

Tengasco Announces First Quarter 2020 Financial Results

GREENWOOD VILLAGE, Colo., May 14, 2020 /PRNewswire/ -- Tengasco, Inc. (NYSE American: TGC) announced today its financial results for the quarter ended March 31, 2020. The Company reported a net loss of \$(527,000) or \$(0.05) per share of common stock during the first quarter of 2020 compared to a net loss of \$(96,000) or \$(0.01) per share of common stock during the first quarter of 2019. The \$431,000 decrease in net income was primarily due to a \$208,000 decrease in revenues, a \$185,000 increase in production cost and taxes, and a \$43,000 decrease in gain on sale of assets.

The Company recognized \$963,000 in revenues during the first quarter of 2020 compared to \$1.2 million during the first quarter of 2019. The \$208,000 decrease in revenues was primarily due to a \$8.82 per barrel decrease in the average oil price from \$49.88 per barrel received during the first three months of 2019 to \$41.06 per barrel received during the first three months of 2020.

The increase in production cost and taxes was primarily related to a change in oil inventory. The decrease in gain on sale of assets was primarily related to the gain on sale of materials inventory recorded during the first three months of 2019.

Michael J. Rugen, CEO, said “At the end of the first quarter of 2020 and continuing during the second quarter 2020, the oil and gas industry experienced a severe decline in oil commodity pricing due to economic conditions of reduced demand caused by the Coronavirus outbreak combined with an oil price war between Saudi Arabia and Russia. We expect availability of crude storage to reach critical levels in the second quarter of 2020 and average crude oil pricing to remain significantly lower than pricing received in the second quarter of 2019 as well as the first quarter of 2020. The Company will continue to closely monitor its costs and capital spending. At the end of the first quarter in 2020, the Company has maintained both cash on hand and no outstanding debt under the credit facility. The Company applied and was approved by the Small Business Administration for a PPP loan in amount of approximately \$166,000 and was funded by Prosperity Bank in May 2020. The Company anticipates that it will be eligible for forgiveness of the entire loan amount as it will be used for eligible expenses as required by statute. In addition, we continue to consider all opportunities identified in our ongoing process through Roth Capital that may provide additional shareholder value.”

The statements contained in this release that are not purely historical are forward-looking statements within the meaning of applicable securities laws. The Company's actual results could differ materially from the forward-looking statements.

CONTACT: Cary V. Sorensen, V.P., 720-420-4460