

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.

3 September 2020

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

Deltic Energy Plc
(‘Deltic’ or ‘the Company’)

Provisional Award of UKCS Licences – 32nd Offshore Licensing Round

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 announce that it has been provisionally awarded six licences covering twelve full and part blocks covering approximately 2,155.5 km², by the UK Oil and Gas Authority in the UK’s 32nd Offshore Licensing Round.

The blocks provisionally awarded to the Company are as follows:

REGION		BLOCKS
Southern North Sea	1	41/05b (part) & 42/01b (part) - joint with Shell UK
	2	43/11 & 43/12b (part)
	3	42/13b (part), 42/17, 42/18,
	4	42/19, 42/20b
	5	42/22, 42/23
Central North Sea	6	22/17a (part)

With the exception of blocks 41/05b and 42/01b, all blocks are being awarded to the Company on a 100% equity position. Blocks 41/05b and 42/01b have been jointly awarded with Shell holding a 70% working interest.

The Board views these blocks as highly prospective and containing a variety of exploration plays which we expect will significantly enhance both the pipeline of potential drilling opportunities and the overall prospective resources associated with the Company’s portfolio as these areas are matured during the initial term of the licences.

Southern North Sea Provisional Awards

Blocks 41/05b and 42/01b, awarded jointly with Shell, are contiguous with the Company's existing P2252 licence and are thought to contain potential extensions of the Pensacola Reef prospect. The area is well imaged by the recently acquired Bluewater 3D survey and legacy 3D datasets.

Blocks 43/11, formerly held by the Company, and 43/12b contain the Trillion Cubic Feet scale Cadence structure with prospectivity in both intra-Carboniferous traps and Base Permian Unconformity-truncation style traps which were previously identified by the Company. Additional upside is also expected in the Triassic Bunter Sandstones. This area is located immediately to the North of the proposed Pegasus development where the Company understands that field development planning is being finalised by Spirit Energy.

Blocks 42/13b (part), 42/17, 42/18, 42/19, 42/20b, 42/22 and 42/23 are located in a proven gas bearing area immediately to the South and South East of the Breagh gas field and the Company believes there is significant prospectivity in both the Carboniferous sandstones and the Zechstein carbonates within this area.

Central North Sea Provisional Awards

Block 22/17a contains two prospects in the Jurassic Fulmar Sandstone which have been identified by previous licence holders which we believe have significant upside potential. Further work will be undertaken during the initial licence period to mature these prospects.

Graham Swindells, CEO of Deltic, commented:

"The UK's Offshore Licensing system remains an ideal way to access high quality acreage in a proven hydrocarbon province and we are delighted to have been provisionally awarded these additional 6 licences which doubles the number of licences in our portfolio from 7 to 13. We are particularly pleased to have been re-awarded block 43/11 (formerly licence P2248) which contains the exciting Cadence prospect and to have been successful in our joint application with Shell over the area surrounding Pensacola. The licences awarded contain high quality prospects which can be rapidly matured and greenfield exploration opportunities which substantially diversifies the Company's portfolio and have the potential to provide multiple new drilling opportunities over the coming years. With further evaluation we expect these awards to substantially increase the oil and gas resource base held by the Company."

Qualified Person

Andrew Nunn, a Chartered Geologist and Chief Operating Officer of the Company, 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****

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