

Decklar Resources Inc. Announces Private Placement Financing, Update on Oza Oil Field Well Re-Entry and Debt Financing

TORONTO, CANADA February 22, 2021 -- **Decklar Resources Inc. (DKL-TSX Venture)** (the “Company” or “Decklar”) is pleased to announce that a private placement financing for a total of approximately CAD \$4 million is in the final stages of completion that will enable the Company to immediately advance operational activities to re-enter the Oza-1 well at the Oza Oil Field in Nigeria. Closing of this private placement is expected to provide sufficient funds to re-enter the Oza-1 well and to re-establish oil production at the Oza Oil Field through the Company’s wholly-owned Nigeria-based subsidiary, Decklar Petroleum Limited. The previously announced debt funding plans are at final stages of being concluded, which will provide additional development funding for further operations and development drilling of the Oza Oil Field.

Private Placement of Common Shares

The Company has arranged a private placement in which approximately 14.4 million Decklar common shares will be issued at a price of CAD \$0.28 per share for total gross proceeds of approximately CAD \$4,032,000. The common shares to be issued as a result of this private placement will be subject to a four-month trading restriction. The private placement is expected to close by the end of February 2021, and after issuance of the additional common shares the Company will have total outstanding shares of 68,679,773. The private placement is subject to approval by the TSX Venture Exchange. The majority of these funds will be used to immediately proceed with the preparation and operations for the re-entry of the Oza-1 well. The remainder of the funds will be used for general corporate expenses. The Company may pay certain arm’s length parties a finder’s fee in cash and/or common shares of the Company in accordance with the policies of the TSX Venture Exchange.

Oza-1 Well Re-Entry Plans and Status

Civil works required for the Oza-1 wellsite are complete, including rebuilding of the access road, construction of a concrete drilling pad, a concrete mud pit, buildings, and other facilities required for well re-entry and drilling operations and management. A drilling rig located near the field has been contracted and will be moved to the Oza-1 wellsite in the near term, and operations to perform the planned re-entry of the Oza-1 well will begin shortly thereafter. The recently completed drilling pad will be used for both the Oza-1 well re-entry and first horizontal development well on the Oza Oil Field.

As previously reported, an export pipeline that ties the Oza Oil Field production into the Trans Niger Pipeline (TNP) and continues on to the Bonny Export Terminal, operated by Shell Production Development Company (SPDC) is already in place. Infrastructure also in place at the Oza Oil Field includes a lease automatic custody transfer (LACT) unit fiscal metering system, infield flow-lines, manifolds, and a rental 6,000 barrel per day early production facility. These production and pipeline facilities are intended to ensure that oil tested from the Oza-1 well re-entry and early production will be immediately delivered and sold on an expedited basis.

This is a significant milestone for the Company, as it progresses from a junior development company to a revenue-generating oil producer. Subsequent well re-entries and additional development drilling at the Oza Oil Field further supports the Company’s organic growth strategy.

Update Regarding Debt Funding Arrangements

The due diligence required to finalize the term debt arranged with a Nigerian bank and the trading subsidiary of a large multinational oil company active in Nigeria has continued to progress, and the final report by the independent

technical consultant contracted to review reserve and production data and financial projections was previously issued and has been reviewed. The definitive loan documents are being finalized and are nearing conclusion, with the Nigerian bank at final stages of concluding the formal legal agreements. As previously announced, the remainder of the US\$7,500,000 for the subscription agreement with San Leon Energy Plc remains in escrow and will be released upon satisfaction (or waiver) of the final conditions precedent contained in the agreement which is anticipated in the very near future.

Collectively, these funds will be sufficient for the Company to execute full field development plans, which includes re-entry and re-establishment of production from the remaining existing Oza wells, in addition to new horizontal wells and development wells at the Oza Oil Field.

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Cautionary Language

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). All statements in this news release, other than statements of historical facts, including statements with respect to the Company satisfying all outstanding conditions precedent in order to complete the transaction with San Leon are forward-looking statements. Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities.

All statements other than statements of historical fact may be forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in oil prices, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government or other regulatory approvals, actual performance of facilities, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements.

The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not assume the obligation to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.