

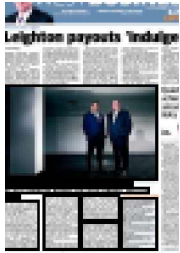
\$1.87b payday looms for first-mover Aurora

20 May 2014

[West Australian, Perth](#), Business News, [Peter Klinger](#)

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Aurora Oil & Gas executive chairman **Jon Stewart** remembers talking to investors in New York about his Perth company's land grab in the **Eagle Ford shale** in the US State of Texas. "And they said to us 'how on earth did you guys manage to do that', and they looked at our balance sheet and they saw the land (acquisition) costs were tiny," Mr Stewart recalled yesterday.

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Keywords

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166,468 CIRCULATION

Quiet achievers among WA's best

20 May 2014

[West Australian, Perth](#), Business News, [Sean Smith](#)

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To paraphrase Dennis Denuto, it's the vibe. Business awards feed a natural but sometimes unspoken wish to be recognised and acknowledged.

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Aurora(1),Drilling(1),Jon Stewart(1),Oil & Gas(1)

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\$1.87b payday looms for first-mover Aurora

Peter Klinger

Aurora Oil & Gas executive chairman Jon Stewart remembers talking to investors in New York about his Perth company's land grab in the Eagle Ford shale in the US State of Texas.

"And they said to us 'how on earth did you guys manage to do that', and they looked at our balance sheet and they saw the land (acquisition) costs were tiny," Mr Stewart recalled yesterday.

Mr Stewart cannot remember the date of the New York anecdote but it was before the explosion of the so-called US shale boom, which had companies from ExxonMobil to BHP Billiton and down to a splattering of ASX-listed hopefuls rushing to secure acreage above America's hydrocarbon-rich shales.

Aurora's first-mover, below-the-radar land grab neatly describes its rise from the listed ashes of Tony Barlow's tuxedo hire business nine years ago into an S&P-ASX 100 stock that will deliver its 2800 shareholders a \$1.87 billion cash windfall.

Tomorrow at Aurora auditor BDO's Subiaco office, shareholders will be asked to approve Baytex Energy's takeover of their company for \$4.20 a share.

The Canadian suitor bumped its bid price by 10¢ last week to ensure support from biggest investors Harbour Advisors and Stirling Global Value Fund.

Aurora shares closed at \$4.17 yesterday.

Mr Stewart says he expects the shareholder vote, the last major hurdle, to support the takeover.

It will then trigger a massive

cash payout — up to an estimated \$500 million — to the legion of WA retail investors who backed Mr Stewart and co-founder Graham Dowland since they first chartered Aurora's course in 2005.

Mr Stewart, who is set for an \$85 million pay day, says it is satisfying long-term supporters and Aurora management are exiting together.

"We have had strong support from a lot of people, we have come together, developed it together and now sold out together," he said. "We have always been about value for all our shareholders, it's not necessarily about building the company and selling it, or building the company to make it a bigger company. If (the Baytex) bid hadn't happened we would have easily gone on with (growing Aurora)."

EAGLE FORD HAS LANDED

Feb 05: Aurora Oil & Gas emerges from Tony Barlow Australia shell. Repositioned as Texas, US-focused oil and gas play. Shares worth about 30¢

Sept: Acquires 12.5% stake in Sugarloaf prospect to kick start land grab across liquids-rich Eagle Ford shale

Dec 10: Raises \$120m @ \$1.60 to expand Eagle Ford footprint, plans 80 wells in 2011

Feb 11: Co-lists on the Toronto Stock Exchange

Jan 14: Forecasts full-year production of 7.8-8.6 million barrels (80% liquids), up 47% on 2013, and capital expenditure of \$US455-495m

Feb: Agrees to Baytex takeover @ \$4.10, valuing Aurora at \$1.84b

Last week: Baytex increases offer to \$4.20

Tomorrow: Aurora shareholders to vote on takeover proposal

SOURCE: AURORA OIL & GAS



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Almost there: Executive director Graham Dowland and executive chairman Jon Stewart in Aurora's office yesterday. Picture: Simon Santi



Quiet achievers among WA's best

Sean Smith



(Navitas) in 2008, John Spence (Karma Royal Group) in 2010 and Michael Malone (iiNet) in 2011. More proof, that the State is more than just a quarry.

The release of yesterday's finalists for this year's regional awards in August underlines

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To paraphrase Dennis Denuto, it's the vibe.

Business awards feed a natural but sometimes unspoken wish to be recognised and acknowledged.

But they also mine incredibly inspirational stories showing what is possible with an idea, grit, hard work, boldness and some occasional luck.

Accountancy group EY's Entrepreneur of the Year, now in its 14th year, is arguably the most prestigious of the national awards. It is the only program with a global platform, sending national winners from more than 60 countries to compete for an international gong in Monte Carlo every year.

The awards recognise innovative and dynamic leadership that has realised tangible results. They're no guarantee of success — fertiliser aspirant and Mosman Park homebuilder Pankaj Oswal was a category winner five years ago.

But, ironically, given the State was accused of giving entrepreneurs a bad name in the 1980s, WA has provided more than its share of recent national winners — John Rothwell (Austal) in 2002. Rod Jones



Quiet achievers among the best and brightest

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that business diversity.

Northern Star Resources chief Bill Beament and Aurora Oil & Gas' Jon Stewart are prominent inclusions but the list is dominated by private or family-owned industrial and technology companies.

And while the bigger-name finalists inevitably garner the initial interest, it is the lesser known, emerging names which can prove more captivating.

Last year's State categories winners included Olivia Humphrey, who is making a go overseas with her Subiaco-based Kanopy online and DVD education business.

This year, there's Sharon Kais, who withdrew against her mortgage and worked several jobs to build Kais Contractors. And Sarah Thomas, who has expanded Lawley's Bakery into eight outlets.

The full list of finalists for the WA awards: Bill Beament

(Northern Star Resources), : Richard Johnson (DTI Group), Sharon Kais (Kais Contractors), Adam Lamond (OTOC), Sam Mangione (Instant Waste Management), Michael Ottaviano (Carnegie Wave Energy), Bernie Pummell (Vesco Foods), Michelle Rhodes (360 Environmental), Kashif Saleem (Saleem Technologies), Sarah Thomas (Lawley's Bakery Cafe), Paul Thompson (Killarnee), Graeme Wallis (Wallis Drilling) and Declan White (Monford Group).

Stewart is among four people acknowledged in three non-competitive categories, named as the winner of the listed award. PetRescue's John Bishop and Vickie Davy are joint winners of the social entrepreneur award, while Competitive Foods owner Jack Cowin has been recognised as the champion of entrepreneurship.

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