

WFW ADVISES DGO ON US\$189M PLACING TO BECOME LARGEST OIL AND GAS PRODUCER ON AIM

5 FEBRUARY 2018 • PRESS



Watson Farley & Williams (“WFW”) has advised Diversified Gas & Oil Plc (“DGO”) on its oversubscribed, conditional placing of new shares with existing and new institutional investors to raise US\$189m to fund the acquisitions of:

- the entire share capital of Alliance Petroleum Corporation (“Alliance Petroleum”) for a cash consideration of US\$95m; and
- certain producing gas and oil assets from a major NYSE listed energy company (“the Appalachian Vendor”) for a cash consideration of US\$85m.

The 24,000 wells of both Alliance Petroleum and the Appalachian Vendor are close to the DGO’s existing operations in the Appalachian Basin in the eastern United States, principally in Pennsylvania and West Virginia, with some wells in Ohio.

Upon completion of the acquisitions, DGO will own and operate 40,000 producing wells in the Appalachian Basin and will be the largest oil and gas producer traded on AIM. DGO floated on AIM just under a year ago, at which time it was producing about 2,500 barrels of oil equivalent per day net. Upon completion of the current acquisitions, that figure will rise to 28,000 barrels equivalent.

The WFW London corporate team advising DGO was led by Partner Martin Thomas, assisted by Senior Associate Richard O’Brien, Associate Alex Green and Trainee Matthew Pawlak. Martin previously advised DGO on its bond issues on the NEX market in 2015 and 2016, its AIM IPO and \$50m share placing in February 2017 and on its reverse take-over of assets and \$145m funding package (\$110m debt facility and \$35m share placing on AIM) in July 2017.

Martin commented: “I am delighted to have advised DGO on this oversubscribed fundraising, which represents another key milestone for the company as it becomes the largest oil and gas producer traded on AIM. This is the third time we have advised DGO in the last 12 months, having also advised on its AIM IPO and on the acquisition of assets from Titan Energy LLC, and we look forward to continuing to work closely with DGO as it continues its expansion plans”.

Rusty Hutson, Chief Executive Officer of DGO, said: “We had no hesitation in turning again to Martin and his team at WFW to advise us on our latest and largest AIM fundraising to date. As always, Martin and the team were extremely supportive, proactive and professional. I would certainly recommend them to other growing international companies and we look forward to working with Martin and his colleagues again in the future as DGO continues to build its oil and gas asset base in the US”.

MEDIA ENQUIRIES



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