



NU-OIL AND GAS PLC
AIM ticker: 'NUOG'

6 February 2017

NU-Oil and Gas plc **("NU-Oil" or "the Company")**

Placing and Subscription to raise £2.05 million (gross)

NU-Oil is pleased to announce that on 3 February 2016 it completed a placing and a subscription of new ordinary shares of 0.1 pence each in the Company ("Ordinary Shares") to raise £2.05 million in total before expenses. The Company placed 400,000,000 new Ordinary Shares (the "Placing Shares") with institutional shareholders at a price of 0.5p per Placing Share (the "Placing Price") to raise £2.0 million (before expenses) (the "Placing"). The Placing, which was oversubscribed, was organised by the Company's sole broker, Beaufort Securities Ltd. At the same time the Company completed a direct subscription of 10,000,000 new Ordinary Shares at a price of 0.5p (the "Subscription Shares") to raise £50,000 with a long term supportive shareholder (the "Subscription"). The Placing and Subscription proceeds will be applied towards the continued implementation of the Company's stranded and marginal field strategy in conjunction with the Marginal Field Development Company Ltd. ("MFDevCo"), in which it has a 50 per cent. interest, and for general working capital purposes.

Having repositioned its assets in western Newfoundland and following MFDevCo's collaboration with COSL Drilling Pan Pacific Limited in recent months, the Company will continue to implement its stranded and marginal field business model with the next logical stage being the acquisition of a project. The size of projects that are being targeted are such that significant due diligence and engineering work is often required. While a significant proportion of this has been de-risked through MFDevCo via its previously announced collaboration arrangements, the Company needs to be sufficiently financially robust in order to ensure that it can manage all eventualities in the acquisition process as the Directors expect success to be transformational for the Company.

The Placing and Subscription are being carried out utilising the Company's current authority from its shareholders to issue shares for cash on a non pre-emptive basis.

Application will be made to the London Stock Exchange for the Placing Shares and Subscription Shares, which will rank *pari passu* with the existing Ordinary Shares in issue, to be admitted to trading on AIM ("**Admission**"). Admission is expected to become effective at 8.00 a.m. on 20 February 2017.

The Enlarged Issued Share Capital will be 1,037,792,348 Ordinary Shares. This figure of 1,037,792,348 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

In conjunction with the Placing, NU Oil has also issued 40 million warrants to Beaufort Securities Limited, with each warrant able to subscribe for one new Ordinary Share at the Placing Price, exercisable within 5 years from the date of Admission.



This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014

Nigel Burton, CEO of NU-Oil, commented:

“Having repositioned our western Newfoundland assets and seen MFDevCo secure a collaboration agreement with COSL Drilling Pan Pacific Ltd, the Directors are pleased that significant institutional support has allowed the Company to raise funds to enable it to continue implementation of the business plan. These funds are expected to be sufficient to enable the Company to secure its first project using the low cost solutions devised and delivered by MFDevCo and the MFD Consortium.”

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Note to Editors:

NU-Oil and Gas plc is an independent oil and gas company whose strategy is to build a diverse portfolio of assets with a strong emphasis on acquiring interests in stranded and marginal fields. These fields are low risk highly-appraised projects and consequently the Company's entry cost will be low. NU-Oil will look to develop these assets utilising solutions delivered by Marginal Field Development Company (MFDevCo) and the MFD Consortium, which can significantly improve the development economics of a project. This is also expected to enable the early booking of reserves.