

# Cadogan Petroleum PLC

20:30 06 Aug 2020

## Cadogan Petroleum increases production from key field in Ukraine

### What it owns

Cadogan Petroleum PLC (LON:CAD) holds interests in Western Ukraine and a 90% interest in Exploenergy, an Italian company, which has filed applications for two exploration licences in the Po Valley, in Northern Italy.

In Ukraine, the Group's assets are located near to Poland and Romania in the prolific Carpathian basin and the opposite side to the zone of military confrontation with Russia.

Cadogan has agreed to sell the Debeslavetska and Cheremkivsko-Strupkivska gas fields to local group Nadra Ukrayny.

It also agreed to sell the Gazvydobuvannya legacy asset for US\$2.8mIn.

Monastretska's (Blazhiv) oil production is expected to restart soon after a new 20-year production licence was awarded in December.

Production has increased nearly five-fold over the last couple of years. It is set to double again following the successful drilling of the latest development well, Blazh-10.

### How it's doing

In June, Cadogan announced the restart of production in two Blazhiv wells in Ukraine. The wells were previously shut-in back in November and the restart comes after the signing of new lease contracts.

A month earlier, Cadogan confirmed a 15% increase in year-on-year production during 2019, although losses in its gas trading and services divisions impacted profit for the year.

In the annual financial report, the Ukraine-based producer said some 104,816 barrels oil equivalent flowed in 2019, up from 91,085 barrels the year before.

Commenting on the 2020 outlook, at that time, chief executive Fady Khallouf noted that amid challenging market conditions it would stick to strict cost discipline. The plan included the recovery of cash from previously impaired assets and a streamlining of the company's complex corporate architecture.

### Proger

Cadogan has also acquired an indirect option over industrial group Proger Ingegneria through the provision of a convertible loan up to the value of €13.4mIn.

The option can be exercised at any time between the sixth and 24th months following the execution date of the loan agreement.

**Price:** 2.75

**Market Cap:** £6.71 m

### 1 Year Share Price Graph



October 2019 April 2020 October 2020

### Share Information

**Code:** CAD

**Listing:** LSE

**52 week** High Low  
6.5 2.1

**Sector:** Oil & Gas

**Website:** [www.cadoganpetroleum.com](http://www.cadoganpetroleum.com)

### Company Synopsis:

*Cadogan Petroleum is an independent oil & gas company with established revenue streams from producing assets and subsidiary operations, access to exploration potential and a strong balance sheet to support the pursuit of shareholders' value via the acquisition of underpriced asset across a variety of geographies. The company is listed on the Main Market of the LSE.*

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Cadogan also has the right to designate two out of the seven directors.

In exchange for providing the loan, Cadogan has a call option to buy 33% of the participating interest that PMP has in Proger Ingegneria, giving it an indirect 22% interest in Proger.

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