

28 May 2019

**Prospex Oil and Gas Plc ('Prospex' or the 'Company')  
Onshore Romania - New Exploration Well Update**

Prospex Oil and Gas Plc, the AIM quoted investment company, has been advised by the operator, Raffles Energy S.R.L. ('Raffles'), that all relevant permits are now in place to drill the Bainet West prospect ('Bainet West') on the Exploration Area of the EIV-1 Suceava Concession (the 'Concession' or 'Suceava'), North East Romania. The civil engineering works at the drilling site started yesterday with the aim to allow on-site mobilisation of the drilling contractor in the second half of June. Subsequent drilling operations at Bainet West are expected to commence around end-June / early-July. Prospex's wholly-owned subsidiary, PXOG Massey Limited, holds a 50% non-operated interest in the 984 sq km Concession.

Bainet West is well defined on 2D seismic with similar seismic attributes to Suceava's Bainet field which was discovered by the Bainet-1 well in November 2017. The Bainet West prospect lies at a similar depth and is similarly positioned in relation to a fault. Bainet-1 was drilled to a total depth of 600m and encountered 9m of reservoir with 8m of net gas pay consisting of a good quality Sarmatian sandstone reservoir, similar to that found in fields producing in and around the Concession. If a commercial discovery is made, it would be likely put on production in a similar fashion to Bainet-1, via a flowline link to Bilca gas processing plant.

Civil works and well site preparations for Bainet West will take several weeks and are expected to be completed in time for the contracted rig to be on site before end-June 2019. Exact timings are dependent on the rig being mobilised from its current location, but drilling is expected to commence shortly after the rig arrives on site. The drilling and testing programme at Bainet West is expected to take 15 - 20 days, and the Company will provide a further update around the time of commencement.

**Prospex Non-Executive Chairman, Bill Smith, said,** "Bainet West will be Prospex's third well in less than 24 months. The previous two, Bainet-1 in Romania and Podere Maiar in Italy, were both drilled on budget and on schedule and both resulted in commercial gas discoveries. Thanks to Bainet West having similar seismic attributes to nearby producing gas fields in and around the Concession, its excellent definition on 2D seismic, its close proximity to existing gas infrastructure, and its cost-effective drilling programme, the new well has a highly attractive risk/reward profile and therefore represents a compelling opportunity to build on our successful track record.

"With drilling operations on course to commence at Suceava in summer 2019, plans being advanced to bring the Selva gas field in Italy into production in 2020 at a rate up to 150,000 cubic metres / day, and ongoing work programmes to de-risk gross prospective resources of up to 2tcf of gas at our Tesorillo Project in Spain, high impact activity is underway across our portfolio of European onshore projects.

This is an exciting period in Prospex's development, and I look forward in providing further updates on our progress."

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").*

**\*\* ENDS \*\***

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## **Notes**

Prospex Oil and Gas Plc is an AIM quoted investment company focussed on high impact onshore and shallow offshore European opportunities with short timelines to production. The Company's strategy is to acquire undervalued projects with multiple, tangible value trigger points that can be realised within 12 months of acquisition and then applying low cost re-evaluation techniques to identify and de-risk prospects.