

27 November 2017

## **PRESIDENT ENERGY PLC**

("President", "the Company" or "President Energy")

### **President agrees its first Argentine Commercial Bank Loan**

President Energy (AIM: PPC), the upstream oil and gas company with a diverse portfolio of production and exploration assets focused primarily in Argentina, announces that President Petroleum S.A. ("PSA"), its Argentine subsidiary, has agreed its first commercial bank lending arrangements ( "the Loan") through the established Argentinian Banks, BACS Banco de Credito y Securitizacion S.A and Banco Hipotecario (the "Banks").

The Loan is for the sum of US\$8 million and is for a term of 42 months with capital and interest repayable over that time on a quarterly basis and benefiting from a 6 month initial capital repayment holiday. The interest rate is 7.5% over Libor, which compares favourably with the existing IYA shareholder credit line facilities which attract an interest rate of 10.5%, with the loan being secured by pledges over the shares of PSA. The Loan monies are designated in defraying part of the consideration payable for the recent acquisition made by the Company in the Neuquén Basin thereby freeing up more of President's other financial resources and positive cash flow to materially grow its Argentine business as appropriate.

President is in a strong financial position. The last six weeks have seen the Company raise over US\$21 million in cash via the Loan and the recent share issuances. These funds augment the existing substantial credit line from IYA, a company related to Peter Levine, of which over US\$2 million was last week converted to equity. The Company's cash balances are further bolstered by the continued positive free cash flows being generated by its operations.

#### **Peter Levine, Chairman and Chief Executive, commented:**

"This is an important step for President in the continued pursuit of its declared profitable growth strategy and reflects the Company's increasing reputation and credibility.

"As well as generating immediate cost savings over the current IYA shareholder credit line facilities and reducing reliance thereon, it adds an important component to our financial tool kit for the future expansion of the Company.

"We are particularly grateful for the constructive support given to us by these two established Argentine financial institutions and look forward to developing a mutually rewarding relationship with them."

#### **Contact:**

##### **President Energy PLC**

Peter Levine, Chairman, Chief Executive

+44 (0) 207 016 7950

Bruce Martin, Chief Financial Officer

##### **finnCap (Nominated Advisor & Joint Broker)**

Christopher Raggett, Scott Mathieson, Emily Morris

+44 (0) 207 220 0500

**BMO Capital Markets (Joint Broker)**

Jeremy Low, Neil Haycock, Tom Rider

+44 (0) 207 236 1010

**Camarco Financial PR**Billy Clegg, Georgia Edmonds, Mercedes Valenzuela-  
Goldman

+44 (0) 203 757 4980

**Notes to Editors**

President Energy is an oil and gas company listed on the AIM market of the London Stock Exchange (PPC.L) primarily focused in Argentina, with a diverse portfolio of operated onshore producing and exploration assets. The Company currently has independently assessed 1P reserves in excess of 16 MMboe and 2P reserves of more than 25 MMboe.

The Company has operated interests in the Puesto Flores and Estancia Vieja Concession, Rio Negro Province, in the Neuquén Basin of Argentina and in the Puesto Guardian Concession, in the Noroeste Basin in NW Argentina. The Company is focused on growing production in the near term in Argentina. Alongside this, President Energy has cash generative production assets in Louisiana, USA and further significant exploration and development opportunities through its acreage in Paraguay and Argentina.

President Energy's second largest shareholder is the IFC, part of the World Bank Group and is actively pursuing value accretive acquisitions of high quality production and development assets in Argentina capable of delivering positive cash flows and shareholder returns. With a strong institutional base of support and an in-country management team, President Energy gives UK investors rare access to the Argentinian growth story combined with world class standards of corporate governance, environmental and social responsibility.

This announcement contains inside information for the purposes of article 7 of Regulation 596/2014