VSA Morning Flow Test

This Morning's News

Prospex Energy (PXEN LN)#

Prospex Energy (PXEN LN) has issued an operational update across its portfolio, highlighting the benefit of the recent rally in European gas pricing. Benchmark prices are up over 130% since March to €74/MWh and PXEN has reported record gross monthly revenue of €795.8k. PXEN has three producing assets; two natural gas and one gas to power. The share price is up 70% since the start of August, however, given the earnings exposure to European gas prices and the reversal to cash generation PXEN should outperform the underlying price benchmark.

At Selva Malvezzi in Italy, the Podere Maiar well produced 2.5 MMscm gross in August at an average realised price of €0.67/scm, delivering gross revenue of €1.67m (€618k net to Prospex at 37%); the strongest monthly performance in over three years of continuous production. MASE (Italy's energy ministry) has confirmed admissibility of the EIA for the four-well drilling programme, opening a 60-day public observation period and maintaining the timeline to a 2027 campaign. Schlumberger Italy has delivered a preliminary 3D seismic volume, with the final dataset expected shortly. A CPR will be commissioned once interpretation is complete.

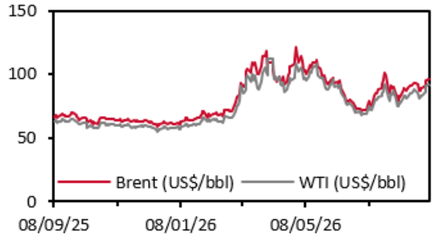
At El Romeral in Spain, the increase in power prices has reduced reliance on the company's cash resources to cover expenses. August revenue was €179.4k while the installation of a permanent transformer in September will reduce operating costs further, with the final purchase instalment falling in Q4 and funded from existing cash. The ultimate value lies in further drilling and the increase in gas and power pricing maybe the required catalyst to galvanise Spain's authorities and provide the necessary permits to enable drilling and unlock the upside value.

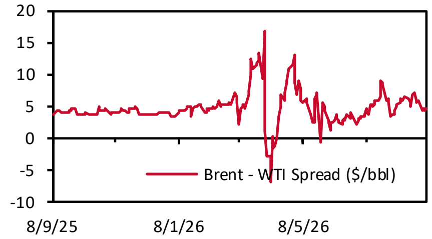
At Viura, also in Spain, gross revenue was €4.1m against cash operating expenditure of €3.6m, including €1.16m of water handling costs. Based on pricing alone this should have increased in Q3. The tool string lost in Viura-1B during well operations in 2025 was successfully recovered via slickline between 3 and 8 August, clearing the path to a potential recompletion and access to the lower Utrillas B discovery. Field development planning for 2027 includes a water injection test at the shut-in ST3 well in Q4 2026 followed by a development well in 2027.

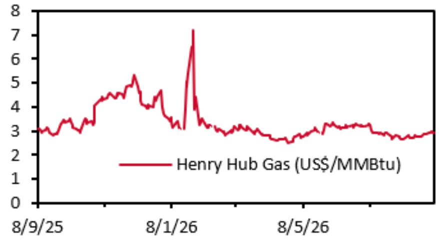
In Poland, work on the Mniszów oil discovery on the Dunajec licence is focused on well and completion design, with advanced completion techniques for fractured carbonate reservoirs under evaluation ahead of partner discussions through H2 2026.

We reiterate our Buy recommendation and target price of 19p/sh..

One-Year Charts







NOTE: #Indicates VSA house stock.
SOURCE: Workspace LSEG, as of last close.

Oliver O'Donnell, CFA,
Natural Resources
+44 (0)20 3005 5005 | oodonnell@vsacapital.com

This research brochure is a MARKETING COMMUNICATION. It is not investment research and has not been prepared in accordance with legal requirements designed to promote investment research independence and is also not subject to any prohibition on dealing ahead of dissemination of investment research.

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	21.04	4.85	BUY	19.00	06/09/2022

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

Disclaimer

Investment Analyst Certification

In our roles as Research Analysts for VSA Capital Limited, we hereby certify that the views about the companies and their securities discussed in this report are accurately expressed and that we have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.

Non-Independent Research

This is a marketing communication. It is non-independent research as it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

Important Disclosures

This research report has been prepared by VSA Capital Limited, which is party to an agreement to be paid a fee as corporate finance advisors and arrangers with, or has provided investment banking services to, Prospex Energy, or has been party to such an agreement within the last twelve months, and which is party to an agreement with Prospex Energy relating to the production and dissemination of research for which it receives remuneration, and is solely for, and directed at, persons who are Professional Clients as defined in the FCA Handbook. Persons who do not fall within the above category should return this research report to VSA Capital Limited, 42 New Broad Street, London EC2M 1JD, immediately.

