

Gold Ridge Exploration Provides an Update on Its Proposed Transaction With Energy Knowledge Inc.

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[Gold Ridge Exploration Corp.](#) ("Gold Ridge") (TSX VENTURE:GEA) provides the following update in connection with its proposed Change of Business Transaction previously announced on May 12, 2015. Gold Ridge has executed a definitive plan of arrangement agreement dated September 21, 2015 (the "Arrangement") with Energy Knowledge Inc. ("EKI"), or its nominee, a highly secure Industrial Internet solutions provider serving the asset intensive industries. The Arrangement is to be implemented by way of a court- approved plan of arrangement pursuant to the Business Corporations Act (Alberta). The Arrangement will constitute a "Change of Business" transaction in accordance with Policy 5.2 of the TSX Venture Exchange (the "Exchange"), subject to the Exchange's approval.

The Arrangement

The implementation of the Arrangement will be subject to, among other things, board, shareholders, court and regulatory approvals, including Exchange acceptance of the Arrangement. In addition, the Arrangement shall be subject to the completion by Gold Ridge of a private placement consisting of the issuance of subscription receipts for a minimum gross proceeds of CDN\$30,000,000, as described below.

Under the Arrangement, the purchase price shall be satisfied as follows: (i) the issuance of 7,000,000 common shares of the resulting issuer ("Amalco") at a deemed issue price of CDN\$1.00 per Amalco share; (ii) the issuance of USD\$2,000,000 worth of Amalco shares at a deemed issue price of CDN\$1.00 per Amalco share; and (iii) payment of USD\$18,000,000 to EKI, which is payable pursuant to the terms of a stock purchase agreement between EKI and Industrial Evolution, Inc. ("Industrial Evolution") dated April 24, 2015, as amended, (the "EKI Agreement") (refer to news release dated May 12, 2015 for details). The final purchase price on the closing date shall be an aggregate of USD\$20,000,000 and CDN\$7,000,000.

The Arrangement involves, among other things, the consolidation of Gold Ridge's issued and outstanding common shares on the basis of one post-consolidation common share for every eight common shares issued and outstanding ("Consolidation"), resulting in an aggregate issuance of 1,650,875 common shares of Amalco to Gold Ridge shareholders. Each outstanding Gold Ridge stock option or agents' option shall also be subject to the Consolidation, resulting in an aggregate issuance of 156,250 post-Consolidation Amalco options to Gold Ridge option holders. Each outstanding EKI common share shall be exchanged for one Amalco common share, resulting in an aggregate issuance of 7,000,000 Amalco shares to EKI shareholders, and USD\$2,000,000 worth of Amalco shares to the shareholders of Industrial Evolution under the EKI Agreement. EKI has no outstanding options or warrants to purchase EKI shares.

Subject to applicable regulatory approval, the Resulting Issuer will be named "Industrial Knowledge Inc." on completion of the Arrangement.

The boards of Gold Ridge and EKI have approved the proposed Arrangement and recommended that security holders vote in favour of the Arrangement. All of the directors and officers of Gold Ridge and EKI are expected to enter into lock-up agreements whereby they have agreed to vote their respective common shares in favour of the Arrangement.

Gold Ridge and EKI must hold a special meeting of respective shareholders to approve the Arrangement. A joint management information circular containing a complete description of the Arrangement and a description of tax implications to shareholders is currently being prepared and will be sent to respective shareholders in connection with the special meetings to approve the Arrangement once the Exchange has conditionally approved the Arrangement. The Arrangement is expected to close on or about October 30, 2015.

Pro Forma Share Capital of the Resulting Issuer

After giving effect to the Arrangement and completion of the Minimum Offering, as defined below, Amalco is

expected to have approximately 42 million post-Consolidation common shares outstanding, with the precise number dependent on the US dollar exchange rate and the total amount of private placement funds. This figure may change due to customary post-closing adjustments contained in the EKI Agreement.

