

Pulse Oil Corp

15:50 16 Apr 2018

Pulse Oil shares tick higher as it outlines increased reserves at Bigoray and Queenstown assets

Shares in junior oiler Pulse Oil Corp (CVE: PUL) ticked higher Monday as it outlined increased reserves at its Bigoray and Queenstown assets in Alberta, Canada.

As at the end of December, it had increased proven (1P) reserves by 287% compared to 2016 worth C\$15.4mln.

READ THE BIG PIC - Pulse Oil kicks off first phase at Bigoray EOR project; eyeing 23mln barrel prize

The pre-tax net present value of the 2P (proven and probable) reserves were C\$24.37mln, compared to C\$0 in 2016 - an increase of 328%.

"Since going public in 2017, Pulse Oil has established two core areas at Bigoray and Queenstown," Pulse chief executive Garth Johnson told investors.

Johnson noted how the firm now had 100% ownership of the exciting 'enhanced oil recovery' project (EOR) focused on two Nisku light oil pools with an estimated resource classified as discovered petroleum initially in-place (DPIIP) of around 26.51 million boe's (barrels of oil equivalent).

The proved plus probable reserves value of C\$24.37 million doesn't include the significant upside coming from the EOR, he noted.

"FY2018 will be Pulse's first full fiscal year as a public company and Pulse is positioned with no debt, positive working capital and growing cashflows for reinvestment," he said.

"We are excited to have started phase one of our Bigoray EOR project currently underway in the field and we are also beginning to lay out a plan for our producing assets at Queenstown (100% Working Interest) to begin drilling later this year with over twenty, low-cost infill development drilling opportunities already identified.

READ - Pulse Oil Corp moving to reactivate shut-in wells in Alberta; achieves C\$66 a barrel in January

"After making a number of strategic moves in 2017 to capture a significant asset base and by executing a low risk capital investment plan to grow production to 500 BOE/d between now and this summer, we are looking forward to seeing what the Pulse team can do with a full year of effort!"

Pulse's Bigoray operations include two Nisku oil Pinnacle Reefs and the company controls around 65 net sections of land across the Mannville, Cardium, Pekisko/Shunda and Nisku trends in Western Canada.

Broker Mackie rates stock 'speculative buy'

Broker Mackie notes that the firm's market price ascribes no value for the large potential reserves and production

Price: C\$0.275

Market Cap: C\$24.34M

1 Year Share Price Graph



August 2017 March 2018 August 2018

Share Information

Code: PUL

Listing: TSX-V

52 week High Low
C\$0.35 C\$0.07

Sector: Oil & Gas

Website: www.pulseoilcorp.com

Company Synopsis:

Pulse Oil is a contemporary company with an insightful practiced and diligent understanding of the future of energy. Partners Drew Cadenhead and Garth Johnson lead an unbeatable team of smart, super-experienced energy industry experts with a history of working together to build exceptional success.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

additions with the EOR program currently underway.

"We reiterate our \$0.50 target price on the potential for low risk production growth through the reactivation and recompletion program and the massive upside potential from the miscible flood EOR project at Bigoray which provides Pulse with a significant cash flow ramp and low risk reserves adds," said analyst Bill Newman.

"With improving oil prices and production growing to be 500 boe/d by this summer, we expect the company to generate significant cash flow that can be reinvested into the next phase of the EOR project, putting the company on the road to unlocking massive upside without having to drill a well."

Mackie rates shares 'speculative buy'.

The stock rose 9.38% to C\$0.18 in Toronto on Monday..

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.