

# Pine Cliff Energy Ltd. Announces First Quarter 2020 Results and Annual General Meeting Update

06.05.2020 | [Newsfile](#)

Calgary, May 6, 2020 - [Pine Cliff Energy Ltd.](#) (TSX: PNE) ("Pine Cliff" or the "Company") is pleased to announce the filing of its first quarter financial and operating results. Included in the filings were Pine Cliff's unaudited interim condensed consolidated financial statements and related management's discussion and analysis for the three months ended March 31, 2020 (the "Q1-Report"). Selected highlights are shown below and should be read in conjunction with the Q1-Report.

## First Quarter 2020 Highlights

The first quarter of 2020 had a promising start with the production performance of all three of Pine Cliff's Pekisko oil wells continuing to outperform internal expectations. This good news however was dampened by the fact this past winter was an unusually warm winter and as a result, natural gas prices were not as strong as they were in Q1 2019. The first quarter of 2020 however was dominated by the unprecedented collapse of crude oil and liquids prices due to global over-supply combined with demand destruction from the novel coronavirus ("COVID-19"). Despite the fact that 91% of Pine Cliff's Q1 production volume was natural gas, those price drops impacted commodity sales. These negative impacts were mitigated to some degree by improving natural gas prices, which resulted in Pine Cliff still generating adjusted funds flow.

Highlights from Pine Cliff's first quarter ended March 31, 2020 include:

- generated \$1.2 million of adjusted funds flow for the three months ended March 31, 2020, despite the AECO 5A benchmark averaging only \$2.02 per Mcf for the quarter;
- produced an average of 19,169 Boe/d (91% natural gas) in the three months ended March 31, 2020, a 2% increase compared to the same period in 2019; and
- tied-in production from the second of two Pekisko oil wells and one Edson oil well drilled in the fourth quarter of 2019.

## Outlook

2020 has had the most volatile start to a year that Pine Cliff has ever experienced. Although Q2 and Q3 may still experience unpredictable moves in natural gas pricing, the Company has entered into fixed price physical sales contracts for approximately 40% of our natural gas production during those two periods. The increase in AECO forward pricing to levels not witnessed for several years has raised optimism for increased adjusted funds flow for later in 2020 and into 2021. At this time the Company does not have any material fixed price contracts beyond Q3 2020.

## Financial and Operating Results<sup>1</sup>

	Three months ended March 31,	
	2020	2019
(\$000s, unless otherwise indicated)		
Commodity sales (before royalty expense)	25,441	32,063
Cash flow from operating activities	1,637	7,925
Adjusted funds flow <sup>2</sup>	1,153	6,823
Per share - Basic and Diluted (\$/share) <sup>2</sup>	-	0.02
Loss	(20,011 )	(6,525 )
Per share - Basic and Diluted (\$/share)	(0.06 )	(0.02 )

Capital expenditures	1,822	995
Net Debt <sup>2</sup>	65,532	51,820
Production (Boe/d)	19,169	18,741
Percentage natural gas (%)	91%	93%
Weighted-average common shares outstanding (000s)		
Basic and diluted	327,784	307,076
Combined sales price (\$/Boe)	14.58	19.01
Operating netback (\$/Boe) <sup>2</sup>	2.25	5.68
Corporate netback (\$/Boe) <sup>2</sup>	0.65	4.04
Operating netback (\$ per Mcfe) <sup>2</sup>	0.38	0.95
Corporate netback (\$ per Mcfe) <sup>2</sup>	0.11	0.67

<sup>1</sup> Includes results for acquisitions and excludes results for disposition from the closing date.

<sup>2</sup> This is a non-GAAP measure, see "NON-GAAP Measures" for additional information.

## Annual General Meeting Update

[Pine Cliff Energy Ltd.](#) will hold its 2020 Annual General Meeting (the "Meeting") at its Head Office, 8th Floor, 1015 4th Street S.W., Calgary, Alberta, on Thursday, May 21, 2020, at 11:00 a.m. (Calgary time). Shareholders can listen to the Meeting via teleconference by dialing locally in Toronto at 416-764-8659, Calgary at 587-880-2171 or Toll Free at 1-888-664-6392 with the confirmation #55147778. An archived recording of the teleconference will be available on the Corporation's website at [www.pinecliffenergy.com](http://www.pinecliffenergy.com) following the Meeting for those unable to listen live. Pine Cliff does not plan to provide a presentation at the conclusion of the meeting. Please monitor the Corporation's website at [www.pinecliffenergy.com](http://www.pinecliffenergy.com) for Meeting updates if necessary.

