

## Borneo Oil rights issue with warrants oversubscribed by 12.53%

By Chen Shaua Fui / theedgemarkets.com | November 9, 2015 : 7:32 PM MYT

KUALA LUMPUR (Nov 9): Borneo Oil Bhd's rights issue with warrants has been oversubscribed by 12.53% as at the close of acceptance on Nov 2.

In a filing with Bursa Malaysia today, Borneo Oil said the total acceptance and excess applications for the rights issue with warrants amounted to 2.61 billion shares, or 112.53% of the shares. The total rights share with warrant C available for subscription amounted to 2.32 billion shares as at 5pm on Nov 2.

On April 27, Borneo Oil had proposed to undertake a renounceable rights issue of up to 2.37 billion new shares in the company at an indicative issue price of 10 sen per rights share on the basis of six rights share for every one existing Borneo Oil share held.

This is together with up to 1.19 billion free detachable warrants in Borneo Oil on the basis of one free warrant C for every two rights shares subscribed.

The exercise is expected to raise up to RM237.38 million, which would be used for exploration, purchase of machineries and equipment, and working capital for gold mining; working capital and purchases of plant and equipment for limestone mining operation; working capital for fast food operation; future investments; and repayment of borrowings.

Shares in Borneo Oil closed unchanged at 19 sen today, bringing a market capitalisation of RM511.9 million.

*(Note: The Edge Research's fundamental score reflects a company's profitability and balance sheet strength, calculated based on historical numbers. The valuation score determines if a stock is attractively valued or not, also based on historical numbers. A score of 3 suggests strong fundamentals and attractive valuations.)*