

Olma Investment Group Fails to Put Forward an Alternative Offer - Instead makes Unrealistic Demands which First Uranium states have “Zero Chance of Being Accepted“

29.05.2012 | [CNW](#)

All amounts are in US dollars unless otherwise noted.

TORONTO and JOHANNESBURG, May 28, 2012 /CNW/ - [First Uranium Corporation](#) (TSX:FIU), (JSE:FUM) (ISIN:CA33744R1029) ("First Uranium" or "the Company") today received a demand from Olma Investment Group and other dissident shareholders to renegotiate the terms of agreed asset sales and to seek concessions from debt holders.

"Olma and its partners have repeatedly promised a concrete alternative to our restructuring plan," John Hick, First Uranium's lead independent director, said. "Instead of putting forward a viable stand alone proposal as Olma has been promoting, they have only come forward with a set of unrealistic demands that have zero chance of being accepted by the parties involved."

As has been previously communicated, First Uranium's board of directors first announced on March 2, 2012 that it had approved the sale, through two subsidiary holding companies, of its Mine Waste Solutions operation and the Ezulwini mine, to [AngloGold Ashanti Ltd.](#) and [Gold One International Ltd.](#) for \$335 million and \$70 million respectively.

In advance of that announcement, First Uranium and its advisors contacted approximately 20 potential buyers around the world and only AngloGold and Gold One emerged as bona fide bidders. No other credible offer has been received since the announcement of the two transactions.

First Uranium shareholders are due to consider the proposed transactions at a special meeting on June 13, 2012. Olma and others claiming to represent 18 per cent of First Uranium's outstanding common shares proposed the following concessions in an email addressed to the Company and dated May 27, 2012:

- Anglo Gold increases its offer price for Mine Waste Solutions by 15% up to \$385 million;
- Gold One increases its offer price for the Ezulwini mine by 15% up to \$80.5 million;
- First Uranium debenture holders accept a discount of 10% of "nominal value" in the amount of \$14.7 million;
- First Uranium note holders accept a discount of 5% of "nominal value" in the amount of \$8.4 million.

A full copy of Olma's email follows below.

Mr Hick said: "After an exhaustive process assessing all available alternatives and based on our discussions over the past five months, and their respective reconfirmations today, we know that neither AngloGold nor Gold One are willing to reopen negotiations with a view to paying a higher price for these assets. Given our extensive interaction with the debt holders, which resulted in the compromises set out in the Company's management information circulars, the idea of these parties and, in particular, the secured debt holders, agreeing to the proposed concessions is equally implausible."

He added: "The dissidents' demands and lack of an alternative "concrete proposal" as promised last week, confirm they have no better alternative to offer than the plan which has already been approved by First Uranium's board. Shareholders need to understand that because of the Company's financial situation, if the negotiated transactions are voted down, there is a real possibility that shareholders may be left with nothing, as the Company faces significant liquidity constraints with impending debt maturities on June 30, 2012 and March 31, 2013. As previously disclosed, Mine Waste Solutions and Ezulwini also face challenges, including significant funding requirements."

The Board unanimously recommends that shareholders and debt holders vote FOR the transactions.

Shareholders and debt holders are reminded to vote their proxy FOR the transactions and all related proposals before the proxy voting deadline on Monday, June 11, 2012 at 5:00 p.m. (Toronto time).

If you have any questions about the information contained in the Management Information Circulars or require assistance with voting your securities, please contact Kingsdale Shareholder Services Inc. by telephone at 1-866-581-1571 toll-free in North America, or at 1-416-867-2272 outside of North America (collect calls accepted), or by email at contactus@kingsdaleshareholder.com.

About First Uranium Corporation

[First Uranium Corporation](#) (TSX:FIU, JSE:FUM) operates the Ezulwini Mine, an underground mining operation, and Mine Waste Solutions (MWS), a tailings recovery facility. Both operations are situated in South Africa.

Text of email received from Olma Investment Group: May 27, 2012

BY EMAIL

Members of the Board of Directors
First Uranium Corporation

Re: Alternative proposal for the June shareholders meeting

We are writing as a group of shareholders collectively holding 44 million shares, or 18% of all issued shares of First Uranium Corporation ("Company"). By now, we and our advisors have reviewed the Circular regarding the proposed Gold One and Anglo Gold Ashanti deals ("Proposal"). We would like to reiterate our disagreement with the Proposal and hereby inform you that we will vote against it on the shareholders meeting in June 2012 ("GSM").

Moreover, from our communication with other shareholders to the extent allowed under Canadian laws and from the views other shareholders expressed in the public domain, it strongly appears that other sizable holders will vote against the Proposal as well.

Rather than wait for a month to see a failed GSM and the Company in a strategic limbo, facing difficult options, we would like to propose the following improved transaction ("Improved Proposal"), which will be supported publicly by us and is likely to pass on the GSM.

- Anglo Gold increases its offer price for MWS operations by 15% up to \$385 million;
- Gold One would increase its offer price for Eluzwini mine by 15% up to \$80,5 million;
- Debenture holders accept a discount of 10% of nominal value in the amount of \$14,7 million;
- Note holders accept a discount of 5% of nominal value in the amount of \$8,4 million.

We believe that the majority of Debenture and Note holders should prefer discounted payout next month to a potential recovery through a prolonged bankruptcy process. The proposed discounts match with today's market prices for these debentures and notes.

Common shareholders would be paid an amount in the range of \$0.45-\$0.55 per share according to our calculations. As mentioned above, our group of shareholders would support the Improved Proposal. In this case, we would agree to abstain from any further legal actions against the BOD of the Company.

We believe that this improved transaction structure represents a compromise solution and would be acceptable for all classes of stakeholders in the Company.

We urge you to negotiate proposed conditions with all the parties involved as soon as possible, provide us a formal response, and add the Improved Proposal to the agenda of the GSM.

Sprott Asset Management
Olma Investment Group
Stratton Enterprise Incorporated
Patto Corporate Services

Cautionary Language Regarding Forward-Looking Information

This news release contains and refers to forward-looking information based on current expectations. All other statements other than statements of historical fact included in this release are forward-looking statements (or forward-looking information). The Company's plans involve various estimates and assumptions and its business and operations are subject to various risks and uncertainties. For more details on these estimates, assumptions, risks and uncertainties, see the Company's most recent Annual Information Form and most recent Management Discussion and Analysis on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. These forward-looking statements are made as of the date hereof and there can be no assurance that such statements will prove to be accurate, such statements are subject to significant risks and uncertainties, and actual results and future events could differ materially from those anticipated in such statements, including without limitation, the statements regarding the proposed transactions with Gold One International Limited and AngloGold Ashanti Limited. Accordingly, readers should not place undue reliance on forward-looking statements that are included herein, except in accordance with applicable securities laws.

First Uranium Corporation
John Hick or Mary Batoff
(416) 306-3072
mary@firsturanium.ca
www.firsturanium.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/126555--Olma-Investment-Group-Fails-to-Put-Forward-an-Alternative-Offer---Instead-makes-Unrealistic-Demands-which-Fir>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).