

Stock Data

Share Price: 2.23p
Market Cap.: £17.6m
Shares in issue: 789.6m

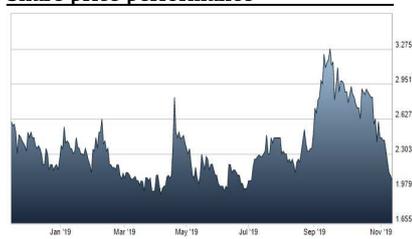
Company Profile

Sector: Oil & Gas
Ticker: CORO
Exchanges: AIM

Activities

Coro has outlined an ambitious South East Asian growth strategy focused on the appraisal and development of oil and gas assets in Indonesia coupled with a longer term strategy to identify exciting exploration upside in Malaysia.

Share price performance



Source: LSE

Past performance is not an indication of future performance.

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Coro Energy plc

Coro, which holds a 15% interest in the Duyung PSC, offshore Indonesia has announced that the Tambak-1 well which spudded in early November 2019 has intersected the intra-Muda reservoir of the Mako gas field and a full suite of technical data has been recovered. Initial results are very positive, indicating a gross sandstone reservoir of approximately 25 metres, considerably thicker than the original Mako South-1 discovery well. As such, the management is confident that pre-drill 2C resource estimates of 276 BCF of gas could be enhanced by an additional 100 BCF, representing a very significant uplift in the potential value of the Mako field.

Tambak-1, the second well in the Duyung PSC drilling programme, is located approximately 4.5 km north of the original Mako gas field discovery well, Mako South-1. Tambak-1 has been drilled to an intermediate depth of 513 metres true vertical depth sub-sea (TVDSS) and has intersected the intra-Muda reservoir of the Mako field.

A full suite of wireline logs have been acquired in addition to a pressure survey and extensive fluid and gas samples have been recovered from the reservoir. This data has established the well as a successful appraisal of the Mako gas field and confirms the large areal extent of the accumulation.

As expected, the top reservoir depth came in at c.389 metres and a very well developed upper sandstone unit of approximately 5.2 metres was identified with wireline logs showing excellent porosity and permeabilities.

The target intra-Muda section was considerably better developed than anticipated and in addition to the upper unit as outlined above; a thick lower sandstone unit of almost 20 metres was identified providing an overall gross thickness of approximately 25 metres. This compares to a 7.3 metre reservoir sandstone section in Mako South-1 and provides the potential for volumetric upside to the Mako field.

Pressure data confirms the same pressure system in Mako South-1 and Tambak-2 which was drilled last month and gas samples recovered from Tambak-1 also confirm the same gas composition as seen in Mako South-1.

As noted previously, Gaffney Cline & Associates ascribed gross 2C resources of 276 BCF of recoverable dry gas to the Mako field with gross 3C resources upside amounting to 392 BCF. At this stage, Coro estimates that an increase in the 2C resource estimate of around 100 BCF is justified from the results derived from both Tambak-1 and 2 representing a significant uplift in pre-drill expectations.

Tambak-1 will now be deepened to approximately 1,370 metres TVDSS to probe the deeper Lower Gabus Tambak structure which is estimated to contain a further 250 BCF of mid-case prospective gas resources. The operator has ascribed a 45% chance of success to this stage of the drilling programme. However, it should be noted that success in this case has the potential to almost double the existing 2C resource base of the Mako field notwithstanding the potential uplift in resources in the intra-Muda reservoir as outlined above.

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