

Petrus Resources Announces First Quarter 2024 Financial and Operating Results

09.05.2024 | [GlobeNewswire](#)

CALGARY, May 08, 2024 - [Petrus Resources Ltd.](#) ("Petrus" or the "Company") (TSX: PRQ) is pleased to report financial and operating results as at and for the three months ended March 31, 2024.

Q1 2024 HIGHLIGHTS:

- **Production** - Production was 9,783 boe/d, up 3% from 9,474 boe/d⁽¹⁾ in the fourth quarter of 2023. Notably, oil production was up 26% quarter over quarter. The increase was due to a full quarter of production from the wells completed in the fourth quarter of 2023.
- **Commodity Prices** - Total realized price was \$31.42/boe in the first quarter of 2024 compared to \$30.60/boe in the fourth quarter of 2023, up 3% as higher oil weighting offset lower pricing.
- **Funds Flow⁽²⁾** - Generated funds flow of \$16.3 million (\$0.13 per share⁽³⁾) for the first quarter of 2024 compared to \$16.5 million (\$0.13 per share) in the fourth quarter of 2023.
- **Capital Activity** - Invested \$12.3 million of capital during the first quarter of 2024, drilling 10 gross (5.3 net) wells; of these, 3 gross (3.0 net wells) were operated. Due to the timing of capital activity, production from these 5.3 net wells was not realized in the first quarter.
- **Dividends** - Regular monthly dividend of \$0.01 per share, for a total of \$3.7 million, paid during the first quarter of 2024.
- **Net Debt⁽²⁾** - Maintained net debt at \$63.1 million at the end of the first quarter of 2024. The net debt to annualized funds flow ratio⁽³⁾ was 0.9x at March 31, 2024.

OUTLOOK⁽⁴⁾

The Company expects to realize a full quarter of production in the second quarter from the 2.3 net non-operated wells drilled in the first quarter that are now on stream. Petrus anticipates returning to the 2024 capital program in late spring with completion operations on the 3 operated wells drilled in January tentatively scheduled for June.

For the balance of 2024, the Company has hedged approximately 44% of forecasted production at \$2.94/GJ for natural gas and CAD\$97/bbl for oil. With this strategy, the Company is well positioned to continue its monthly dividend payment. As always, Petrus will closely monitor changing market conditions and is ready to adjust its capital program accordingly, guided by its commitment to delivering sustainable returns to shareholders.

⁽¹⁾Disclosure of production on a per boe basis consists of the constituent product types and their respective quantities. Refer to "BOE Presentation" for further details.

⁽²⁾Non-GAAP measure. Refer to "Non-GAAP and Other Financial Measures".

⁽³⁾Non-GAAP ratio. Refer to "Non-GAAP and Other Financial Measures".

⁽⁴⁾Refer to "Advisories - Forward-Looking Statements".

SELECTED FINANCIAL INFORMATION

OPERATIONS	Three months ended Mar. 31, 2024	Three months ended Mar. 31, 2023	Three months ended Dec. 31, 2023	Three months ended Sept. 30, 2023
------------	-------------------------------------	-------------------------------------	-------------------------------------	--------------------------------------

