

Corporate

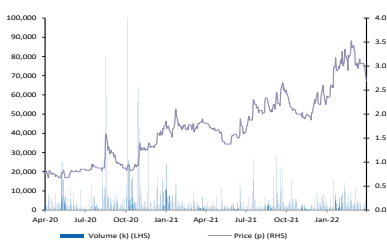
 Current price **2.65p**

 Sector **Oil & Gas**

 Code **DELT.L**

 Listing **AIM**

Share Performance



% Change	1m	3m	12m
— DELT.L	-21.5	+14.5	+49.4

Source: Reuters Eikon, Allenby Capital

Share Data

 Market Cap (£m) **37.3**

 Shares in issue (m) **1,406**

52 weeks (p)	High	Low
	3.53	1.38

 Financial year end **31 December**

Source: Company Data, Allenby Capital

Key Shareholders

IPGL (Michael Spencer) 16.8%

Richard Sneller 10.5%

Hargreaves Lansdown 10.1%

Canaccord Genuity 7.8%

Fiske plc 4.7%

Janus Henderson 4.3%

Source: Company Data, Allenby Capital

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Deltic Energy plc (DELT.L)

Pensacola drilling late Q3

Deltic Energy had a highly successful 2021. The highlights were confirmation by the Shell-Deltic joint-venture of drilling at the Pensacola prospect on the Carboniferous/Zechstein fairway of the Southern North Sea (SNS) Basin, the Capricorn Energy (CNE.L) five licence farm-in on the same fairway and Capricorn's 3-D seismic shoot over licence P2428. Both the Shell and Capricorn joint-ventures have validated Deltic's technical expertise and its hypothesis concerning the prospectivity of the Carboniferous/Zechstein fairway. The Pensacola drilling in late Q3 2022 will be the initial test of the Zechstein play and a potential source of transformational news flow probably in early Q4. Further potential high-impact news flow over the balance of 2022 includes the results of the Capricorn seismic shoot in May and a drilling decision to test the Plymouth prospect on P2428 possibly in Q3. We believe a decision to drill the Selene prospect on the Leman fairway is possibility later in 2022. Deltic is comfortably funded for its 2022 drilling work programme.

- P2252 (Pensacola):** The licence lies approximately 75 km east of the Tees estuary. Shell is the operator with a 70% interest. Deltic has a 30% interest and since the well decision in late March has been financing its share of licence and well costs. These are estimated at £5.5m by Deltic plus a further £1.5m for testing in a success case. Pensacola is a Zechstein carbonate reef prospect analogous to the ONE-Dyas/Spirit Darach discovery c. 40 km to the east. With P50 prospective resources of 309 bcf gross the resource base is highly meaningful. The GCOS (geological chances of success) was substantially increased following Shell's 3-D seismic survey in Q3 2019 from 20% to 55%. This is very high pre-drilling. Well planning has been undertaken and the rig selection and contracting process is well advanced. Pensacola is likely to be spud in late Q3. Drilling time will be c. 44 days with another 23 for testing. According to Deltic, Pensacola will be one of the highest-impact SNS exploration wells in recent years.
- Capricorn farm-in:** The Capricorn (formerly Cairn Energy) farm-in involves two licences in the heart of the SNS Carboniferous/Zechstein fairway and three to the south of Ineos's Breagh field. Capricorn is the operator. Its working interest is 60% for P2428 and P2567 and 70% for the other three licences. The farm-ins involve free-carry work programmes until the drill or drop decision. A 680 km² 3-D seismic survey was undertaken over the Plymouth Zechstein prospect between September and November 2021. This fulfils Capricorn's work programme commitments. The data is now in the final stages of processing. According to Deltic, results are expected during May. Deltic's estimate of the Plymouth prospect's un-risked P50 resources is currently a sizeable 283 bcf gross. The GCOS while a modest 19% is not unusual pre-seismic. 3-D seismic analysis should enable the GCOS to be significantly increased.
- P2437 (Selene):** P2437 is located c.100 km east of the Humber estuary in the prolific Leman Sandstone fairway. The licence is owned 50:50 by Shell and Deltic and will be operated by the latter until a final well decision is made. Deltic believes that Selene is the largest untested Leman fairway structure. Following a review of the data P50 resources have been increased from 270 bcf to 318 bcf gross. The GCOS of 70% is very high pre-drilling reflecting the level of confidence in the prospect. Selene is close to Shell owned infrastructure linked to the Norfolk coast Bacton terminal. We believe the earliest Selene can be drilled is Q3 2023.

