

Dacha Strategic Metals Inc. and Aberdeen International Inc. Announce Business Combination

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Proposed Business Combination Would Increase Total Available Capital to Better Exploit Market Opportunities in Junior Equities & Strategic Rare Elements

TORONTO, August 15, 2012 - [Dacha Strategic Metals Inc.](#) ("Dacha") (TSX VENTURE:DSM) (OTCQX:DCHAF) and [Aberdeen International Inc.](#) ("Aberdeen") (TSX:AAB) are pleased to announce that they have entered into a definitive agreement (the "Business Combination Agreement") pursuant to which Dacha and Aberdeen will, subject to shareholder, court and regulatory approvals, enter into a plan of arrangement pursuant to which Dacha will acquire all of the outstanding shares of Aberdeen and Aberdeen will become a wholly owned subsidiary of Dacha (the "Transaction"). Under the terms of the Transaction, shareholders of Aberdeen will receive 0.80 of a Dacha common share for each common share of Aberdeen held. The board of directors of each company has unanimously approved the Transaction. Upon completion of the Transaction, existing Dacha and Aberdeen shareholders will own approximately 52% and 48% of the combined company, respectively, on a basic shares outstanding basis.

Based on the 20-day volume weighted trading price ("VWAP") of Dacha's common shares on the TSX Venture Exchange (the "TSXV") of \$0.517 and the 20-day VWAP of Aberdeen's common shares on the Toronto Stock Exchange (the "TSX") of \$0.384 for the period ending August 14, 2012, the Transaction represents a premium of approximately 7.6% to Aberdeen. On August 14, 2012 the closing prices of the Dacha common shares and the Aberdeen common shares were \$0.50 and \$0.40, respectively.

Highlights of the Transaction:

- Effectively doubles the total available capital for the combined company to better exploit market opportunities in junior equities and strategic rare elements;
- Enhanced market capitalization and trading liquidity creating critical mass and greater market presence in a down market for shareholders;
- Improved investment portfolio diversity with exposure to undervalued equities as well as critical metals;
- Enhanced portfolio liquidity allowing for efficient access to deployable capital;
- Strong share price re-rating potential due to increased liquidity, scale and strategic positioning;
- Expanded and enhanced management expertise and network of industry relationships; and
- Opportunity for corporate administration expense reduction synergies.

Management and Directors:

Following the completion of the Transaction, it is expected that the executive management of the combined company will consist of Messrs. Stan Bharti (Executive Chairman), Scott Moore (CEO), David Stein (President), Ryan Ptolemy (CFO and Corporate Secretary), Alastair Neill (Executive Vice President) and Richard Bishop (VP Investments). It is anticipated that the new board will consist of four nominees of Dacha and four nominees of Aberdeen or as mutually agreed upon by the parties.

Scott Moore, President and Chief Executive Officer of Dacha states: "The Transaction will provide Dacha shareholders with exposure to a larger, more diversified and liquid investment company. Aberdeen has an exciting portfolio of equities that are largely undervalued in the current market environment. Thus, a potential market turnaround could result in substantial value creation for shareholders. Furthermore, the increased liquidity and diversity allows us to better manage our strategic metal inventory and opportunistically make acquisitions or divestitures of material over time. Dacha's industry leading rare metal management team will

be complemented by the strong investment team at Aberdeen."

David Stein, Chief Executive Officer of Aberdeen adds: "The Transaction with Dacha will benefit Aberdeen shareholders by increasing the total amount of capital that can be deployed into undervalued micro-cap equities while still being able to exploit opportunities in strategic rare elements. Our shareholders will retain a significant ownership in the new company and will maintain significant leverage to an inevitable rebound in equity prices, while gaining access to a strategic asset class and professional expertise that could further enhance the menu of investment opportunities available to shareholders in the future. Furthermore, current management of Aberdeen will play a major role going forward in the management of the new company."

Transaction Details

Pursuant to the terms of the Business Combination Agreement, the Transaction will be conducted by way of a court approved plan of arrangement (under the Business Corporations Act (Ontario)), resulting in Aberdeen becoming a direct or indirect wholly-owned subsidiary of Dacha. Each Aberdeen common share issued and outstanding immediately prior to closing of the Transaction will be exchanged for 0.80 of a Dacha common share.

All options of Aberdeen outstanding immediately prior to closing of the Transaction will, following closing and subject to regulatory approval, be exercisable for that number of shares of Dacha using the same exchange ratio applicable to the common shares of Aberdeen under the Transaction, with corresponding adjustment to the exercise prices on the basis of such exchange ratio.

