



Why Angle Energy Shares Soared

Description

Although we don't believe in timing the market or panicking over market movements, we do like to keep an eye on big changes — just in case they're material to our investing thesis.

What: Shares of **Angle Energy** (TSX: NGL) surged 20% today after **Bellatrix Exploration** (TSX: BXE) agreed to acquire the oil and gas explorer in a deal worth about \$576 million.

So what: The cash or stock deal — Angle shareholders can opt for \$3.85 in cash or 0.4734 of a Bellatrix common share — values Angle at around \$3.97 per share, representing a premium of 24% to its Tuesday closing price. Bellatrix expects the acquisition to be accretive on production, cash flow, reserves, and net asset value per share, but judging by its own stock's 5% *plunge*, Mr. Market isn't too thrilled with the price management is paying to do it.

Now what: The deal is expected to close in mid-December 2013. "Angle's shareholders will benefit from this business combination with Bellatrix," [said](#) Angle CEO Gregg Fischbuch in a statement. "This complementary transaction creates one of the largest Cardium producers and landholders in Alberta and provides Angle shareholders an attractive price." So while Angle shares are likely all popped out at this point, Bellatrix's newly bolstered asset base might be worth looking into.

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Fool contributor Brian Pacampara owns no position in any of the companies mentioned. The Motley Fool does not own shares in any of the companies mentioned.

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