

Cluff Natural Resources Plc ('CLNR' or 'the Company')
Signs Memorandum of Understanding with Leading Oilfield Services Company

Cluff Natural Resources Plc, the AIM quoted natural resources investing company, is pleased to announce that it has entered into a memorandum of understanding ('MOU') with Halliburton Manufacturing and Services Limited ('Halliburton'), one of the world's largest providers of products and services to the energy industry, with a view to collaborating on the development of CLNR's Underground Coal Gasification ('UCG') and Southern North Sea gas assets in the UK. This development marks a significant step for CLNR as it continues towards the commercialisation of its portfolio of Deep UCG licences in the UK to unlock the vast energy potential of the country's un-mined offshore coal resources and in the development of its Southern North Sea gas licences.

The MOU reflects CLNR's and Halliburton's desire to establish areas of possible joint collaboration in the development of the CLNR's UCG and Southern North Sea gas assets ('the Joint Collaboration'). Such areas of Joint Collaboration will include the acceleration of the development of knowledge and capabilities of CLNR in the development of its UCG and Southern North Sea gas assets, technical consultation and the provision of technical and consultancy services and projects by Halliburton. Specifically, this will include:

- a) Developing and leveraging new and emerging methodologies, technologies and new business models in relation to the development of CLNR's UCG and Southern North Sea gas assets;*
- b) Collaboration in the development of CLNR's UCG and Southern North Sea gas assets;*
- c) Further improvement and enhancement of any current technologies; and*
- d) Enhancing business relationship between the Parties.*

The MOU serves to outline and identify the scope and range of the Joint Collaboration. The parties intend to enter into a separate written agreement(s) in relation to the services to be provided by Halliburton pursuant to the Joint Collaboration. The MOU will remain in place until 5 February 2016, unless terminated in advance by either party providing 30 days' written notice.

CLNR's UCG portfolio of eight licences provides exposure to five different coal basins in Scotland, England and Wales. The Company's initial focus is to progress its Kincardine Project in the Firth of Forth, Scotland as it looks to develop the UK's first deep offshore UCG project.

In addition, CLNR has recently 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.

Algy Cluff, Chief Executive & Chairman commented: *"We are delighted to be announcing this MOU with Halliburton and we are excited about the prospect of developing a strategic relationship. Halliburton is one of the world's largest providers of products and services to the energy industry and its expertise and capabilities offer our company the opportunity to accelerate the development and commercialisation of our UCG assets as well as our Southern North Sea gas assets. This relationship demonstrates our strategy of developing our business and seeking to create value through partnership."*

****ENDS****

For further information please contact the following:

Cluff Natural Resources Plc

Algy Cluff/ Graham Swindells/Andrew Nunn

Tel: +44 (0) 20 7887 2630

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 Partners Ltd

Tel: +44 (0) 20 7236 1177

Felicity Winkles / Lottie Brocklehurst (Financial PR)

Charlotte Street Partners Ltd

Chris Deerin (Partner)

Tel: +44 (0) 131 516 5310

NOTES FOR EDITORS

CLNR

Underground Coal Gasification ("UCG") Assets

- CLNR currently holds eight UK licences for Deep UCG, covering a total area of 613km².
- UCG is a proven industrial process which allows coal to be converted into gas in-situ

- UCG provides the opportunity to unlock an indigenous energy resource which is currently stranded due to its location and due to the entrenched decline of UK's mining industry.
- The establishment of a new UCG industry in the UK will create new employment opportunities and tax revenues, with skills requirements similar to other industries currently in decline in the UK including coal mining, oil & gas and the petrochemical industries.
- In addition, UCG will increase UK security of energy supply by utilising indigenous resources and providing a diversification of supply.
- CLNR's initial focus is to progress its Kincardine Project and will be seeking planning consent for this project
- The Project will comply with all relevant planning, permitting and environmental protection legislation. CLNR intends to work closely with the consent authorities and regulators in preparing its planning application for the Project.

Southern North Sea Gas Assets

In December 2014 CLNR was awarded 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.

The 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 blocks are located in relatively shallow water where new conventional gas discoveries can be developed quickly and regional infrastructure is evolving rapidly.

Further information about CLNR, our investors and UCG technology can be found on our website www.cluffnaturalresources.com