

# Petrus Resources Announces Second Lien Term Loan Extension, Extension to Credit Facility and Third Quarter 2020 Capital Budget

17.07.2020 | [GlobeNewswire](#)

CALGARY, July 17, 2020 - [Petrus Resources Ltd.](#) ("Petrus" or the "Company") (TSX: PRQ) is pleased to announce the concurrent extension of its second lien term loan (Term Loan) and Revolving Credit Facility ("RCF") and the completion of the RCF lenders' 2020 annual review. The Company's board of directors has also approved its third quarter 2020 capital budget.

## SECOND LIEN TERM LOAN EXTENSION

Petrus has entered into an amending agreement with Macquarie Bank Limited to extend the \$35 million Term Loan maturity date to July 31, 2021. The interest rate on the Term Loan balance will be updated to become the Canadian Dealer Offered Rate (CDOR) plus 975 basis points. All of the interest will be made by way of payment-in-kind (PIK) and added to the outstanding balance of the Term Loan in lieu of monthly payment of cash interest. The Term Loan extension also includes the removal of the Total Debt to EBITDA ratio as well as the Proved and PDP Asset Coverage Ratios from the financial covenants. The Working Capital ratio covenant has been updated to a minimum test of 0.6:1.0 (or such lower amount as agreed to by the lenders under the Term Loan which shall not be less than 0.5:1.0).

## CREDIT FACILITY EXTENSION

Concurrent with the Term Loan extension, the Company has also completed its annual RCF review. The RCF was updated to \$88.5 million. At the end of the second quarter of 2020, the Company was drawn approximately \$86.7 million against the RCF, inclusive of a \$0.6 million letter of credit outstanding. The RCF will be reduced by \$2.75 million at the end of each fiscal quarter. The Company's RCF maturity date has been updated to May 31, 2021 which was set prior to the Term Loan maturity of July 31, 2021. Similar to the Term Loan extension, the RCF includes the removal of the Total Debt to Adjusted EBITDA ratio as well as the Proved and PDP Asset Coverage Ratios from the financial covenants, and the Working Capital ratio covenant has been updated to a minimum test of 0.6:1.0 (or such lower amount as agreed to by the lenders under the RCF which shall not be less than 0.5:1.0). As part of the RCF extension the Bankers Acceptance Stamping fees will range between 350 bps and 600 bps which will result in an increase in the RCF interest rate of between 150 bps and 250 bps. The increase in interest rate charged will be partially offset by the continued and systematic reduction in the Company's net debt each quarter.

Petrus management believes it has adequate liquidity to execute the Company's business plan over the coming year. The Company continues its efforts to divest certain non-core assets and evaluate other sources of capital to improve its balance sheet.

## 2020 THIRD QUARTER CAPITAL BUDGET

With the current volatility in the price of Canadian light oil and natural gas, the Company believes that it is prudent to maintain a disciplined capital budget that is flexible from an operational and financial perspective. Petrus' board of directors has approved a third quarter 2020 capital budget of \$0.7 million for predominantly non-discretionary capital. No drilling or completion activities are expected to take place in the third quarter.

Petrus is committed to maintaining its financial flexibility and the Company intends to determine subsequent quarter capital spending as the year progresses. For the second half of 2020 we believe we have significant optionality in the number, the commodity composition and the location of drilling opportunities. Petrus is focused on designing its 2020 capital plan to invest capital systematically each quarter within funds flow, permitting excess funds each quarter to reduce debt.

## ABOUT PETRUS

Petrus is a public Canadian oil and gas company focused on property exploitation, strategic acquisitions and

risk-managed exploration in Alberta.

For further information, please contact:  
Neil Korchinski, P.Eng.  
President and Chief Executive Officer  
T: 403-930-0889  
E: [nkorchinski@petrusresources.com](mailto:nkorchinski@petrusresources.com)

#### READER ADVISORIES

*This press release contains forward-looking statements. More particularly, this press release contains forward-looking statements including: (i) no drilling and completion activities expected to take place in the second quarter of 2020; (ii) Petrus' financial flexibility and the timing of the determination of subsequent capital spending; (iii) the optionality in the number, the commodity composition and the location of drilling opportunities available to Petrus; (iv) the focus and design of Petrus' capital plan and the uses of excess funds; and (v) continued efforts to improve Petrus' balance sheet. The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Petrus, including: the availability of adequate and secure sources of funding for Petrus' proposed capital expenditure program, commodity prices and the impact of the COVID-19 pandemic. Although Petrus 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 Petrus 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; health, safety and environmental risks; the volatility of commodity prices; exchange rate fluctuations; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures) and implications of the COVID-19 pandemic. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.*

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

---

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/356517--Petrus-Resources-Announces-Second-Lien-Term-Loan-Extension-Extension-to-Credit-Facility-and-Third-Quarter-2020>

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](#).