

Terrex Energy Inc. reports Q3 2012 operational and financial results

26.11.2012 | [CNW](#)

CALGARY, Nov. 26, 2012 /CNW/ - [Terrex Energy Inc.](#) ("Terrex" or the "Company") (TSX-V: TER) reports its operational and financial results for the three and nine months ended September 30, 2012. The Company has filed its unaudited condensed interim financial statements and related management's discussion and analysis ("MD&A") for the three and nine months ended September 30, 2012 on SEDAR at www.sedar.com and on the Company's website at www.terrexenergy.ca. Certain selected financial information for the period, as set out below, should be read in conjunction with the Company's unaudited condensed financial statements and related MD&A for the period ended September 30, 2012.

PRESIDENT'S MESSAGE

The third quarter has been a trying time for Terrex as we struggled to find a viable option to preserve shareholder value given our dwindling cash resources. To compound this situation, production has dropped significantly due to mechanical issues in our field operations which we cannot remedy at this time due to a lack of finances. On September 28, 2012, [Sandstorm Metals and Energy Ltd.](#) ("Sandstorm") served Terrex with a notice of default pursuant to the Hydrocarbon Purchase Agreement ("the Purchase Agreement") between the Company and Sandstorm. This allows Sandstorm to take action to realize on their security under that agreement unless the default conditions are remedied, to Sandstorm's satisfaction, on or before November 26, 2012.

Further to the Company's news release of October 1, 2012, we continue to negotiate in good faith towards a business combination with another public company, which if consummated in accordance with its proposed terms, will allow Terrex to cure the default under the Purchase Agreement and provide funding for our excellent projects through a strong, well-capitalized, larger junior oil and gas company.

OPERATIONS AND OUTLOOK

Field activities during the third quarter of 2012 were severely limited due to the Company's current financial position. At Strathmore, an overall EOR field plan has been finalized and the design and development of a chemical alkaline surfactant-polymer ("ASP") flood, including final fluid and core flood analyses and reservoir simulations are complete. This plan is currently in abatement as the project is not economic on a risk adjusted basis, in the current commodity price environment. Alternatively, management has identified an investment program of phased infill drilling, and water flood modifications. This plan is more fiscally prudent and achievable at a lower risk and with a more modest capital exposure. At Two Creek the Company has identified locations for a possible four in-fill well drill program in the Jurassic A Pool and is proceeding with the design of a water flood optimization program. Based on the success of this activity, additional development opportunities would be available. Additionally, at Two Creek, analyses have commenced and cores have been delivered for laboratory testing as the Company continues to evaluate an optimum EOR plan for the Jurassic A Pool. At the Two Creek B Pool, a low pressure water flood plan has been developed and an application is being prepared for submission to the Energy Resources Conservation Board.

The implementation of these optimization programs and EOR plans, both at Strathmore and Two Creek, will not be implemented until sufficient funding is secured.

The Company has elected not to provide market guidance at this time for 2012.

OPERATIONAL AND FINANCIAL SUMMARY

(\$000's except as noted)	Periods ending September 30,			
	Three Months		Nine Months	
	2012	2011	2012	2011
Average production, Boe/d	263	332	291	343

Capital expenditures, including acquisitions	\$ 81	\$ 1,410	\$ 1,052	\$ 18,429
Revenue, net of royalties,	\$ 1,227	\$ 1,551	\$ 4,096	\$ 4,892
Funds flow from operations (1)	\$ (365)	\$ (159)	\$ (1,097)	\$ (571)
Per share, basic and diluted	\$ (0.004)	\$ (0.002)	\$ (0.013)	\$ (0.007)
Operating (loss) (1)	\$ (504)	\$ (477)	\$ (1,812)	\$ (1,488)
Per share, basic and diluted	\$ (0.006)	\$ (0.005)	\$ (0.022)	\$ (0.018)
Net (loss)	\$ (1,336)	\$ (780)	\$ (2,738)	\$ (1,825)
Per share, basic and diluted	\$ (0.016)	\$ (0.009)	\$ (0.033)	\$ (0.022)

(1) Funds flow from operations and operating loss are non-IFRS measures.

Production for the three months ended September 30, 2012 decreased from the comparable period in 2011 primarily as the result of down-hole mechanical problems at significant oil and gas producing wells in both the Two Creek and Strathmore fields. Due to the current financial constraints of the Company all well repairs have been deferred until further financial resources are secured. Total revenues for the quarter also decreased as a result of reduced oil and gas production and lower realized natural gas and crude oil prices.

As expected, the Company has continued to incur losses in advance of the implementation of optimization and EOR projects. As the Company's EOR and optimization projects progress, production and revenue are anticipated to increase significantly.

ABOUT TERREX

[Terrex Energy Inc.](#) is a Calgary based junior oil company that focuses on the application of proven enhanced oil recovery ("EOR") methods to improve oil production from existing mature fields. Terrex targets underexploited and undercapitalized light to medium oil reservoirs in Western Canada. The Company's shares are listed on the TSX Venture Exchange under the trading symbol "TER".

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

ADVISORIES

Forward-looking Information - Certain information as set out herein constitutes forward-looking information within the meaning of applicable Canadian securities laws. All information other than historical fact is forward-looking information. Forward-looking information relates to future events or future performance and is based on Terrex's current internal expectations, estimates, projections, assumptions and beliefs. Forward-looking information is often, but not always, identified by the use of words such as "expect", "project", "proposed", "intend", "seek", "anticipate", "budget", "plan", "continue", "estimate", "forecast", "may", "will", "predict", "potential", "targeting", "could", "might", "should", "believe" and similar expressions.

Although management considers the assumptions and estimates, reflected in forward-looking information, to be reasonable, based on information currently available, there can be no assurance that such information will prove to be correct. As a consequence, actual results may differ materially from those anticipated.

In particular, this News Release contains forward-looking information relating to possible transactions, including a business combination.

Undue reliance should not be placed on forward-looking information which is inherently uncertain, and subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward looking information will not occur. These risks include, but are not limited to risks associated with oil and natural gas exploration, development and production, financial risks, the history of losses, substantial capital requirements, political and government risks, government regulations, environmental, prices, dependence on key personnel, availability and access to equipment, risks may not be insurable, licenses, resource estimates, variations in exchange rates. Further information regarding these factors may be found under the heading "Risk Factors" in the company's Annual Information Form. Readers are cautioned the foregoing list of factors that may affect future results is not exhaustive.

The forward-looking statements contained in this News Release are made as of the date hereof and Terrex

does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Boe Presentation - Production volumes and reserves are commonly expressed on a barrel of oil equivalent ("boe") basis whereby natural gas volumes are converted at the ratio of six thousand cubic feet to one barrel of oil based on an energy equivalency at the burner tip and does not represent a value equivalency at the wellhead. Used in isolation, barrels of oil equivalent may be misleading.

Non-IFRS Measures - This News Release makes reference to terms commonly used in the oil and gas industry including funds flow, funds flow from operations and operating earnings (loss). Such terms do not have a standard meaning as prescribed by International Financial Reporting Standards ("IFRS") and therefore may not be comparable with the determination of similar measures for other entities. These measures are identified as non-IFRS measures and are used by management to analyze operating performance and leverage. These measures should not be construed as an alternative to, or more meaningful than measures determined in accordance with IFRS.

SOURCE Terrex Energy Inc.

please contact Jonathan Lexier, President & CEO, or Norman Knecht, VP Finance and CFO, at (403) 264-4430, or visit the Company's website at www.terrexenergy.ca

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/138251--Terrex-Energy-Inc.-reports-Q3-2012-operational-and-financial-results.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).