VSA Capital may distribute research in reliance on Rule 15a-6(a)(2) of the Securities and Exchange Act 1934 to persons that are major US Institutional investors, however, transactions in any securities must be effected through a US registered broker-dealer. If you are a US person, you must fulfil the requirements of a major US institutional investor as defined by the Securities Exchange Act 1934 and subsequent guidance from the SEC to receive this research report. Any failure to comply with this restriction may constitute a violation of US law for which VSA Capital Limited does not accept responsibility.

The information in this report is not intended to be published or made available to any person in any jurisdiction where to do so would result in contravention of any applicable laws or regulations. Accordingly, if it is prohibited to make such information available in your jurisdiction or to you (by reason of your nationality, residence or otherwise) it is not directed at you.

This research report is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. It is being supplied to you solely for your information and may not be reproduced, forwarded to any other person or published, in whole or in part, for any purpose, without out prior written consent.

Neither the information nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities.

The information and opinions contained in this research report have been compiled or arrived at by VSA Capital Limited from sources believed to be reliable and in good faith but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. All opinions and estimates contained in the research report constitute the Company's judgments as of the date of the report and are subject to change without notice. The information contained in the report is published for the assistance of those persons defined above but it is not to be relied upon as authoritative or taken in substitution for the exercise of the judgment of any reader.

The Company accepts no liability whatsoever for any direct or consequential loss arising from any use of the information contained herein. The company does not make any representation to any reader of the research report as to the suitability of any investment made in connection with this report and readers must satisfy themselves of the suitability in light of their own understanding, appraisal of risk and reward, objectives, experience and financial and operational resources.

The value of any companies or securities referred to in this research report may rise as well as fall and sums recovered may be less than those originally invested. Any references to past performance of any companies or investments referred to in this research report are not indicative of their future performance. The Company and/or its directors and/or employees may have long or short positions in the securities mentioned herein, or in options, futures and other derivative instruments based on these securities or commodities.

Not all of the products recommended or discussed in this research report may be regulated by the Financial Services and Markets Act 2000, as amended by The Financial Services and Markets Act 2012, and the rules made for the protection of investors by that Act will not apply to them. If you are in any doubt about the investment to which this report relates, you should consult a person authorised and regulated by the Financial Conduct Authority who specialises in advising on securities of the kind described.

The Company does and seeks to do business with the companies covered in its research reports. Thus, investors should be aware that the Company may have a conflict of interest that may affect the objectivity of this report. To view our policy on conflicts of interest and connected companies, please go to: http://www.vsacapital.com/policies/conflict-of-interest-policy.

VSA Capital acts as Corporate Adviser/Broker to Prospex Energy and is therefore classed as a connected company.

Investors should consider this report as only a single factor in making their investment decision.

© VSA Capital Limited, 2026, all rights reserved
Registered in England: No. 02405923
VSA Capital Limited is a member of the London Stock Exchange

Definition of Ratings

VSA Capital Limited uses the following stock rating system to describe its equity recommendations. Investors should carefully read the definitions of all ratings used in each research report. In addition, since the research report contains more complete information concerning the analyst's views, investors should carefully read the entire research report and not infer its contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock or investment fund should depend on individual circumstances and other considerations.

VSA Capital Limited's recommendations are defined as follows:

BUY:The stock is expected to increase by in excess of 10% in absolute terms over the next twelve months.
HOLD: The price of the stock is expected to move in a range between -10% and +10% in absolute terms over the next twelve months.
SELL: The stock is expected to decrease by in excess of 10% in absolute terms over the next twelve months.

In addition, on occasion, if the stock has the potential to increase by in excess of 10%, but on qualitative grounds rather than quantitative, a SPECULATIVE BUY may be used.

Distribution of VSA Capital Limited's Equities Recommendations

VSA Capital Limited must disclose in each research report the percentage of all securities rated by the member to which the member would assign a "BUY", "HOLD, or "SELL" rating, and also the proportion of relevant investments in each category issued by the issuers to which the firm supplied investment banking services during the previous twelve months. The said ratings are updated on a quarterly basis.

Equities breakdown: 07/09/26	BUY	SPEC BUY	HOLD	SELL
Overall equities coverage	80%	20%	0%	0%
Companies to which VSA has supplied investment banking services	100%	100%	n/a	n/a

© VSA Capital Limited, 2026, all rights reserved
Registered in England: No. 02405923