Aberdeen shareholders will be granted dissent rights which, if exercised in accordance with applicable requirements, will provide such shareholders the right to be paid the fair value for their Aberdeen common shares by Aberdeen.

The Transaction is subject to customary conditions, including:

- approval by a minimum of 66 2/3% of the votes cast by Aberdeen shareholders at a duly called special shareholders' meeting;
- approval by a majority of the votes cast by Aberdeen shareholders at the special meeting, excluding any votes required to be excluded pursuant to applicable regulatory requirements ("majority of the minority" approval) under MI 61-101 (as defined below) and the rules of the TSX;
- approval by a majority of the votes cast by Dacha shareholders at a duly called special shareholders' meeting excluding any votes required to be excluded under the rules of the TSXV;
- receipt of interim and final orders of the Ontario Superior Court approving the Transaction;
- approval/acceptance of the TSX and TSXV of the Transaction;
- receipt of applicable third-party consents;
- all of the directors and officers of Aberdeen, whose holdings represent an aggregate of approximately 14% of the outstanding Aberdeen common shares, shall have agreed to support the Transaction by entering into agreements to vote in favour of the Transaction, and all of the directors and officers of Dacha, whose holdings represent an aggregate of approximately 4% of the outstanding Dacha common shares, shall have agreed to support the Transaction by entering into agreements to vote in favour of the Transaction;
- Aberdeen shareholders holding no more than 5% of the outstanding Aberdeen shares having exercised dissent rights; and
- other conditions as are customary for transactions of this nature.

Upon completion of the Transaction, Dacha will have approximately 144.3 million common shares outstanding (170.2 million common shares on a fully-diluted basis), and the ownership of the combined company is expected to be approximately 52% by existing Dacha shareholders and 48% by former Aberdeen shareholders on a basic shares outstanding basis.

Timing

The terms of the Business Combination Agreement will be described in detail in the joint management

information circular of Dacha and Aberdeen to be filed with the regulatory authorities and mailed to Dacha and Aberdeen shareholders in accordance with applicable securities laws in respect of the special meeting of each of Dacha and Aberdeen shareholders expected to be held in October 2012. Subject to shareholder, court and regulatory approvals, the Transaction is also expected to close in October 2012.

Special Committees and Recommendation of Boards of Directors

The board of directors of Dacha and Aberdeen have each established a special committee to review the proposed Transaction. The Dacha special committee retained Cormark Securities Inc. ("Cormark") as its financial advisor and the Aberdeen special committee retained GMP Securities L.P. ("GMP") as its financial advisor.

The special committee of Aberdeen has received an opinion from GMP that the consideration to be received by the Aberdeen shareholders is fair, from a financial point of view, to the Aberdeen shareholders and the special committee of Dacha has received an opinion from Cormark that the Transaction is fair from a financial point of view to Dacha.

The board of directors of each of Dacha and Aberdeen unanimously support the proposed Transaction and recommend to their respective shareholders that they vote in favour of the Transaction at their respective shareholder meetings to be called to approve the Transaction. The reasons that the board of directors of each company has recommended voting in favour of the Transaction will be detailed in the aforementioned joint management information circular.

The Business Combination Agreement includes a commitment by each of Dacha and Aberdeen not to solicit alternative transactions to the proposed Transaction. If a party terminates in certain circumstances, the Business Combination Agreement provides that such party is obligated to pay to the other party a termination payment in cash of \$1 million. Each party has also been provided with certain other rights, representations and warranties and covenants customary for a transaction of this nature, and each party has the right to match any competing offers made to the other party.

Financial Advisors, Counsel and Proxy Solicitation Agent

Dacha's financial advisor is Cormark and its counsel is Norton Rose Canada LLP. Aberdeen's financial advisor is GMP and its counsel is Cassels Brock & Blackwell LLP.

Kingsdale Shareholder Services Inc. ("Kingsdale") has been retained to act as Proxy Solicitation and Information Agent in connection with the Transaction. Aberdeen or Dacha shareholders with questions about the Transaction may contact Kingsdale toll free at 1-866-229-8263. Outside of North America, please dial 416-872-2272, or email at contactus@kingsdaleshareholder.com.

