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Small cap movers: Coro Energy sacks boss as it cuts costs during pandemic

Coro Energy PLC (LON:CORO) was a notable small-cap casualty this week as the firm introduced new cost-cutting measures to manage the severe disruption in the oil and gas market caused by a drop in crude prices amid the coronavirus pandemic, which resulted in the "termination" of chief executive James Menzies.

The Italy-focused energy company offered all its executive directors three options: take an unpaid sabbatical, receive three months' notice in shares, or become non-executive directors (NED).

Menzies did not accept any of these, so the board sacked him with immediate effect and without payment. Chief financial officer Andrew Dennan, however, chose to become a NED, while Nick Cooper, a NED, resigned.

The oiler also temporarily suspended production at two fields in Italy which, alongside other measures, should save it US\$2.3mIn.

Together with the US\$4.5mIn it had in the bank as of last Tuesday, Coro expects to survive until April 2021.

To top it all off, the company warned that the sale of its Italian portfolio and the potential acquisition of assets in South East Asia are expected to be delayed amid the ongoing global crisis.

Coro Energy shares tumbled 25% to 0.4p.

The wider market fared a little better, with the AIM All-Share only down 0.4% to 663, and outperforming the FTSE 100, which dipped 1.6% to 5,410.

Overall, it was a week for risers on AIM, led by industrial coatings technology firm Hardide Plc (LON:HDD), which skyrocketed 121% higher to 32p.

The firm said half-year revenues rose over 25% thanks to strong demand and confirmed the coronavirus crisis has not caused any significant reduction for now.

Hardide also reassured investors that, despite the aircraft industry taking a battering, its contracts with Airbus and other suppliers are still ongoing.

What's more, the manufacturer is still operating during the pandemic as it was asked to supply an unnamed customer designated as an essential critical infrastructure company in the US.

Elsewhere, oil and gas group Star Phoenix Group Ltd (LON:STA) rose 68% to 2p after it sold off its Range Resources' Trinidad business and paid off all its US\$95mIn debt to field services provider LandOcean.

Price: 144.25

Market Cap: £163.3 m

1 Year Share Price Graph



Share Information

Code: AGFX

Listing: AIM

52 week	High	Low
	207	90

Sector: Financial Services

Website: argentex.com

Company Synopsis:

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Functional foods group Optibiotix Health PLC (LON:OPTI) soared 55% to 47p after signing two separate contracts to licence its weight loss ingredient SlimBiome with Danish firm Fipros and Australian company Optipharm.

In Africa, Botswana Diamonds PLC (LON:BOD) gained 47% to 0.5p after being awarded six prospecting licences and four renewals, though it will only start operations once the lockdown is over.

In the tech sector, Seeing Machines Ltd. (LON:SEE) surged 36% to 2p after inking a US\$5m deal for its driver monitoring system technology with an unnamed automotive firm.

Music streaming provider 7Digital Group PLC (LON:7DIG) leapt 31% higher to 0.2p after renewing a contract with GrandPad, which produces a tablet designed for people over 75.

Corero Network Security PLC (LON:CNS) jumped 22% to 4p after posting a record quarter for order intake, securing US\$2m of additional customer wins in March.

Similarly, cybersecurity firm Falanx Group Ltd (LON:FLX) was up 21% to 0.7p after announcing it has been able to fully service its clients during the pandemic with no loss of quality or service.

Sector-mate Kape Technologies PLC (LON:KAPE) rose 14% to 173p, after it said it too had seen increased demand for its privacy software products.

Miner Tertiary Minerals PLC (LON:TYM) shot up 10% to 0.2p after US-based institutional investor Precious Metals Capital Group agreed to buy £600,000 worth of shares in the firm.

Foreign exchange specialist Argentex PLC (LON:AGFX) advanced 9% to 120p after reporting "strong client demand" despite market volatility caused by the coronavirus pandemic.

Among the fallers, Gfinity slumped 46% to 1p after raising £2.25m by selling 225m shares at a 34% discount, which will be used to support growth. The fund-raising move came a day after the esports firm revealed that it had cut its first-half losses by 45%.

For the six months ended 31 December, the AIM-listed company reported an adjusted operating loss of £2.4m, down from £4.4m a year ago, while revenues decreased 20% to £3.5m.

Contamination detectors provider Modern Water Plc (LON:MWG) tanked 35% to 0.5p despite announcing that two months' worth of products have been shipped in the last two weeks, as the coronavirus crisis is believed to drive up demand.

Finally, gaming platforms designer Quixant PLC (LON:QXT) dropped 12% to 65p after reporting declines in revenue and profits for 2019, while it suspended its dividend payment until the impact of the pandemic becomes clearer.

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