
AUCTUS ON FRIDAY: CDR CN, CEQ CN, NZ CN, SEI LN/CN, SQZ LN, ZPHR LN, BLOE LN, BP LN, COP US, DNO NO, SAVE LN, TLW LN, TTE FP

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AUCTUS PUBLICATIONS

Condor Energies (CDR CN)^c; Target price of C\$5.60 per share: C\$70 mm convertible financing – Condor is raising C\$70 mm of funding by issuing C\$70 mm of convertible debentures with a 12% coupon. The strike price is C\$6.00 per share. The financing will fund an enlarged compression project in Uzbekistan and the construction of the first modular LNG plant in Kazakhstan.

Criterion Energy (CEQ CN)^c; Target price of C\$0.40 per share: First gas in October – Commissioning activities at SE-MGH are anticipated to commence shortly. First gas is expected in October. Testing and site preparation are ongoing at N-MGH, with the field anticipated to add 2–3 mmcf/d in 1H27, in addition to incremental oil volumes.

New Zealand Energy (NZ CN)^c; Target price of C\$1.60 per share: Expanded gas sales agreement and gas production set to more than double – The Gas Supply Agreement first signed in July 2024 with Genesis now covers all gas produced by NZE and L&M Energy. The agreement has no take-or-pay obligations for NZE or L&M. We understand the gas will be sold at a fixed price, but the terms are confidential. Spot prices ranged from NZ\$3.38/mcf to NZ\$20.55/mcf over the last 12 months. Assuming 35–55% of the mid-point, the realised price would be NZ\$8.4–13.2/mcf (US\$5.0–7.9/mcf). The contract gives better visibility on gas cash flows. We estimate total opex and processing costs at NZ\$3.5/mcf (US\$2.1/mcf). Gross gas production is currently ~2 mmcf/d. It is expected to rise to ~5–6 mmcf/d over the coming month, once produced water from the Tariki site is diverted to NZE's water disposal well. Discussions with Genesis on the gas storage project are accelerating, which we view as encouraging. We also expect more near-term activity on NZE's oil assets. Further workovers on the Mount Messenger formation are expected in late 2026 and 2027, with new wells planned for late 2027. We currently assume ~2.5 mmbbl of net upside from this interval. The Tikorangi Limestone reservoir (Waihapa/Ngaere) could hold ~8 mmbbl of gross recoverable resources, ~4 mmbbl net to NZE.

[See website for full report](#)

Serica Energy (SQZ LN)^c; Target price of £3.45 per share: Main Market move opens the door to FTSE 250 inclusion – Serica has announced its intention to apply for the company's ordinary shares to be admitted to the Equity Shares segment of the Official List and to trading on the London Stock Exchange Main Market for listed securities. Serica's shares are expected to start trading on the Main Market of the London Stock Exchange by the end of October. We expect the move to broaden demand for the shares, as some institutional investors can only hold Main Market-listed equities. With a market capitalisation of over £1 bn and average daily volume of ~1.3–1.9

mm shares since May (~£3–4 mm per day), Serica comfortably qualifies for inclusion in the FTSE 250. Inclusion could be effective at the December quarterly review. Index inclusion would bring demand from FTSE 250 tracker funds and wider visibility among UK mid-cap investors, with well over 10 mm shares expected to be bought by tracker funds. Completion of the acquisition of Southern North Sea gas assets from Spirit Energy is expected on 1 October. The UK Autumn Budget is scheduled for 28 October. Any progress towards approval of the Jackdaw gas field and the Rosebank oil field would be positive for sentiment across the UK upstream sector. We continue to expect an active 2027–2028 drilling programme, with capex of ~US\$420 mm in 2027 and ~US\$500 mm in 2028. The key event of 2027 is expected to be the start of the Bruce infill campaign. It targets 18.6 mmboe of undeveloped 2P reserves and should add >10 mboe/d across 2028–2029. 2027 could also see FIDs at Glendronach (~5 mmboe 2C, ~5 mboe/d from 2028) and Kyla (~10 mmboe 2P, ~7 mboe/d at peak, with first oil targeted in 3Q28).

