

Renegade Petroleum Ltd. Announces Non-Core Asset Disposition and Confirms December 2013 Dividend

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[Renegade Petroleum Ltd.](#) (TSX VENTURE:RPL) ("Renegade" or the "Company") is pleased to announce that it has entered into an agreement to sell certain non-core assets for gross proceeds of \$32.5 million and is pleased to confirm its December 2013 dividend.

ASSET DISPOSITION

The Company has entered into a definitive agreement to sell, effective December 1, 2013, certain non-core oil and gas assets in southeast Saskatchewan (the "Disposition Assets") for gross proceeds of \$32.5 million (the "Disposition").

The Disposition Assets represent approximately 350 barrels of oil and natural gas liquids production per day ("bbls/d"). The Company allocated minimal capital to the Disposition Assets for 2014, resulting in a minor impact to its southeast Saskatchewan development plans going forward. The proceeds from the Disposition will be used to repay a portion of indebtedness drawn under Renegade's credit facility, which will increase financial flexibility and reduce future interest costs. Through preliminary discussions with the Company's lenders, the credit facility is expected to be reduced by approximately \$25 million as a result of the borrowing base review post-Disposition.

The Disposition is part of the Company's ongoing strategic review process and will enable Renegade to continue to high grade its current asset base by disposing of mature fields with higher operating costs and limited future drilling opportunities at attractive sale metrics. Further, the Disposition increases corporate netbacks and provides increased operational flexibility with an increased focus on Renegade's core assets.

The Disposition further demonstrates the board and management's continued efforts to increase Renegade's financial flexibility, prudently manage the balance sheet and enhance shareholder value.

The Disposition has the following characteristics:

| | |
|----------------------------------|--------------------------|
| Gross Proceeds | \$32.5 million |
| Current Production | 350 bbl/d ⁽¹⁾ |
| Undeveloped Land | 5,142 net acres |
| Implied Metrics: | |
| Price / Flowing Barrel | ~\$92,850/bbl/d |
| Price / Cash Flow ⁽²⁾ | >5.9x |

(1) Does not include a minor amount of marginally economic gas production (~50 boe/d) which will have the effect of improving Renegade's pro-forma oil weighting. Relates to oil and natural gas liquids production.

(2) Based on corporate netbacks of \$44.71/bbl which include general and administrative costs of \$2.00/bbl.

Macquarie Capital Markets Canada Ltd. and TD Securities Inc. acted as joint financial advisors to Renegade in respect of the Disposition. The Disposition is expected to close in early February 2014, subject to standard industry closing conditions.

DIVIDEND

Renegade is pleased to announce that a cash dividend in the amount of \$0.008333 per share (\$0.10 annualized) will be paid on January 15, 2014 to shareholders of record as of December 31, 2013. The ex-dividend date is December 27, 2013.

These dividends are designated as "eligible dividends" for Canadian income tax purposes.

CORPORATE INFORMATION

Renegade is a light oil focused development and production company with assets located in Saskatchewan, Alberta, Manitoba and North Dakota. Renegade's common shares trade on the TSX Venture Exchange under the symbol RPL.

READER ADVISORIES

Forward-Looking Statements

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. Specifically, this news release contains forward-looking information regarding the characteristics of the Disposition Assets, the Company's strategic plans, the Company's development plans, future capital allocation, the Disposition and the use of proceeds therefrom, the anticipated timing of closing of the Disposition and expected changes to Renegade's credit facility. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Renegade.

Although Renegade believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Renegade can give no assurance 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 associated with the oil and gas industry in general (e.g., 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 estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Certain of these risks are set out in more detail in Renegade's Annual Information Form which has been filed on SEDAR and can be accessed at www.sedar.com and Renegade's other public disclosure documents which have been filed on SEDAR and can be accessed at www.sedar.com.

The forward-looking statements contained in this press release are made as of the date hereof and Renegade 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.

Conversion

The term "boe" may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one boe (6 mcf/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. All boe conversions in this report are derived from converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil. 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.

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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