Average Production							
Natural gas (mcf/d)	40,174		45,237		39,891		42,045
Oil (bbl/d)	1,529		2,192		1,218		1,316
NGLs (bbl/d)	1,557		1,654		1,607		1,556
Total (boe/d)	9,783		11,385		9,474		9,880
Total (boe) ⁽¹⁾	890,267		1,024,645		871,567		908,985
Light oil weighting	16	%	19	%	13	%	16
Realized Prices							
Natural gas (\$/mcf)	2.54		3.78		2.76		2.81
Oil (\$/bbl)	90.38		94.63		98.63		99.33
NGLs (\$/bbl)	43.09		47.55		37.26		37.09
Total realized price (\$/boe)	31.42		40.16		30.60		31.05
Royalty income	0.07		0.16		0.09		0.06
Royalty expense	(3.89)	)	(6.38)	)	(4.78)	)	(3.37)
Gain on risk management activities	-		1.45		-		-
Net oil and natural gas revenue (\$/boe)	27.60		35.39		25.91		27.74
Operating expense	(6.76)	)	(7.26)	)	(5.07)	)	(6.70)
Transportation expense	(1.81)	)	(2.05)	)	(1.46)	)	(1.54)
Operating netback ⁽²⁾ (\$/boe)	19.03		26.08		19.38		19.50
Realized gain on financial derivatives (\$/boe)	2.90		1.77		1.99		1.21
Other income (cash)	0.05		0.16		(0.18)	)	0.04
General & administrative expense	(1.32)	)	(1.20)	)	(0.37)	)	(1.27)
Cash finance expense	(1.78)	)	(1.11)	)	(1.43)	)	(1.26)
Decommissioning expenditures	(0.61)	)	(0.13)	)	(0.43)	)	(0.34)
Funds flow & corporate netback (\$/boe) ⁽²⁾	18.27		25.57		18.96		17.88
FINANCIAL (000s except \$ per share)							
	Three months ended Mar. 31, 2024		Three months ended Mar. 31, 2023		Three months ended Dec. 31, 2023		Three months ended Sept. 30, 2023
Oil and natural gas sales	28,039		41,319		26,747		28,273
Net income (loss)	(5,333)	)	17,273		39,708		(11,293)
Net income (loss) per share							
Basic	(0.04)	)	0.14		0.32		(0.09)
Fully diluted	(0.04)	)	0.14		0.32		(0.09)
Funds flow ⁽²⁾	16,272		26,216		16,525		16,243
Funds flow per share ⁽²⁾							
Basic	0.13		0.21		0.13		0.13
Fully diluted	0.13		0.21		0.13		0.13
Capital expenditures	12,343		29,820		32,029		21,617
Acquisitions (dispositions)	-		-		-		-
Weighted average shares outstanding							
Basic	124,299		123,416		123,812		123,743
Fully diluted	124,299		127,358		124,840		123,743
As at period end							
Common shares outstanding							
Basic	124,259		123,239		124,266		123,867
Fully diluted	134,484		133,377		134,542		134,436
Total assets	427,574		403,276		437,842		380,100
Non-current liabilities	59,995		68,056		60,926		59,687
Net debt ⁽²⁾	63,114		51,754		62,596		42,251

⁽¹⁾Disclosure of production on a per boe basis consists of the constituent product types and their respective quantities. Refer to "BOE Presentation" for further details.

(2)Non-GAAP ratio or non-GAAP measure. Refer to "Non-GAAP and Other Financial Measures".

OPERATIONS UPDATE

First quarter average production by area was as follows:

For the three months ended March 31, 2024	Ferrier	Foothills	Central Alberta	Total
Natural gas (mcf/d)	34,307	1,279	4,588	40,174
Oil (bbl/d)	1,204	84	241	1,529
NGLs (bbl/d)	1,409	3	145	1,557
Total (boe/d)	8,331	300	1,152	9,783

First quarter average production was 9,783 boe/d, up 3% quarter over quarter compared to 9,474 boe/d in the fourth quarter of 2023. With the North Ferrier to Ferrier pipeline complete, Petrus has combined the two areas to be one core Ferrier area.

Production was 11,385 boe/d in the first quarter of 2023. The decrease in production from the prior year comparative period was mainly due to a decrease in drilling and completion activity, natural declines and uneconomic wells shut-in due to low gas prices.

CAPITAL EXPENDITURES

Capital expenditures (excluding acquisitions) totaled \$12.3 million in the first quarter of 2024, compared to \$29.8 million in the prior year comparative period. The majority of the capital spending in the first quarter of 2024 was related to the drilling and completion of 10 gross (5.3 net) wells in the Ferrier area. Due to the timing of capital activity, production from these wells was not realized in the first quarter.

