

RNS Number : 9174V
Prospex Oil and Gas PLC
02 February 2017

Prospex Oil and Gas Plc / Index: AIM / Epic: PXOG / Sector: Oil and Gas

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Prospex Oil and Gas Plc

('Prospex' or the 'Company')

Conditional Placing to Raise £850,000 and Notice of GM

Prospex Oil and Gas Plc, the AIM quoted investment company, is pleased to announce that, subject to shareholder approval, including in respect of a share capital reorganisation, it has conditionally raised £850,000 gross via an oversubscribed placing of 170 million new ordinary shares of £0.001 each (as reorganised by the share capital reorganisation) ("New Ordinary Shares") at a price of 0.5 pence per New Ordinary Share (the 'Placing Price') (the 'Conditional Placing').

The net proceeds of the Conditional Placing will go towards the Company's ongoing evaluation of a number of potential projects, in line with its strategy to build a portfolio of investments in the European oil and gas sector, and be used for general working capital purposes.

As the Placing Price is below the Company's current nominal value of £0.01 per ordinary share ('Existing Ordinary Shares'), the Company is required, in order to complete the Conditional Placing, to reorganise its share capital so that it can raise equity capital above the reorganised nominal value. This will require shareholder consent at a General Meeting ('GM'), which it is proposed will be held at 9.30a.m. on 20 February 2017 at the offices of Charles Russell Speechlys LLP, 5 Fleet Place, London, EC4M 7RD. A circular together with notice convening the GM will be sent to shareholders shortly and will be available to download from the Company's website at www.prospexoilandgas.com.

Prospex Non-executive Chairman, Bill Smith, said

"We view the oversubscribed Conditional Placing with new and existing shareholders as a vote of confidence in management's ability to identify, secure and rapidly advance attractive investment opportunities in the oil and gas sector. As our overheads are low, the majority of the funds raised

will go towards delivering on our objective of building Prospex into a leading oil and gas investment company with a portfolio of interests in high impact projects.

"With this in mind, we are evaluating a number of potential investments that match our criteria: undervalued projects where low cost re-evaluation/re-working of existing exploration and data offers scope for tangible value trigger points and significant uplift for shareholders within 12 months of acquisition."

Admission to Trading on AIM

Application will be made for the 170,000,000 New Ordinary Shares being issued as part of the Conditional Placing, along with the reorganised Existing Ordinary Shares, to be admitted to AIM and admission is expected to occur on 21 February 2017 ('Admission'), subject to the necessary resolutions being passed at the GM.

Following Admission, the Company would have in issue a total of 455,785,836 New Ordinary Shares. The Company has no shares in treasury, therefore the figure of 455,785,836, assuming completion of the Conditional Placing, should be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change of their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

This announcement contains information which prior to its disclosure was inside information for the purposes of the Market Abuse Regulation.

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Notes

Prospex Oil and Gas Plc is an AIM quoted investment company focussed on high impact onshore and shallow offshore European opportunities with short timelines to production. The Company's management is looking to acquire undervalued projects with multiple, tangible value trigger points that can be realised within 12 months of acquisition and then applying low cost re-evaluation techniques to identify and de-risk prospects.

This information is provided by RNS
The company news service from the London Stock Exchange

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