

Powertech Uranium Corp. Enters Into Agreements With Strategic Investor

01.08.2013 | [Marketwired](#)

[Powertech Uranium Corp.](#) (TSX:PWE) (FRANKFURT:P8A) ("Powertech" or the "Company") ("Powertech" or the "Company") (Vancouver, B.C.), is pleased to announce that [Azarga Resources Limited](#) ("Azarga") has agreed to make a strategic investment in the Company and to form certain strategic alliances with the Company.

Azarga recently purchased approximately 17.5% of the issued and outstanding common shares in the capital of the Company on an undiluted basis from The K2 Principal Fund L.P. See Azarga's news release and early warning report dated July 31, 2013 which are available under the Company's profile on SEDAR at www.sedar.com for details of Azarga's shareholdings in the Company.

Azarga is a private uranium investment vehicle based in Hong Kong. Azarga is the only significant uranium investment and development vehicle based in Asia and its focus is to generate uranium-linked investment returns for Asian investors. Azarga currently owns an 80% operating interest in the Kyzyl Ompul project, which hosts the largest known Soviet-era resource in the Kyrgyz Republic and non-operating equity exposure to uranium development projects in the United States and Turkey.

Richard Clement, President & CEO states, "We are pleased to have Azarga as a strategic investor who shares our vision on the development of the Company. Azarga's thorough understanding of the uranium markets will provide support and added value to the Company. Their positioning in Asia will provide enhanced access and exposure to those markets."

The Company issued a debenture to Azarga in the principal amount of C\$514,350 (the "Debenture") pursuant to the terms and conditions of a private placement agreement dated July 31, 2013 (the "Private Placement Agreement") between the Company and Azarga. The Debenture does not bear interest and is unsecured. The Debenture matures on July 31, 2015 (the "Maturity Date"), and may be prepaid by the Company, in whole or in part, during the first 12 months for an amount equal to 115% of the principal sum being repaid, and during the second 12 months, but on or before the Maturity Date, for an amount equal to 130% of the principal sum being repaid.

The Company, at its option and any time on or before the Maturity Date, may convert all or a portion of the principal amount of the Debenture into common shares of the Company (each, a "Share") at a price of \$0.07 per Share, subject to adjustment in accordance with the terms of the Debenture (the "Conversion Price"). The amount of shares to be issued if the conversion is in the first 12 months after issuance will be equal to the number of Shares as determined by dividing the amount which is 115% of the principal amount being converted by the Conversion Price, and if the conversion is in the second 12 months after issuance, will be equal to the number of Shares as determined by dividing the amount which is 130% of the principal amount being converted by the Conversion Price. The Debenture may be converted by Azarga, at its option, at any time after the board of directors of the Company (the "Board") recommends or approves a change of control of the Company or after the occurrence of an event of default under the terms of the Debenture which is not cured within any applicable grace periods. If the Debenture is converted, Azarga would hold approximately 22% of the issued and outstanding Shares on an undiluted basis. Conversion of the Debenture is subject to, among other things, disinterested approval of the shareholders of the Company and of the Toronto Stock Exchange (the "TSX").

The Company and Azarga have also agreed to form certain strategic alliances pursuant to the Private Placement Agreement. In particular, the parties have agreed to share data and expertise, Azarga has agreed to provide certain advisory services to the Company and to use its best efforts to support any equity financings undertaken by the Company and the Company has agreed to appoint a representative of Azarga to the board of directors of the Company and to the Company's audit committee for so long as Azarga and/or its affiliates own in the aggregate at least 10% of the issued and outstanding Shares.

In addition, Azarga has agreed to purchase (the "Property Purchase Transaction") a 60% interest in the Company's Centennial Project located in Weld County, Colorado (the "Property") for a total purchase price (the "Purchase Price") of \$1,500,000 to be paid over two years pursuant to a letter agreement between Azarga and the Company dated July 31, 2013 (the "Letter Agreement"). The Company will retain a 40% interest in the Property.