The following table shows capital expenditures (excluding acquisitions) for the reporting periods indicated. All capital is presented before decommissioning obligations.

Capital Expenditures (\$000s)	Three months ended	
	March 31, 2024	March 31, 2023
Drill and complete	9,519	24,264
Oil and gas equipment	2,244	4,605
Geological	-	515
Land and lease	-	160
Office	6	17
Capitalized general and administrative expense	574	259
Total capital expenditures	12,343	29,820
Gross (net) wells drilled	10 (5.3)	7 (7.0)

FIRST QUARTER 2024 CONFERENCE CALL

Date: May 9, 2024

Time: 9:00am (mountain time)

Please refer the events page on Petrus' website for further conference call details and links:
www.petrusresources.com/events

ANNUAL GENERAL MEETING

The Company's Annual General Meeting will be held at 240FOURTH (previously BP Centre) Conference Room A, 240, 4th Ave SW Calgary, Alberta, on Wednesday May 29, 2024 at 1:00 p.m. (mountain time). Please refer the events page on Petrus' website for further AGM details and links:
www.petrusresources.com/events

An updated corporate presentation can be found on the Company's website at www.petrusresources.com.

For further information, please contact:
Ken Gray, P.Eng.
President and Chief Executive Officer
T: (403) 930-0889
E: kgray@petrusresources.com

NON-GAAP AND OTHER FINANCIAL MEASURES

This press release makes reference to the terms "operating netback" (on an absolute and \$/boe basis), "corporate netback" (on an absolute and \$/boe basis), "funds flow" (on an absolute, per share (basic and fully diluted) and \$/boe basis), "net debt" and "net debt to annualized funds flow ratio". These non-GAAP and other financial measures are not recognized measures under GAAP (IFRS) and do not have a standardized meaning prescribed by GAAP (IFRS). Accordingly, the Company's use of these terms may not be comparable to similarly defined measures presented by other companies. These non-GAAP and other financial measures should not be considered to be more meaningful than GAAP measures which are determined in accordance with IFRS as indicators of our performance. Management uses these non-GAAP and other financial measures for the reasons set forth below.

Operating Netback

Operating netback is a common non-GAAP financial measure used in the oil and natural gas industry which is a useful supplemental measure to evaluate the specific operating performance by product type at the oil and natural gas lease level. The most directly comparable GAAP measure to operating netback is oil and natural gas sales. Operating netback is calculated as oil and natural gas sales less royalty expenses, operating expenses and transportation expenses, plus or minus the gain (loss) on risk management activities. See below for a reconciliation of operating netback to oil and natural gas sales.

Operating netback (\$/boe) is a non-GAAP ratio used in the oil and natural gas industry which is a useful supplemental measure to evaluate the specific operating performance by product type at the oil and natural gas lease level. It is calculated as operating netbacks divided by weighted average daily production on a per boe basis. See below.

Corporate Netback and Funds Flow

Corporate netback or funds flow is a common non-GAAP financial measure used in the oil and natural gas industry which evaluates the Company's profitability at the corporate level. Corporate netback and funds flow are used interchangeably. Petrus analyzes these measures on an absolute value and on a per unit (boe) and per share (basic and fully diluted) basis as non-GAAP ratios. Management believes that funds flow and corporate netback provide information to assist a reader in understanding the Company's profitability relative to current commodity prices. They are calculated as the operating netback less general and administrative expense, cash finance expense, decommissioning expenditures, plus other income and the realized gain (loss) on financial derivatives. See below for a reconciliation of funds flow and corporate netback to oil and natural gas sales.

Corporate netback (\$/boe) or funds flow (\$/boe) is a non-GAAP ratio used in the oil and natural gas industry which evaluates the Company's profitability at the corporate level. Management believes that funds flow (\$/boe) or corporate netback (\$/boe) provide information to assist a reader in understanding the Company's profitability relative to current commodity prices. It is calculated as corporate netbacks or funds flow divided by weighted average daily production on a per boe basis. See below.

