergy Limited owned **478,354,460 (4.84%)** shares in Reabold Resources.

### 12 September 2023

Reabold pay £250,000 cash for a further 1.6% shareholding of LNEnergy Limited: "to facilitate accelerated work programme".

### 17 November 2023

Reabold pay £150,000 cash for a further 0.8% shareholding in LNEnergy Limited.

### 11 December 2023

Reabold complete their full investment in LNEnergy by paying £750,000 cash and £900,000 by issuing 486,486,487 shares to take their total holding to 26.1% of LNEnergy Limited.

The following directors of LNEnergy Limited also appeared on the Reabold shareholders registry, with shares allocated to them in direct proportion to their shareholding in LNEnergy Limited:

Steven Mark Frascogna

159,451,486

1.61%

Girolamo Mazziotta

39,862,871

0.40%

Robert Price

478,354,460

4.84%



# THE COLLE SANTO INVESTMENT



**Permission to conduct safety checks on existing wells does not necessarily imply support for the development of the Colle Santo gas field.**

**This does not correlate with the official response from** the “Technical Commission for Environmental Impact Verification - Via and Vas Subcommission Via of the Ministry of the Environment and Energy Security “ **in November 2022 when they stated that:**

“by law, the (environmental) assessments need to be completed before the (24 month production test) works are authorised and before the (production) activities are carried out”.

**Previously, the Environmental Impact took two years to be assessed before being rejected.**

## Reabold Resources Announcements 2023

**7 August 2023**

**Reabold Resource announced:**

“LNEnergy has recently received a letter from the head of the Italian National Bureau of Hydrocarbons and Georesources (“UNMIG”), the minerals division of Italian Ministry of Environment and Energy Security (“MASE”), which gives permission to carry out well integrity and well service testing on the two existing wells and to start work on the installation and commissioning of the monitoring network at the Colle Santo gas field. The letter is a positive indication of support for the development of the Colle Santo gas field and the next stage is to receive a formal decree from MASE to conduct the work.

LNEnergy is seeking a two-year, long-term production test permit which would significantly de-risk the full concession permit approval to allow for 20+ years of production. The Company expects a decision to be made on the two-year permit later in 2023”.

**5 September 2023**

**Reabold Resource announced:**

“Following a review with the heads of Environment, Energy, and Mining of the Abruzzo Region, the Abruzzo regional government confirmed its agreement with, and intention to approve, by decree, the Early Production Programme for the Colle Santo gas field, allowing early revenue generation from the Colle Santo project.”

## QUESTIONS RAISED FOR THE REABOLD RESOURCES BOARD OF DIRECTORS

### LNEnergy Limited Funding

Reabold have invested £4.3 million of shareholders funds (£1.9 million cash and £2.4 million in Reabold shares) into LNEnergy Limited in 2023. However, many of the Reabold shares are no longer held by LNEnergy Limited but have instead been allocated to the individual brokerage accounts of the company directors in direct proportion to their shareholding of LNEnergy Limited.

1. **How much did the directors of LNEnergy Limited pay LNEnergy Limited for the Reabold shares issued to LNEnergy Limited so that monies could be used to further develop the Colle Santo asset? If it was less than £2.4 million, on what basis was this justified?**
2. **How much (if any) of the £1.9million cash paid by Reabold to LNEnergy Limited has been paid to the LNEnergy Limited directors rather than being used to further develop the Colle Santo asset?**
3. **How much cash remains in the LNEnergy Limited account to enable the continued funding of the Colle Santo project?**



## QUESTIONS RAISED FOR THE REABOLD RESOURCES BOARD OF DIRECTORS

### Safety Checks approval - announced 7th August 2023

On 7th August 2023 Reabold Resources announced that LNEnergy had received a letter from the head of the Italian National Bureau of Hydrocarbons and Georesources ("UNMIG") that was a *"positive indication of support for the development of the Colle Santo gas field"*.

4. **Given that a request to approve the safety of existing oil and gas structures is not likely to be turned down by any regulatory authority anywhere in the world Is there anything in the letter that gives a "positive indication of support for the development of the Colle Santo gas field" other than the simple approval of the request to check the safety of the existing structures?**



## QUESTIONS RAISED FOR THE REABOLD RESOURCES BOARD OF DIRECTORS

### Two Year Production test permit - announced 7 August 2023

On 7th August 2023 Reabold Resources announced that: *“LNEnergy is seeking a two-year, long-term production test permit which would significantly de-risk the full concession permit approval to allow for 20+ years of production. The Company expects a decision to be made on the two-year permit later in 2023”.*

Despite extensive research we have been unable to find any public documentation in Italy to show that LNEnergy Limited or any of their Italian subsidiaries have applied for any Environmental Impact approval tests since the one that was refused the by the authorities in 2022.