Year End: 31 December

(£'000)	2018	2019	2020	2021A	2022E
EBITDA	(1,653)	(1,589)	(1,587)	(1,792)	(1,619)
NET CASH	1,426	13,849	11,969	10,092	1,471

Source: Allenby Capital Allenby Capital acts as Nomad & Broker to Deltic Energy plc (DELT.L).

Please refer to the last page of this communication for all required disclosures and risk warnings.

Pensacola drilling

Deltic has been informed by Shell, the operator of the project, that well spudding 'is expected to commence towards the end of Q3 2022'. This is two to three months later than we expected reflecting extra work to appraise the well site and ensuring safe drilling operations. We believe the rig selection process is well advanced.

Deltic's share of the pure well drilling and testing costs are as indicated previously. The total well cost including testing, however, looks like being c.£7m, including testing, which is about £1m higher than we anticipated. This reflects extra costs both incurred and expected by Shell during the well evaluation/planning process in addition to the scope of the well. We believe Deltic paid for about £0.6m of Pensacola related expenditure in 2021 and will account for the balance in 2022.

P2428-Cupertino Area

Licence P2428 is the initial focus of the Capricorn joint-venture with new seismic having recently been acquired over the Plymouth prospect and its environs. The licence acreage is located approximately 40 km to the west of the Cygnus gas field and about 20 km north of Spirit Energy's proposed development of the Pegasus discovery.

Deltic has previously identified three independent prospects within the licence area as follows:

- **Cupertino:** The Cupertino prospect is a low relief dip and fault closed structure in Carboniferous Scremerston Sandstone. The Scremerston forms reservoir rocks elsewhere in the fairway, including the Breagh gas field and the Crosgan discovery. Based on reprocessed 2-D seismic, Deltic has estimated P50 prospective resources at a substantial 370 bcf gross. The GCOS is put at 26% which constitutes a not unduly high level of risk for this stage of appraisal.
- **Richmond:** Richmond is a Leman Sandstone prospect, which has been described by Deltic as geologically similar to the giant Cygnus gas field (Neptune Energy and Spirit Energy) to the east. Deltic's estimate of P50 prospective resources based on reprocessed 2-D seismic is 210 bcf gross while the GCOS is 20%.
- **Plymouth:** The Plymouth prospect, is a large Zechstein carbonate reef structure which is believed by Deltic to be an analogue of the Pensacola and Crosgan prospects located about 60 km to the WNW and 30 km to the west respectively. The Plymouth prospect is expected to be the primary exploration target in P2428. Deltic's estimate of P50 prospective resources based on reprocessed 2-D seismic is 283 bcf gross while the GCOS is 19%.

Looking at P2428 as a whole, the licence currently has P50 recoverable resources of 863 bcf which provides significant scale and optionality on the licence. The 3-D seismic data acquisition over P2428 will improve the joint-venture's geological understanding of the three prospects. It should also increase the GCOS and help identify potential drilling locations on the Plymouth structure. We believe the free-carry on the seismic alone is worth in excess of \$5m.

Based on the terms of the licence, the Capricorn-Deltic joint-venture will need to make a drill or drop decision by end-September 2023. This timing looks comfortably achievable at this juncture, given that the processed 3-D seismic data should be available by end May. Deltic has also indicated that a drilling decision on Plymouth is being targeted by the joint-venture for Q3 2022. This would imply that a well could be drilled on P2428 targeting the Plymouth prospect as early as Q3 2023. This assumes about three months for evaluation work post seismic processing and a year or so for well permitting and planning. Deltic's

share of gross well costs of \$25m is likely to be about \$7.5m. This allows for the fact that based on the farm-in agreement Deltic is only liable for 30% of costs on the first well despite a working interest of 40%.

