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**AUCTUS ON FRIDAY: HEVI CN, NZ CN, PLSR LN/CN, SOUC LN/SOU CN, VLE CN, AKERBP NO, BP LN, CASP LN, EOG LN, KIST LN, TTE FP, VAR NO, VIST US**

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## **AUCTUS PUBLICATIONS**

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**Criterion Energy (CEQ CN)<sup>c</sup>; Target price of C\$0.35 per share: First Gas in 2Q26 with a Likely Upgrade to Discovered Gas Resources** – The contract for the construction of a new 21 km gas pipeline (previously 14 km) for the SE-MGH 5–7 mmcf/d development was signed in early January. Site preparation is already underway, with first gas expected in 2Q26. Project capex is now estimated at US\$2 mm (vs. prior guidance of US\$2–3 mm), of which US\$1.9 mm has already been incurred. The subsequent North MGH phase—requiring ~US\$1 mm of incremental capex—would lift total production to 7–10 mmcf/d. The company has agreed key commercial terms for a gas sales agreement at US\$6–7/mcf, in line with expectations. This is an important step that unlocks the project. FY25 production averaged ~845 bbl/d (vs. our estimate of 865 bbl/d). While we adopt a more conservative stance on oil output given the limited capital allocated to oil, the company has now tested the MGH-32 well at North MGH at 2.1 mmcf/d. This adds to the MGH-20 well, which tested at 2.5 mmcf/d last year. Additional testing is planned this quarter on reservoir zones that previously produced gas before being shut-in in 2014. The facility processing fee remains the key outstanding commercial item. Discovered gas resources estimates are expected to increase. Given the performance of the SEM-01 well, the current 15 bcf estimate for SE-MGH is likely to be revised upward. No resource estimate has yet been provided for N-MGH; this will be included in the YE25 reserves report..

[See website for full report](#)

**Helium Evolution (HEVI CN)<sup>c</sup>; Target price of C\$0.50 per share: Initiating Coverage** – Helium Evolution (HEVI) is a ~US\$14 mm TSX-listed company focused on Saskatchewan's helium fairway, where the regulatory environment is prioritizing helium development. HEVI has already commissioned a helium processing plant and the focus is now on scaling-up. HEVI's core assets are operated by North American Helium (NAH), Canada's leading private helium producer with 10 helium plants in operation and over 100 helium wells drilled to date. HEVI's largest shareholder is ENEOS, one of the world's largest energy and materials conglomerates, whose investment underscores the quality of HEVI's assets and provides strategic and financial support. Our C\$0.50/sh target price reflects our ReNAV, and is over 4x the current s/p.

[See website for full report](#)

**New Zealand Exploration (NZ CN)<sup>c</sup>; Target price of C\$1.25 per share: 100% focused on executing the Tariki gas storage project** – New Zealand Energy (NZE) has raised C\$3.5 mm of new equity priced at C\$0.20 per share, providing the funding required to advance the Tariki gas-storage project and ongoing negotiations with Genesis. A key near-term catalyst is securing an extension of the Petroleum Mining Licence for Tariki beyond its July 2026 expiry. Approval—expected within 4–6 weeks—would also defer decommissioning liabilities by an expected 10 years. Gas storage remains central to NZE's strategy. The Tariki-5 well is scheduled for flow testing in

approximately six weeks. A 72-hour test would allow NZE to demonstrate deliverability to both the market and potential offtakers. NZE anticipates receiving an indicative offer from Genesis for the gas-storage project by the end of 1Q26. We anticipate that Genesis may wish to acquire the project while retaining NZE as operator. Our risk-adjusted valuation for the gas storage asset is ~US\$52 mm net to NZE, equivalent to C\$1.26 per share. NZE also holds a 50% working interest in the only gas pipeline connecting the Taranaki port, New Plymouth, regional gathering systems, and key power plants. With New Zealand's Energy Minister announcing earlier this week plans for the country's first LNG import terminal in Taranaki—expected to be completed next year or in early 2028—NZE's gas infrastructure could become strategically valuable. Benchmarking against the existing Ahuroa storage facility suggests Tariki could generate US\$2–4 mm in annual operating cash flow, or US\$1–2 mm net to NZE's 50% interest. Incorporating the recent equity financing into our model, we revise our target price to C\$1.25 per share.

