

The Board of Directors

REABOLD RESOURCES PLC

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7th of December 2023

Dear Sirs,

I write this letter on behalf of the requisitioners and indeed all shareholders of Reabold Resources to request that you refrain from exercising the “Second Option” in LNEnergy Limited and the Colle Santo project and do not invest any further company money. We believe it to be over-valued and suspect it to be unlikely to succeed in its aim of producing.

The history of Colle Santo, or Monte Pallano, as it was originally known, is long and complicated but it’s origins go back to 1997 and it’s founding by Mark Frascogna, one of the LNEnergy directors, of CMI in Italy; a joint venture with Forest Oil of the US.

In 2007 two wells were successfully drilled at Bomba which is a small village in the Abruzzo region of Italy. It is our understanding that getting permission to produce from the Bomba site has been the “impossible dream” that Frascogna and his colleague John McIntyre, a former vice-President of Forest Oil, have pursued for over 16 years now. This failed pursuit has cost millions and has contributed to the financial collapse of at least two of the oil companies that have previously been involved in the project: Forest Oil and Avanti Energy.

For the last four years, the project license has been in the control of a group calling themselves the AVX consortium, who appear to be made up of CMI Energia in Italy. This is controlled by Mark Frascogna and Avanti Exploration LLC, an American company, controlled by John McIntyre. Avanti Exploration acquired 44.44% of Colle

Santo from the struggling Avanti Energy in March 2019 for a deferred payment of \$500,000 giving them, alongside the other AVX consortium members, control over 100% of the Colle Santo project and valuing the asset at just over \$1 million.

In June 2022 a Scoping document including the request for a 24 month production test was filed with the Italian authorities by CMI Energia, signed by Steven Mark Frascogna. The production test was rejected on November 14th 2022, with the explanation that, by law, a full Environmental Impact Assessment, taking years, needed to be carried out before any production would be approved.

Despite this failure to progress the project, LNEnergy, a company founded in London by Mark Frascogna in September 2021 acquired not the Colle Santo project itself, but an option to acquire Colle Santo, for an unspecified amount of money at an unspecified point in the future. It is this entity in which Reabold Resources have invested £2,650,000 of shareholder's assets for 18.4% of this private company's share capital, valuing LNEnergy at £14.4 million.

The valuation of LNEnergy at £14.4 million, significantly greater than Reabold's own current market cap, for ownership of a 90% option on Colle Santo is ludicrous. Four years ago, when the Avanti deal was done, 100% ownership of Colle Santo was valued at around £1 million and the only progress that has been made since then is for the 2022 production test request to be rejected.

It should also be noted to great concern to all shareholders that the £1,500,000 in Reabold shares that were issued to LNEnergy have not remained with the company but have instead been transferred to the individual dealing accounts of the directors of LNEnergy, including that of Steven Mark Frascogna who was issued 159,451,487 shares. We are concerned and question why the shares have been transferred to individuals and is this normal behaviour of a company that is pushing forward on production with all its might ?!

We have made extensive enquiries into the status of Colle Santo through our agents in Italy and all have come back with the same response:

- 1) The license may still require many years' worth of work at many levels of the Italian legal and political system to get to a stage where a decision on production is legally allowed to be made.
- 2) Once it reaches this stage, it may be highly unlikely to ever be approved. We have also been advised that it seems highly unlikely that a decision on approval of a two year production permit will be made by the end of 2023 as per Reabold's RNS of 7th August 2023. In fact, to the best of our knowledge, no such request has even been received by any Italian authorities as of today's date.

In light of this information, we formally request that you, as joint CEOs of Reabold Resource and the board, with all the duties to safeguarding shareholders' interests that this position entails undertake to invest no more shareholders' funds in the Colle Santo project until a proper audit of the project acquisition process has been carried out.

We are aware that mistakes can be made in oil and gas investments but it is one thing to make an investment on behalf of shareholders while not being fully aware of all the pitfalls in the future and it is quite another to continue investing further funds after you have been made fully aware of shareholder concerns about the viability of said investment.

Part of the information contained in this letter can be read publicly on the abruzzolive.TV website at the following path:

<https://www.abruzzolive.tv/emergenzambiente/estrazione-metano-da-sotto-al-lago-di-bomba-stiamo-in-allerta-incontro-con-i-cittadini-it34379.html>

Yours sincerely,

Yours sincerely,

Reabold Requisitioners

Kamran Sattar



Andrea Cattaneo



For completeness, a translation of the above link follows.

Methane extraction from under Lake Bomba. 'Stay alert': meeting with citizens

13.10.2023

The Mayor informs the population of the new possible request to drill



"Stay alert", this is the warning that came out of the meeting that took place in recent days in Bomba (Ch), at the Ethnographic Museum, on the methane issue.

The initiative was organized by the municipal administration with the aim of informing the population about the news regarding yet another project, which is looming on the horizon, for the extraction of gas in the area. This time it is the London-based company LNEnergy that is alarming citizens. But it is linked to the CMI, which holds the concession and to the manager Mark Frascogna who for over a decade now has been trying in every way to get his hands on... Bomb.

The mayor, Raffaele Nasuti, opening the proceedings, limited himself mostly to making "communication", with a summary of the various phases of the affair, which began 15 years ago and which saw various multinationals take turns, promptly rejected, even by the judges, in their intentions, due to the fragility of the places, at seismic risk and subsidence. Finally, the mayor referred to the clear intention of wanting to pursue, as an administration, a very different project, that of renewable hydroelectric energy, exploiting the great resource of the Sangro river and the lake. A very different vocation compared to the intent to extract fossil energy.

Then the word, on the purely technical aspect, passed to Massimo Colonna, president of the "Participatory Territorial Management Committee". At present, Colonna remarked, there is no "new project" filed with the Ministry of the Environment and Energy Security, but only a simple Request for Preventive Evaluation (IVP) presented by the CMI to probe the intentions of the current Ministry, and therefore (let's face it clearly) to feel the wind that is blowing.... And the wind immediately made itself felt with a series of requests for very detailed and specific insights, for specialist analyses, for scientific assurances on safety in a territory at high hydrogeological risk. In short, the Ministry wanted to say not to come back with a project of those already rejected in the past or with a substitute for them, perhaps innovated only with some core sampling carried out on site.

The issue of jobs promised by the multinational was also discussed, as many as 100, but only for the construction phase of the plant, therefore for a very short time.

But Bomba has already had a similar experience with the construction, many years ago, of the large dam which, once completed, the work is finished and the conditions of the small town have, if possible, worsened. Beyond this, there are no different benefits for citizens.

Therefore, at the moment it does not seem that the "current climate" locally, in the Region and at ministerial level is favourable to an extractive activity in the municipality of Bomba. Everything still appears to be an "approach march" but citizens are called to be vigilant and not to let their guard down. 13 Oct. 2023