P2567-Cadence Area

P2567 lies immediately to the south-west of P2428 and west of the Pegasus field. It contains multiple prospects in both the Triassic and Carboniferous sandstones. The latter is likely to be the initial focus of the Deltic-Cairn joint-venture and contains the Cadence and Cordova prospects. Cadence is a large dip and fault sealed structure with reservoir potential in multiple sandstones. Cordova, by comparison, is a Base Permian Unconformity trap similar to the nearby Pegasus (Spirit Energy and Neptune Energy) and Andromeda (Spirit Energy) discoveries. Combined P50 prospective resources for the licence, which is spread across a number of independent prospects, have been estimated by Deltic at 1,124 bcf. The GCOS for the prospects range from 16% to 37% which is typical for this part of the North Sea.

Legacy 3-D seismic covers 100% of the licence area. Deltic expects that technical work over the coming months will focus on the reprocessing of the legacy 3-D seismic to improve sub-surface image quality. This will be followed by the detailed technical evaluation of the previously identified prospectivity. The latest the Oil and Gas Authority can be informed about drilling intentions is early September 2023. Capricorn, we believe, may, conceivably undertake a broader sequential drilling programme on the Carboniferous fairway in 2023/24.

South of Breagh

The South of Breagh Cairn farm-out deal includes three licences, P2560, P2561 and P2562. These are located in a zone of the Carboniferous fairway between the Breagh field (Ineos) in the north and the Tolmount field (Harbour energy HBR.L, formerly Premier Oil and Chrysaor) in the south. All three licences contain early-stage projects.

Surprisingly perhaps given their proximity to Breagh and Tolmount, little exploration has been undertaken South of Breagh. Deltic believes that the zone has significant potential in the Carboniferous sandstones, Permian Leman sandstones and the Permian Zechstein carbonates. The initial work programme for South of Breagh is likely to focus on reprocessing legacy 2-D and 3-D seismic data.

Blackadder

Deltic has a 25% working interest in the Parkmead (PMG.L) operated P2435 which contains the Blackadder prospect and the Bob technical discovery. The licence is located in the heart of the SE-NW trending Leman sandstone fairway approximately 50 km due west of P2437 (Selene). All work commitments were completed on P2435 in 2019 since when the licence has effectively been on care and maintenance. Against the background of the powerful recovery in natural gas prices in 2021, Deltic has suggested that in conjunction with Parkmead it is interested in resurrecting the Blackadder project. Phase A runs until September 30, 2022.

Exhibit 1: Deltic Energy SNS licence interests



Source: Company: Note P2424 License lapsed at end September 2021

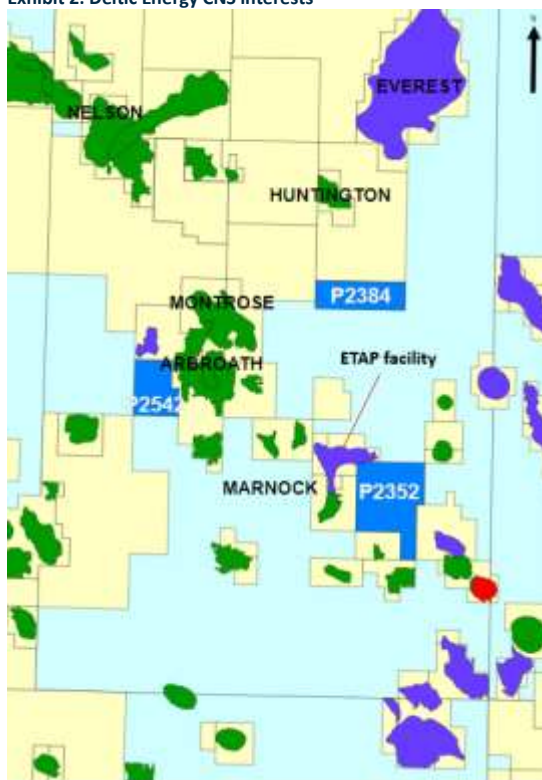
Dewar

Deltic has a 100% working interest in P2352 which contains the Dewar prospect and is situated in the CNS (Central North Sea) Graben, a prolific oil and gas condensate producing province. The Dewar prospect is based on a Forties sandstone channel lies about 240 km east of Aberdeen. High quality 3-D seismic has been shot over the licence. Significantly, the Dewar prospect is supported by a clear amplitude versus offset (AVO) anomaly. Water depths in the vicinity of Dewar are modest in exploration terms at about 90m. Jack-up rather than more expensive semi-submersible rigs can therefore be used for drilling. Deltic has put the drilling costs at £17m.