Due to restrictions on mass gatherings implemented by the Government of Alberta in response to the COVID-19 outbreak and out of concern for the well-being of all participants, SHAREHOLDERS AND GUESTS WILL NOT BE PERMITTED TO PHYSICALLY ATTEND THE MEETING. Shareholders are encouraged to exercise their voting rights by mail, telephone or internet in advance of the Meeting.

Registered Shareholders are urged to transmit their voting instructions online at [www.odysseytrust.com/login](http://www.odysseytrust.com/login) or to date and sign the form of proxy and return it to Odyssey Trust Company, Stock Exchange Tower, 1230-300 5<sup>th</sup> Avenue SW, Calgary, Alberta, T2P 3C4. In order to be valid and acted upon at the Meeting, voting instructions must be transmitted online or forms of proxy must be returned to the aforesaid address not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the date of the Meeting, or any adjournment thereof. Shareholders who do not hold their common shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker as soon as possible and to follow the instructions set out under "Notice to Beneficial Holders of Shares" in the Company's 2020 Information Circular.

For further information, please contact:

Philip B. Hodge - President and CEO  
 Alan MacDonald -CFO and Corporate Secretary  
 Telephone: (403) 269-2289  
 Fax: (403) 265-7488  
 Email: [info@pinecliffenergy.com](mailto:info@pinecliffenergy.com)

## Cautionary Statements

Certain statements contained in this news release include statements which contain words such as "anticipate", "could", "should", "expect", "seek", "may", "intend", "likely", "will", "believe" and similar expressions, statements relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about developments, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and are based on certain assumptions and analysis made by us derived from our experience and perceptions. Forward-looking information in this news release includes, but is not limited to: future capital expenditures,

including the amount and nature thereof; future drilling opportunities and Pine Cliff's ability to generate reserves and production from the undrilled locations; oil and natural gas prices and demand; expansion and other development trends of the oil and natural gas industry; business strategy and guidance; expansion and growth of our business and operations; maintenance of existing customer, supplier and partner relationships; supply channels; accounting policies; risks; Pine Cliff's ability to generate cash flow; and other such matters.

All such forward-looking information is based on certain assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. The risks, uncertainties and assumptions are difficult to predict and may affect operations, and may include, without limitation: foreign exchange fluctuations; equipment and labour shortages and inflationary costs; general economic conditions; industry conditions; changes in applicable environmental, taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; the ability of oil and natural gas companies to raise capital; the effect of weather conditions on operations and facilities; the existence of operating risks; volatility of oil and natural gas prices; oil and gas product supply and demand; the effects of COVID-19 on global crude oil demand and pricing; risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; increased competition; stock market volatility; opportunities available to or pursued by us; and other factors, many of which are beyond our control. The foregoing factors are not exhaustive.

Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do, what benefits will be derived there from. Except as required by law, Pine Cliff disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Natural gas liquids and oil volumes are recorded in barrels of oil ("Bbl") and are converted to a thousand cubic feet equivalent ("Mcf") using a ratio of one (1) Bbl to six (6) thousand cubic feet. Natural gas volumes recorded in thousand cubic feet ("Mcf") are converted to barrels of oil equivalent ("Boe") using the ratio of six (6) thousand cubic feet to one (1) Bbl. This conversion ratio is based on energy equivalence primarily at the burner tip and does not represent a value equivalency at the wellhead. The terms Boe or Mcfe may be misleading, particularly if used in isolation.

Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of oil, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

#### NON-GAAP Measures

This press release uses the terms "adjusted funds flow", "operating netbacks", "corporate netbacks" and "net debt" which are not recognized under International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures presented by other companies. These measures should not be considered as an alternative to, or more meaningful than, IFRS measures including net income (loss), cash provided by operating activities, or total liabilities. The Company uses these measures to evaluate its performance, leverage and liquidity. Adjusted funds flow is a non-Generally Accepted Accounting Principles ("non-GAAP") measure that represents the total of funds provided by operating activities, before adjusting for changes in non-cash working capital, and decommissioning obligations settled. Net debt is a non-GAAP measure calculated as the sum of term debt, subordinated promissory notes at the principal amount, amounts due to related party and trade and other payables less trade and other receivables, cash and prepaid expenses and deposits. Operating netback is a non-GAAP measure calculated as the Company's total revenue, less net operating expenses, divided by the Boe production of the Company. Corporate netback is a non-GAAP measure calculated as the Company's operating netback, less general and administrative expenses and interest expense and bank charges, divided by the Boe production of the Company. Please refer to the Annual Report for additional details regarding non-GAAP measures and their calculation.

The TSX does not accept responsibility for the accuracy of this release.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/55484>

---

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/350620--Pine-Cliff-Energy-Ltd.-Announces-First-Quarter-2020-Results-and-Annual-General-Meeting-Update.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](#).