

Cluff Natural Resources Plc ('CLNR' or 'the Company')
Formally Awarded Five Licences Over Eleven Blocks in the UK's 28th Offshore
Licensing Round

Cluff Natural Resources Plc, the AIM quoted natural resources investing company, announces that further to the provisional award of promote licences in the UK's 28th Offshore Licensing Round on 7 November 2014, it has now been formally awarded the five promote licences covering a total of eleven blocks by the Department of Energy and Climate Change ('DECC').

The specific licences and blocks awarded, all wholly owned by CLNR, are as follows:

| Licence | Blocks | Total Area (km²) |
|----------------|-------------------|------------------------------------|
| P2252 | 41/5, 41/10, 42/1 | 715.0 |
| P2253 | 42/14b | 223.9 |
| P2259 | 43/3, 43/4b, 43/5 | 523.1 |
| P2261 | 43/7, 43/8, 43/9 | 716.5 |
| P2261 | 43/11 | 239.8 |

Please click [here](#) to view a map showing the individual blocks awarded to CLNR.

The selected blocks are located in an under-explored, emerging gas province of the Southern North Sea, with diverse, high-potential play fairways and trap types in the Carboniferous. Significant interest in the area has recently been rejuvenated by breakthroughs in broadband 3-D seismic surveying technology, which acquires high resolution images below the Permian overburden.

Notable developments in the wider area include the completion of a multi-client 3-D survey (covering CLNR block 42/1 and part of CLNR blocks 41/5 and 41/10), the Pegasus West Gas Discovery (operated by Centrica, which flowed approximately 90MMscf/day on test from Namurian reservoirs), first gas production from the Breagh Field (operated by RWE Dea, estimated to contain nearly 600bcf of recoverable gas reserves) in October 2013 and on-going development of the Cygnus Gas Field (operated by GDF Suez) where first gas production is due in 2015.

All of CLNR's newly awarded blocks are located in relatively shallow water where new conventional gas discoveries can be developed quickly and regional infrastructure is evolving rapidly.

The five licences are awarded on a ‘Promote’ basis and accordingly have nominal work programmes of obtaining and reprocessing 2-D seismic data, as well as a 90% reduction in annual rentals during the initial two year period. Firm drilling commitments are not required until the end of the second year of the Licences in December 2016, by which time a full geological evaluation and resource assessment will have been completed.

Algy Cluff, Chairman and Chief Executive of CLNR, commented: “I am delighted to report that DECC has formally awarded our company these new gas licences in this emerging area of the Southern North Sea. CLNR already has a portfolio of eight offshore Underground Coal Gasification Licences totalling 613 km² in the UK and securing eleven North Sea gas blocks over 2,418 km² is a major achievement for the Company.

“This award further establishes our position as a natural resources investment company and underlines our commitment to the UK and to the North Sea where we see significant upside potential for shareholders. CLNR has a strong interest in delivering conventional gas to the UK as well as a determination to safely and cleanly convert offshore coal to gas using UCG technology.”

****ENDS****

For further information please visit www.cluffnaturalresources.com or contact the following:

Cluff Natural Resources Plc Tel: +44 (0)20 7887 2630

Algy Cluff / Graham Swindells/Andrew Nunn

Panmure Gordon (UK) Limited Tel: +44 (0) 20 7886 2500

Dominic Morley / Adam James (Corporate Finance)

Tom Salvesen (Corporate Broking)

Allenby Capital Limited Tel: +44 (0) 20 3328 5656

Chris Crawford / Katrina Perez (Corporate Broking)

St Brides Media & Finance Ltd Tel: +44 (0) 20 7236 1177

Felicity Winkles / Lottie Brocklehurst (Financial PR)

Charlotte Street Partners Ltd Tel: +44 (0) 131 516 5310

Chris Deerin (Partner)

Notes to Editors

Cluff Natural Resources currently has 100% working interest in eight Deep Underground Coal Gasification ('UCG') Licences in the UK covering a total of 613 km² .

In addition, it has been granted five promote licences covering a total of eleven blocks in an emerging gas province of the Southern North Sea by the Department of Energy and Climate Change ('DECC') for conventional gas exploration.

It is the Company's long-term strategy to deliver conventional gas to the UK as well as a determination to safely and cleanly convert offshore coal to gas using UCG technology.