

DATE: 25 JUNE 2013
PUBLICATION: THE SUN
SECTION: BUSINESS
HEADLINE: SONA PETROLEUM EYES ASSETS IN SEA, AFRICA AND MIDDLE EAST
CATEGORY: COMPANY NEWS
MEASUREMENT: 180.9 CM²

Sona Petroleum eyes assets in SEA, Africa and Middle East

BY **PREMALATHA JAYARAMAN**
sunbiz@thesundaily.com

KUALA LUMPUR: Sona Petroleum Bhd, the third special purpose acquisition company (SPAC) to be listed on the Main Market of Bursa Malaysia, is looking at acquiring assets in the exploration and production (E&P) phases of the oil and gas (O&G) value chain in Southeast Asia, Africa and the Middle East, said managing director Datuk Seri Hadian Hashim (pix).

"Our region of interest is Southeast Asia, selected countries in Africa and the Middle East to look for E&P assets. After listing, the SPAC will allow us to look for assets in three years," he told reporters after the signing of an underwriting agreement with CIMB Investment Bank Bhd, RHB Investment Bank Bhd, Kenanga Investment Bank Bhd and MIDF Amanah Investment Bank Bhd here yesterday.



"Our business model is to pick up production assets. So, that is the main challenge for the management team and board of directors. Once, we have production assets, we will start to get revenue. Given the three years (target), we should see revenue coming in," he added.

As a SPAC, Hadian said Sona Petroleum has no operations or income-generating business at the point of its initial public offering.

Two other SPACs, namely Hibiscus Petroleum Bhd and Cliq Energy Bhd, have successfully listed on Bursa Malaysia and are also in the O&G sector.

"The convincing (of investors) has already been done by the first two SPACs. There is quite an interest. We are different in the types of assets that we look into. We are more focused on the production asset where it will possibly

bring a difference in the game," he said.

"Our SPAC is on E&P (assets), while theirs (Hibiscus and Cliq) is on resource (assets). So, I don't see any competition because it is two different spaces."

Hadian said the company will leverage on the network and business relationships that its board of directors and management teams have with various industry players, regulators and local governments in various O&G producing regions when identifying acquisition targets to successfully complete its qualifying acquisition.

Sona Petroleum plans to raise up to RM550 million from its initial public offering, of which the proceeds will be used for the acquisition of assets.

The proposed exercise is estimated to be completed in the second half of 2013.

Sona Petroleum is offering up to 1.1 billion new shares of 1 sen each, together with up to 1.1 billion free detachable warrants on the basis of one warrant for every one public issue share.