[See website for full report](#)

**Pulsar Helium (PLSR LN/CN)<sup>c</sup>; Target price of £0.90 per share: High pressure gas at Jetstream # 6. Proceeding with acquisition** – Jetstream # 6 encountered influx of gas at a depth of approximately 392 m with a preliminary bottom-hole pressure of approximately 576 psi. The TD of the well is expected to be 914-1,524 m. Pulsar has decided to exercise its option to acquire the remaining 20% stake in Oscillate for US\$0.4 mm in shares.

**Southern Energy (SOU LN/SOU CN)<sup>c</sup>; Target price of £0.20 per share: Debt reset and new funding to unlock growth through new oil development** - Southern has refinanced its US\$14 mm of existing debt through a new US\$17 mm convertible debenture, and strengthened its balance sheet with (1) a US\$1.5 mm equity raise at C\$0.07/sh (no discount to Friday's close) and (2) the sale of a 6% gross overriding royalty for US\$5 mm. The capital was provided by three related parties, including an existing minority shareholder. The new convertible debenture carries a 7% annual coupon—well below the 15% rate on the previous facility—and matures in December 2028. This reduces annual financing costs by roughly US\$3 mm, freeing capital for drilling. The debenture is convertible at C\$0.10/sh (43% premium to Friday's close). With an incremental US\$9 mm of liquidity, Southern will complete the two Gwinville DUCs and, more importantly, initiate oil-focused drilling at the high-impact Williamsburg field in 2H26. The company's profile is shifting: oil and liquids-rich gas will increasingly drive the story, while the dry-gas assets become an option on a future gas-price recovery. Incorporating the transaction and the company's renewed strategic focus, we revise our target price to £0.20/sh, based on our ReNAV, with an unrisks NAV of approximately £0.52/sh.

[See website for full report](#)

**Valeura Energy (VLE CN)<sup>c</sup>; Target price of C\$14 per share: Impressive reserves replacement ratio** - YE25 2P reserves were estimated at 57.8 mmbbl, implying a reserves-replacement ratio of 192%. Even excluding the previously disclosed Wassana additions at FID, the company still achieved 100% organic replacement of 2025 production, adding 8.5 mmbbl of reserves. At US\$10/bbl, this equates to roughly C\$1.20 per share of value creation. This performance is particularly notable given that the reserves auditor reduced its Brent price assumptions by ~US\$7–15/bbl from 2026 onward, which had a negative impact on reserve bookings. Jasmine was the largest contributor, adding 7.4 mmbbl (or 4.4 mmbbl net of 2025 production), representing a 249% reserves-replacement

ratio. This reflects the conversion of contingent resources into the 2P reserves category following positive well results. Despite lower price assumptions, decommissioning timelines have been extended—by three years at Jasmine and six years at Wassana. The independent 2P reserves valuation, combined with YE25 net cash, equates to approximately C\$13 per share. We raise our target price from C\$12.70 to C\$14 per share, with multiple catalysts still not reflected in our valuation.

[See website for full report](#)

## IN OTHER NEWS

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### **AMERICAS**

**Vista Energy (VIST US): Reserves update in Argentina** – YE25 proven reserves are estimated at 588 mmboe. The FY25 organic reserves replacement ratio was 260%

### **EUROPE**

**Aker BP (AKERBP NO): 4Q25 results** – 4Q25 production in Norway was 411 mboe/d. At Valhall PWP Fenris, updated subsurface work and an expanded well programme have increased the net expected recoverable volumes by 30-35 mmboe. FY26 production is expected to be in the range of 370-400 mboe/d with capex of US\$6.2-6.7 bn.

**bp (BP LN): 4Q25 results** – Adjusted net earnings for the period were US\$1.4 bn with 2,344 mboe/d production. The company expects to spend US\$13-13.5 bn capex in 2026. The dividend is expected to increase by ~4% per year.

**Europa Oil and Gas (EOG LN): raising new equity for EG** – Europa has raised gross proceeds of ~£3.5 mm of new equity priced at 1.2p per share. In addition, one warrant will be issued for every four new shares with an exercise price of 2 p.

**Kistos Energy (KIST LN)/Var Energi (VAR NO): Dry hole in Norway** – The Prince Updip well was dry.

**TotalEnergies (TTE FP): 4Q25 results** – 4Q25 adjusted net income was US\$3.8 bn with 2,545 mboe/d production. The proven reserves replacement ratio for 2025 was 116%. The FY25 dividend is 5.6% higher than for FY24. FY26 production is expected to be 3% above 2025 level. FY26 capex is expected to be ~US\$15 bn.

