ISS Proxy Advisory Services Recommends Suroco Shareholders Vote in Favour of Arrangement Transaction With Petroamerica Oil Corp. Over Vetra Offer

16.06.2014 | Marketwired

(*Not for dissemination in the United States of America*)

CALGARY, ALBERTA -- (Marketwired - June 16, 2014) - Suroco Energy Inc. (TSX VENTURE:SRN) ("Suroco" or the "Corporation") reminds its shareholders that ISS Proxy Advisory Services ("ISS") has published a report recommending their clients vote IN FAVOUR of the previously announced arrangement transaction with Petroamerica Oil Corp. ("Petroamerica") and that the recently announced hostile bid by Vetra Holding S.a.r.l. (through its wholly-owned subsidiary Vetra Acquisition Ltd.) (the "Vetra Offer") does not appear compelling enough to warrant a change in its voting recommendation.

In its June 9, 2014 report, ISS concluded that the proposed arrangement transaction between Suroco and Petroamerica makes strategic sense as Petroamerica is a much larger and well established player in the same segment and further concluded that in light of the significant implied premium, the favourable market reaction, and absence of significant governance concerns, approval by Suroco shareholders of the arrangement with Petroamerica is warranted.

After consideration of the Vetra Offer, ISS issued an alert dated June 10, 2014, wherein it confirmed no change in its voting recommendation IN FAVOUR of the arrangement transaction with Petroamerica is warranted.

ISS is a leading independent corporate governance analysis and proxy advisory firm whose recommendations assist its clients in making choices regarding proxy voting and transaction decisions.

Suroco is a Calgary-based junior oil and gas company, which explores for, develops, produces and sells crude oil, natural gas liquids and natural gas in Colombia. The Corporation's common shares trade on the TSX Venture Exchange under the symbol SRN.

For more information about the proposed arrangement between Suroco and Petroamerica, see the Corporation's Information Circular and Proxy Statement dated May 27, 2014 that has been sent to shareholders and can be found on Suroco's profile on SEDAR at www.sedar.com, and the Corporation's June 11, 2014 press release.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed arrangement with Petroamerica or offer from Vetra and has neither approved nor disapproved the contents of this press release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact

Suroco Energy Inc.
Alastair Hill, President and Chief Executive Officer
(403) 232-6784
(403) 232-6747 (FAX)

Suroco Energy Inc.
Travis Doupe, VP Finance and Chief Financial Officer
(403) 232-6784
(403) 232-6747 (FAX)
www.suroco.com