The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

15 September 2020

Deltic Energy Plc/ Index: AIM / Epic: DELT / Sector: Natural Resources

Deltic Energy Plc ("Deltic" or 'the Company')

Southern North Sea Gas Portfolio and Resource Update

Deltic Energy Plc, the AIM quoted natural resources investing company with a high impact exploration and appraisal portfolio focused on the Southern and Central North Sea, is pleased to provide additional information in relation to the licences that it was provisionally awarded in the UK's 32nd Offshore Licensing Round, as announced on 3 September 2020. The awards have further strengthened the Company's Southern North Sea ("SNS") licence position and include six new licences comprising twelve full and part blocks covering an area of 2,155.5 km^2.

These new licence awards in the Southern North Sea Gas Basin are a key part of the Company's exploration focussed strategy which is based upon a steady 'conveyor belt' of licences which can be matured and feed a long-term programme of exploration wells with any discoveries supporting the longevity of existing infrastructure and the development of new gas production hubs.

Southern North Sea ("SNS") Core Area

In our core area of the SNS, which is focussed on the Carboniferous and Zechstein play fairway, the Company has been awarded four additional licences incorporating nine full and part blocks. Combined with our existing licence position, these new awards enhance the Company's strong strategic position, controlling over 2,733 km^2 of contiguous licences stretching from south of the Breagh gas field to the Cupertino area located to the west of the Cygnus gas field. All four new licences in this core area are being awarded to Deltic on a 100% working interest basis which provides maximum flexibility from which to farm down.

Of particular significance is the re-award of block 43/11, previously held by the Company as licence P2248, and the adjacent block 43/12b which are located immediately to the north of the Pegasus and Andromeda discoveries which are operated by Spirit Energy. Blocks 43/11 and 43/12b are highly prospective with multiple prospects mapped in both the Carboniferous and the Triassic Bunter Sandstone, a number of which were the subject of a Competent Person's Report commissioned by the Company in 2016.

During the most recent licence application process, the Company worked extensively on the seismic data and other datasets to enhance our understanding of this area which has resulted in a more robust interpretation over the intra-Carboniferous Cadence prospect and the identification of additional prospectivity beneath the Base Permian Unconformity ("BPU"). We believe this BPU prospect, the Cordova prospect, is highly analogous to the recent Andromeda North discovery which was drilled by Spirit Energy in 2019 on the block immediately to the south of 43/12b.

The Company believes that the extensive previous and recent work on the Cadence prospect means it is effectively drill ready, allowing the potential to immediately introduce a partner and potentially fast-track towards drilling. A summary of the prospects identified on blocks 43/11 and 43/12b are presented below:

Prospect Name	Block	Reservoir Formation	Prospective Resources			GCoS
			BCF			%
			P90	P50	P10	
Cadence[1]	43/11	Scremerston	30	143	472	26
		Fell Sandstone	188	454	861	16
Cordova[1]	43/12b	Namurian/ early Westphalian	32	124	329	26
Bathurst[2]	43/11	Bunter Sandstone	119	275	571	22
Bassett[2]	43/11	Bunter Sandstone	36	128	303	37

1 Deltic estimates as per the Oil and Gas Authority licence application

2 2016 Competent Person's Report

The Company was also awarded acreage in the underexplored area to the south of the Breagh gas field and our existing licence P2424 where the Cortez prospect is currently being worked on. This is a proven gas bearing area with a limited number of well penetrations and a mixture of 2D and 3D seismic data of varying vintage and quality which will respond well to modern reprocessing. The Company believes this area has significant potential, with multiple leads mapped as part of the application process in the Carboniferous with additional upside in the Zechstein and the Leman Sandstone in the southern-most blocks. Given the hard-won knowledge and experience gained from working in this area for a number of years, the Company is uniquely positioned to reinvigorate interest in this underexplored and overlooked area.

All blocks awarded to the Company in the core area, in particular those located to the north of the Pegasus / Andromeda areas, were the subject of competing applications, which highlights the industry's increasing focus on the SNS and gas.

Geological interpretation work continues on the reprocessed seismic data over the Cupertino licence (P2428) with prospects being defined in the Carboniferous, Zechstein Reefs and a potential analogue to the Cygnus field, the largest single producing gas field in the UK, in the

Permian Leman Sandstone. We remain on track to finalise this technical work in the coming months and to commence a formal farm-out process before the end of the year. On the Cortez (P2424) licence area we look forward to receiving the reprocessed 2D seismic data in mid-October 2020 and interpretation of this data will commence once the work on Cupertino has been completed.

Pensacola Area

We, along with our Joint Venture ("JV") partner, Shell UK, are also delighted to have been provisionally awarded an additional licence covering two part blocks, 41/5b & 42/1b, adjacent to the Joint Venture's existing Pensacola licence (P2252). The Company has a 30% working interest in the licence and will fulfil the role of operator as the technical work begins. This area has been largely imaged on the new Bluewater 3D survey shot by the Joint Venture in 2019 and contains a potential northern extension of the Pensacola prospect and a number of possible smaller satellite reservoirs in the Zechstein which have been mapped on existing 2D seismic data.

Commenting Graham Swindells, said:

"The award of an additional six licences covering twelve blocks was another major milestone for our company and almost doubles our portfolio of licences. With all but one of these licence awards being in the SNS, we now have a total of ten licences in this area, further strengthening our strategic position in the gas basin and continuing to widen our partnership with Shell with whom we now share three licences. The award of the highly prospective and sought after 43/11 and 43/12b blocks alone significantly increases the Company's resource base and, when combined with other new and existing licences, creates a strategically important contiguous expanse of Deltic held licences all the way from the area south of the Breagh Gas field to the Cygnus gas field covering close to 3,000km². We look forward to continuing to work on our enhanced portfolio of licences as well as progressing our Pensacola and Selene licences with Shell."

Qualified Person

Andrew Nunn, a Chartered Geologist and Chief Operating Officer of DELT, 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.

****ENDS****

For further information please contact the following:

Deltic Energy Plc Tel: +44 (0) 20 7887 2630
Graham Swindells / Andrew Nunn/ Sarah McLeod

Allenby Capital Limited (Nominated Adviser & Joint Broker) Tel: +44 (0) 20 3328 5656
David Hart / Alex Brearley / Asha Chotai (Corporate Finance)

Stifel Nicolaus Europe Limited (Joint Broker) Tel: +44 (0) 20 7710 7600
Callum Stewart / Simon Mensley / Ashton Clanfield

Glossary of Technical Terms

BCF:	Billion Cubic Feet
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.
Geological Chance of Success (GCoS):	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 (GCoS) 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.
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).