

Andalas Energy*

5 June 2019

Stock Data

Share Price:	0.19p
Market cap.:	£1.15m
Shares in issue:	604.0m
Fully diluted equity:	729.3m

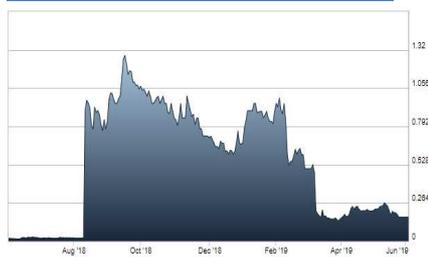
Company Profile

Sector:	Oil & Gas
Exchange:	AIM
Ticker:	ADL

Activities

Andalas is an AIM-quoted oil and gas E&P company with a portfolio of exploration and appraisal interests located in the UKCS and Indonesia.

Performance data



Directors

Robert Arnott:	Chairman
Simon Gorringe:	CEO
Dan Jorgensen:	Finance. Director
Ross Warner:	Legal & Commercial

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North Sea licences offered to Andalas

Andalas together with its partners has been offered an 8% interest in Blocks 98/11b and 98/12 in the UK English Channel. These blocks are contiguous with the acreage containing the Colter South discovery in which Andalas also holds an 8% interest and contain several exciting prospect and leads which merit further analysis and exploration.

Together with Corallian Energy (licence administrator), United Oil & Gas (UOG Colter), Baron Oil and Corfe Energy, Andalas and its partners have been offered Blocks 98/11b and 98/12 located in the English Channel. Andalas has earned the right to an 8% interest in the blocks through a farm-in agreement with Corallian. The new blocks are contiguous with PEDL330 and PEDL345 and the P1918 joint venture which includes Block 98/11a containing the Colter South discovery, in which Andalas also holds an 8% interest.

Block 98/12 contains the eastern portion of the Colter South discovery, a rotated fault block with Sherwood Sandstone reservoir which was drilled by well 98/11-1 in 1983 and recently confirmed as a discovery by the 98/11a-6 appraisal well earlier in 2019. The latest well encountered 9 metres of gross oil pay and the prospect has been attributed a mean recoverable resource volume of 15 mmbbls.

The company estimates that 30% of this volume is located on Block 98/12 which also contains the Ballard East Prospect, a structural high mapped at the Penarth level along strike from the Ballard Point discovery. Again the prospective reservoir is Sherwood Sandstone.

The Ballard Point discovery is located on Block 98/11b and was drilled by Gas Council Exploration in 1984. The 98/11-2 discovery well flowed gas at 9.6 mmcfpd with 170 barrels of light condensate from the Triassic Sherwood Sandstone. An appraisal well drilled in 1987 tested oil at low rates of 180 bopd equivalent from a zone just above the oil-water contact in the Sherwood and also gas at low rates from the same interval.

Block 98/11b also contains the offshore portion of the Purbeck Prospect which comprises the Purbeck anticline, the northern flank of which was drilled by the BP Southard Quarry well in 1989. This well encountered hydrocarbons in the Cornbrash section in addition to the Lower Jurassic Bridport and the Triassic Sherwood. Andalas understands that the southern flank contains a bright amplitude at Bridport level that merits further analysis.

This represents positive news for Andalas given that initial work programme commitments for 'innovate' licences such as Blocks 98/11b and 98/12 are modest and the partners will be able to make a 'drill or drop' decision within three years. The award of these licences, which contain a range of potentially exciting prospects and leads, is also highly strategic given that the new acreage is contiguous with Andalas' existing Colter discovery in the English Channel.

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