Funds flow per share (basic and fully diluted) is comprised of funds flow divided by basic or fully diluted

weighted average common shares outstanding.

	Three months ended		Three months ended		Three months ended		Three months ended	
	March 31, 2024		Dec. 31, 2023		Sept. 30, 2023		Jun. 30, 2023	
	\$000s	\$/boe	\$000s	\$/boe	\$000s	\$/boe	\$000s	\$/boe
Oil and natural gas sales	28,039	31.50	26,747	30.70	28,273	31.11	29,266	30.6
Royalty expense	(3,461)	(3.89)	(4,167)	(4.78)	(3,061)	(3.37)	(3,492)	(3.6)
Gain on risk management activities	-	-	-	-	-	-	32	0.03
Net oil and natural gas revenue	24,578	27.61	22,580	25.92	25,212	27.74	25,806	27.0
Transportation expense	(1,615)	(1.81)	(1,271)	(1.46)	(1,401)	(1.54)	(1,341)	(1.4)
Operating expense	(6,018)	(6.76)	(4,419)	(5.07)	(6,086)	(6.70)	(5,566)	(5.8)
Operating netback	16,945	19.04	16,890	19.39	17,725	19.50	18,899	19.7
Realized gain on financial derivatives	2,583	2.90	1,737	1.99	1,102	1.21	3,398	3.56
Other income (expense) ⁽¹⁾	48	0.05	(161)	(0.18)	34	0.04	37	0.04
General & administrative expense	(1,178)	(1.32)	(319)	(0.37)	(1,158)	(1.27)	(1,476)	(1.5)
Cash finance expense	(1,581)	(1.78)	(1,246)	(1.43)	(1,148)	(1.26)	(1,269)	(1.3)
Decommissioning expenditures	(545)	(0.61)	(376)	(0.43)	(312)	(0.34)	(549)	(0.5)
Funds flow and corporate netback	16,272	18.28	16,525	18.97	16,243	17.88	19,040	19.9

⁽¹⁾Excludes non-cash government grant related to decommissioning expenditures.

Net Debt

Net debt is a non-GAAP financial measure and is calculated as the sum of long term debt and working capital (current assets and current liabilities), excluding the current financial derivative contracts and current portion of the lease obligation and decommissioning obligation. Petrus uses net debt as a key indicator of its leverage and strength of its balance sheet. Net debt is reconciled, in the table below, to long-term debt which is the most directly comparable GAAP measure.

(\$000s)	As at March 31, 2024	As at Dec. 31, 2023	As at Sept. 30, 2023	As at Jun. 30, 2023	As at Mar. 31, 2023
Long-term debt	25,000	25,000	25,000	25,000	25,000
Current assets	(21,081)	(30,805)	(19,375)	(28,150)	(31,375)
Current liabilities	61,099	61,755	40,636	30,032	50,375
Current financial derivatives	(716)	8,374	(3,397)	10,224	9,321
Current portion of lease obligation	(263)	(258)	(254)	(249)	(244)
Current portion of decommissioning obligation	(925)	(1,470)	(359)	(671)	(1,350)
Net debt	63,114	62,596	42,251	36,186	51,727

Net debt to annualized funds flow ratio is a non-GAAP ratio used as a key indicator of our leverage and strength of our balance sheet. It is calculated as net debt divided by funds flow for the relevant period.

ADVISORIES

Basis of Presentation

Financial data presented above has largely been derived from the Company's financial statements, prepared in accordance with GAAP which require publicly accountable enterprises to prepare their financial statements using IFRS. Accounting policies adopted by the Company are set out in the notes to the audited consolidated financial statements as at and for the twelve months ended December 31, 2023. The reporting and the measurement currency is the Canadian dollar. All financial information is expressed in Canadian dollars, unless otherwise stated.

