

VETRA Increases All Cash Binding Offer for Suroco to \$0.85 per Common Share

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Urges Suroco Shareholders to Vote AGAINST the Petroamerica Arrangement

CALGARY, July 9, 2014 - Vetra Acquisition Ltd. ("VETRA"), a wholly-owned subsidiary of VETRA Holding S.a.r.l., today announced that it has increased the price of its binding offer to purchase all of the common shares of [Suroco Energy Inc.](#) ("Suroco") to \$0.85 in cash per common share. This is VETRA's final offer for Suroco and will not be increased.

VETRA is bringing additional value directly to shareholders in the form of its increased all cash offer since the Suroco board has been unwilling to engage in any meaningful discussions with VETRA. Suroco's board recently rejected a new proposal from VETRA that would have given any interested Suroco shareholders an opportunity to participate in the development and upside of Suroco's assets. That proposal was rejected by Suroco's board - less than 12 hours after it was submitted by VETRA - without explanation and without engaging in any discussions with VETRA.

As described in detail below, VETRA's offer, particularly at the increased price of \$0.85 in cash per common share, provides Suroco shareholders with greater and immediate value, no investment risk and lower execution risk than the Petroamerica arrangement.

VETRA's Offer Provides Greater and Immediate Value

VETRA's \$0.85 all-cash offer is clearly superior to the Petroamerica arrangement because it provides shareholders with full value in cash for their Suroco shares now without any exposure to investment risk.

- VETRA's \$0.85 all-cash offer continues to offer Suroco shareholders a premium of 6.48% to the implied price of the Petroamerica arrangement based on the closing price of Petroamerica on July 8, 2014 and a premium of 15.22% to the implied price of the Petroamerica arrangement based on the volume-weighted-average-trading price of Petroamerica since the announcement of the Petroamerica arrangement, in each case assuming the maximum cash election is made under the Petroamerica arrangement.

- VETRA's offer provides Suroco shareholders certainty of value because the value is paid in cash, not in an illiquid volatile security of Petroamerica. As Petroamerica's share price declines, so will the value of the consideration shareholders will receive. There are many factors that could cause Petroamerica's share price to decline following consummation of the arrangement. VETRA is willing to give shareholders full value now in cash without exposing them to such risks.

- VETRA clearly sees value in its shared assets but Suroco's limited financial resources have delayed and hindered VETRA's effort to fully develop these assets. VETRA's intention to acquire these assets is purely driven by the need to be able develop these assets in an effective manner without being constrained by a cash-strapped partner.

- The VETRA offer, even before it was increased to \$0.85, received support from Institutional Shareholder Services Inc. and Glass Lewis & Co., leading independent proxy advisory firms, as representing a higher value for shareholders and providing certainty of value. In addition, analysts at Mackie Research Capital Corporation, stating that "Cash is King", recommended that Suroco shareholders take action to accept VETRA's offer, which means voting AGAINST the Petroamerica arrangement. While Suroco has chosen not to change the record date for its meeting to permit current shareholders to vote, VETRA has already obtained signed lock-up agreements from Suroco shareholders who acquired shares after the record date relating to the deposit of approximately 9.7 million Suroco shares to VETRA's increased offer.

VETRA's Offer Provides Greater Certainty of Completion

Suroco has criticized the VETRA offer on the basis that it carries greater uncertainty of completion than the Petroamerica arrangement and that it is not a binding offer. This is simply not the case.

- VETRA's offer under Canadian securities laws is a binding offer to Suroco shareholders and while VETRA has repeatedly assured Suroco shareholders that it will not adversely vary in any manner or withdraw the offer, VETRA will confirm this commitment in its amended offer.

- VETRA's offer will be amended to remove the "no material adverse change" condition so that the offer contains only 3 conditions to completion. The Petroamerica arrangement has over 30 conditions, including a "no material adverse change" condition and the need for shareholder and court approval.

