

Spinnaker spies energy opportunities

Micro cap cash shell in the market for oil and gas firms

Cash shell **Spinnaker Opportunities (SOP)** is closing in on its first acquisition which could act as a catalyst for the share price if the deal is well received.

The micro cap floated with a standard listing on the Main Market in May (17 May). This reflects a growing trend of cash shells shunning AIM in favour of a standard listing which is typically cheaper. We featured an [article](#) from an outside contributor on this issue back in June.

WHO IS BEHIND THE BUSINESS?

A cash shell is a vehicle which has no assets apart from cash and is generally set up with the intention of identifying a business to acquire. Spinnaker is no exception to this rule and is looking to provide a route to market for a business through a reverse takeover. It is focusing on firms valued between £5m and £30m in the energy or industrial sectors.

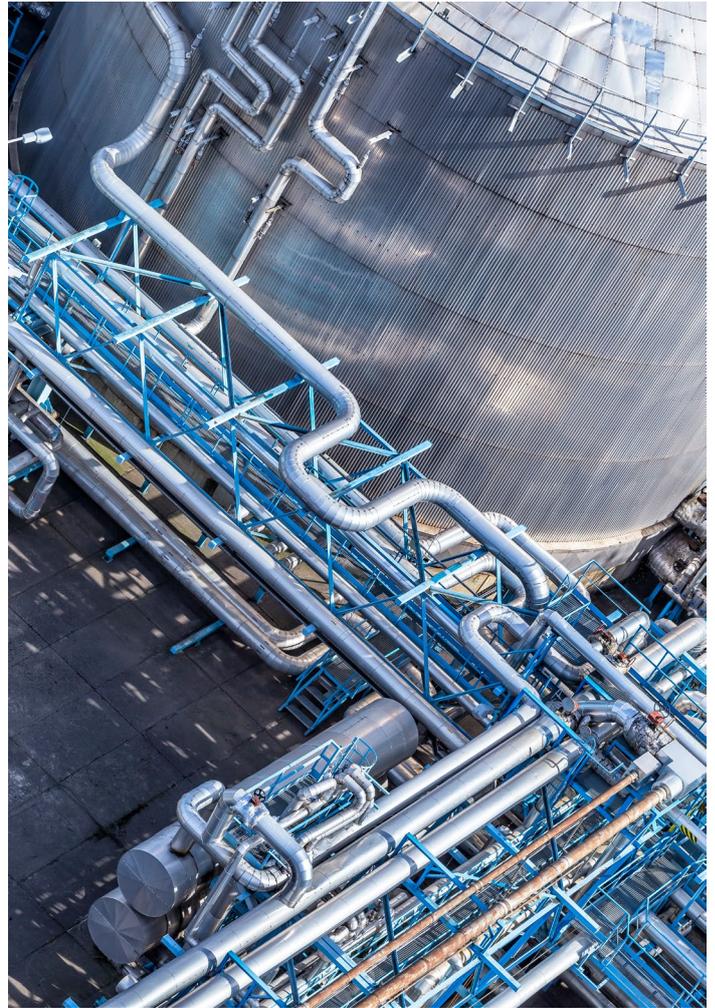
The founders of the company provide a clue as to any likely target. They include managing director Andy Morrison, a 17-year veteran of **Royal Dutch Shell (RDSB)** and BG, Richard Liddell, previously operations director at **Premier Oil (PMO)**, and former **BP (BP.)** and Shell man Tony Harpur.

Directors have invested £310,000 of their own cash in the venture and £1.1m was raised at IPO. Their plan is to depart once the first acquisition is complete so investors in the company are placing faith in their ability to identify a worthy target. The focus is on cash generative companies which do not face unfunded financial commitments in the near-term. The company started with just under 30 opportunities with a ratio of 3:1 between targets in the energy and industrial sectors.

Once any reverse takeover is complete the newly listed business will almost certainly look to raise capital through a share placing.

WHAT IS THE LATEST?

In a July update Spinnaker noted that the 'opportunities now under consideration remain



weighted towards the oil and gas and energy industry, but also include one option in the supply chain and technology space' towards the upper end of the valuation range. Morrison adding that only a 'handful of opportunities' remain live.

The company is next likely to update in late August or early September. There is little speculation in the current share price which is down on the 5p issue price at 4.52p.

SHARES SAYS: ↗

High risk but may be worth a look ahead of its first investment. (TS)