

# Placing, Corporate Update & Notice of EGM

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New World Oil and Gas Plc ('New World' or 'the Company')

Placing to raise £1.5 million to pursue Oilfield Enhancement Opportunities, Corporate Update and

Notice of Extraordinary General Meeting

New World Oil and Gas Plc, the oil and gas operating, exploration and development company, is pleased to announce that it has raised £1.5 million before expenses through a placing of 2,727,272,727 new ordinary shares (the 'Placing Shares') at a price of 0.055p per share (the 'Placing Price') with existing and new investors (the 'Placing'). Cornhill Capital acted as the Placing Agent.

Overview

- **Net proceeds of the Placing will be used to:**
  - **Continue efforts to find farm-in partners for New World's working interests in both the 100% owned Blue Creek Project in Belize and the 25% owned Danica Jutland and Danica Resources projects in Denmark in order to continue development; and**
  - **pursue additional interests, in particular opportunities in the oilfield enhancement space**
- **Competent Person's Report ('CPR') currently being updated for recently renewed Danish Licences - results expected in Q2 2015**
- **Directors continuing to forego salaries from February 2015 until such time the Company's Remuneration Committee deems it to be reasonable in light of New World's financial position**
- **Following completion of the Placing the Company will have approximately £2 million in cash**
  - **7,478,334 shares of the Company held by Yorkville Advisors, places in New World's March 2013 placing, will be purchased from Yorkville Advisors in conjunction with the Placing, following which New World will no longer have any financing agreements in place with Yorkville Advisors**

**New World's Non-Executive Chairman, Chris Einchcomb, stated, "We are delighted with the support we have received from both existing and new investors for our decision to pursue opportunities we have been assessing in the oilfield enhancement space where we believe there is significant potential. We are particularly excited and focused on delivering projects that can demonstrate a cash-flow and a predictable return on investment.**

"In line with delivering the utmost value for our shareholders, myself and the New World Board are not taking salaries so that we can spend every penny on our efforts to bring the Company into cash-flow and reward our loyal investors.

"With this in mind, along with assessing new exciting opportunities we continue to actively seek farm-in partners for our projects in Denmark and Belize in order to progress these highly prospective assets. I look forward to providing further updates in due course."

## Details of Placing

Application will be made for the Placing Shares to be admitted to trading on AIM ('Admission'), and Admission is expected to occur, and dealings are expected to commence on or around 0800 on 20 May 2015. The Placing Shares, when issued, will rank *pari passu* in all respects with the Company's existing ordinary shares and will represent 79.5 per cent. of the Company's enlarged issued share capital. Following the Placing the Company will have 3,429,996,440 ordinary shares in issue with voting rights. The Company has no Ordinary Shares in treasury and as a result, the total number of voting rights in the Company will be 3,429,996,440. This figure may therefore be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Following completion of the Placing the Company will have approximately £2 million in cash. Net proceeds of the Placing amounting to £1,387,500 will be used to continue efforts to find farm-in partners for New World's working interests in both the 100% owned Blue Creek Project in Belize and the 25% owned Danica Jutland and Danica Resources projects in Denmark in order to continue development and to pursue additional interests, in particular opportunities in the oilfield enhancement space.

In addition, the 7,478,334 ordinary shares of the Company currently held by Yorkville Advisors, who were the placees in New World's March 2013 placing, will be purchased from Yorkville Advisors in conjunction with the Placing. As a result New World will no longer have any financing agreements in place with Yorkville Advisors.

As part of its fees as Placing Agent, the Company will grant JIM Nominees as registered holder, warrants valid for three years from the completion of the Placing which shall give Cornhill the right to acquire 10 per cent. of the gross aggregate value of the Placing being over a total of 272,727,273 new Ordinary Shares. The warrants shall vest upon the share price trading at twice the Placing Price over five consecutive trading days and shall be convertible into equity of the Company at the Placing Price.

## Corporate Update

### Appointment of Joint Broker

The Company is pleased to announce that on completion of the Placing, New World's Placing Agent, Cornhill Capital, will be appointed as the Company's Joint Broker.

### Danish CPR

The Company is working with its competent person, RPS Energy, on updating its Competent Person's Report ('CPR') for Licences 1/08, 1/09 and 2/09 ('the Licences') at its Danica Jutland and Danica Resources Projects in Denmark with results expected in Q2 2015. New World currently holds a 25% working interest in the Licences with the North Sea Fund and the Danish Energy Agency holding the remaining interest.

The CPR will include the results of recent activities undertaken by the Company and its partners in Denmark. The report is expected in Q2 2015. As per the announcement dated 20 March 2015 the Company is evaluating its high graded prospects such as the Jensen, Harboe, Jelling and Zechstein leads in Licences 1/09 and 2/09 and North Rødby and Zechstein platform leads in 1/08.

### Al Maraam

Following the termination of the Niel Petroleum transaction on 1 December 2014 ([see](#) announcement of the same date) New World is pursuing settlement monies owed under the Al Maraam transaction and hopes to agree a settlement. A further update will be made when there is any progress to report.

### Notice of Extraordinary General Meeting

The Company is today posting to shareholders a Notice of Extraordinary General Meeting (the 'EGM') together with a proxy form and a letter from the Non-Executive Chairman. Copy of the EGM Notice will be made available from the Company's website [www.nwoilgas.com](http://www.nwoilgas.com). The EGM will take place at 1 pm on 19 May 2015 at 44 Esplanade, St Helier, Jersey, JE4 9WG and it is being conveyed to consider and if thought fit to pass the following two resolutions:

- 1 The Directors be generally and unconditionally authorised in accordance with Article 2.16 of the Articles to exercise all the powers of the Company to allot ordinary shares of no par value in the Company to raise up to GBP6 million without the application of Article 2.8 of the Articles. The authority referred to in this resolution shall be in substitution for all other existing authorities, and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 December 2015. The Company may, at any time prior to the expiry of the authority, make an offer or agreement which would or might require shares to be allotted after the expiry of the authority and the Directors are hereby authorised to allot shares in pursuance of such offer or agreement as if the authority hereby conferred had not expired.
- 2 To grant the Directors the authorization to issue warrants to the Directors (the "**Director Warrants**") on an allocation basis to be recommended by the Remuneration Committee and to be issued following the publication of the Company's results for the year ended 31 December 2014. The Director Warrants will be exercisable for three years from the completion of the Placing over 170,000,000 new Ordinary Shares representing 4.95 per cent. of the enlarged issued share capital. In line with the warrants granted to Cornhill Capital, the Director Warrants shall vest upon the share price trading at twice the Placing Price over a period of five consecutive trading days and shall be convertible into equity of the Company at a share price equal to the Placing Price; provided, however, that the holders' rights to convert warrants into equity shall commence one year from the date of the Placing.

The technical information contained in this announcement has been reviewed and approved by Christopher Einchcomb, BSc (Hons), the Non-Executive Chairman of New World Oil and Gas Plc who has over 30 years of geoscience and management experience in the oil industry. Mr. Einchcomb is a member of the Petroleum Exploration Society of Great Britain, and a member of the American Association of Petroleum Geologists.

For further information please visit [www.nwoilgas.com](http://www.nwoilgas.com) or contact:

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