Dewar has significant P50 prospective resources of 21mm barrels gross which is down on the 39.5mm barrels of earlier reports reflecting a re-evaluation of the AVO data. The prospect is relatively low-risk for this stage of appraisal with a GCOS of 40%. It is located only 5 km south-east of the BP operated Eastern Trough Area Project (ETAP) central processing facility. ETAP includes nine fields which according to industry reports contains reserves of over 500mm boe. Deltic commissioned a commercial feasibility study in 2019 which suggested that a Dewar project would be 'highly economic.' Key positives are critical-mass in terms of resources and proximity to infrastructure.

A farm-out process was commenced for Dewar in July 2019. After some initial interest, the coronavirus pandemic unfortunately intervened. However, following the strong recovery in Brent over the past year to >\$100/barrel farm-in interest in Dewar has re-emerged. According to Deltic, Dewar is drill ready.

Exhibit 2: Deltic Energy CNS interests



Source: Company

Syros

In the 32nd Licensing Round, Deltic added significantly to its CNS interests with the award of the 100% owned P2542 licence. This is situated about 40 km north-west of Dewar on the western flank of the Montrose-Arbroath high, an established hydrocarbon producing zone. P2542 contains the Jurassic Fulmar sandstone Syros prospect which has been identified using 3-D seismic. Immediately to the north of P2542 is Repsol’s Cayley gas field.

As yet, Syros has no assigned prospective resources. Deltic has, however, indicated that technical work has commenced on evaluating P2542 with newly reprocessed seismic data having been acquire. The aim is to commence farm-out marketing in mid-2022.

Commodity price backdrop

European and UK natural gas prices surged to unprecedented levels in early March 2022 following Russia’s invasion of Ukraine. The UK NBP benchmark, for example, hit £5.11/therm or \$67/mm Btu on March 8. This was equivalent to around \$400/barrel of oil and compares with a historic NBP price range of roughly 35-70p/therm for much of the period between 2010 and 2019.

Gas prices were already on a strong upward trend in the fourth quarter of 2021. This reflected the perfect storm of robust demand, supply constraints and relatively low inventories going into the winter drawdown season. Demand was boosted by a combination of rebounding economic activity post the relaxation of Covid restrictions, the premature phasing out of coal-fired and nuclear power generation and unfavourable weather conditions for wind power due to extended periods of very light winds. Supply constraints stemmed largely from technical issues and strong domestic demand in Russia which limited spot availability (most Gazprom gas is supplied under long term contracts). International spot LNG supplies were also tight in the fourth quarter of 2021 reflecting high facility utilisation and outages.

At the end of the fourth quarter of 2021 the NBP price was around £1.71/therm or \$23/mm Btu while the East Asia JKM (Japan-Korea-Marker) LNG benchmark was approximately \$35/mm Btu cif. The surge in gas prices to all-time highs during the first quarter of 2022 was driven by uncertainty surrounding supply in the wake of Russia’s invasion of Ukraine. Note Russia typically supplies about 35% of Europe’s gas needs. Significantly, gas from Russia has continued to flow much as normal since the invasion of Ukraine but uncertainty concerning the supply outlook continues to overhang the marketplace, given that there are few alternative sources of supply in the short-term at least.

Exhibit 3: NBP price trend



Source: Refinitiv

Since peaking in early March 2022 international gas prices have come under pressure but remain at elevated levels historically. In late April the NBP was trading at about £1.90/therm or \$25/mm Btu while the JKM benchmark was approximately \$33/mm Btu. Downward pressure in the UK and Europe reflects in part seasonal demand influences and in part stepped-up supplies from non-Russian sources. The key factors here have been an influx of LNG and rising Norwegian output. Interestingly, rising US LNG exports have exerted upward pressure on domestic prices. The US Henry Hub benchmark has recently been trading at about \$7/mm Btu, the highest level in at least ten years. In the current circumstances, rising gas shipments to Europe can only come at the expense of lower shipments elsewhere assuming that Russia is not an option.

