

30 August 2018

Cluff Natural Resources Plc / Index: AIM / Epic: CLNR / Sector: Natural Resources

Cluff Natural Resources Plc ('CLNR' or 'the Company')
Formal Award of Six Licences in the UK's 30th Offshore Licensing Round

Cluff Natural Resources Plc, the AIM quoted natural resources investing company with a high impact exploration and appraisal portfolio focused on the Southern North Sea gas basin, is pleased to announce that further to the provisional award of licences in the UK's 30th Offshore Licensing Round announced on 23 May 2018, it has now received and accepted the formal award by the UK Oil and Gas Authority of the six licences covering a total of 10 full and part blocks.

The licences and blocks awarded to CLNR are as follows:

| Region | Licence | Equity % | Blocks |
|--------------------|----------------|-----------------|------------------|
| Southern North Sea | P2424 | 100 | 42/14 42/15b |
| | P2428 | 100 | 43/7 43/8 |
| | P2437 | 100 | 48/8b |
| | P2435 | 25 | 47/10d 48/6d |
| Central North Sea | P2352 | 100 | 22/24f 22/25g |
| | P2384 | 100 | 22/19f |

The formal start date of each of the licences is 1 October. The initial phase of each licence will be 4 years, other than licences P2424 and P2428 where the initial phase will be 3 years.

With the exception of blocks 47/10d and 48/6d (where The Parkmead Group are operator) all blocks have been awarded to CLNR on a 100% equity position.

The Board views these blocks as highly prospective with many containing undeveloped discoveries and exploration upside which significantly enhances both the pipeline of potential drilling opportunities and the overall prospective resources associated with the Company's portfolio.

Southern North Sea Awards

The Southern North Sea blocks awarded to CLNR contain a number of drilled discoveries, undrilled prospects and leads with an estimated combined unrisks P50 prospective resources of approximately 1.9 TCF net to CLNR. The firm work programme associated with Phase A of the initial term of the licences is restricted to data acquisition, reprocessing and sub-surface studies, and is focussed on providing greater clarity around prospect volumetrics and risk.

| Blocks | Key Prospect ID | Prospect Age | Status Lead/ Play/ Discovery | Net Prospective Resources (BCF) | | | GCoS (%) |
|-----------------|-------------------------|---------------|------------------------------|---------------------------------|--------------|--------------|----------|
| | | | | P90 | P50 | P10 | |
| 42/14 | Furasta | Triassic | D | 7.2 | 17.6 | 29.6 | 100 |
| 42/15b | Burbank | | P | 70 | 200 | 567 | 32 |
| | Cortez | Carboniferous | L | 24 | 107 | 433 | 29 |
| | Cortez South | | L | 129 | 331 | 732 | 28 |
| 43/7 | Cupertino – Scremerston | Carboniferous | L | 69 | 262 | 914 | 21 |
| 43/8 | | | Cupertino – Fell Sst | L | 147 | 558 | 2,090 |
| 48/8b | Sloop | Permian | D | 7 | 18 | 38 | 100 |
| | Selene | | P | 191 | 253 | 328 | 38 |
| | Endymion | | L | 36 | 48 | 62 | 27 |
| | Rig & Jib | | L | 11 | 29 | 58 | 35 |
| 47/10d | Bob (Teviot) | Permian | D | 2.75 | 5.5 | 10.25 | 100 |
| 48/6d | | | Blackadder | P | 17.75 | 28.25 | 42.5 |
| TOTALS** | | | | 712 | 1,857 | 5,304 | |

*Volumes and risks from P2107 Relinquishment Report.

** Totals are not compliant with PRMS standards and rounded to nearest BCF.

Central North Sea Awards

Blocks 22/24f (part) & 22/25g (part) are located in a relatively under explored area of the Central North Sea, adjacent to the large Marnock-Skua field. The blocks contain the Tesla Discovery (well 22/24a-11) in the Pentland Formation and the low risk Dewar prospect in the Forties Sandstone. Previous Operators have also proposed leads in the deeper Jurassic formations which require further assessment during the initial phases of the licence.

