

Marquee Energy Ltd. Announces Strategic Financing Transaction and Expanded 2017 Capital Program

30.05.2017 | [Marketwired](#)

CALGARY, May 30, 2017 - [Marquee Energy Ltd.](#) ("Marquee" or the "Company") (TSX VENTURE: MQX) is pleased to announce key steps that have been taken to increase growth, value and liquidity. The Company has entered into a term loan with Crown Capital Fund IV, LP ("Crown Capital"), an investment fund managed by Crown Capital Partners Inc. and has closed a new credit facility with a major Canadian bank (the "Credit Facility"). This will allow the Company to expand its capital program for the second half of 2017.

THE TERM LOAN

Marquee has entered into an agreement with Crown Capital for a \$30 million subordinated term loan (the "Term Loan"). The Term Loan bears an interest rate of 10% per annum over a term of five years and is second lien secured. In conjunction with the Term Loan, Marquee has granted Crown Capital 37,500,000 warrants (the "Warrants") or approximately 8.6% of the outstanding shares. Each Warrant entitles Crown to purchase one common share of Marquee at an exercise price of \$0.11 any time prior to May 30, 2021. The exercise price of the Warrants represents a 46% premium to the 20-day volume-weighted average trading price of Marquee common shares at market close on May 29, 2017. If fully exercised, the warrants would represent approximately 8% of the fully diluted common shares outstanding.

Proceeds from the Term Loan will fully repay the previous syndicated loan, provide long term funding and liquidity certainty for the Company and support an expanded drilling program of high netback and high rate of return horizontal light oil wells at Michichi.

2017 CAPITAL BUDGET AND GUIDANCE

The Board of Directors of Marquee has approved a capital budget of approximately \$15 million for the second half of 2017. The budgeting is based on an oil price of US\$50WTI/barrel and a natural gas price of \$2.75/GJ AECO. The capital program is expected to increase cashflow, production and reserves while leaving the Company undrawn on its Credit Facility at year-end.

Marquee is planning to drill six light oil horizontal Banff wells in the second half of 2017, and expects a year end corporate exit rate of 3,000 boe/d - 3,300 boe/d (25-37% production growth exit to exit). The production growth in 2017 is expected to increase the Company's oil and liquids weighting and reduce corporate unit operating costs generating an expected improvement of field netbacks by more than 40%.

The second half 2017 drilling program is anticipated to commence mid-June to early July, and expects to incorporate mono-bore drilling with increased frack stages to improve productivity and reserves recoveries while maintaining similar well costs as recent drilling. The capital spending also includes legacy horizontal well optimization, operating capital, normal course abandonment and reclamations costs as well as seismic and land acquisition expenditures.

Marquee's latest well results were press released on May 23, 2017 and the wells continue to perform above expected rates. The wells demonstrate strong economics at current commodity prices and provide high rates of return and cash netbacks.

THE CREDIT FACILITY

Marquee's Credit Facility is a \$12 million revolving, operating demand facility with a major Canadian bank, with the next interim review scheduled for October 31, 2017 and replaces the Company's previous syndicated credit facility of \$25 million. Following the closing of the financing, Marquee will have a positive cash balance of approximately \$7.5 million and be undrawn on its Credit Facility.

STRATEGIC RATIONALE

"Marquee is pleased to have a new strategic partner in Crown Capital who is supportive of unlocking the value of our Michichi asset in eastern Alberta", said Richard Thompson, president and CEO of Marquee.

The Credit Facility and Term Loan significantly improve Marquee's liquidity and allow for acceleration of the large scale light oil development opportunity at Michichi. The enhanced liquidity will support an accelerated drilling program following up on the success of the first quarter drilling program.

Marquee owns and operates oil and gas facilities and extensive gas gathering system infrastructure at Michichi and has identified over 290 development drilling locations which include 88 undrilled locations booked in Marquee's 2016 year end reserve report. These locations have been identified utilizing extensive horizontal and vertical well control in combination with Marquee's large 2D and 3D seismic coverage at Michichi

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

The Company's Annual and Special Meeting of Shareholders (the "Meeting") is scheduled for 2:00 PM on Monday, June 26, 2017 in the Strand/Tivoli room at the Metropolitan Conference Centre in Calgary, Alberta. The record date for the meeting has been set at May 23, 2017.