The key question now is the direction of gas prices over the medium to long-term. The NBP forward curve throws some light on the situation. The front end of the curve is in marked contango (near-term prices lower than for those further along the curve) for all dates through early 2023. The NBP forward price for May at £1.70/therm is slightly lower than spot. The curve peaks at about £2.50/therm in January 2023 no doubt reflecting, at least in part, seasonal factors. Post January 2023 the curve is in backwardation (near-term prices higher than for the more distant dates) for all dates through end 2029. The terminal value is 0.85p/therm or \$11/mm Btu while the average between 2023 and 2029 is about £1.30/therm or \$17/mm Btu.

Although the forward curve implies some loosening in the gas supply in Europe the trend still points to historically high prices for all dates through 2029. We believe that the forward curve currently probably does not reflect a complete cessation of supplies from Russia. In these circumstances we think it likely that the front end of the curve would be a step function higher than indicated. We suspect, in fact, that the NBP price would revisit £5/therm. Such an elevated price would however ultimately result in downward pressure on demand amid strong recessionary forces. The market would rebalance in due course but possibly at a significantly lower level of economic activity than if Russian gas supplies were free flowing.

Importantly, the gas prices implied by the forward curve suggest much higher industry profitability than has historically been the case. It needs to be remembered, however, that field development costs are also rising reflecting strong inflationary pressures especially for materials such as steel.

33rd Licensing Round

UK public policy regarding North Sea oil and gas development has changed radically in recent months. This is clearly a consequence of the surge in oil and particularly gas prices since the third quarter of 2021 and growing concerns over the security of supply, given the tight market backdrop and the potential for a cessation of shipments from Russia.

The government has now clearly acknowledged that gas is an important energy transition fuel given relatively low carbon emissions vis-à-vis coal and oil. Furthermore, energy supply security is now being prioritised to a greater extent than previously. Both factors suggest encouraging indigenous oil and gas development. A key manifestation of the new policy was the announcement in the British Energy Security Strategy paper of 6 April 2022 that the 33rd offshore licensing round would take place in the autumn of 2022.

Deltic has indicated that it has been working on identifying and maturing a number of potential opportunities in the Southern and Central North Sea. The intention is to make multiple licence applications on both a 100% basis and in partnership with other established oil and gas companies. It should be noted that licence applications are a low-cost way of sourcing exploration and development opportunities and have been key to Deltic's success to date.

Financials

Deltic ended December 2021 with a very comfortable cash position in relation to its near-term spending commitments. The cash position at the time was £10.1m, somewhat higher than our forecast of £9.2m largely reflecting the re-allocation of capital spending between 2021 and 2022. The company has indicated that at end March 2022 cash was £8.6m. Cash usage, not surprisingly, is now trending higher as preparations for the Pensacola well gather pace.

Based on the current work programme and G&A structure, we look for a cash outflow in 2022 of £8.62m. This comprises £1.72m for operations and £6.90m for capital spending. We have allowed for a 5% year-on-year increase in G&A while capital spending is split £6.4m Pensacola and £0.5m miscellaneous. The forecast cash outflow would leave cash at year-end 2022 at £1.47m. This compares with a previous forecast of £0.28m with the variance mainly due to the deletion of the Selene drilling assumption in 2022 partly offset by higher Pensacola costs.

Clearly, a major drilling campaign in 2023 involving perhaps the Selene and Plymouth prospects on licences P2437 and P2428 respectively would need new financing. Broadly, exploration wells in the Carboniferous/Zechstein and Leman sandstone fairways of the SNS basin cost around \$25m gross. Deltic has given its share of potential Selene drilling costs as £4.85m with another £2m for well testing which involves Shell paying 75% of well costs up to \$25m. The cost of a well on P2428 will probably be similar.

