

Acquisition of Hangingstone oilsands assets in Canada by Greenfire Acquisition Corporation

Calgary, Canada – McIntyre Partners (“McIntyre”) and Griffon Partners (“Griffon”) today announced the acquisition of Greenfire Hangingstone Operating Corporation’s oilsands assets in Canada. The deal was conducted via the acquisition vehicle Greenfire Acquisition Corporation (“GAC”).

Hangingstone is a tier-one oilsands reservoir south of Fort McMurray, Alberta and is one of only four tier-one reservoirs in Canada. The facility has been well-invested and maintained throughout its history and has a long track record of production. It offers material reserves and strong potential for cash flow generation. The restoration of the SAGD site by GAC was formally recognised in 2020 for exceptional project management at the Energy Excellence Awards.

In restoring the site, the acquisition creates around 50 jobs at GAC and supports hundreds more of local jobs indirectly. Prior to the impact of Covid-19, the site was producing around 6,000 barrels per day and GAC plans to restore and increase this production. The site currently has a nameplate capacity of 10,000 barrels per day.

The acquisition demonstrates GAC’s intentions in the oil and gas sector in Canada and internationally. With a long-term outlook, expertise in natural resources and infrastructure, and access to capital, GAC plans to expand its footprint and deliver further value creation and jobs in the industry. Led by an experienced team with the capability to execute transactions, GAC sees a range of investment opportunities in the sector with significant potential.

Julian McIntyre of McIntyre Partners commented: “While 2020 was a challenging year for the energy sector, within every challenge there is an opportunity. The Hangingstone plant combines a first-class asset with a tremendous management team. We believe this, combined with the right capital structure, will unlock significant value for all stakeholders.”

Jonathan Klesch of Griffon Partners said: “We are pleased to have delivered such a significant investment to the Hangingstone project and the Alberta area during a period of strain for the industry. This step illustrates our confidence in the strength of this asset and the value inherent to it. We look forward to developing the site as we continue to explore investment opportunities in the industry.”

Robert Logan, CEO of GAC, added: “We are fortunate to be working with a long-term investor in McIntyre and Griffon, which provides us the foundation to focus on our operations and to maximize the value of Hangingstone for all stakeholders.”