Block 22/19f is located in the Central North Sea and contain multi-level oil prospectivity in the proven Fulmar, Skagerrak and Rotliegend formations. Previous Operators have identified a large number of prospects and leads which require further assessment during the initial phase of the licence.

Commenting Graham Swindells, said:

“We are delighted to have received and accepted the formal award of these additional licences by the UK Oil & Gas Authority following the announcement of provisional awards in May 2018. We believe these licences to be highly prospective and we are in the process of commencing technical work to accelerate their development. CLNR was one of the most successful applicants in the UK’s 30th Offshore Licencing Round and the extent of the awards further establishes our position as a natural resources investing company and underlines our commitment to the UK and to the North Sea where we see significant value. “

Qualified Person

Andrew Nunn, a Chartered Geologist and Chief Operating Officer of CLNR, is a "Qualified Person" in accordance with the Guidance Note for Mining, Oil and Gas Companies, June 2009, of the London Stock Exchange. Andrew has reviewed and approved the information contained within this announcement.

Glossary of Technical Terms

PRMS: Petroleum Resources Management System (2007)

BCF: Billion Cubic Feet

Mmboe: Million barrels of oil equivalent

Prospective Resources: Are estimated volumes associated with undiscovered accumulations. These represent quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from oil and gas deposits identified on the basis of indirect evidence but which have not yet been drilled.

Chance of Success: for prospective resources, means the chance or probability of discovering hydrocarbons in sufficient quantity for them to be tested to the surface. This, then, is the chance or probability of the prospective resource maturing into a contingent resource. Prospective resources have both an associated chance of discovery (geological chance of success) and a chance of development (economic, regulatory, market and facility, corporate commitment and political risks). The chance of commerciality is the product of these two risk components. These estimates have been risked for chance of discovery but not for chance of development.

TCF: Trillion Cubic Feet

P90 resource: reflects a volume estimate that, assuming the accumulation is developed, there is a 90% probability that the quantities actually recovered will equal or exceed the estimate. This is therefore a low estimate of resource.

P50 resource: reflects a volume estimate that, assuming the accumulation is developed, there is a 50% probability that the quantities actually recovered will equal or exceed the estimate. This is therefore a median or best case estimate of resource.

P10 resource: reflects a volume estimate that, assuming the accumulation is developed, there is a 10% probability that the quantities actually recovered will equal or exceed the estimate. This is therefore a high estimate of resource.

The Prospective Resources have been presented in accordance with the 2007 Petroleum Resources Management System (PRMS) prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE), reviewed, and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE).

****ENDS****

For further information please contact the following:

Cluff Natural Resources Plc

Algy Cluff / Graham Swindells / Andrew Nunn

Tel: +44 (0) 20 7887 2630

Allenby Capital Limited (Nominated Adviser & Broker)

David Hart / Alex Brearley / Asha Chotai (Corporate Finance)

Tel: +44 (0) 20 3328 5656

Camarco Ltd

James Crothers / Owen Roberts (Financial PR)

Tel: +44 (0) 20 37574983

Notes to Editors

Cluff Natural Resources is a natural resources investing company listed on the AIM market on the London Stock Exchange (CLNR.L) primarily focussed on the Southern North Sea gas basin, with a high impact portfolio of operated, high working interest exploration and appraisal assets.

In addition to the 30th Round licences, the Company have 100% of Licenses P2248 and P2252 in the North Sea gas basin with a significant P50 prospective resource base of 2.4Tcf across 11 prospects with chances of success ranging from 9 to 49%. Cluff Natural Resources is focused on extracting much needed gas from the North Sea to supply the UK's energy mix which is currently heavily reliant on foreign supply. The Company is focussed on securing partners and funding to embark on a drilling campaign on the proven fairways of the Southern North Sea basin in 2019.

The Company has a strong institutional investor base and a portfolio which offers a unique opportunity of high quality, low risk and low-cost drilling prospects with potentially high impact results in an area where recent exploration has targeted both mature and new plays and has resulted in large discoveries.