

09:55 08 Apr 2019

Today's Oil and Gas Update - Volga Gas, ADX Energy, Ascent Resources and more..



08 April 2019

MiFID II exempt information - see disclaimer below

Summary In Brief

Volga Gas* (LON:VGAS) - 51p - \$78mm (75p)

Results Underline Operational Gearing

ADX Energy (ASX:ADX) - A\$0.01

Parta Farmin signed

Ascent Resources (LON:AST) - 0.28p

Production Update

Calima Energy (ASX:CL1) - A\$0.05

Oil saturation values Support Commerciality

Energear Oil & Gas (LON:ENOG) - 779p

Epsilon Horizontal Successfully Completed

SDX Energy (LON:SDX) - 35p

South Disouq Disappoints

Tlou Energy (LON:TLOU) - 6p

Raising Indicates Support

News In Brief **Volga Gas***

(LON:VGAS) - 51p

?\$78mm (75p)

Results Underline Operational Gearing

The Company's results, released today, underline the operational resilience within the business. The first full 6-month contribution from the LPG plant demonstrates the sound engineering and economic justification for its development.

All of these factors have combined to continue to drive cash generation in the business, with the board having sufficient confidence to pay a 6.5c dividend.

We believe that the outlook remains solid and that the business is in a strong position, from which the Company can either trade out or use the existing asset base as a foundation to expand its horizons.

Following today's news, we are reiterating our - \$78mm (75p) valuation.

* - SP Angel acts as Nomad & Broker to Volga Gas

[ADX Energy](#)
(ASX:ADX) - A\$0.01

[Parta Farmin Signed](#)

The Company has executed a binding head of terms with Reabold Resources ("RBD") to farm in to the Parta licence in onshore Romania. The farmin commits RBD to spending \$1.5mm to on 3D seismic.

This comes after an extended period of consolidation, the farmin to Parta restarts the Company's programme.

[Ascent Resources](#)
(LON:AST) - 0.28p

[Production Update](#)

Despite Issues with the Slovenian government aside, stability in production is positive. The next phase of development will provide a foundation for the Company.

[Calima Energy](#)
(ASX:CL1) - A\$0.05

[Oil saturation values Support Commerciality](#)

Measurements from direct core samples have demonstrated oil saturations of up to 64% in the target horizons. Above expectation liquids content in its target horizons are a positive in that it raises the per boe value, bringing commerciality a step closer.

Energiean Oil & Gas (LON:ENOG) - 779p

Epsilon Horizontal Successfully Completed

News that the first Epsilon well has flowed oil at a constrained rate of 1,000bpd is a positive. The successful test of Epsilon is a milestone but is only a stepping stone towards commissioning of the field. Nevertheless, a positive for the engineering team.

SDX Energy (LON:SDX) - 35p

South Disouq Disappoints

The Company has disclosed that the timing on South Disouq could slip in to 4Q'19 due to a number of contractual issues. South Disouq's delay does not mean that value has been lost, but it will disappoint as this has been well highlighted.

Furthermore, the Company's election to delist from Canada underlines London's pre-eminence as a place to fund and invest in oil and gas, more so when the businesses are located outside of North America.

Tlou Energy (LON:TLOU) - 6p

Raising Indicates Support

News that the Company has raised A1.2mm at a 5% premium to its pre-financing share price underlines the support for the Company and a reflection of the prospectivity of the assets.

We may provide a further update on one, or all, of the stories above later today. However, if there is anything that you would like to discuss, please feel free to contact us.

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