[See website for full report](#)

Serica Energy (SQZ LN)^c; Target price of £3.45 per share: SNS acquisition completed with a lower net payment than guided – Serica has completed the acquisition of the Southern North Sea gas portfolio from Spirit Energy. The net payment was £33 mm (US\$43 mm). This is ~£5 mm below the ~£38 mm (US\$52 mm) estimated at the time of the 1H26 interims. The assets add ~10 mboe/d of production, 18.7 mmboe of 2P reserves and 3.4 mmboe of 2C resources (as at 1 January 2025). Free cash flow from the acquired assets is now forecast to exceed US\$200 mm by end-2028.

Sintana Energy (SEI LN/CN)^c; Target price of £0.80 per share: PEL 90 exit removes capital exposure while retaining upside – Trago Energy, in which Sintana holds a 49% indirect interest, is transferring its 10% participating interest in PEL 90 (4.9% net to Sintana) to Harmattan Energy, a Chevron affiliate. The consideration comprises (1) US\$11 mm in cash at completion, and (2) contingent consideration linked to appraisal and production milestones, currently estimated at 1.5–2.5 mmbbl gross (~0.75–1.25 mmbbl net to Sintana). At US\$70/bbl Brent, the contingent volumes are worth US\$52.5–87.5 mm undiscounted net to Sintana. We estimate each PEL 90 well would have cost Sintana ~US\$7–7.5 mm net, and the overall balance sheet benefit at ~US\$12.5–13 mm. Discounted over five years, we estimate the transaction is potentially worth >US\$50 mm net to Sintana (unrisked), ~1/3 of the current market capitalisation. Key near-term catalysts include: (1) the two-well programme at Mopane (PEL 83) following TotalEnergies' completed entry, which we assume starts before YE26, and (2) the spud of the Nabba-1X exploration well on PEL 90 by Chevron before YE26. Our new target price is £0.80 per share, with our ReNAV at £0.81 per share.

[See website for full report](#)

Zephyr Energy (ZPHR LN)^c; Target price of £0.17 per share: Strong performance from the non-operated assets – **2Q26** production from the non-operated portfolio was 914 boe/d (69% oil), as disclosed last week. The 1H26 operating netback was ~US\$7 mm, against our ~US\$6 mm estimate. Cash at end-June 2026 was ~US\$2 mm, against our ~US\$1.5 mm forecast. This figure understates Zephyr's financial position. Receivables net of payables are ~US\$4 mm, where we had assumed a ~US\$1 mm deficit. Adjusted for working capital, the underlying cash position is ~US\$5.5 mm ahead of our expectations. The near-term focus is the Paradox Basin, and we expect an update in the coming weeks. There are three key steps: (1) regulatory approvals for Enbridge to transport Zephyr's gas; (2)

completion of the marketing agreement needed to start the initial development phase; and (3) conclusion of the ongoing farm-out process. Given the scale of the Paradox asset, first gas is a major potential re-rating catalyst for the equity. We continue to forecast it in 1H27. We forecast total production (non-operated assets plus Paradox) of ~3.5 mboe/d by end-June 2027, rising further with additional drilling in 2H27.

[See website for full report](#)

IN OTHER NEWS

ASIA PACIFIC

bp (BP LN): Farm-out in Indonesia – Inpex is acquiring a 50% WI in bp's Agung I and Agung II exploration PSCs offshore Indonesia. The contiguous deepwater blocks cover 6,656 km² (Agung I, offshore Bali and East Java) and 7,969 km² (Agung II, offshore South Sulawesi, West Nusa Tenggara and East Java), in water depths of 100–2,000 metres.

EUROPE

ConocoPhillips (COP US): Potential sale of Norway business – ConocoPhillips is evaluating a potential sale of its Norway business and of the Teesside terminal in the UK after receiving an unsolicited offer. The bidder and the terms have not been disclosed. ConocoPhillips operates the Greater Ekofisk Area, and its net production in Norway averaged ~121 mboe/d in 2025.

FORMER SOVIET UNION

Block Energy (BLOE LN): 1H26 results – 1H26 production in Georgia was 374 boe/d. Gas realisations were US\$4.4/mcf. The company held US\$2.7 mm in cash at the end of June.

TotalEnergies (TTE FP): Strategy update – Production is expected to grow by 3% per year between 2025 and 2030. The company plans net investments between US\$14 bn and US\$17 bn per year over 2027–2032.

MIDDLE EAST AND NORTH AFRICA

DNO ASA (DNO NO): Offer for Capricorn not increased – DNO will not increase its US\$5.214 per share offer to acquire Capricorn Energy. Genel has offered US\$5.74 per share (~£4.34 per share).

