



Tomco Energy

Sep 26th 2014

TomCo Energy bolstered by £1m placing

TomCo Energy (LON:TOM) has raised £1m to support its on-going permitting process for the Holliday EcoShale project in Utah.

It is issuing 200m new shares to new and existing investors at a price of 0.5p per share a discount to Thursday's closing price of 0.83p.

The company says it has a low cost base, with annual burn of about US\$1.2m, and as such it expects to have sufficient funding for at least 12 months following today's placing.

In that time TomCo intends to advance the Holliday project so that EcoShale operations are permitted and ready to commence.

Attention, meanwhile, will be on Red Leaf Resources and an on-going EcoShale pilot project.

Red Leaf is the developer of the EcoShale oil shale mining process and its project is supported by French major Total.

TomCo said it understands that first oil will be produced from Red Leaf's EcoShale In-Capsule in 2015 and it expects Total will make a final investment decision over a larger development within 18 months.

The AIM firm's strategy is to follow Red Leaf's blueprint as such a successful pilot there will be a significant catalyst for TomCo.

Paul Rankine, TomCo chief executive, said: "I am pleased by the support shown by new and existing shareholders as we progress towards completion of the permitting process at the Holliday Block.

"As a shareholder myself, I am aware that dilution of existing shareholders is a concern and issuing equity was not a decision the board took lightly.

"However, the board believes that ensuring the company is fully funded through the permitting process and beyond is vital.

"We look towards an a potentially transformational period for the company, with first oil expected from Red Leaf Resource's Seep Ridge project planned in 2015. TomCo has a strengthened balance sheet as we look to move our asset forward towards development."

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Price: 0.57p

Market Cap: £10.66M

1 Year Share Price Graph



Share Information

Code: TOM

Listing: AIM

Sector: Energy

Website: www.tomcoenergy.uk.com

Company Synopsis:

TomCo Energy plc is a UK based company quoted on the AIM Market of the London Stock Exchange. The Company is focused on the development of its substantial 100% owned oil shale assets located in the prospective Green River Formation in the US state of Utah.

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