5. **Please could the directors of Reabold Resources provide written confirmation that an environmental application has been submitted, together with the date at which this was submitted and the formal application number they have received for the application?**
6. **If a new Environmental Application has not been submitted to the Italian authorities please could the directors of Reabold Resources explain how they expect to get approval for a new 24 month production test, by the end of 2023 when the previous refusal explicitly stated that “by law, the (Environmental) assessments need to be completed before the (24 month production test) works are authorised and before the (production) activities are carried out”?**







## QUESTIONS RAISED FOR THE REABOLD RESOURCES BOARD OF DIRECTORS

### Early Production Programme Approval – announced 5 September 2023

On 5th September 2023 Reabold Resources announced that: *“Following a review with the heads of Environment, Energy, and Mining of the Abruzzo Region, the Abruzzo regional government confirmed its agreement with, and intention to approve, by decree, the Early Production Programme for the Colle Santo gas field, allowing early revenue generation from the Colle Santo project.*

*The Early Production Programme includes the following:*

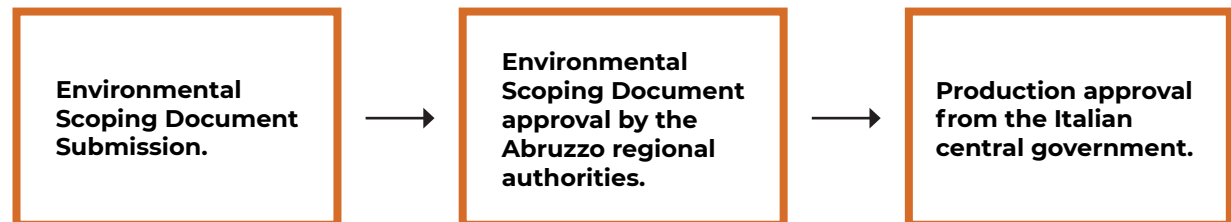
- Production of gas for a period of 24 months;*
- Conversion of gas to power for sale to the electricity grid; and*
- Renewal of the Abruzzo Region’s earlier 24-month test approval permit.”*

- 7. Please could the directors of Reabold Resources provide written documentation of the review confirming that the heads of Environment, Energy, and Mining of the Abruzzo Region have stated that they would approve the Colle Santo Early Production Programme; when previously the Ministry of Environment and Energy Security have stated that this would not be legally possible without the prior approval of an Environmental Impact Assessment?**
- 8.. Please could the directors of Reabold Resources explain why they stated that they expected the “Renewal of the Abruzzo Region’s earlier 24-month test approval permit.” When the earlier 24-month test approval permit was actually rejected on 14 November 2022? Were the board unaware of this previous rejection at the time of releasing the RNS and are they aware of it now?**

## QUESTIONS RAISED FOR THE REABOLD RESOURCES BOARD OF DIRECTORS

### Ministerial-level Governmental Approval

9. Are the directors of Reabold Resources aware that final production approval for Colle Santo cannot be granted by the “Technical Commission for Environmental Impact Verification - Via and Vas Subcommittee Via of the Ministry of the Environment and Energy Security”?
10. The Abruzzo officials have the opportunity to reject the proposal, but in the event that they do give the gohead, the final approval lies with ministers in Italian central government. Can the directors of Reabold Resources advise how long that they estimate this part of the process would take?



## **APPENDIX**

## OFFICIAL EXTRACT OF THE OPINION OF THE VIA\_VAS COMMISSION (ITALIAN)

- Dovrà essere indagato il rischio derivante dalla presenza e dalle condizioni strutturali e manutentive della Diga di Bomba, valutando anche scenari di rischio correlati ad eventi straordinari ed eccezionali antropici e naturali, cumulati con gli effetti della realizzazione del progetto.
- Sempre in relazione alle esigenze di approfondimento istruttorio, si ritiene non possibile effettuare delle prove di produzione per un periodo di 24 mesi, con contestuale commercializzazione del gas a fini compensativi per sostenere gli investimenti necessari a svolgere gli approfondimenti mancanti, data la criticità del territorio, come più volte ricordato dallo stesso Proponente e la previsione normativa della necessità che le valutazioni siano concluse prime dell'autorizzazione delle opere e dell'esercizio dell'attività.

## OFFICIAL EXTRACT OF THE OPINION OF THE VIA\_VAS COMMISSION (ENGLISH TRANSLATION)

### Ministry of Environment and Energy Security

Technical Committee for Environmental Impact Assessments - EIA and SEA (Strategic Environmental Assessment) EIA Sub-Committee

Extract from Opinion 601 of 14 November 2022

We must investigate the risk deriving from the presence and from the structural and maintenance conditions of the Diga di Bomba dam, also assessing risk scenarios associated with extraordinary and exceptional man-made and natural events, cumulated with the effects of implementing the project.

Again, with regard to the need for in-depth preliminary investigations, it is not considered possible to carry out production tests for a 24-month period, while at the same time selling gas for compensation purposes in order to support the investments required to carry out the in-depth investigations needed, given the critical nature of the area, as repeatedly mentioned by the Proposing Party itself, and given the fact that by law, the assessments need to be completed before the works are authorised and before the activities are carried out.



Translation House  
2 Bridewell Place  
London EC4V 6AP

t : + 44 (0) 20 7842 0171  
f : + 44 (0) 20 7842 0172

e : enquiry@templetranslations.com  
w : www.templetranslations.com

New York office  
19 West 44th Street  
Suite 1417  
New York NY 10036

t : + 1 212 867 4545  
f : + 1 212 867 4999

### CERTIFICATE

I, Zara Clarke, BA (Hons), representing Temple Translations Limited as co-ordinators competent to translate from Italian into English, hereby certify that the attached English translation of the Ministry of Environment and Energy Security Document is to the best of my knowledge a true and accurate English translation of the original Italian document.

Date: 10/11/2023

Signed: 



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Company number 3704493  
VAT reg GB 171 4673 05

