

13 March 2020

**Cluff Natural Resources Plc ('CLNR', 'Cluff' or 'the Company')**

**Update Following Oil Price Volatility**

Cluff Natural Resources Plc, the AIM quoted natural resources investing company with a high impact exploration and appraisal portfolio focused on the Southern and Central North Sea, notes recent share price volatility and confirms that, irrespective of market uncertainty related to commodity price weakness and Covid-19, the Company's operations and planned work programmes remain on-track and day-to-day operations are unaffected.

The Company is in a position of relative strength in these uncertain times. It has no direct exposure to oil prices, has no debt and is well capitalised following a fundraising in June 2019. As at 29 February 2020, the Company had £13.3 million of cash (unaudited). The Company remains funded for its share of the Selene and Pensacola wells and, on current plans, for its working capital requirements through to the end of 2021.

The Company continues to focus on its portfolio of natural gas exploration assets in the UK and is continuing to work closely with its joint venture partner, Shell UK Limited ("Shell"), towards a number of key potential value catalysts during this year, including well investment decisions on the Selene and Pensacola natural gas prospects in the Southern North Sea.

While the Dewar farm-out process remains active, the Company anticipates that the current commodity market volatility may impact on the deliverability of this farm-out within the timelines previously communicated. The Company will review the status of the farm-out process once the impacts of the Covid-19 outbreak are better understood and some relative stability has returned to commodity prices and the wider market.

UK Oil and Gas Authority ("OGA") guidance regarding the award of 32<sup>nd</sup> UK Offshore Licensing Round remains unchanged and the Company still anticipates licence awards being made in Q2 of this year. Success in this licensing round will further expand, enhance and diversify the Company's existing portfolio of prospects.

**Graham Swindells, Chief Executive Officer of Cluff Natural Resources Plc commented:**

*"Cluff remains in a strong position from which to deliver exceptional growth. We remain fully financed for drilling activity and have multiple upcoming catalysts for growth from our existing and potentially expanding portfolio via the UK Offshore Licensing Round."*

*"Good progress is being made on our Pensacola and Selene licences with Shell as we continue to work towards well investment decisions on both licences. We look forward to updating shareholders on Selene, Pensacola, the farm out process of our Dewar prospect and new licence awards, in due course."*

**\*\*ENDS\*\***

For further information please contact the following:

**Cluff Natural Resources Plc**

Graham Swindells / Andrew Nunn

Tel: +44 (0) 20 7887 2630

**Allenby Capital Limited** (Nominated Adviser & Joint Broker)

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

Tel: +44 (0) 20 3328 5656

**Stifel Nicolaus Europe Limited** (Joint Broker)

Callum Stewart / Nick Rhodes / Ashton Clanfield

Tel: +44 (0) 20 7710 7600

**Camarco Ltd**

Billy Clegg / James Crothers / Julia Tilley (Financial PR)

Tel: +44 (0) 20 3757 4983

**Notes to Editors**

Cluff Natural Resources is a natural resources investing company listed on the AIM market on the London Stock Exchange (CLNR.L) with a high impact portfolio of operated and, following a farm-out to Shell U.K. Limited in February 2019, non-operated exploration and appraisal assets located within the UKCS's mature hydrocarbon basins. The Company's diversified portfolio contains near term, infrastructure focussed oil and gas exploration drilling opportunities in both the Central and Southern North Sea together with larger, high impact opportunities in new play types along the northern margin of the Southern Gas Basin.

The portfolio has a significant P50 prospective resource base in excess of 2.4 TCF (gross, gas equivalent) across a number of 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. Following a successful farm-out of Licence P2252 and P2437 to Shell U.K. Limited the Company is seeking to repeat this farm-out success with its other licences awarded in the 30<sup>th</sup> Offshore Licencing Round including licence P2352 which contains the Dewar oil prospect.

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.