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## **Sinochem targets Syria with USD 878 million Emerald buy**

*Saturday, 15 Aug, 2009*

Reuters reported that China's state run Sinochem Corporation agreed GBP 532.1 million takeover of Emerald Energy to gain access to the UK listed oil and gas explorer's operations in Syria and Colombia.

The deal is a major step for Sinochem, which has made about USD 1 billion of overseas energy acquisitions to date and the latest deal by a state backed Chinese firm eager to secure natural resources abroad.

Mr Han Gensheng president of Sinochem said that the deal fitted its strategy of building a global energy group.

Mr Han said that "Emerald's Syrian and Colombian assets have attractive growth potential and by bringing Emerald into the Sinochem group, will reinforce our position in the Middle East and South America."

Emerald said that its board of directors unanimously recommended the offer. Mr Kroupee's Waterford, which owns 29.45% of Emerald, has pledged to vote in favour of the deal as has No 2 shareholder Soyuzneftegas which owns 8.08%.

Mr Kroupee said that Emerald was benefiting from working in countries that were 'not flavor of the month' earlier this decade and said that he aimed to reinvest his proceeds in similar exploration and production companies.

According to Reuter's calculations, Russian born Mr Kroupee, a one time director of Dana Petroleum and Sibir Energy, stands to receive about GBP 138 million for his stake.

Soyuzneftegas became a shareholder after selling its interest in Syria's Block 26 to Emerald. It operates in Central Asia, North Africa, Syria and Iraq and is chaired by Ms Yuri Shafrakin, who was Russian energy minister from 1993 to 1996.

(Sourced from Reuters)

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