

# Terrex Energy Inc. - Announces \$14.7 Million Financing Through Execution of Hydrocarbon Purchase Agreement

21.03.2011 | [CNW](#)

CALGARY, March 21 /[CNW](#)/ - [Terrex Energy Inc.](#) ("Terrex" or the "Company") (TSXV: TER) announces that the Company has entered into a Hydrocarbon Purchase Agreement with Sandstorm Metals & Energy Ltd. ("Sandstorm") for an initial up front deposit of \$14.7 million. Proceeds from the transaction will be used, in part, to finance the \$13 million acquisition of the Two Creek property announced on March 7, 2011 and scheduled to close on March 31, 2011.

"This agreement provides a unique financing arrangement, essentially on a non-dilutive basis, for the acquisition of the property at Two Creek." said Kim Davies, President and CEO. "Subsequent to closing, Terrex will have approximately \$10 million of working capital available to pursue the development of our properties. We see significant value in our enhanced oil recovery projects and believe the acquisition by a third party, of approximately 20% of our production for an initial payment of \$14.7 million substantiates this."

Under the Hydrocarbon Purchase Agreement Sandstorm will acquire 15% of all hydrocarbons produced from the Company's Strathmore property; and 25% of hydrocarbons produced from the Two Creek Jurassic A pool and, for five years, 25% of all hydrocarbons produced from the Two Creek Jurassic B pool. The Two Creek Jurassic A and B pools comprise the Two Creek property being purchased by the Company. As consideration for the forward production purchased under the agreement, Terrex will receive an upfront deposit of \$14.7 million together with ongoing per unit payments of \$15.00/bbl of crude oil, \$1.00/mcf of natural gas, and \$8.00/bbl of natural gas liquids delivered to Sandstorm. The agreement stipulates that Sandstorm is responsible for royalties associated with the purchased production, and that Terrex will implement chemical flood programs within 24 months and 36 months of the effective date, at Strathmore and Two Creek respectively. The transaction is subject to approval by the TSX Venture Exchange ("TSXV") and the upfront deposit is payable to Terrex upon approval.

Terrex believes optimization and enhanced oil recovery programs at both the Two Creek and Strathmore properties can significantly increase production and recoverable reserves. On January 21, 2011 the Alberta Energy Resources Conservation Board approved the Company's plans for an Enhanced Oil Recovery ("EOR") program at Strathmore. Terrex intends to commence the planning, evaluation and development of such programs at Two Creek immediately following closing of the acquisition. Subsequent to closing the Two Creek acquisition, Terrex will be producing approximately 350 barrels of oil equivalent per day.

Terrex Energy Inc. is a Calgary-based junior oil company that specializes in the application of proven Enhanced Oil Recovery (EOR) methods to improve oil production from mature pools. Terrex targets underexploited and undercapitalized light-to-medium oil reservoirs in Western Canada. Terrex shares are listed on the TSX Venture Exchange under the symbol 'TER'

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

## **Forward-Looking Statements**

*This news release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of Canadian securities laws. All statements other than statements of historical fact are forward-looking statements. In particular, this press release contains forward-looking statements pertaining to expectations of management regarding the sale of hydrocarbons by the Company to Sandstorm including: the prices to be received for the sale of hydrocarbons the closing date of such agreement; the use of the upfront deposit, the closing date of the Two Creek property acquisition; the characteristics of the Two Creek and Strathmore properties; the expected timing of the planning, evaluation and development of the programs, and the success of such program.*

*Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are*

*based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. Assumptions are based in part on the terms of the hydrocarbon purchase agreement and include, among other things: future capital expenditure levels; the ability to secure regulatory approval, the ability to obtain financing on acceptable terms to finance the acquisition; future oil and natural gas prices; future oil and natural gas production levels; the success of IOR and EOR programs; the ability to obtain equipment in a timely manner to carry out development activities; the ability to market oil and natural gas successfully; and the impact of increasing competition.*

*Although Terrex believes that the expectations reflected in the forward looking statements contained in this press release, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause Terrex's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the following: that the acquisition may not close when planned or at all or on the terms and conditions set forth herein; the failure of Terrex to obtain the necessary regulatory approval required in order to proceed with the acquisition; volatility in market prices for oil and natural gas; failure to complete planned financing activities; incorrect assessment of the value of the acquisition; failure to realize the anticipated benefits of the acquisition; general economic conditions in Canada; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.*

*The forward-looking statements contained in this news release are made as of the date hereof and Terrex does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.*

**For further information:**

Kim Davies, President & CEO, or Norm Knecht, VP Finance & CFO, at (403) 264-4430, or visit Terrex's website at [terrexenergy.ca](http://terrexenergy.ca).

---

Dieser Artikel stammt von [Rohstoff-Welt.de](http://Rohstoff-Welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/105861--Terrex-Energy-Inc---Announces-14.7-Million-Financing-Through-Execution-of-Hydrocarbon-Purchase-Agreement.t>

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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).