

Sumatec may get new shareholders for PSC

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PETALING JAYA: Oil and gas service provider Sumatec may be getting new shareholders as part of a framework agreement for a production sharing contract (PSC) to be awarded by CaspiOilGas, a subsidiary of Markmore Energy, a Labuan-incorporated company owned by [Tan Sri Halim Saad](#) via Markmore.

As part of the framework agreement, Sumatec has proposed a par value reduction of its existing issued and paid-up share capital of RM75.02 million comprising 214.36 million shares of 35 sen each to be reduced by 50% to RM37,513,739 comprising 214,364,221 ordinary shares of 17.5 sen each.

The company, which is under Practice Note 17, said in a filing with the stock exchange that the credit arising from the proposed capital reduction would be used to set off accumulated losses.

As part of an exercise to raise funds, Sumatec was also proposing to issue new shares "by way of placement to new third party investors to be agreed by Markmore Energy and the company with gross proceeds of up to RM15 million as well as a proposed renounceable rights issue of shares at par to entitled shareholders to raise gross proceeds of up to RM445 million following the completion of the capital reduction and placement exercises.

The company said the new investors following the share placement exercise would be entitled to the rights issue.

Besides that, the company proposed as part of a debt restructuring plan, a formal scheme of arrangement and compromise in respect of amounts owed to certain unsecured creditors amounting to approximately RM65 million via the issuance of RM32.5 million of new shares.

Halim, who owns 99.99% stake in Markmore, is one of two directors in the company, the other being Abu Talib Abdul Rahman.

The PSC would involve the development and extraction of hydrocarbon in the Shelly Oil Field located onshore next to the Caspian Sea in Kazakhstan in which Markmore Energy, through CaspiOilGas has a 25-year oil and gas concession awarded by Kazakhstan's Oil and Gas Ministry back in August 2000.

The PSC would be a 50:50 profit sharing venture after cost recovery.

According to mining consultant SRK Consulting, the oil field has "proved plus probable" hydrocarbon reserves of 122.3 million barrels of oil equivalent consisting of 33 million barrels of proved plus probable oil reserve and 89.3 million barrels of oil equivalent of proved plus probable gas resource