

Siccar Point Energy Announces Cambo FID Deferral to 2021

30 March 2020: Operator Siccar Point Energy E&P Ltd ('Siccar Point'), and its joint venture partner, Shell UK, have announced the deferral of the planned sanction date for the Cambo project to 2021 in light of the unprecedented worldwide macroeconomic dislocation resulting from Covid-19.

The Cambo field, located 125km northwest of the Shetland Islands and in a water depth of 1100m, was discovered in 2002, and subsequently had 4 appraisal wells drilled up to 2012 and a final successful appraisal well was drilled and flow tested by Siccar Point during the summer of 2018. It is one of the largest undeveloped fields in the UKCS and will open-up other prospects for potential development in the area.

Siccar Point and Shell UK had been planning to bring the project to a Final Investment Decision ('FID') in the third quarter of this year. This will now be targeted for the second half of 2021, subject to approval of the necessary licence extension, a request for which has been submitted to the Oil and Gas Authority.

Siccar Point will continue to work with existing key supply chain partners over the coming period to ready the project for FID next year.

Jonathan Roger, CEO of Siccar Point, commented: "Cambo remains an extremely attractive development with compelling economics. However, given the uncertainty of the global situation, including whether any people, goods and services can be mobilised in OECD countries, it makes sense to hold-off final approval until some normality returns to the market and a clear and robust path forward can again be established. In the meantime, Siccar Point is very well positioned with respect to this downturn having both substantial cash balances and very full hedging for 2020 and 2021. During the period of delay, we will continue to mature key aspects of the project to facilitate a swift and efficient ramp-up when market conditions stabilise."

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Background information:

Siccar Point Energy is a full cycle production, development and exploration company focussed on high quality, low cost, long life assets on the UK Continental Shelf. The Company's strategy is to build a portfolio of assets where they can utilise their extensive North Sea experience to create value through follow on investment and reserves growth. They have interests in four of the largest UK assets by remaining reserves (Schiehallion, Mariner, Cambo and Rosebank) as well as an extensive portfolio of additional high quality material development and exploration opportunities. The Company is led by CEO Jonathan Roger and is headquartered in Aberdeen. For more information please visit www.siccarpointenergy.co.uk



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