



22 October 2018

## **Zennor Announces OGA Approval for the Finlaggan Field Development & Signing of a £170mm Senior Secured Term Loan Facility**

Zennor Petroleum Limited (“Zennor”) is pleased to announce that it has received approval from the Oil & Gas Authority (OGA) to proceed with the Finlaggan Field development in the UK Central North Sea (block 21/05c), of which it owns 100%.

The development project to recover 26mmboe of 2P gas condensate reserves will include two subsea production wells tied back 20km to the ConocoPhillips operated Britannia platform. First production from Finlaggan is expected in Q4 2020.

### **Operational update**

The Finlaggan development wells are currently being drilled by Transocean’s Paul B Loyd Junior drilling rig. The first of the two development wells, F1, has been successfully drilled through the reservoir section and is cased, cemented and ready for completion and clean-up later in the drilling programme.

The subsea construction contract has been awarded to TechnipFMC, with the main installation works planned for 2019. This includes the laying of a 10” pipe-in-pipe production flowline and electrohydraulic control umbilical back to Britannia.

### **Financing update**

Zennor is also pleased to announce the signing of a £170mm Senior Secured Term Loan Facility to fund the Finlaggan development into production.

The facility was structured, underwritten and syndicated by Societe Generale, London Branch to BNP Paribas, DNB (UK) Limited and Nedbank Limited (together with Societe Generale, the Mandated Lead Arrangers) and Investec Bank plc and Barclays Bank plc (as Lead Arrangers).

Zennor was advised on this transaction by N.M. Rothschild and Pinsent Masons LLP, whilst Bracewell (UK) LLP advised the banks.

### **Martin Rowe, Zennor’s Managing Director, said:**

*“This year has been transformational for Zennor. We recently announced the strategic acquisition of an 8.97% working interest in the Britannia Field, subject to partner and regulatory approval, which has doubled our production to circa 5,000boepd. Today, we are fully financed to take Finlaggan through to first production in 2020.*

*We greatly appreciate the support we have received from the OGA, our banking syndicate and our key contractors and partners in enabling us to push forward with the execution of the Finlaggan project; a key foundation stone of our growing portfolio.”*



**Scott Robertson, Area Manager, Central North Sea, at the OGA said:**

*“The Oil and Gas Authority is pleased to approve the Finlaggan field development. The gas field, which was discovered 13 years ago, will tie-back to the Britannia facilities, utilising existing infrastructure, maximising economic recovery from the region.”*

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