Exhibit 4: Summary Financials (£'000), Y/E December

INCOME STATEMENT	2017	2018	2019	2020	2021	2022E
Administrative Expenses	(1,592)	(1,661)	(1,709)	(1,699)	(1,913)	(2,009)
Impairment charge	0	1	(801)	0	10	0
Operating Profit	(1,592)	(1,660)	(2,510)	(1,699)	(1,903)	(2,009)
Finance Income/other	1	1	150	34	(32)	8
PBT	(1,590)	(1,659)	(2,360)	(1,666)	(1,935)	(2,001)
Taxation	-	-	-	-	-	-
Net Income	(1,590)	(1,659)	(2,360)	(1,666)	(1,935)	(2,001)
Comprehensive Loss	(1,590)	(1,659)	(2,360)	(1,666)	(1,935)	(2,001)
EBITDA	(1,473)	(1,653)	(1,589)	(1,587)	(1,792)	(1,884)
Avg. Shares Basic (m)	343.9	475.4	979.6	1,406.0	1,406.0	1,406.0
EPS (report) p	(0.46)	(0.35)	(0.24)	(0.32)	(0.14)	(0.14)
CASH FLOW	2017	2018	2019	2020	2021	2022E
Net Loss for the year	(1,590)	(1,660)	(2,360)	(1,666)	(1,935)	(2,001)
Change in receivables	54	7	(17)	38	(137)	0
Change in payables	(10)	2	21	30	143	0
Depreciation	5	8	120	113	121	125
Other	0	(2)	651	(31)	24	0
Share Based Payments	114	122	172	148	160	160
Net Operating cash flow	(1,428)	(1,523)	(1,413)	(1,368)	(1,623)	(1,716)
Acquisition of PPE	(2)	(10)	(6)	(160)	(6)	(5)
Exp and Eval assets additions	(224)	(665)	(896)	(359)	(854)	(6,900)
Other	1	0	(80)	6	(114)	0
Proceeds from farm-out			470	0	720	0
Proceeds from issue of shares	962	2,607	14,348	0	0	0
Net cash flow	(691)	409	12,423	(1,881)	(1,877)	(8,621)
Net cash/(debt)	1,017	1,426	13,849	11,969	10,092	1,471
BALANCE SHEET	2017	2018	2019	2020	2021	2022E
Intangible assets	775	1,617	1,128	1,431	2,203	9,103
Property, Plant & Equipment	4	12	47	497	385	266
Other	54	54	0	37	37	37
Total Non-Current Assets	833	1,683	1,175	1,965	2,626	9,406
Receivables	89	82	130	54	190	190
Cash & Cash Equivalents	1,017	1,426	13,849	11,969	10,092	1,471
Total Current Assets	1,106	1,508	13,979	12,023	10,283	1,662
Total Assets	1,939	3,191	15,154	13,988	12,908	11,068
Non-Current Liabilities	0	0	0	304	215	304
Trade payables	112	269	173	153	931	931
Other payables	100	127	26	93	99	99
ST debt	0	0	0	0	0	0
Current Liabilities	213	396	199	246	1,030	1,030
Total Liabilities	213	396	199	550	1,245	1,334
Net assets	1,727	2,795	14,956	13,438	11,663	9,823
Net cash/(debt)	1,017	1,426	13,849	11,969	10,092	1,471
Shareholder Equity	1,727	2,795	14,956	13,438	11,663	9,823
Total Equity & Liabilities	1,939	3,191	15,154	13,988	12,908	11,068

Source: Company data, Allenby Capital forecasts

Valuation

We have upgraded our Deltic success case valuation given in our September 2021 note from £425m or 30.3p/share to £594m or 42.3p/share. This reflects the following:

- An increase in the valuation quotient from \$5.00/boe to \$7.00/boe. Our rationale is that gas assets have become considerably more valuable in recent months given the surge in spot prices and the pronounced upward shift in the forward curve. The 40% uplift broadly reflects the increase in spot NBP between early September 2021 and late April 2022.
- A change in exchange rate assumption from £1=\$1.37 to \$1.31.

The success case is based on the five leading projects which are: Pensacola, Selene, Dewar, Plymouth and Cadence.

Our risked valuation has also been upgraded. The new estimate is £274.7m or 19.5p/share which is up from £196.5m or 14.0p/share previously. As for the success case, we have raised the valuation quotient to \$7.0/boe for the five leading projects and have adjusted for the Selene resource uplift, the change in exchange rate assumption and the relinquishment of the southern portion of P2252 at end 2021. The prior valuation quotients, however, have been left unchanged for the residual less advanced projects at \$2.0/boe and \$2.5/boe. Risking takes into account the geological chances of success for each project.

