

# Po Valley Energy Limited

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## Po Valley expects grant of new northern Italy gas production concessions early in 2020

Po Valley Energy Ltd (ASX:PVE) expects to proceed to the final grant of production concessions early in 2020 for the Selva and Teodorico gas field developments in northern Italy.

In the September quarterly report, Po Valley said it was progressing with environmental approvals for the Selva onshore gas field development with the final EIA integrations requested from Ministry of Environment formally submitted and under final Ministry review.

At Teodorico offshore gas project primary environmental approval was granted and subsequent Integrations requested by the Italian Ministry, in accordance with the new regulatory decree of February 2019, submitted for final Ministry review.

### Team makes "good progress"

Chief executive officer Michael Masterman said: "The team has made good progress with final environmental approval documentation for the Selva and Teodorico gas field developments being submitted.

"We expect to proceed to the final grant of production concessions in the New Year.

"In addition, work has continued to advance the large gas condensate and oil developments and prospects in the portfolio."

Po Valley remains a northern Italy-focused energy development and exploration company with a streamlined focus on four large assets:

- The onshore gas development at Selva Malvezzi;
- Offshore Adriatic gas development at Teodorico;
- The large-scale gas/oil condensate exploration licence at Torre del Moro, and
- The expanded Ravizza and Bagnolo oil reservoirs and extensions.

### Selva Malvezzi concession

After being granted the Selva Malvezzi preliminary gas production concession by the Italian Ministry for Economic Development, Po Valley submitted an EIA study to competent authorities on April 19 and officially illustrated to the Ministry of Environment on July 11.

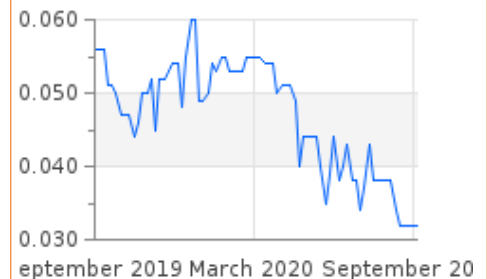
Following concession preliminary award, reserves of 13.3bcf (2P, 100%) were certified and new contingent resources in the Selva North and South Flank of 14.1bcf (2C,100%) have been added.

Under the first phase of the development plan, Po Valley will install a fully automated gas plant at the existing Selva/Podere Maiar 1dir well site and install a 1-kilometre-long pipeline to connect the well with the nearby Italian National Gas Grid.

**Price:** 0.032

**Market Cap:** \$20.71 m

#### 1 Year Share Price Graph



#### Share Information

**Code:** PVE

**Listing:** ASX

**52 week High Low**  
0.06 0.032

**Sector:** Oil & Gas

**Website:** www.povalley.com

#### Company Synopsis:

*Po Valley Energy Ltd (ASX:PVE) is an emerging oil & gas exploration and development company with an expanding portfolio of hydrocarbon assets in northern Italy.*

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Based on dynamic reservoir studies, the field development is designed to produce at a rate of up to 150,000 cubic metres/day (5.3 mmscf/day) from successfully tested C1 and C2 production levels in the Medium-Upper Pliocene sands of the Porto Garibaldi Formation.

## **Teodorico development**

After being granted primary environmental approval in March 2019, during the September quarter, Teodorico continued to advance through the regulatory approval process.

Key related EIA approval integrated documentation has been submitted and Po Valley expects to complete the regulatory approval process early in 2020.

The Teodorico gas field is in shallow waters of the northern Adriatic Sea, which is the primary source of domestic gas production for much of Italy, and in close proximity to existing east coast offshore gas production facilities.

Teodorico has the largest gas-in-place of all of Po Valley's gas fields and is at an advanced stage of assessment, ready for development.

## **Work at Torre del Moro**

At the Torre del Moro oil/gas condensate project, well location and associated regional source and migration studies took place to further de-risk the large prospect.

This follows the calculation of maiden prospective resources of 106 million barrels (best estimate) with independent third-party assessment and validation from French consultancy CGG.

The presence of an active petroleum system is demonstrated by the oil shows in the nearby Sarsina-1 well drilled downdip from Po Valley's Torre del Moro prospect.

Po Valley's team has started regional exploration evaluation work to better define the source and migration of oil or gas condensate to this large structural trap while well location studies are also underway.

## **Well development programs**

Work on the production profiles for horizontal wells at the Bagnolo in Piano and Ravizza oil discoveries also took place and an update of the well development programs is set to be completed by the March 2020 quarter.

CGG has also upgraded the estimated 2C resources at these projects to 27.3 million and 16.1 million barrels respectively, up from 5.6 million and 4.4 million barrels.

These upgrades resulted from refreshed seismic and geological evaluation work and resulted in enhanced structure volumes.

In addition to these contingent resources estimates, a maiden prospective resource of 54.5 million barrels (best estimate) has been defined in the Bagnolo SW prospect, being a geological/structural south-western extension of the Bagnolo in Piano oil discovery.

## **Priorities**

The company's priority is very focused on bringing the low-cost Selva Malvezzi and Teodorico fields into gas production.

The size and scale of Torre del Moro and Ravizza/Bagnolo in Piano, warrant initiatives to de-risk and prioritise the projects and design drilling programs.

PVE's focus and progress continue to yield significant results.

While the current Italian regulatory environment remains challenging, the Italian Ministry has confirmed that recent government amendments to energy policy will not affect the approval processes for Selva Malvezzi and Teodorico, both of which continue to progress through the normal approval procedures.

Gas remains a critical transition fuel in Italy's move to greater renewables and the development and employment generation from the Company's two advanced projects.

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