

5th August 2019

Cluff Natural Resources Plc ('Cluff' or 'the Company')

Operations Update – Licence P2252

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, is pleased to announce that Licence Operator, Shell U.K. Ltd (or “Shell”), has commenced a 3D seismic survey over the Pensacola Prospect on Licence P2252 in the Southern North Sea.

The survey is being conducted by Shearwater GeoServices using the Polar Empress and field operations are expected to take approximately two weeks to complete. The vessel arrived on site on Friday 2 August 2019 with data acquisition commencing today. This seismic acquisition will be followed by a period of data processing, with final results expected to be received in early Q3 2020.

Cluff holds a 30% non-operated interest in Licence P2252, including the Pensacola prospect, which is estimated to contain gross P50 Prospective Resources of 309 BCF in an untested Zechstein Reef.

Commenting, Cluff’s Chief Executive Graham Swindells said:

“Our participation in this seismic survey represents the first field operations for Cluff and is clearly an important milestone in the development of the Company as it pursues its ambition to become one of the leading exploration companies operating in the UKCS. The Pensacola prospect is an exciting opportunity, worked up by the Cluff team, and the acquisition of high quality modern 3D seismic over the prospect is a key step in de-risking future exploration drilling activities.”

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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 looking forward to 3D seismic acquisition over the Pensacola prospect in the summer of 2019 and is seeking to repeat this farm-out success with its licences awarded in the 30th 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.

Standard

The technical information contained in this announcement has been prepared in accordance with the March 2007 guidelines endorsed by the Society of Petroleum Engineers, World Petroleum Congress, American Association of Petroleum Geologists and Society of Petroleum Evaluation Engineers Petroleum Resource Management System.

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

BCF: Billion Cubic Feet

TCF: Trillion 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.

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.