SUB-SAHARAN AFRICA

Savannah Energy (SAVE LN): Operation update in Nigeria – 8M26 gross production averaged 16.9 mboe/d, of which 76% was gas (FY25: 18.8 mboe/d). Stubb Creek oil production averaged 3.9 mbbl/d over 8M26 (8M25: 2.9 mbbl/d) and exceeded 5.0 mbbl/d in July and August. With Uquo 13 on stream since August (tested at up to 50 mmcf/d), gross production is expected to average ~20 mboe/d over the remainder of 2026, with FY26 guidance of 18–20 mboe/d. The Uquo South exploration well has discovered gas in most of the targeted reservoirs; it was targeting unrisked gross GIIP of 131 bcf, and volumes will be assessed following well testing. Net debt at the end of August 2026 was US\$701.3 mm (YE25: US\$658.8 mm), with cash of US\$62.8 mm.

Tullow Oil (TLW LN): 1H26 results. Negative court ruling on tax dispute in Ghana – 1H26 WI production in Ghana was 43.7 mboe/d. 2P reserves at the end of June were 212.7 mmboe. 2026 Group WI production is expected to be at the high end of the guidance range of 34–42 mboe/d. The capex guidance of US\$200 mm is unchanged. The decommissioning guidance has been reduced from US\$25 mm to US\$15 mm, due to expected deferrals in contributions to the TEN decommissioning fund. A rig contract for the 2027–28 Ghana drilling programme has been signed for up to 10 wells. Net debt at the end of June was US\$1.4 bn. The International Chamber of Commerce has ruled in favour of Ghana with regard to the US\$196.5 mm corporate income tax assessment dispute. The Tribunal has also ruled that the assessment of penalties of 100% falls outside the scope of the contractual protections in Tullow's Petroleum Agreements.

EVENTS TO WATCH NEXT WEEK

05/10/2026 - Repsol (REP SM): 3Q26 update

05/10/2026 - OMV (OMV AG): 3Q26 update

FINANCIAL METRICS FOR AUCTUS' COVERAGE UNIVERSE


 Date: 01/10/2026

Company	Share price	Core NAV	ReNAV	CF (US\$ mm)	FCF (US\$ mm)	P/CNAV	P/ReNAV	EV/DACF (x)	FCF/EV (%)
				2026	2027	2026	2027	2026	2027
ADX Energy	A\$0.02	A\$0.02	A\$0.184	0	0	2	11%	n.a.	n.a.
Arrow Exploration	£0.36	£0.46	£0.61	52	52	3	79%	2.3	3%
CanCambria Energy	C\$0.30	n.a.	C\$3.62	-2	-2	2	n.a.	n.a.	n.a.
Condor Energies	C\$4.15	C\$1.06	C\$5.54	27	57	-14	390%	7.9	n.a.
Corcel	0.44p	n.a.	1.52p	n.a.	n.a.	n.a.	29%	n.a.	n.a.
Criterion Energy	C\$0.15	C\$0.29	C\$0.39	3	13	1	52%	5.7	4%
Helium Evolution	C\$0.20	C\$0.11	C\$0.47	-1	3	-9	181%	n.a.	-15%
New Zealand Energy	C\$0.45	C\$0.34	C\$1.59	2	5	0	132%	n.a.	n.a.
Panoro Energy	NOK 29.60	NOK 37.58	NOK 56.43	30	197	-33	79%	7.8	-5%
Pulsar Helium	£0.67	£0.04	£1.11	-8	20	-21	61%	10.7	-12%
Serica Energy	£2.59	£3.20	£3.43	487	630	308	81%	2.7	23%
Sintana Energy	£0.20	£0.33	£0.81	n.a.	n.a.	n.a.	59%	n.a.	n.a.
Southern Energy	£0.04	£0.04	£0.21	3	16	-2	86%	9.5	-5%
VAALCO Energy	\$5.80	\$4.46	\$10.47	156	235	-167	130%	4.6	-21%
Valeura Energy	C\$15.03	C\$12.18	C\$17.48	390	333	129	123%	1.9	17%
Zephyr Energy	£0.03	£0.09	£0.17	3	47	-8	33%	17.0	-6%
ZPHR LN						-2	18%	2.4	-2%

Source: Auctus

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