

**Cluff Natural Resources Plc ('CLNR' or 'the Company')**  
**Licence Cross Assignment – Southern North Sea Carboniferous Gas Prospect**

CLNR, the natural resources investing company, is pleased to announce that it has completed the cross assignment of equity positions in two contiguous licence areas in the Southern North Sea with Simwell Resources Ltd ('Simwell') and Burgate E&P Ltd ('Burgate'). The decision to combine the equity position across the two licences was taken following the identification of a large Carboniferous gas prospect which extends across the boundary of the two licences.

**Key Highlights**

- Agreed the cross assignment of equity positions in 28<sup>th</sup> Round Promote Licences P2253 (Block 42/14b, 100% CLNR) and P2258 (Block 42/15b, 90% Simwell, 10% Burgate) located in the Southern North Sea gas basin, subject to normal regulatory approvals
- Following completion of the assignment the equity position in both licences will be 50% CLNR, 45% Simwell & 5% Burgate. Burgate currently acts as Licence Administrator on P2258 and will maintain that role on both licences for the duration of the Promote period
- A significant structural closure within the Carboniferous has been identified straddling the boundary of the two licence areas. The closure extends to approximately 36km<sup>2</sup> with preliminary GIIP estimates ranging from 239 to 619 BCF. Technical work to refine the potential in-place and recoverable gas volumes associated with this prospect is expected to be completed over the coming months
- P2258 also contains a small discovery (Well 42/15-1) in the Bunter Sandstone which flowed at a rate of 19.6mmscfd on test. This discovery has a mid-case GIIP of 23.5BCF and P50 Contingent Resources of 17.6 BCF (8.8 BCF net to CLNR). This Bunter Sandstone discovery overlies the deeper Carboniferous structure and could be developed in conjunction with the Carboniferous prospect
- Work commitments associated with both blocks have been completed and future technical work will focus on de-risking the prospect further with the aim of securing a favourable farm-out arrangement which would allow the larger Carboniferous prospect to be fully appraised
- There is no consideration or recovery of back costs associated with the cross assignment and all future costs will be shared in-line with equity positions

**Commenting CNR's Chairman and Chief Executive Algy Cluff said:**

“This zero cost strategic agreement increases CLNR’s footprint in the Southern North Sea and enables the effective appraisal and potential development of what could be a significant new gas field. We look forward to working with Simwell and Burgate in the coming months to complete the technical evaluation of these assets.”

**Qualified Person's Statement:**

Andrew Nunn, CLNR's Chief Operating Officer, has approved the information contained in this announcement. Mr Nunn is a Chartered Geologist.

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

For further information please visit [www.cluffnaturalresources.com](http://www.cluffnaturalresources.com) or contact the following:

**Cluff Natural Resources Plc**

Tel: +44 (0) 20 7887 2630

Algy Cluff / Graham Swindells / Andrew Nunn

**Panmure Gordon (UK) Limited**

Tel: +44 (0) 20 7886 2500

Adam James / Atholl Tweedie (Corporate Finance)

Tom Salvesen (Corporate Broking)

**Allenby Capital Limited**

Tel: +44 (0) 20 3328 5656

Chris Crawford / Katrina Perez (Corporate Broking)

**St Brides Partners Ltd**

Tel: +44 (0) 20 7236 1177

Lottie Brocklehurst / Frank Buhagiar (Financial PR)

**Glossary of Technical Terms**

mmscfd: Million Standard Cubic Feet Per Day

BCF: Billion Cubic Feet

GIIP: Gas Initial in Place

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

Contingent Resources: those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies