

Egdon Resources Plc

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Egdon Resources shares jump on 'highly encouraging' UK shale well results

Egdon Resources Plc (LON:EDR) saw its shares rise around 16% in Monday's early deals after positive results from its part-owned shale gas well in Nottinghamshire.

The company has a 14.5% interest in the IGas operated Springs Road project.

IGas this morning confirmed a sequence of hydrocarbon bearing shale over some 250 metres in the SR-01 well, at Springs Road, and, significant gas indications were observed, the company said.

Around 150 metres of shale core has been recovered, extensive wireline logging has taken place, and petrophysical and core analysis is currently being conducted. Subsequent results will provide further insight into the resource potential and shale characteristics.

READ: IGas Energy Springs Road well reveals significant shale sequence
Drilling continues in the well, down to test additional potential in multiple horizons within the Gainsborough Trough formation.

Mark Abbott, Egdon managing director, said: "These initial results from the Springs Road-1 well are highly encouraging for both PEDL140 and the wider potential of Egdon's extensive licence portfolio in the East Midlands.

"We now look forward to the results from the drilling of the deeper sequences in the Springs Road-1 well over the coming weeks and the detailed analysis of the core and log data acquired to date in the coming months.

"However, these positive results from Springs Road-1 when added to those from Tinker Lane-1 appear to validate our strategic focus on the Gainsborough Trough where the company holds interests in 82,000 net acres."

IGas chief executive Stephen Bowler, meanwhile, said: "The data gathered to date shows that there are significant prospective resources in our East Midlands acreage and is another important step for the UK onshore industry.

Core sample retrieved from Springs Road well effervescing gas when immersed in water pic.twitter.com/nfwoa2CEoG

— IGas Energy (@IGasEnergy) March 11, 2019

"There is the potential for the gas beneath our feet to contribute materially to the UK energy needs."

Bowler added: "Gas is important for our energy requirements, not least because over 80% of the homes across the country are heated by gas.

"These results come at a time when we are importing more and more gas from overseas and could stimulate investment in the East Midlands basin as well as improving the country's balance of payments."

Price: 4.55

Market Cap: £13.8 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: EDR

Listing: AIM

52 week High Low
8.46837 2.5

Sector: Oil & Gas

Website: www.egdon-resources.com

Company Synopsis:

Egdon Resources plc is an independent onshore focused oil and gas exploration and production business.

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