



NU-OIL AND GAS PLC

AIM ticker: NUOG

2 November 2017

NU-Oil and Gas plc

(“NU-Oil” or “the Company”)

Consent of Assignment of Interests in North Celtic Sea Licences to Marginal Field Development Company Ltd.

Further to the announcement of 19 February 2016, the Company is pleased to announce that the Minister of State (“the Minister”) at the Department of Communications, Climate Action and Environment of Ireland has given his consent for the assignment of:

- 10% interest in the Dunmore Lease Undertaking to Marginal Field Development Company Ltd.
- 10% interest in the Helvick Lease Undertaking to Marginal Field Development Company Ltd.

NU-Oil holds a 50% interest in Marginal Field Development Company Ltd. (“MFDevCo”).

A two year Lease Undertaking in respect of each of the Dunmore and Helvick discoveries was granted by the Minister effective 1 March 2016 to allow for the evaluation of low-cost development options. The award of the Lease Undertaking triggered a staged 50% farm-in by MFDevCo in each case, with an agreed work programme for staged equity participation as follows:

- 10% initial working interest assignment to MFDevCo.
- Further equity assignment (up to 40%) based on MFDevCo undertaking the agreed work programme to evaluate low-cost development options, receipt of a Petroleum Lease from the Minister and the approval of any Plan of Development.

The revised equity participations in the Dunmore Lease Undertaking will be Providence Resources plc 65.25% (Operator), Atlantic Petroleum (Ireland) Limited 16.50%, Sosina Exploration Limited 8.25% and MFDevCo 10.0%.

For the Helvick Lease Undertaking, the revised equity participations will be Providence Resources plc 56.25% (Operator), Atlantic Petroleum (Ireland) Limited 16.50%, Sosina Exploration Limited 8.25%, Lansdowne Celtic Sea Limited 9% and MFDevCo 10.0%.



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Note to Editors

Dunmore

The Dunmore discovery is located approximately 20 kilometres north of the Hook Head discovery in the Celtic Sea. In 1985/86 the operator at the time, Gulf Oil, drilled the 50/6-1 discovery well which flowed at a rate of approximately 2,100 BOPD of high quality (44° API) oil. During 2008 Providence drilled the 50/6-4 appraisal well on the Dunmore structure and, whilst the well failed to prove the lateral extent of the hydrocarbon bearing Upper Jurassic sands, a new oil bearing carbonate interval was intersected.

Helvick

The Helvick oil field is located in Block 49/9, some 36 kilometres off the south coast of Ireland. The Helvick discovery well, 49/9-2, was drilled in 1983 and flowed at a cumulative rate of approximately 9,900 BOPD and 7.5 MMSCFGD. Three appraisal wells were subsequently drilled in the late 1980s to delineate the field. Further detailed analysis indicated that the Helvick reservoir is relatively small in size and, due to this small size and the oil price at the time, the field was not deemed commercially viable. The Lease Undertaking was sought because MFDevCo and the Partners considered that Helvick was potentially commercial using the low-cost development solutions offered by MFDevCo and the Marginal Field Delivery Consortium (“Consortium”) and this will be evaluated through the agreed work programme.



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The Company

NU-Oil is a development and production company, which utilises appropriate development approaches to create value from undeveloped and mature oil and gas assets. NU-Oil is building a portfolio of development and production assets with an emphasis on stranded and marginal discoveries which can be unlocked using cost-effective development solutions.

NU-Oil targets thoroughly appraised fields located in basins with stable political and regulatory regimes. By doing so NU-Oil minimises exposure to the risks associated with frontier plays, particularly exploration and appraisal risks.

NU-Oil has invested in MFDevCo, which has developed offshore production solutions that improve the economics of oil projects by significantly lowering development costs compared to conventional approaches. To implement its solutions, MFDevCo has established the Marginal Field Delivery Consortium, a group of leading global engineering specialists who provide the skills and capability required to deliver projects. NU-Oil will utilise MFDevCo solutions and the capability within the Consortium to develop and deliver its projects.

Disclaimer

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”).