

Mart Enters Definitive Arrangement Agreement With Midwestern

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CALGARY, ALBERTA--(Marketwired - Mar 16, 2015) - [Mart Resources Inc.](#) (TSX:MMT) ("Mart" or the "Company") announces that, further to its March 2, 2015 news release in respect of its letter of intent with Midwestern Oil and Gas Company Ltd. ("Midwestern"), it has entered into a definitive arrangement agreement (the "Arrangement Agreement") with Midwestern, the operator of and one of Mart's co-venturers in the Umusadege field in Nigeria. Pursuant to the Arrangement Agreement, a wholly-owned subsidiary of Midwestern will acquire all of the issued and outstanding common shares of Mart by way of a plan of arrangement under the *Business Corporations Act* (Alberta) (the "Arrangement"), including the assumption of all outstanding bank debt of Mart (currently, approximately US\$200 million), and each Mart shareholder will receive CDN\$0.80 in exchange for each Mart common share held (the "Cash Consideration").

The Cash Consideration represents a 40.3% premium to the closing price and a 28% premium to the 20 day VWAP price of Mart's common shares on the Toronto Stock Exchange ("TSX") on February 27, 2015, the last trading day for Mart's common shares prior to the date of the announcement of the letter of intent and a 42.9% premium to the closing price and a 31.1% premium to the 20 day VWAP price of Mart's common shares on the TSX on March 13, 2015, the last trading day for Mart's common shares prior to the date of this announcement.

The board of directors of Mart, following receipt of a unanimous recommendation by a special committee of independent directors of Mart constituted to review strategic alternatives (the "Special Committee"), has unanimously determined that the Cash Consideration is fair to Mart shareholders and that the Arrangement is in the best interests of the Company and recommends that shareholders and optionholders vote in favour of the Arrangement. FirstEnergy Capital LLP has provided the Special Committee with a verbal opinion that the Cash Consideration under the Arrangement is fair, from a financial point of view, to Mart shareholders.

The Arrangement Agreement

The Arrangement is subject to customary conditions for a transaction of this nature, which include court approvals, applicable regulatory and stock exchange approvals, including Investment Canada Act approval if required, the approval of 66 2/3% of Mart shareholders and 66 2/3% of Mart shareholders and optionholders (voting together as a single class) represented in person or by proxy at a special meeting of Mart shareholders and optionholders to be called to consider the Arrangement and a "majority of the minority" as required by Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* after excluding the votes cast in respect of common shares held by Wade Cherwayko.

The Arrangement Agreement includes customary non-solicitation covenants by Mart and provides Mart with the ability to respond to unsolicited proposals considered superior to the Arrangement in accordance with the terms of the Arrangement Agreement. In the event Mart accepts a superior proposal, Mart will be required to pay a break fee of CDN\$5.8 million to Midwestern. Midwestern has the customary right to match.

The Arrangement is also subject to a financing condition ("Financing Condition") as further described in Mart's March 2, 2015 news release. Midwestern has agreed to use reasonable commercial efforts to satisfy the Financing Condition on or prior to June 15, 2015 and to keep Mart informed as to the status and timing of the satisfaction of the Financing Condition. Prior to entering into the Arrangement Agreement, Mart received separate letters of confidence from each of Rand Merchant Bank ("RMB") and FBN Capital Limited ("FBN Capital") with respect to the proposed financing ("Proposed Financing") addressed to Midwestern (and in the case of the letter from FBN Capital, also addressed to Mart) where RMB and FBN Capital each expressed confidence that Midwestern would be able to complete the Proposed Financing subject to the limitations of capital markets for equity financing. Pursuant to the Arrangement Agreement, Midwestern is to provide copies of written binding commitments that have been entered into with investors in the Proposed Financing on or before May 15, 2015 (the "Commitment Date"). In the event such copies are not received to the

reasonable satisfaction of Mart on or prior to the Commitment Date, Mart (i) shall be permitted to provide due diligence access to certain eligible persons equivalent to that which has been provided to Midwestern; and (ii) may adjourn or postpone any meeting of Mart shareholders previously called to approve the Arrangement. Notwithstanding the foregoing, the Arrangement Agreement contemplates that Midwestern will have the right to satisfy the Financing Condition through to June 15, 2015 and complete the Arrangement in accordance with the terms of the Arrangement Agreement. If the Financing Condition is not met, Midwestern will be required to pay a reverse break fee of CDN\$5.8 million to Mart.

An information circular regarding the Arrangement is expected to be mailed to Mart shareholders in May 2015 for a special meeting of the holders of common shares to consider the Arrangement scheduled to take place in June, with closing expected to occur in mid-June 2015.

A copy of the Arrangement Agreement will be made available under the Company's profile on SEDAR at www.sedar.com.

All of the members of Mart's board of directors and certain senior officers and certain related shareholders, who collectively own approximately 2.72% and 80.80% of the outstanding Mart common shares and options, respectively, have agreed to vote their shares and options in favor of the Arrangement.

Financial Advisors and Fairness Opinion

FirstEnergy Capital LLP is acting as financial advisor to the Special Committee. A copy of FirstEnergy Capital LLP's fairness opinion will be included in the information circular to be sent to Mart shareholders for the special meeting to be called to consider the Arrangement.

RMB and FBN Capital are acting as exclusive financial advisors to Midwestern in connection with the Arrangement and the Proposed Financing.

Additional information regarding Mart is available on the Company's website at www.martresources.com and under the Company's profile on SEDAR at www.sedar.com.

Forward Looking Statements and Risks

Certain statements contained in this press release constitute "forward-looking statements" as such term is used in applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or are not statements of historical fact and should be viewed as "forward-looking statements". There are "forward-looking statements" included in this press release that relate to the timing of the mailing of the information circular regarding the Arrangement, the meeting date and the closing date. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

There can be no assurance that such forward-looking statements will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this news release. The forward-looking statements contained herein are expressly qualified by this cautionary statement. In particular, there is no assurance that the conditions set out in the Arrangement Agreement, including Financing Condition will be satisfied. There is also no assurance that the Arrangement will be completed on the timelines indicated or at all. Accordingly, because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements and if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.

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