

12 March 2019

**Prospex Oil and Gas Plc ('Prospex' or the 'Company')**  
**Placing to Raise £800,000 and Appointment of Joint Broker**

Prospex Oil and Gas Plc, the AIM quoted investment company, is pleased to announce that it has raised £800,000 gross via an oversubscribed placing of 400,000,000 new ordinary shares of £0.001 each in the Company ("Ordinary Shares") (the "Placing Shares") at a price of 0.2 pence per Placing Share (the "Placing Price") (the "Placing"). The Placing was undertaken with new and existing investors.

The net proceeds of the Placing will help fund the Company's share of the 2019 work programme at the Suceava Concession ('Suceava') in North East Romania. Following the Enlargement of Suceava, as announced separately today, the partners plan to drill the Bainet West prospect ('Bainet West') subject to customary permitting. Bainet West is a lookalike prospect to the Bainet discovery which was successfully drilled in 2017 and is currently on production.

Bainet West is well defined on seismic with similar seismic attributes to the Bainet gas field, lying at a comparable depth and is similarly positioned in relation to a fault. If a future discovery was made at Bainet West it would be likely put on production in a congruent fashion to Bainet. Assuming corresponding gross costs of €800,000 (€400,000 net to Prospex) to complete Bainet-1 as a production well, the funds raised today will more than cover Prospex's share of costs. Prospex's wholly-owned subsidiary PXOG Massey Limited holds a 50% non-operated interest in the now enlarged 984 sq km concession. Bainet West is one of several low cost / low risk exploration and development opportunities that have been identified at Suceava.

**Prospex Non-executive Chairman, Bill Smith, said,** *"We are pleased to have raised these funds for new drilling activity in Romania and thank all existing stakeholders and new investors for their support. Having participated in two successful wells in Romania and Italy in the last 18 months, we are keen to participate in drilling activity again and Bainet West represents an excellent opportunity for the partners to do just that. Based on our experience with the Bainet field - with a less than a year cycle between drilling and production start-up and, subject to a successful outcome, Bainet West has the potential to be brought into production within a similar timeframe. This is fast by industry standards and demonstrates the value of the Suceava Concession, where the presence of multiple copycat structures offers a low risk opportunity to build a cash generative project for relatively low capital outlay.*

*"Together with our interest in the Podere Gallina licence located onshore Italy, where first production at the 13.3bcf Selva gas field is targeted in 2020, Prospex has a clear line of sight to a step up in production-based revenues which, in line with our strategy, can be reinvested back into our existing licences. As well as Suceava and Podere Gallina, Prospex also holds an interest in the Tesorillo Project in Spain, where work is underway to de-risk gross prospective resources of up to 2tcf of gas, including*

*an historic discovery. At the same time, we continue to evaluate additional projects to add to our growing portfolio of interests. This is an exciting period for Prospex, one in which we are confident the disconnect that has opened up between our market valuation and the value of our assets will begin to narrow. With this in mind, I look forward to providing further updates on our progress."*

### **Admission to Trading on AIM and Total Voting Rights**

The Placing Shares will rank *pari passu* with the existing Ordinary Shares. Application will be made for the Placing Shares to be admitted to trading on AIM ("Admission") and Admission is expected to occur on or around 18 March 2019.

Following Admission, the Company will have in issue a total of 1,613,593,136 Ordinary Shares. The Company has no shares in treasury, therefore the figure of 1,613,593,136 should be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

### **Appointment of Joint Broker and issue of Broker Warrants**

The Placing was completed by Novum Securities Limited ("Novum"), which has been appointed as Joint Broker to the Company with immediate effect. As part of Novum's compensation for their work undertaken pursuant to the Placing, Novum shall be issued with 8,125,000 warrants to subscribe for, in aggregate, 8,125,000 new Ordinary Shares at an exercise price of 0.4 pence per new Ordinary Share for a period of 3 years from Admission.

*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 \*\***

For further information visit [www.prospexoilandgas.com](http://www.prospexoilandgas.com) or contact the following:

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**Notes**

Prospex Oil and Gas Plc is an AIM quoted investment company focused on high impact onshore and shallow offshore European opportunities with short timelines to production. The Company's management acquires 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.