Azarga has agreed to pay the Purchase Price by delivering \$250,000 to the Company on execution of the Letter Agreement (completed), \$750,000 within 30 days of the execution of the Letter Agreement and \$500,000 on or before the closing date payable by way of a promissory note issued by Azarga to the Company with \$250,000 payable on or before the date that is 12 months after the closing date and \$250,000 payable on or before the date that is 24 months after the closing date. If the Property Purchase Transaction is not approved by disinterested shareholders of the Company, the aggregate payments in the amount of \$1,000,000 that are to be made towards the purchase price prior to closing will become subject to another debenture which the parties have agreed will be on substantially the same terms as the Debenture. The Letter Agreement also provides for a put option whereby the Company can sell its remaining 40% interest in the Property to Azarga at any time on or after January 1, 2017 for \$250,000, and for a call option whereby Azarga can purchase the Company's remaining 40% interest in the Property either: (i) at any time on or after January 1, 2017 for \$7,000,000, or (ii) within ten days of the occurrence of a change of control of the Company for \$1,000,000.

Upon payment of the full Purchase Price, a joint venture will be formed between the Company and Azarga for the exploration and development of the Property and Azarga will act as operator of the joint venture. Azarga has no current plans to develop the Property and intends to focus on reviewing the Property for exploration and development potential. Closing of the Property Purchase Transaction is subject to, among other things, receipt of all necessary approvals including disinterested approval of the shareholders of the Company and approval of the TSX.

The Company intends to schedule an annual and special meeting of its shareholders as soon as practicable to consider and vote, among other matters, on the conversion features attached to the Debenture and on the Property Purchase Transaction.

About Powertech Uranium Corp.

[Powertech Uranium Corp.](http://www.powertechuranium.com) is a mineral exploration and development company that, through its Denver-based subsidiary Powertech (USA), Inc., holds the Dewey-Burdock Uranium Deposit in South Dakota, the Centennial Project in Colorado and the Dewey Terrace and Aladdin Projects in Wyoming. The Company's key personnel have in-situ uranium experience throughout the United States, and worldwide. For more information, please visit www.powertechuranium.com.

POWERTECH URANIUM CORP.

Richard F. Clement Jr.
President & CEO

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release.

Disclaimer for Forward-Looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the Debenture, strategic alliance and property purchase. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future, and include statements regarding: (a) the repayment and conversion of the Debenture, (b) the receipt of shareholder and TSX approval for the conversion features associated with the Debenture, (c) the shareholdings of Azarga, (d) payment of the purchase price for the Property, (e) formation of a joint venture with Azarga, (f) conversion of a portion of the purchase price for the Property into a separate debenture, and (g) the receipt of shareholder, TSX and other approvals for the Property Purchase Transaction. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements, including: (1) the Private Placement Agreement, Debenture or Letter Agreement are terminated, (2) the repayment or conversion of the Debenture is not completed as planned, (3) shareholder, TSX or any other necessary approvals are not obtained for the conversion features of the Debenture or the closing of the Property Purchase Transaction, (4) the inherent uncertainties and speculative nature associated with uranium exploration, including the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, possible variations in grade and ore densities or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents or other risks of the mining industry, (5) a decrease in the demand for and/or a decrease in the price of

uranium, (6) an increase in the operating costs associated with the extraction and processing of the uranium, (7) any number of events or causes which may delay or cease exploration and development of the Company's property interests, such as environmental liabilities, weather, mechanical failures, safety concerns and labour problems, (8) the risk that the Company does not execute its business plan, (9) inability to retain key employees, (10) inability to finance operations and growth, (11) an extended downturn in general economic conditions in North America and internationally, (12) an increase in the number of competitors with larger resources, and (13) other factors beyond the Company's control.

No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. These forward-looking statements are made as of the date of this news release and the Company assumes no obligation to update these forward-looking statements, or to update the reasons why actual results differed from those projected in the forward-looking statements. Additional information about these and other assumptions, risks and uncertainties are set out in the "Risks and Uncertainties" section in the Company's MD&A filed with Canadian security regulators at www.sedar.com.

Contact

Powertech Uranium Corp.

Thomas A. Doyle, CFO, VP Finance

(604) 685-9181

info@powertechuranium.com

www.powertechuranium.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/153808--Powertech-Uranium-Corp.-Enters-Into-Agreements-With-Strategic-Investor.html>

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](#).