

Benchmark Energy Corp. and Bolivar Energy Inc. Enter Into Definitive Agreement

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CALGARY, ALBERTA -- (Marketwire - May 4, 2010) - Benchmark Energy Corp. (TSX VENTURE:BEE) ("Benchmark" or the "Company") is pleased to report that further to the news release of April 5, 2010, it has entered into a definitive amalgamation agreement dated May 3, 2010 (the "Agreement") with Bolivar Energy Inc. ("Bolivar"), a private Alberta corporation focused on exploration and development of oil & gas properties in Colombia, whereby Benchmark will acquire all of the outstanding shares (the "Bolivar Shares") of Bolivar (the "Acquisition").

The closing of the Acquisition has been approved by the Boards of Directors of Benchmark and Bolivar, and remains subject to a number of conditions, including but not limited to approval of the TSX Venture Exchange (the "TSXV"), approval by the shareholders of Bolivar and approval by the shareholders of Benchmark in respect of the Change of Management described below. Under the terms of the Agreement, it is the intention of Benchmark and Bolivar (the "Parties") to complete the Acquisition by June 30, 2010.

The TSXV has determined that the Acquisition represents neither a Reverse Takeover or a Fundamental Acquisition (as such terms are defined in the Policies of the TSXV); however, trading in Benchmark's shares remains halted, pending receipt by the TSXV of certain information related to the Acquisition. It is expected that in connection with completion of the Acquisition, John H. Moreland will be appointed to the Board of Directors of Benchmark and to the position of President of Benchmark. Mr. Moreland founded Prospero Hydrocarbons Inc., which was acquired by Alange Energy Inc. for approximately \$51,000,000 on September 10, 2009. In addition, it is expected that nominees of Bolivar will be appointed to the positions of Chief Financial Officer and Vice President, Exploration. The Acquisition will constitute a Change of Management (as such term is defined in the Policies of the TSXV) of Benchmark and will require approval of the shareholders of Benchmark, which Benchmark intends to obtain by written consent of 50% +1 of its shareholders, in a form to be approved by the TSXV.

Bolivar is party to a farm-in agreement with respect to Block LLA-24 in the Llanos Basin in Colombia, pursuant to which it may earn a 35% working interest in the block. Block LLA-24 is in the vicinity of numerous light oil producing fields. To date, 207 sq km of 3-D seismic has been acquired over the block and is being processed. So far, management of Bolivar has identified at least seven leads and prospects on Block LLA-24.

Bolivar's Colombian subsidiary has filed the requisite documents to be recognised by the government oil & gas regulatory body in Colombia, the Agencia Nacional de Hidrocarburos (the "ANH"), as a qualified operator, and is expected to have the opportunity to participate in the ANH Colombia Open Round 2010 subject to the final decision of the ANH in that regard.

Bolivar has completed a private placement financing resulting in aggregate gross proceeds of \$6,318,750. Bolivar is expected to have a total of 55,163,763 Bolivar shares outstanding, as well as a total of 61,588,763 Bolivar share purchase warrants exercisable at either \$0.15 or \$0.25 per share immediately prior to closing of the Acquisition. If all of the Bolivar share purchase warrants are exercised on a cash basis, this will result in gross proceeds of \$14,397,190 to Bolivar. Based upon a share-exchange ratio of 2.6346 Benchmark shares for each Bolivar share, Benchmark is expected to issue 145,334,450 new Benchmark shares at the deemed transaction price of \$0.135 to acquire 100% of the Bolivar shares; a further 162,261,755 new Benchmark shares will be issued if all of the Bolivar share-purchase warrants are exercised on a cash basis.

Benchmark currently has 25,758,578 Benchmark Shares outstanding, plus options to acquire 2,327,000 Benchmark Shares at a weighted average exercise price of \$0.54, and expiring at various times.

Upon completion of the Acquisition, Benchmark will continue to hold its 25.5% interest in the Sierra Exploration and Production Contract (the "Sierra E&P Contract") in Colombia, where it was recently announced that the Recio 1 well has been cased and is being tested as a potential oil discovery.

In connection with the Acquisition, the Company intends to undertake a brokered private placement of

Benchmark Shares for gross proceeds of \$15,000,000 (the "Financing"), with the funds to be used for the further exploration and development of the oil and gas assets of the combined company and for general working capital purposes. Completion of the Acquisition is not conditional on the successful completion of the Financing. Benchmark Shares issued in connection with the Financing, if any, will be priced in accordance with the policies of the TSXV and will be subject to a four-month hold period.

With the Acquisition of Bolivar, Benchmark will be able to expand its portfolio of oil and gas projects in Colombia, to add to the recent potential discovery on its Sierra E&P Contract in the Middle Magdalena Basin. Moving forward, the proposed strategy of the combined company will be to secure low to medium risk properties where a specific geotechnical tool such as 3-D seismic offers a competitive advantage for unlocking value

Additional farm-in prospects are currently being reviewed by Bolivar and Benchmark. Furthermore, the combined company aims to balance exploration with production opportunities, and intends to evaluate the possible reactivation of mature fields in the Putumayo and Magdalena Basins of Colombia.

A mutual non-completion fee of \$400,000 is payable by one Party to the other in certain circumstances, if the Acquisition is not completed.

Versant Partners Inc. is acting as financial advisor to Benchmark and will receive 300,000 Benchmark share purchase warrants with an exercise price equal to at the deemed transaction price of \$0.135, subject to approval of the TSXV. Raymond James Ltd. is acting as financial advisor to Bolivar, and Haywood Securities Inc. is acting as strategic advisor to Bolivar.

Forward-Looking Statements

This press release contains forward-looking statements. More particularly, this document contains statements concerning: the completion of the transactions contemplated by the Agreement, completion of the Financing and the future directors and officers of Benchmark; the ownership in Benchmark of such directors and officers; the use of proceeds from the Financing; and the future strategy and focus for the Company.

The forward-looking statements are based on certain key expectations and assumptions made by Benchmark (in respect of forward-looking statements made by Benchmark) or Bolivar (in the case of forward-looking statements made by Bolivar), as applicable, including expectations and assumptions concerning: timing of receipt of required shareholder and regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the transactions; prevailing commodity prices and exchange rates, applicable royalty rates and tax laws; future well production rates; reserve and resource volumes; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of financing, labour and services; and future operating costs.

Although Benchmark or Bolivar, as applicable, believes that the expectations and assumptions on which the forward-looking statements made by such party are based are reasonable, undue reliance should not be placed on the forward-looking statements because no assurance can be provided that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks that required shareholder, regulatory and third party approvals and consents are not obtained on terms satisfactory to the parties, or at all, and risks that other conditions to the completion of the transactions are not satisfied; the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve and resource estimates; the uncertainty of estimates and projections relating to reserves, resources, production, costs and expenses; health, safety and environmental risks; commodity price, interest rate and exchange rate fluctuations; lack of marketing and transportation; loss of markets; environmental risks; competition; ability to access sufficient capital from internal and external sources; changes in legislation, including but not limited to tax laws, royalties and environmental regulations, and actual production may be greater or less than estimated.

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

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the

policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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