Related Party Transactions / Business Combination

Pursuant to Multilateral Instrument MI 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the Transaction constitutes a "business combination," for Aberdeen. Aberdeen is exempt from the formal valuation requirement as the requirements of subsection 4.3(1) of MI 61-101 are not applicable to the proposed Transaction.

The Transaction constitutes a "related party transaction" for Dacha under MI 61-101, as certain of Dacha's directors and officers are Aberdeen shareholders, and in connection with the Transaction, Dacha will issue common shares to such persons in exchange for their respective Aberdeen shareholdings. Pursuant to subsections 5.5(a) and 5.7(1)(a) of MI 61-101, Dacha is exempt from the requirements under MI 61-101 of having to perform a formal valuation of, and obtaining minority approval of, the Transaction, as, at the time the Transaction was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Transaction, insofar as it involved "interested parties" (as defined in MI 61-101), exceeded 25% of Dacha's market capitalization. Dacha is seeking shareholder approval of the Transaction pursuant to the applicable requirements of the TSXV.

Investor Call

Management of Dacha and Aberdeen plan to host a conference call on Thursday, August 16th, 2012 at 10:00 AM (EST) to discuss the Transaction. To participate in the call please dial:

International: +1 416 340 8530

Toll Free North America: 877-240-9772
Toronto Area: 416 340 8530

To register and listen to the webcast of the call, please go to Aberdeen's website at www.aberdeeninternational.ca. or Dacha's website at www.dachametals.com. A webcast play back recording will remain on both websites after the completion of the call.

ABOUT DACHA

Dacha invests in physical strategic minerals, certain of which are currently unavailable directly to investors. Dacha has acquired a strategic inventory of these minerals with a primary initial focus on rare earth elements. Dacha's focus is to achieve investment gains through the long-term appreciation in the value of its physical holdings of strategic minerals, particularly rare earth elements. Dacha intends to add value by becoming an active market participant in strategic minerals and seeks to meet this investment objective by: (i) assembling a portfolio of strategic minerals that it believes has the greatest potential for capital appreciation and thereafter employing a "buy-and-hold" investment strategy; and (ii) opportunistically trading from time-to-time to realize gains to meet its investment objective.

ABOUT ABERDEEN

Aberdeen is a publicly traded global investment and merchant banking company focused on small cap companies in the resource sector. Aberdeen will seek to acquire significant equity participation in pre-initial public offering and/or early stage public resource companies with undeveloped or undervalued high-quality resources. Aberdeen will focus on companies that: (i) are in need of managerial, technical and financial resources to realize their full potential; (ii) are undervalued in foreign capital markets; and/or (iii) operate in jurisdictions with moderate local political risk. Aberdeen seeks to provide value-added managerial and board advisory services to companies. Aberdeen's intention is to optimize the return on its investment over an 18 to 24 month investment time frame.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this press release, including any information relating to the Transaction (including the anticipated benefits of the Transaction) and Dacha's or Aberdeen's future financial or operating performance may be deemed "forward looking". All statements in this press release, other than statements of historical fact, that address events or developments that Dacha or Aberdeen expects to occur, are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimates", "projects", "potential", "scheduled", "forecast", "budget" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are subject to important risk factors and uncertainties, many of which are beyond Dacha or Aberdeen's ability to control or predict. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause Dacha or Aberdeen's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Assumptions upon which such forward looking statements are based on include that Dacha and Aberdeen will be able to satisfy the conditions contained in the Business Combination Agreement, that the due diligence investigations of each party will not identify any materially adverse facts or circumstances, that the required approvals will be obtained from the shareholders of each of Aberdeen and Dacha, that all third party, court, regulatory and governmental approvals to the Transactions will be obtained including from the TSX and TSXV and Ontario Superior Court of Justice and all other conditions to completion of the Transaction will be satisfied or waived. Many of these assumptions are based on factors and events that are not within the control of Dacha and Aberdeen and there is no assurance they will prove to be correct. Such factors include, without limitation: capital requirements; fluctuations in the international currency markets and in rates of exchange of metal prices; changes in national and local government legislation in Canada, China, Korea and Singapore or any other country in which Dacha and Aberdeen currently or may in the future carry on business; taxation; controls, regulations and political or economic developments in the countries in which Dacha and Aberdeen does or may carry on business; competition; loss of key employees; and additional funding requirements;

Any forward-looking statement speaks only as of the date on which it is made and Dacha and Aberdeen expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise, except in accordance with applicable securities laws. Although each of Dacha and Aberdeen believe that the assumptions inherent in the forward-looking

statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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