

# Jersey Oil and Gas PLC

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## Jersey Oil & Gas will attract admirers as it advances Buchan project - broker

Jersey Oil & Gas Plc (LON:JOG) won't be short of admirers as it shapes the Buchan oil field project in the North Sea, so says stockbroker SP Angel.

Today, JOG completed its transaction to reacquire from Equinor a 70% stake in the Verbier project, which will fold into the Greater Buchan Area project.

JOG is presently working on potential development concepts for GBA ahead of a fresh partnering process, but, this time seeking to team up for a production business rather an exploration.

Equinor decided to exit Verbier earlier this year after an appraisal well came and went without delivering previously estimated 'blue-sky'.

### READ: Jersey completes deal to take back Verbier stake

The Verbier disappointment is now very much in the rear view for JOG as it takes up full ownership on favourable terms.

"A positive update from JOG today in our view," SP Angel analyst Sam Wahab said in a note. "The acquisition is not subject to an upfront cash payment and provides JOG with an opportunity to create significant value through potentially developing the Verbier discovery as part of the GBA hub.

"The GBA licences, which can now be regarded as including the Verbier licence area, should generate substantial cash flows on first oil, which is currently slated to be in 2025."

Wahab added: "the costs of developing the GBA area will be substantial and once the company has passed through the key stages of concept Select, it will launch a process to attract industry partners and additional providers of capital in order to advance this important project, and despite the challenging market backdrop, we would expect no shortage of admirers."

To acquire the Verbier stake, Equinor receives two milestone payments and a royalty based on volumes produced from the Verbier Upper Jurassic (J62-J64) reservoir

In this morning's statement, JOG chief executive Andrew Benitz said: "I am pleased that JOG has completed this important step to acquire an additional interest and operatorship in the Verbier discovery together with material exploration upside to facilitate our plan to develop Verbier as part of our GBA development."

"We continue to make solid progress on concept select for the GBA and work closely with contractors, other area stakeholders and the OGA on this important project."

**Price:** 82.2779

**Market Cap:** £17.96 m

### 1 Year Share Price Graph



October 2019    April 2020    October 2020

### Share Information

**Code:** JOG

**Listing:** LSE

**52 week High Low**  
199.1    45.05

**Sector:** Oil & Gas

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

### Company Synopsis:

Jersey Oil and Gas ("JOG") is an independent oil and gas company focused on upstream operations in the UK North Sea. Jersey Oil and Gas is a London listed UK E&P company focused on building its position in the UK North Sea.

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