Share price catalysts

Deltic Energy has excellent potential for high-impact news flow in the coming months and indeed in 2023. We see the following share price catalysts:

- Confirmation that the Pensacola rig contract has been signed along with the likely spudding date. This should occur over the next month or two.
- News concerning the outcome of Capricorn's 3-D seismic survey over the Plymouth prospect. We believe that the news could surface in June/July following delivery of the data in May.
- An announcement concerning the drilling of the Plymouth prospect. We think this could occur late in the third quarter of 2022.
- Pensacola drilling results towards the end of 2022.
- An announcement that the Selene prospect will be drilled. We think this might occur at any time between now and end year.
- 33rd offshore licensing round awards. The round will launch in the autumn of 2022. The application deadline will likely be around the turn of the year with the awards in Q2 2023.

Exhibit 5: Risked valuation

Projects	Licence	Location/ geology	WI %	Gross un-risked P50 resources		Net un-risked P50 resources		GCOS %	Net risked P50 resources		Valuation quotient		Net risked valuation	
				bctfe	mmboe	bctfe	mmboe		bctfe	mmboe	\$/boe	\$m	£m	p/share
Leading projects														
Pensacola	P2252	SNS PZ, Csst	30	310	52	93	16	55	51	9	7.0	59.7	45.6	3.2
Selene	P2437	SNS PLSst	50	318	53	159	27	70	111	19	7.0	129.9	99.1	7.1
Dewar	P2352	CNS Pal Fsst	50	126	21	63	11	40	25	4	7.0	29.4	22.4	1.6
Plymouth	P2428	SNS PZ	40	282	47	113	19	19	21	4	7.0	25.0	19.1	1.4
Cadence	P2567	SNS Csst	40	600	100	240	40	22	53	9	7.0	61.6	47.0	3.3
Total leading projects				1,636	273	668	112		262	44		305.5	233.2	16.6
Other projects														
Other	P2437	SNS PLSst	50	102	17	51	9	40	21	3	2.0	6.9	5.2	0.4
Other	P2428	SNS Csst, PLSst, PZ	40	613	102	232	39	23	53	9	2.5	22.2	17.0	1.2
Other	P2435	SNS PLSst	25	135	23	34	6	54	18	3	2.0	6.1	4.6	0.3
Other	P2567	SNS Tr, Csst	40	524	87	210	35	22	46	8	2.5	19.2	14.7	1.0
Total				1,374	229	526	88		138	23		54.4	41.5	3.0
Total all licences				3,010	502	1,194	200		400	67		359.9	274.7	19.5

Source: Company data, Allenby Capital forecasts Exchange rate: £1=\$1.31

Per share calculations based on 1405.96m shares in issue

Note: Working interests for P2252 and P2437 take into account the Shell farm-in

Working interests for P2352 assume a farm-down from 100%

Working interests for 2428 and P2567 take into account the Cairn farm-in

Working interest for P2435 is the actual status as of April 2022

SNS is Southern North Sea, CNS is Central North Sea.

PZ is Permian Zechstein, Csst is Carboniferous sandstone; PLSst is Permian Leman sandstone; Pal Fsst is Paleocene Forties sandstone; Trsst is Triassic sandstone

Exhibit 6: Valuation success case

Prospect	Working interest post farm-in %	Net un-risked P50 resources		Valuation quotient \$/boe	Net un-risked valuation		
		bctfe	mmboe		\$m	£m	p/share
Pensacola	30	93	15.5	7.00	108.5	83	5.9
Selene	50	159	26.5	7.00	185.5	142	10.1
Dewar	50	63	10.4	7.00	72.8	56	4.0
Plymouth	40	113	18.8	7.00	131.6	100	7.1
Cadence	40	240	40.0	7.00	280.0	214	15.2
Total		668	111.2		366.8	594	42.3

Source: Company; Allenby Capital

Note: Conversion 6,000 cf/boe, exchange rate £1=\$1.31, Dewar working interest assumes a farm-down from 100%, working interests for Pensacola and Selene are post the Shell farm-outs, per share calculation based on 1,405.96m shares in issue, Dewar per share not diluted for Deltic's share of drilling costs.

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