Range Energy arranges private placement

Range Energy arranges $1-million private placement

Range Energy {CSE: RGO} CEO Toufic Chahine reports that Range Energy have arranged a non brokered financing of $1 million in order to maintain their obligations on the Khalakan block in Iraqi Kurdistan.

Previous financings have been supported by Gulf LNG, a private US based investment fund who also hold a substantial position in Canadian listed Western Zagros.{WZR.V}

Range Energy is listed on the Canadian Securities Exchange.

Range Energy Resources Inc. has arranged a non-brokered private placement of up to 20 million units of the company at a price of five cents per unit for gross proceeds of up to $1-million. Each unit will consist of one common share and one transferrable share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share for a period of five years from the closing date of the offering at a price of five cents per common share.

The closing of the offering is subject to receipt of all necessary regulatory and board approvals. The securities issued pursuant to the offering will be subject to a four-month hold period in accordance with applicable Canadian securities laws. The company anticipates that there will likely be insider participation in the offering.

The capital from the offering will be used by the company to continue to fulfil its obligations to joint venture participants so that the development of the Khalakan block in the Kurdistan region of Iraq can continue, as well as provide general working capital.

Comment

It should be noted that previous financings have been supported by Gulf LNG, a Houston based US investment fund, who currently own 60% of Range Energy, and shareholders will be waiting to see if they participate and raise their stake even further.

(See highlighted comment above)

With Gulf also holding a sizeable holding of Canadian listed Western Zagros {TSX.V: WZR}, it is very possible that some corporate action could well be on the cards at some future point.