- In order for the Petroamerica arrangement to proceed, two successful votes of Suroco shareholders are required: (i) 66 2/3% of the shares represented at the meeting and (ii) a majority of the minority shareholders represented at the meeting must vote in favour of the arrangement. The TSXV rejected Suroco's application to allow Alentar, a related party to Suroco holding 19% of Suroco's shares, to vote with the minority.

- There is much greater uncertainty that the Petroamerica arrangement will ever close, especially given the issues that will be considered at any final fairness hearing if the arrangement is approved by Suroco's shareholders, including those related to Suroco's numerous governance failures and disregard of the interests of Suroco shareholders, which include, for example:

- - Suroco's most recent supplemental disclosure states that 35% of Suroco shareholders prefer the Petroamerica arrangement over VETRA's offer. This number is misleading because it includes the 19% of Suroco shares held by Alentar and the 1% of Suroco shares held by Suroco management that cannot vote with the minority in the required majority of the minority vote, leaving only 15% of Suroco shareholders in favour of the Petroamerica arrangement eligible to participate in the majority of the minority vote.

- - Suroco has agreed to a break-fee for Petroamerica that is open ended and unquantifiable, which severely limits the ability of another party from topping the Petroamerica arrangement and violates the spirit of securities laws and which Suroco may not have the financial ability to pay.

- - Suroco's disclosure refers to analyst targets for Petroamerica's share price to provide a speculative view of the arrangement consideration without including the assumptions and risk factors underlying those target prices.

The Choice is Clear

VETRA's all cash offer continues to provide Suroco shareholders with certain and full value for their shares. To have the opportunity to accept VETRA's offer, you must vote AGAINST the Petroamerica arrangement and, in the circumstances, every single vote COUNTS.

The Expiry Time of the Offer also has been extended to July 22, 2014. A Notice of Variation regarding the amendment to the offer price and the extension of the offer will be mailed to shareholders in due course and will be available at www.sedar.com.

TIME IS OF THE ESSENCE. VOTE YOUR BLUE PROXY AGAINST THE PETROAMERICA ARRANGEMENT BEFORE 10:00 A.M. (CALGARY TIME) ON FRIDAY, JULY 11, 2014

If you have already voted in support of the Petroamerica arrangement, you can revoke that proxy by voting the BLUE proxy AGAINST the Petroamerica arrangement.

If the Petroamerica arrangement is approved and the arrangement proceeds, Suroco shareholders will not have the opportunity to accept the enhanced, all cash Offer. The solicitation of proxies to vote AGAINST the Petroamerica arrangement is being made by VETRA and not by or on behalf of management or Suroco.

Send in your Suroco shares with a completed YELLOW Letter of Transmittal that was mailed to you to Kingsdale Shareholder Services, the information agent and depository or call your broker now to deposit. If you have already submitted a management form of proxy in connection with the Petroamerica arrangement, you can revoke that proxy by voting the BLUE proxy by 10:00 a.m. (Calgary time) on July 11, 2014.

A registered holder of common shares of Suroco that gives a proxy may revoke it: (a) by completing and signing a valid proxy bearing a later date and returning it in accordance with the instructions contained in the BLUE proxy made available to shareholders by VETRA; (b) by depositing an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing, as the case may be: (i) at the registered office of Suroco at any time up to and including the last business day preceding the day Suroco's shareholders meeting or any adjournment or postponement of the meeting is to be held, or (ii) with the chairman of the meeting prior to its commencement on the day of the meeting or any adjournment or postponement of the meeting; or (c) in any other manner permitted by law.

A non-registered holder of common shares of Suroco will be entitled to revoke a form of proxy or voting instruction form given to an intermediary at any time by written notice to the intermediary in accordance with the instructions given to the non-registered holder by its intermediary. It should be noted that revocation of proxies or voting instructions by a non-registered holder can take several days or even longer to complete and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the form of proxy or voting instruction form to ensure it is given effect in respect of the meeting.

