



Talisman Energy to sell stake in Australian Woodside fields

Brett Foley and James Paton, Bloomberg

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Talisman Energy Inc. (**TLM.TO 11.2 -0.37 -3.2%**), the Canadian energy producer that was targeted by billionaire investor Carl Icahn, said it hired Miro Advisors Pty to sell its stake in a \$1.3 billion Australian project operated by Woodside Petroleum Ltd.

Talisman's sale of its stake in the Laminaria-Corallina oil fields off northern Australia is part of efforts to focus capital on a smaller number of core assets, the company said today in an e-mailed response to questions. It will send information to prospective buyers by the end of the month, Timothy Woodall, the Perth-based managing director at Miro Advisors, said yesterday by phone.

"While this asset has strong, stable production, it is considered non-core to our portfolio," Grant Christie, Talisman's general manager in Australia, said by phone today from Brisbane. "We have initiated a process to understand what our options are with the remaining value."

Talisman Chief Executive Officer Hal Kvisle, who has said he will depart this year, is selling assets to help cut net debt that stood at \$3.8 billion at the end of March. The Calgary-based company said in February it will sell another \$2 billion in assets within 18 months, after announcing more than \$2 billion in divestitures in 2013, including an Indonesia project.

Declining Production

Perth-based Woodside, Australia's second-biggest energy producer, owns 59.9 percent of the Laminaria project and 66.67 percent of the Corallina field while Talisman owns the rest, according to Woodside's website. Production, which started in 1999, has declined as the fields age, Woodside said in its 2013 annual report.

Malaysia's Hibiscus Petroleum Bhd. agreed to purchase Talisman's 25 percent stake in the Kitan oil field for \$18 million, according to a stock exchange filing yesterday. Miro also advised on that sale, according to Woodall.

Talisman said it is too early to say when a sale of its stake in the Laminaria-Corallina project could be completed. Kate Gauntlett, a Perth-based spokeswoman for Woodside, declined to comment in an e-mailed response to questions.

Two directors appointed to Talisman's board last year, after activist investor Icahn took a stake, are working constructively with the company, Kvisle said in May. Icahn owns 7.3 percent of Talisman, according to data compiled by Bloomberg.

Comments