

Intrepid Mines Limited: Chairman's Address-Extraordinary General Meeting

09.04.2014 | [Marketwired](#)

BRISBANE, AUSTRALIA--(Marketwired - Apr 9, 2014) - [Intrepid Mines Ltd.](#) (TSX:IAU)(ASX:IAU) ("Intrepid", or the "Company"), advises that the Chairman of Intrepid will deliver the attached address at the Extraordinary General Meeting of the Company on 9 April 2014.

Inquiries regarding this report and Company business may be directed to:

CHAIRMAN'S ADDRESS

I am sure that most of you will be familiar with the history of our involvement with the Tujuh Bukit project, so today I want to focus on the factors that led to this proposed settlement.

Since Intrepid was forcibly ejected from the Tujuh Bukit site in July 2012, we have sought to recover value for shareholders through several avenues. These included:

• Laying a complaint of criminal fraud against our previous partners PTIMN

• Challenging in the Administrative Tribunal the transfer of the tenements out of PTIMN

• Instituting arbitration proceedings to seek to have our contractual rights upheld

• Negotiating with those with whom we were in dispute for a commercial settlement

• Gaining the support, in a transparent manner, of an influential and well respected Indonesian advocate

• Highlighting our plight in the media in Indonesia and Australia

In the early stages we were confident that the strength of our legal position would result in a favourable outcome, but as time passed it became obvious that no matter what the strength of our legal case, it was going to be difficult to get a timely decision in our favour. By late 2012, we had concluded that it was most likely that the matter would be resolved by a commercial negotiation. Our ability to influence the terms of that settlement lay in our preparedness for a long legal battle, during the course of which nobody would hold the clear legal title needed to finance and build the project. At that stage, our view was that the most likely outcome was for Intrepid to end up as a partner in a joint venture to deliver the project, as we could see limited prospects of either party buying the other out. However we were very much mindful of the difficulties inherent in building a strong development team from parties who had been in fierce dispute.

In the last year, several things intervened to crystallise our views.

• The Indonesian Government imposed constraints on the export of unprocessed minerals in order to encourage the development of processing capacity in Indonesia. This had the effect of substantially reducing the return on investment of projects like ours.

• Regulation of foreign investment in the sector changed such that it was no longer possible for a

foreign entity to hold more than 49% of a mining project, and for those that did hold more, the sell down provisions became much more onerous, and

Commodity prices came off the peaks they had seen earlier, further reducing the potential return from minerals projects and potentially limiting, at least in the short term, finance availability.

Collectively, these events signalled that the best our expected settlement could give us would be to be a minority partner in a potentially difficult partnership, in a high sovereign risk jurisdiction, and with a project that for a number of reasons was looking challenging to finance. As a consequence, we began to think more actively about potential exit scenarios.

I will not go into a detailed description of the negotiations, but suffice to say, when an opportunity arose for us to exit with no ongoing liabilities, and around 80% of our invested funds returned to us, the board concluded that while the outcome was neither fair nor just, it was the best exit package we were likely to get.

If you vote today in favour of accepting the proposed settlement, Intrepid will have USD167M in the bank and a range of options to consider. Those options include:

Returning all surplus cash to shareholders, and winding up the company

Investing the cash in another business

A partial capital return coupled with a smaller investment.

The Company has been assessing investment options for some time, and we believe there are some attractive investment opportunities in the resources sector, one of which we expect to be able to outline in some detail shortly. However above all else we believe that the choice about the future of the company belongs to the shareholders, not to the board, and we have already committed not to take any decisions that pre-empt that shareholder choice. We expect to be able to outline the nature of the options, and the process by which we will decide on them in shortly.

Meanwhile, as you will have seen from the Notice of Meeting recently mailed to you, Quantum Pacific Capital lead a shareholder group who are seeking, as they did last year, to replace the current board with one of their choosing. Their stated intention is to cease all activity with regard to other potential investments, and to immediately put a resolution to shareholders to return surplus cash. I don't want to canvass the merits of that case today, as we have another meeting on 13th May to do that. However I do want simply to point out that today's meeting is the first in a series of meetings, including our AGM in late May, which will be crucial to determining the future of the company. We encourage you to actively consider the issues and to vote on them in due course.

Contact

[Intrepid Mines Ltd.](#)

Scott Lowe

Chief Executive Officer, Brisbane, Australia

+61 7 3007 8000

slowe@intrepidmines.com

[Intrepid Mines Ltd.](#)

Greg Taylor

Toronto, Canada

+905 337 7673 or Mobile: +416 605 5120

gtaylor@intrepidmines.com

www.intrepidmines.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/170583--Intrepid-Mines-Limited--Chairmanund039s-Address-Extraordinary-General-Meeting.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](#).