At the Meeting, shareholders ("Shareholders") of Marquee's common shares ("Common Shares") will be asked to approve a special resolution (the "Consolidation Resolution") authorizing the Company to amend its Articles to effect a consolidation (the "Consolidation") of the Common Shares on the basis of one (1) post-consolidation Common Share for every thirty (30) pre-consolidation Common Shares then issued and outstanding, or such other number of pre-consolidation Common Shares as may be determined by the Board in its sole discretion, subject to the requirements of the TSX Venture Exchange. As of the date hereof, the Company has 435,772,196 Common Shares outstanding. Notwithstanding approval of the proposed Consolidation by the Shareholders, the Board may, in its sole discretion, revoke the Consolidation Resolution, and abandon the Consolidation without further approval or action by, or prior notice to, the Shareholders.

The Company believes that, if implemented, the Consolidation will help attract a new investor base and potentially increase liquidity. The Board believes that the Consolidation is in the best interest of the Company, and that the Consolidation will more closely align the issued and outstanding share capital of the Company with its financial valuation.

If approved and implemented, the Consolidation will occur simultaneously for all of the Company's issued and outstanding Common Shares and the consolidation ratio will be same for all such Common Shares. The Consolidation will affect all holders of Common Shares uniformly and will not affect any Shareholder's percentage ownership interest in the Company, except to the extent that the Consolidation would otherwise result in a Shareholder owning a fractional Common Share. No fractional post-consolidation Common Shares will be issued and no cash will be paid in lieu of fractional post-consolidation Common Shares. Any fractional Common Shares resulting from the Consolidation will be rounded to the nearest whole Common Share.

ABOUT MARQUEE

Marquee is a Calgary based, junior energy company focused on light oil development and production in the Michichi area of eastern Alberta. Marquee's shares trade on the TSX Venture Exchange under the trading symbol "MQX". Additional information about Marquee may be found on its website www.marqueeenergy.com and in its continuous disclosure documents filed with Canadian securities regulators on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FORWARD-LOOKING STATEMENTS OR INFORMATION

Certain statements included or incorporated by reference in this news release may constitute forward-looking statements under applicable securities legislation. Such forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking

statements or information in this news release may include, but are not limited to: reserves estimates and the net present value of the future net reserves related thereto; the number and quality of future potential drilling and development opportunities; anticipated capital budgets and expenditures; average production for 2017 and beyond; 2017 exit production rates; the Company's development plan; the size and extent of the Michichi oil fairway; matters to be voted on at the Company's annual and special meeting of shareholders, a consolidation of the Company's shares, and the benefits to be derived therefrom; and the timing of disclosure of further 2017 guidance, capital expenditure plans and well performance.

Such forward-looking statements or information are based on a number of assumptions all or any of which may prove to be incorrect. In addition to any other assumptions identified in this document, assumptions have been made regarding, among other things: the ability of the Company to obtain equipment, services and supplies in a timely manner to carry out its activities; the ability of the Company to market crude oil, natural gas liquids and natural gas successfully to current and new customers; the ability to secure adequate product transportation; the timely receipt of required regulatory approvals; the ability of the Company to obtain financing on acceptable terms; interest rates; regulatory framework regarding taxes, royalties and environmental matters; future crude oil, natural gas liquids and natural gas prices; the ability to successfully integrate acquisitions into Marquee's business and management's expectations relating to the timing and results of development activities.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking information. Material risk factors affecting the Company and its business are contained in Marquee's Annual Information Form for the year ended December 31, 2016, which is available under Marquee's issuer profile on SEDAR at www.sedar.com.

The forward-looking information contained in this press release is made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

DRILLING LOCATIONS

This press release discloses drilling locations in three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from the Company's most recent independent reserves report prepared by Sproule as at December 31, 2016 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the Company's prospective acreage and assumptions as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves. Of the 290 Michichi drilling locations identified herein, 69 are proved locations, 19 are probable locations, and the remaining 234 are unbooked locations. Unbooked locations have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves or production. The drilling locations on which the Company will actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been de-risked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves or production.

ADDITIONAL ADVISORIES

Barrels of oil equivalent (boe) are presented on the basis of one boe for six Mcf of natural gas. Disclosure provided herein in respect of boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

Richard Thompson, President & Chief Executive Officer
(403) 817-8208;5561
RThompson@marqueeenergy.com
or visit the Company's website at www.marqueeenergy.com.

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/267709--Marquee-Energy-Ltd.-Announces-Strategic-Financing-Transaction-and-Expanded-2017-Capital-Program.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 -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).