Proxy Voting Instructions

Regardless of how many Suroco shares you own, it is important you vote your BLUE proxy. Even if you have already voted your shares in favour of the Petroamerica arrangement using the Suroco form of proxy, you can still change your vote by voting the BLUE proxy, as only the latest dated proxy will be counted at the meeting.

We encourage shareholders to vote the control number found on your BLUE proxy AGAINST the Petroamerica arrangement, no later than 10:00 a.m. (Calgary time) on July 11, 2014.

For more information or assistance in voting your BLUE proxy, please contact Kingsdale Shareholder Services at 1-855-682-8087 (toll-free), 416-867-2272 (outside North America), or by email at contactus@kingsdaleshareholder.com.

Advisors

FirstEnergy Capital Corp. is acting as financial advisor to VETRA in connection with the proposed take-over offer, Goodmans LLP as VETRA's Canadian legal counsel and Debevoise & Plimpton LLP as VETRA's U.S. counsel.

About VETRA

The offeror is Vetra Acquisition Ltd., a wholly-owned subsidiary of VETRA Holding S.a.r.l., a holding company whose primary operating subsidiary is Vetra Exploración y Producción Colombia, S.A.S., a multinational company engaged in the business of exploration, extraction and production of hydrocarbons, primarily in Colombia and Peru. Neither VETRA nor any of its and its associates or affiliates own any shares of Suroco.

About Suroco

Suroco is focused on the identification and evaluation of opportunities for the acquisition of interests in oil and gas properties, corporations, assets or businesses, primarily in Colombia, and once identified and evaluated, negotiating acquisitions thereof or participation therein. Suroco is a public corporation that is listed on the TSXV under the symbol "SRN" and its public filings are available on www.sedar.com.

Suroco's registered office is at Suite 1600, 421 - 7th Avenue, S.W., Calgary, Alberta, T2P 4K9 and its principal business office is at Suite 810, 940 - 6th Avenue S.W., Calgary, Alberta, T2P 3T1.

Cautionary Statements

This press release contains "forward looking statements" and "forward looking information" (collectively, "forward looking information") within the meaning of applicable Canadian securities legislation. All information contained in this press release, other than statements of current and historical fact, is forward looking information. Often, but not always, forward looking information can be identified by the use of words such as "plans", "expects", "budget", "guidance", "scheduled", "estimates", "forecasts", "strategy", "target", "intends", "objective", "goal", "understands", "anticipates" and "believes" (and variations of these or similar words) and statements that certain actions, events or results "may", "could", "would", "should", "might" "occur" or "be achieved" or "will be taken" (and variations of these or similar expressions). All of the forward looking information in this press release is qualified by this cautionary note.

VETRA has no intention to update this forward looking information, except as required by applicable securities law. This forward looking information should not be relied upon as representing VETRA's views as of any date subsequent to the date of this press release.

Except as otherwise expressly indicated herein, the information concerning Suroco and Petroamerica

contained in this press release has been taken from and is based solely upon their respective public disclosure, including disclosure on file with the Canadian securities regulatory authorities. Neither VETRA nor any of its directors or officers has verified, nor do they assume any responsibility for, the accuracy or completeness of such information or statements or for any failure by Suroco or Petroamerica to disclose events or facts that may have occurred or that may affect the significance or accuracy of any such information or statements but that are unknown to VETRA.

Contacts

Suroco shareholders with questions about the Offer and how to vote AGAINST the Petroamerica arrangement and deposit shares to the Offer, should contact VETRA's information agent and depository, Kingsdale Shareholder Services, toll-free within North America: 1-855-682-8087 or Call Collect: 416-867-2272, by fax: 416-867-2271 or 1-866-545-558 or e-mail: contactus@kingsdaleshareholder.com.

Contact

Media Inquiries
Kingsdale Shareholder Services
416-867-2357

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