



2 October 2024



VSA Morning Flow Test

This Morning's News

Prospex Energy (PXEN LN)[#]

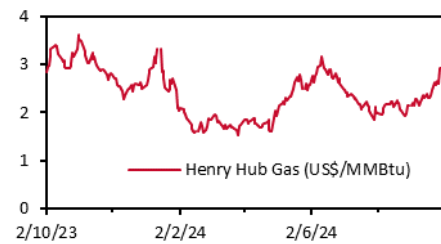
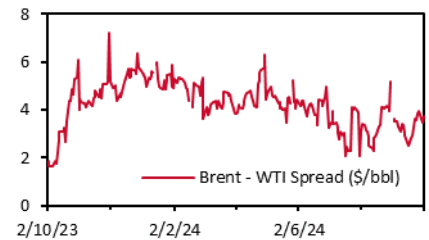
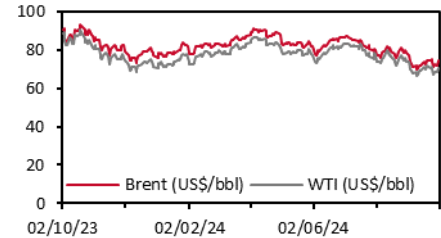
Prospex Energy (PXEN LN) has announced successful preliminary results from the Viura-1B development well in Northern Spain. Drilling reached the main Utrillas-A reservoir intercepting significant gas shows and confirming high quality reservoir rock. The well will now be connected to the existing gas processing facilities to enable first production income later this month or in November.

In a positive additional development, PXEN along with other shareholders and the operator have agreed to extend the well by an estimated 200-300m in order to appraise the as yet undrilled Utrillas-B formation. PXEN will fund its share of the additional costs which are likely to be far less than an equivalent new well to test the structure; €1-2m compared to €25m. A successful result is likely to bring forward this incremental production, however, it is too early to quantify this impact which would build on our current forecasts. Currently, we anticipate production to reach 12mmcf/d by year end rising to a peak of 30mmcf/d. PXEN has a net c7.2% interest and will cover 15% of the incremental cost in line with its earlier investment.

This announcement further highlights the attractive nature of the investment into Viura not only on its own merits but in diversifying and expanding PXEN's portfolio.

We reiterate our Buy recommendation and target price of 20p/sh..

One-Year Charts



NOTE: #Indicates VSA house stock.

SOURCE: LSEG Workspace, as of last close.

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Stock Information

Stock	BBG Ticker	Exchange	Currency	Market Cap (Curr m)	Last Close (Curr)	Rec	TP	Date of Recommendation
Prospex Energy Plc	PXEN.L	LSE AIM	£/p	22.69	0.056	BUY	0.20	06/09/2022

NOTE: #VSA house stock. **SOURCE:** Eikon data, VSA Capital estimates. Pricing as of last close.

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Equities breakdown: 02/10/24	BUY	SPEC BUY	HOLD	SELL
Overall equities coverage	90%	10%	0%	0%
Companies to which VSA has supplied investment banking services	100%	100%	n/a	n/a