Forward-Looking Statements

Certain information regarding Petrus set forth in this press release contains forward-looking statements within the meaning of applicable securities law, that involve substantial known and unknown risks and

uncertainties. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Such statements represent Petrus' internal projections, estimates, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are only predictions and actual events or results may differ materially. Although Petrus believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause Petrus' actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Petrus.

In particular, forward-looking statements included in this press release include, but are not limited to, statements with respect to: that we expect to realize a full quarter of production in the second quarter from the non-operated wells drilled in the first quarter; that we anticipate returning to our 2024 capital program in late spring with completion operations on the operated wells drilled in January tentatively scheduled for June; that with our current hedges for 2024, we are well positioned to continue our monthly dividend payment; that we will closely monitor changing market conditions and are ready to adjust our capital program accordingly, guided by our commitment to delivering sustainable returns to shareholders.

These forward-looking statements are subject to numerous risks and uncertainties, most of which are beyond the Company's control, including: the impact of general economic conditions; volatility in market prices for crude oil, NGL and natural gas; industry conditions; currency fluctuation; changes in interest rates and inflation rates; imprecision of reserve estimates; liabilities inherent in crude oil and natural gas operations; environmental risks; incorrect assessments of the value of acquisitions and exploration and development programs; competition; the lack of availability of qualified personnel or management; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; hazards such as fire, explosion, blowouts, cratering, and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury and/or increase our costs, decrease our production, or otherwise impede our ability to operate our business; extreme weather events, such as wild fires, floods, drought and extreme cold or warm temperatures, each of which could result in substantial damage to our assets and/or increase our costs, decrease our production, or otherwise impede our ability to operate our business; stock market volatility; ability to access sufficient capital from internal and external sources; that the amount of dividends that we pay may be reduced or suspended entirely; that we reduce or suspend the repurchase of shares under our NCIB; and the other risks and uncertainties described in the AIF. With respect to forward-looking statements contained in this press release, Petrus has made assumptions regarding: the amount of dividends that we will pay; the number of shares that we will repurchase; future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future exchange rates; the impact of increasing competition; conditions in general economic and financial markets; availability of drilling and related equipment and services; effects of regulation by governmental agencies; the effects of inflation on our costs and profitability; future interest rates; and future operating costs. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide investors with a more complete perspective on Petrus' future operations and such information may not be appropriate for other purposes. Petrus' actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. Readers are cautioned that the foregoing lists of factors are not exhaustive.

These forward-looking statements are made as of the date of this press release and the Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

BOE Presentation

The oil and natural gas industry commonly expresses production volumes and reserves 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. The intention is to sum oil and natural gas measurement units into one basis for improved measurement of results and comparisons with other industry participants. Petrus uses the 6:1 boe measure which is the approximate energy equivalence of the two commodities at the burner tip. Boe's do not represent an economic value equivalence at the wellhead and therefore may be a misleading measure if used in isolation.

Abbreviations

\$000's	<i>thousand dollars</i>
\$/bbl	<i>dollars per barrel</i>
\$/boe	<i>dollars per barrel of oil equivalent</i>
\$/GJ	<i>dollars per gigajoule</i>
\$/mcf	<i>dollars per thousand cubic feet</i>
bbl	<i>barrel</i>
mbbl	<i>thousand barrel</i>
bbl/d	<i>barrels per day</i>
boe	<i>barrel of oil equivalent</i>
mboe	<i>thousand barrel of oil equivalent</i>
mmboe	<i>million barrel of oil equivalent</i>
boe/d	<i>barrel of oil equivalent per day</i>
GJ	<i>gigajoule</i>
GJ/d	<i>gigajoules per day</i>
mcf	<i>thousand cubic feet</i>
mcf/d	<i>thousand cubic feet per day</i>
mmcf/d	<i>million cubic feet per day</i>
bcf	<i>billion cubic feet</i>
NGLs	<i>natural gas liquids</i>
WTI	<i>West Texas Intermediate</i>

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/470479--Petrus-Resources-Announces-First-Quarter-2024-Financial-and-Operating-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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).