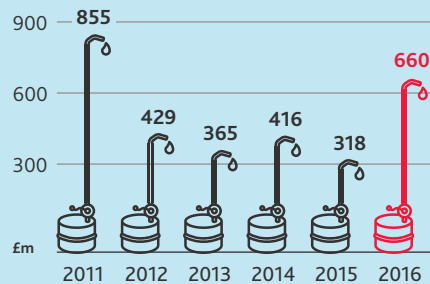


DRILLING DOWN 2017

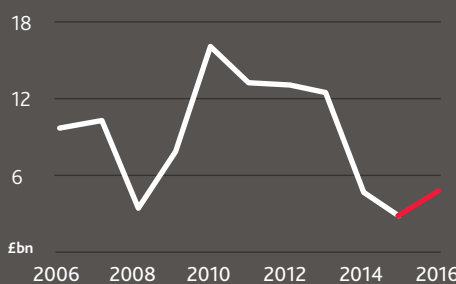
A review of the performance of AIM listed oil and gas companies in 2016

ARE WE SEEING THE START OF THE NEXT CYCLE?

Proceeds from secondary fundraisings **more than doubled** in 2016...



...as market caps **begin to bounce back** from the bottom of the current cycle.



OUR ADVICE FOR MANAGING YOUR BUSINESS IN THE CURRENT MARKET

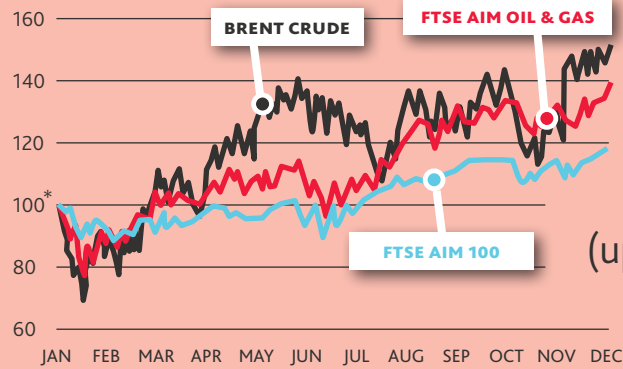
01 Continue to maintain tight cost control and cash management

02 Look to lock in current low oilfield service contract prices

03 Build on strategic reviews to seize on M&A opportunities

04 Look to identify opportunities to build on resource pipeline

05 Review capital structure to ensure it adequately maintains liquidity to weather market volatility



AIM oil and gas shares (up 40%) outperformed the FTSE AIM 100 (up 17%) on the back of rising oil prices.

(*values rebased to 100)

Although the number of companies raising funds in the past year remained broadly stable, **the amount raised per company more than doubled.**

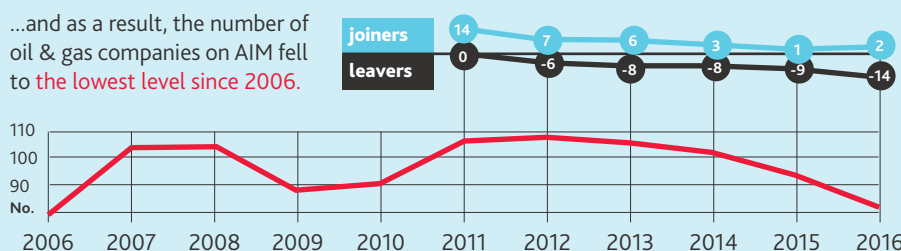


33 COMPANIES RAISED AN AVERAGE OF £9.8M

31 COMPANIES RAISED AN AVERAGE OF £21.1M

In 2016 the number of leavers accelerated to **14...**

...and as a result, the number of oil & gas companies on AIM fell to **the lowest level since 2006.**



Find out more about how BDO can help you:

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