

Decklar Resources Inc. Announces Letter of Intent to Participate in Asaramatoru Field in OML 11 in Nigeria and Appointment of New Chief Financial Officer

TORONTO, CANADA June 9, 2021 -- **Decklar Resources Inc. (DKL-TSX Venture)** (the “Company” or “Decklar”) announces the completion of a non-binding Letter of Intent to purchase all of the issued and outstanding ordinary shares of Purion Energy Limited (“Purion”), a Nigerian entity that has the right to enter into a Risk Finance and Technical Services Agreement (“RFTSA”) with Prime Exploration and Production Limited (“Prime”) to participate in the Asaramatoru field in Nigeria, located in OML 11, the same block where Decklar is also currently developing the Oza Field.

Decklar is also pleased to announce the appointment of David Halpin as Chief Financial Officer of the Company.

The Asaramatoru Field

The Asaramatoru field, operated and owned 51% by Prime and owned 49% by Suffolk Petroleum Limited (“Suffolk”), is situated onshore in the southern swamp section of OML 11 in the Eastern Niger Delta area, which is one of the largest onshore oil producing blocks spanning the coastal swampy section in the south to dry land in the north. The Asaramatoru field is situated in the vicinity of Andoni Local Government Area in mangrove forested terrain and is approximately 45 km S/SE of the oil city of Port Harcourt in Rivers State and approximately 40 km south of the Oza Field. The Bonny Oil Export Terminal and Bonny LNG plant are located approximately 15 km south of the Asaramatoru field.

The Asaramatoru field was formerly operated by Shell Petroleum Development Company of Nigeria Limited (“SPDC”). The Asaramatoru field was awarded to Prime and Suffolk by the Federal Government of Nigeria in 2004 as part of the first Marginal Field Program. A subsidiary of Prime was appointed operator of the field.

Two wells were drilled in the Asaramatoru field by SPDC, and both wells encountered oil and gas in several stacked reservoirs. The wells were both suspended by SPDC as oil and gas discoveries. Data available includes 3-D seismic and wireline log data.

Prime and Suffolk re-entered the existing two wells and commenced initial production activities in 2014. The wells produced an average of 2,700 barrels oil per day for over three years, with the crude production being barged to an offshore facility for storage and export. The two wells have been shut in since late 2018 due to lower oil prices and logistics connected with barging and export activities.

The next planned stages for development of the Asaramatoru field include restarting production from the two existing wells, drilling and completion of five to seven additional wells, installation of production and export facilities, and construction of flowlines. The SPDC crude export pipeline to the Bonny Terminal has a tie-in point at Oloma Flow Station, located approximately 10 km from the field.

The full field development plan will include the expansion of the processing facilities to enable handling and processing of up to 20,000 barrels of crude per day for the expected peak production levels.

Letter of Intent between Purion and Decklar

Decklar and Purion have signed a non-binding letter of intent with respect to the proposed acquisition by Decklar (the “Transaction”) of all of the issued and outstanding ordinary shares of Purion (the “Purion Shares”). Purion has separately entered into a Heads of Agreement with Prime in respect of the entering of a RFTSA with Prime with respect to the 51% equity interest that was awarded to Prime for the Asaramatoru field. Further, Decklar is aware that Purion is seeking to enter into a Heads of Agreement with Suffolk to enter an additional RFTSA in respect of Suffolk’s 49% interest in the Asaramatoru field.

The Transaction terms will be based on the issuance of up to 5,500,000 common shares of Decklar (“Decklar Shares”), as consideration for the acquisition of all the issued and outstanding Purion Shares. In the event Purion has not entered into an RFTSA in respect of the Suffolk interest at the time of completion of the Transaction, the number of Decklar Shares to be issued to the shareholders of Purion shall be 3,750,000. The specific terms of the Transaction remain under negotiation, and the Transaction will be structured and definitive agreements entered into following the review and consideration of applicable tax, securities, corporate law and other relevant considerations and shall be subject to the mutual agreement of Decklar and Purion, acting reasonably. The Letter of Intent shall terminate with Decklar and Purion having no further obligations to each other under the agreement upon mutual written agreement to terminate or by either party if definitive agreements have not been entered into by July 15, 2021. The Transaction will be subject to customary conditions precedents to completion, including approval of the TSX Venture Exchange.

Appointment of New Chief Financial Officer

Decklar is pleased to announce the appointment of Mr. David Halpin as Chief Financial Officer of the Company.

Mr. Halpin brings over 25 years of experience in management and as a finance and accounting executive and consultant for public and private Canadian and international resource companies, including several Nigeria-based oil and gas companies.

David is the former CFO and Senior Financial Advisor for Mart Resources, Inc., a TSX-listed company with oil production in Nigeria that had a peak market capitalization of over CDN \$750 million. He was also a director of a TSXV-listed company focused on exploration and development of oil and gas opportunities in Saskatchewan and Alberta and was a founder and CFO of a TSXV-listed healthcare and insurance software company. Mr. Halpin is also the VP Finance of the Company’s wholly-owned subsidiary Decklar Petroleum Limited, a position he has held since mid-2020.

He is a Certified Management Accountant (CMA) from the Institute of Management Accountants and holds a B.Sc. in Business Administration from Arizona State University.

Duncan Blount, CEO and Director of Decklar, stated:

“Mr. Halpin succeeds Paula Kember, who served the Company and its predecessor company for 13 years in various roles including most recently CFO and Corporate Secretary. We wish to sincerely thank Paula for her important role in bringing the Company to where we are now. Paula played a fundamental role in the development and evolution of the Company, and we wish her the best in all her future endeavors.”

Mr. Blount continued, “We would also like to welcome Mr. Halpin to the executive management team and look forward to working together as we build Decklar Resources into a multi-asset producing oil company.”

The Company will continue to engage Ms. Kember as a consultant as may be needed from time to time and to assist with the transition of duties.

For further information:

Duncan T. Blount
Chief Executive Officer Telephone: +1 305 890 6516
Email: dblount@decklarresources.com

David Halpin
Chief Financial Officer Telephone: +1 403 816 3029
Email: davidhalpin@decklarpetroleum.com

Investor Relations: info@decklarresources.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Language

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation), including entering into definitive agreements in respect of the Transaction and satisfaction of conditions precedent to completion of the Transaction. All statements in this news release, other than statements of historical facts, 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. There is no certainty that definitive agreements in respect of the Transaction will be entered into, or that any conditions precedent contained therein will be satisfied on terms satisfactory to the parties or at all.

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.