**Var Energi (VAR NO): 4Q25 results** – 4Q25 production in Norway was 397 mboe/d. FY26 production is expected to average 390 to 410 mboe/d with US\$2.5-2.7 bn capex and US\$250-300 mm for exploration. The long-term production target has been raised to more than 400 mboe/d with average capex of US\$2.5 bn per year. YE25 2P reserves plus 2C resources were estimated at 2.2 bn boe with 2P reserve replacement ratio of 185%.

## ***FORMER SOVIET UNION***

**Caspian Resources (CASP LN): Well test result in Kazakhstan** – A well at the West Shalva Contract Area produced high paraffin content oil from a 5 m interval at ~2,250 m depth. Testing further this zone would require heat treatment and a pump. The plan is now to deepen the well to a depth of ~3,400 m to test an interval where potentially greater volumes of oil could be produced from Triassic reservoirs.

## ***SUB-SAHARAN AFRICA***

**TotalEnergies (TTE FP): Acquiring interests in a Namibia offshore block** – Total and Petrobras are each acquiring a 42.5% operated interest in PEL104 Exploration license, from Eight Offshore Investments and Maravilla Oil & Gas.

## **EVENTS TO WATCH NEXT WEEK**

**19/02/2026: Repsol (REP SM) – 4Q25 results**

# FINANCIAL METRICS FOR AUCTUS' COVERAGE UNIVERSE

Date: 13/02/2026

Company	Ticker	Share price	Core NAV	ReNAV	CF (US\$ mm)		FCF (US\$ mm)		P/CNAV	P/ReNAV	EV/DACF (x)		FCF/EV (%)	
					2025	2026	2025	2026	(x)	(x)	2025	2026	2025	2026
ADX Energy	ADX AU	A\$0.03	A\$0.01	A\$0.199	0	0	1	4	265%	16%	-8.7	-31.1	n.a.	n.a.
Arrow Exploration	AXL LN	£0.17	£0.28	£0.39	36	40	-18	15	60%	43%	1.8	1.3	-27%	29%
Condor Energies	CDR CN	C\$1.88	C\$0.77	C\$5.55	15	40	-16	-27	244%	34%	4.5	2.3	n.a.	n.a.
Corcel	CRCL LN	0.34p	n.a.	1.40p	n.a.	n.a.	n.a.	n.a.	n.a.	24%	n.a.	n.a.	n.a.	n.a.
Criterion Energy	CEQ CN	C\$0.10	C\$0.31	C\$0.32	3	1	0	0	31%	29%	3.9	6.7	-1%	0%
New Zealand Energy	NZ.V CN	C\$0.27	-C\$0.01	C\$1.25	-1	0	-1	-3	-3528%	22%	n.a.	n.a.	n.a.	n.a.
Panoro Energy	PEN NO	NOK 22.60	NOK 30.37	NOK 44.26	62	79	23	38	74%	51%	4.5	3.4	7%	12%
PetroTotal	PTAL LN	£0.21	£0.51	£0.63	169	35	94	-55	41%	33%	0.9	5.2	36%	-22%
Pharos Energy	PHAR LN	£0.23	£0.31	£0.49	55	50	27	0	74%	47%	3.3	2.2	30%	0%
Pulsar Helium	PLSR LN	£0.97	£0.00	£0.86	-8	-3	-16	-14	n.a.	113%	n.a.	n.a.	n.a.	-6%
Serica Energy	SOZ LN	£2.15	£2.83	£3.13	190	525	-60	369	76%	69%	5.3	1.9	-5%	35%
Sintana Energy	SELV CN	C\$0.44	C\$0.75	C\$1.52	n.a.	n.a.	n.a.	n.a.	59%	29%	n.a.	n.a.	n.a.	n.a.
Southern Energy	SOU CN	£0.04	£0.03	£0.19	1	5	-2	-3	129%	21%	13.3	7.7	-4%	-7%
VAAICO Energy	EGY US	\$4.75	\$5.63	\$9.54	175	150	-47	-132	84%	50%	3.2	3.4	-12%	-20%
Valeura Energy	VLE CN	C\$10.54	C\$11.61	C\$14.03	266	233	78	33	91%	75%	1.7	2.2	16%	6%
Zephyr Energy	ZPHR LN	£0.04	£0.07	£0.16	5	15	-3	-15	62%	26%	31.4	8.9	-2%	-9%

Source: Auctus

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