

88 Energy Ltd

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88 Energy outlines Alaska opportunities as farm-out deal moves closer

88 Energy Ltd (LON:88E) has presented a picture of a portfolio that retains multiple significant opportunities in Alaska, in the wake of the recent Winx-1 exploration well disappointment.

The company, in a statement, specifically highlighted that it is closer to a deal in a farm-out process to bring a partner into the exploration of conventional prospects in the Project Icewine area.

It said that a 'preferred bidder' has now been selected in the process, which launch last August, and, negotiations over a potential deal are now taking place - though, as is customary with such announcements, it cautioned that there is no guarantee that the parties will agree on terms or close out the transaction.

"The progression of the farm-out process to the preferred bidder phase is encouraging but no deal is done until it is done," said Dave Wall, 88 Energy chief executive.

READ: Cantor Fitzgerald keeps 'buy' on 88 Energy despite Winx-1 disappointment

"The team at 88 Energy continues to advance the status of all our Alaskan projects resulting in substantial value add activity throughout 2019."

At the same time, the company noted a significant increase in industry activity in the acreage to the west of Project Icewine. ConocoPhillips acquired 3D seismic around 15 miles away, and, 88 Energy said it is aware of a multi-client 3D seismic acquisition planned in the vicinity of the Icewine.

Efforts continue to bring a partner into the HRZ shales discovery, within the Project Icewine acreage, which will see a data room open-up in 'mid-2019' as a formal farm-out process gets underway.

In the conventional exploration area described as 'the Yukon leases' the company noted that it has now completed the final processing of 3D seismic data. Interpretation and resources estimation work are now taking place.

Evaluation of findings

The company also continues to evaluate the findings of the Winx-1 well - which encountered multiple sub-commercial hydrocarbon zones - to determine the remaining resource potential of the acreage.

It noted that several working theories that will be assessed over the coming months, including whether there is potential for better-developed sands updip and in closer proximity to successful wells in the region.

Price: 1p

Market Cap: £63.32M

1 Year Share Price Graph



Share Information

Code: 88E

Listing: AIM

52 week High Low
1.45p 0.70p

Sector: Energy

Website: 88energy.com

Company Synopsis:

88 Energy Ltd is an Australia based company engaged in the energy sector. Its business is to explore and process crude oil and natural gas through its oil and gas assets located in the United States and Australia.

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