

Crown Point Energy Inc. Says Activist Investor Demands Exclusive Right to Negotiate Change-of-Control Equity Financing

12.11.2014 | [Marketwired](#)

Crown Point Rejects Demand and Adopts Shareholder Rights Plan

CALGARY, ALBERTA--(Marketwired - Nov 11, 2014) - [Crown Point Energy Inc.](#) ("Crown Point" or the "Company") (TSX VENTURE:CWV) advises shareholders that it has received correspondence from an activist investor that demands an exclusive right to negotiate a change-of-control equity financing with Crown Point. In the letter, the activist threatens to launch a proxy contest if Crown Point does not acquiesce to this exclusivity ultimatum by 5 pm (Calgary time) today.

Crown Point also advises shareholders that its Board of Directors has rejected the exclusivity demand and has adopted a Shareholder Rights Plan (the "Rights Plan") effective today. The Rights Plan is intended to protect shareholders in certain circumstances.

"While rejecting the exclusivity demand, Crown Point is not averse to negotiating an equity financing in the near term to help fund the Company's capital program and growth plans," said Gordon Kettleson, Chairman of Crown Point. "However, given the unfavourable financing terms proposed by this activist and the absence of certain critical supporting information, we believe that the proposed exclusivity agreement will not serve the interests of the Company and its shareholders at this time."

Terms of activist's proposed financing.

The activist proposes that Crown Point increase its share capital by 25% through an issue of new shares to the activist at C\$0.20 per share. The activist also proposes to receive a warrant for every two new shares issued, each of which would allow the activist to acquire an additional share from the Company at a price of C\$0.30 per share for an unspecified period of time.

Crown Point notes that the activist has not provided the Company with detailed background information on its structure, principals and shareholders. Further, as part of the financing the activist proposes to take control of Crown Point's Board and to replace Crown Point's management, but the activist has provided no information on its Board nominees and replacement for management. The activist has refused to provide the Company with additional information regarding its proposal unless the Company agrees to the exclusivity rights demanded. The activist claims to be a 7% shareholder of Crown Point but has not provided any information to verify this ownership.

Shareholder Rights Plan

The Rights Plan adopted by the Board is designed to encourage the fair treatment of shareholders of the Company in connection with any unsolicited take-over bid, to ensure, to the extent possible, that the shareholders of the Company and the Board have adequate time to consider and evaluate any unsolicited take-over bid, and to ensure, to the extent possible, that the Board has adequate time to identify, develop

and negotiate value-enhancing alternatives, if considered appropriate, to any unsolicited take-over bid.

The purpose of the Rights Plan is to encourage a potential bidder to make a "Permitted Bid", having terms and conditions designed to meet the objectives of the Rights Plan, or to negotiate the terms of an offer with the Board. A Permitted Bid is a take-over bid that is made to all holders of common shares of the Company for all of the common shares held by them, by way of a take-over-bid circular prepared in compliance with applicable securities laws, that remains open for acceptance by shareholders of the Company for 90 days (or such shorter period of time as may be approved by the Board from time to time), and that satisfies certain other conditions.

The Rights Plan is subject to approval of the TSX Venture Exchange, and requires approval by Crown Point's shareholders within six months of the Rights Plan's effective date, failing which it will terminate.

A copy of the Rights Plan will be available under the Company's profile on SEDAR at www.sedar.com.

About Crown Point

[Crown Point Energy Inc.](http://www.crownpointenergy.com) is an international oil and gas exploration and development company headquartered in Calgary, Canada, incorporated in Canada, trading on the TSX Venture Exchange and operating in South America. Crown Point's exploration and development activities are focused in the Austral and Neuquén basins in Argentina. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.

Advisory.

Certain information set forth in this document, including: (i) with respect to the Company's expectation that the activist investor intends to commence a proxy contest if its demands for exclusivity are not met by 5:00 pm (Calgary time) today; (ii) with respect to Crown Point's assessment of the acceptability of completing an equity financing to meet its future capital obligations; and (iii) the intended effects and benefits of the Rights Plan, are considered forward-looking information, and necessarily involve risks and uncertainties, certain of which are beyond Crown Point's control. Such risks include but are not limited to: risks that the activist investor will not commence those actions as described herein; the inability to obtain required regulatory and shareholder approvals for the Rights Plan; the risk that the Company is unable to secure financing to fund its future capital obligations; the risk that the Rights Plan does not have the effect and intended benefits as set forth herein; stock market volatility and ability to access sufficient capital from internal and external sources; and economic or industry condition changes. Actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any events anticipated by the forward-looking information will transpire or occur, or if any of them do, what benefits that Crown Point will derive therefrom. With respect to forward-looking information contained herein, the Company has made assumptions regarding: the intentions of the activist investor described herein; the timely receipt of any required regulatory and shareholder approvals for the Rights Plan; the Rights Plan being in effect, and having effect, with respect to any unsolicited take-over bid; the ability of the Company to obtain financing on acceptable terms when and if needed; currency, exchange and interest rates; the regulatory framework regarding royalties, commodity price controls, import/export matters, taxes and environmental matters in Argentina; and the ability of the Company to successfully market its oil and natural gas products. Additional information on these and other factors that could affect Crown Point are included in reports on file with Canadian securities regulatory authorities, including under the heading "Risk Factors" in the Company's annual information form, and may be accessed through the SEDAR website (www.sedar.com). Furthermore, the forward-looking information contained in this document are made as of the date of this document, and Crown Point does not undertake any obligation to update publicly or to revise any of the included forward looking information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Contact

[Crown Point Energy Inc.](#)

Murray McCartney

President & CEO

(403) 232-1150

mmccartney@crownpointenergy.com

[Crown Point Energy Inc.](#)

Arthur J.G. Madden

Vice-President & CFO

(403) 232-1150

amadden@crownpointenergy.com

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/186191--Crown-Point-Energy-Inc.-Says-Activist-Investor-Demands-Exclusive-Right-to-Negotiate-Change-of-Control-Equity->

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 -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).