



Tomco Energy

May 10th 2013

Update: TomCo Energy waits on Red Leaf

-- adds broker comment--

TomCo Energy (LON:TOM) is still waiting for updated capital and operating costs from partner Red Leaf to complete a resource upgrade to its Holliday shale oil block in Utah.

TomCo had scheduled publication for the end of the first quarter of 2013, but now says it cannot provide an accurate estimate on when the JORC compliant ore reserve will be published.

It is continuing to work with Red Leaf on the data for the EcoShale process to be used at Holliday Block, but said Red Leaf's focus is on executing the Early Production System (EPS) phase of its joint venture with Total.

The goal of the EPS is the construction of a large scale capsule. Questerre Energy Corporation has reported that capsule construction is planned for late 2013.

TomCo added it had also now received a nationwide 401 permit for Holliday from the United States Army Corps of Engineers Group, which means it will only need to prepare an Environmental Assessment (EA) under Utah state environmental law and not an Environmental Impact Statement (EIS) under United States federal environmental law.

An environmental assessment is a much cheaper option than an EIS, said TomCo.

The Utah government's support for the development of oil shale in the state should aid the EA process, it added.

TomCo made a loss before tax of £402,000 in the half year to March. Cash equivalents at the half-year totalled £1.89m.

It holds a 100% interest in two oil shale leases, comprising five blocks covering 2,919 acres in Uintah County, Utah.

Independent natural resources consultant SRK has declared a surface mineable JORC compliant measured resource of 126m barrels on the main tract of TomCo's Holliday block lease.

Tomco is licensing the EcoShale In-Capsule process technology from Red Leaf.

Broker Fox-Davies said the 401 permit was a key development for the group as it reduces the cost and shortens the environmental approval part of the process.

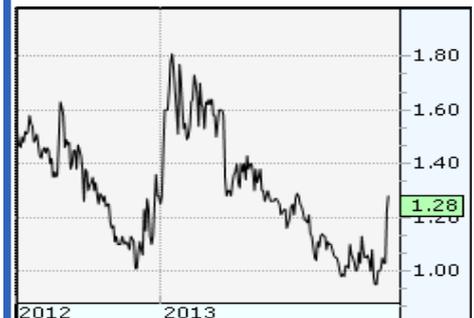
"All that is required now is for Red Leaf to get a move on and start to progress its commercialisation programme," said the broker, which has a buy' recommendation on TomCo and 5p target price.

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Price: 1.33p

Market Cap: £24.86M

1 Year Share Price Graph



Share Information

Code: TOM

Listing: AIM

Sector: Energy

Website: www.tomcoenergy.uk.com

Company Synopsis:

TomCo Energy plc is a UK based company quoted on the AIM Market of the London Stock Exchange. The Company is focused on the development of its substantial 100% owned oil shale assets located in the prospective Green River Formation in the US state of Utah.

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