

Pulse Oil Corp

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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\$0.185

Market Cap: C\$16.35M

1 Year Share Price Graph



Share Information

Code: PUL

Listing: TSX-V

52 week High Low
0.25p 0.07p

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.

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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..

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