EKI and Industrial Evolution Financial Summary

Updated interim financial statements for each of EKI and Industrial Evolution are currently being prepared and further disclosure of key financial information will be provided in a subsequent news release.

Private Placement

Gold Ridge is proceeding with a private placement of subscription receipts (the "Offering") to be completed concurrently with the Arrangement and consisting of the issuance of a minimum of 30,000,000 subscription receipts at a price of \$1.00 per subscription receipt for gross proceeds of \$30,000,000 (the "Minimum Offering") and a maximum of 35,000,000 subscription receipts at a price of \$1.00 per subscription receipt for gross proceeds of \$35,000,000 (the "Maximum Offering"). A minimum of \$500,000 of the Offering will be completed on a brokered basis (the "Brokered Offering").

Gold Ridge and EKI have entered into a letter of engagement with Wolverton Securities Ltd. ("Wolverton") in connection with the Brokered Offering. Under the Brokered Offering, Wolverton will assist Gold Ridge on a commercially reasonable efforts basis, to find subscribers for a minimum of 500,000 subscription receipts, at a price of \$1.00 per subscription receipt (after giving effect to the Consolidation) for minimum gross proceeds of \$500,000.

In consideration for its services under the Brokered Offering, Wolverton will receive a commission on the gross proceeds received from the sale of the subscription receipts, payable in cash, post-Consolidation common shares of Amalco at a price of \$1.00, or any combination thereof at the discretion of Wolverton. Gold Ridge will also grant to Wolverton an agent's option entitling Wolverton to purchase such number of common shares of Amalco equal to a percentage of the aggregate number of subscription receipts sold under the Brokered Offering, at an exercise price of \$1.00, for a period of two years from the date of closing of the Arrangement.

Wolverton will also be paid a corporate finance fee consisting of cash and the issuance of 120,000 subscription receipts, and will also be reimbursed for all reasonable expenses incurred with respect to the Brokered Offering.

For subscription receipts sold outside the Brokered Offering, Gold Ridge and/or EKI may enter into a Finder's Fee arrangement with various parties that will pay the party a fee as a percentage of the gross proceeds of subscription receipts.

Under the terms of the Offering and the Brokered Offering, which are both required to close on or before completion of the Arrangement, the net proceeds will be held in escrow pending satisfaction of the escrow release conditions as described below (the "Escrow Release Conditions"). Each subscription receipt will entitle the holder thereof to receive without further consideration or action one common share of Amalco upon the satisfaction of the Escrow Release Conditions provided that such conditions have been satisfied at or prior to the earlier: (i) 4:30 p.m. (Calgary time) on December 31, 2015 and (ii) the termination of the Arrangement in accordance with its terms (the "Termination Time"); or if the Escrow Release Conditions are not satisfied at or prior to the Termination Time, holders of the subscription receipts will be entitled to receive an amount equal to the full purchase price of a subscription receipt plus the holder's pro-rata entitlement to the interest.

The Escrow Release Conditions include, without limitation, the following:

1. All conditions required to complete the Arrangement (other than payment of the purchase price therefor) having been satisfied or waived by Gold Ridge or EKI, acting reasonably and such waiver being disclosed in writing to Wolverton.
2. The Exchange having approved the listing of the common shares underlying the subscription receipts on the Exchange.
3. Gold Ridge and EKI having delivered a joint notice to the escrow agent confirming that (i) all regulatory and other approvals required in respect of the Offering and Brokered Offering have been obtained; and (ii) all other escrow release conditions have been satisfied or waived.

The subscription receipts are being offered by way of a private placement. The subscription receipts will be subject to a hold period under applicable Canadian securities laws expiring four months and a day after the closing date.

The net proceeds from the Offering and the Brokered Offering will be used for the purposes of funding the cash portion of EKI's acquisition of Industrial Evolution, being USD\$18,000,000, and the balance for transaction costs, operations, business development expenses, general administrative expenses, and for general working capital purposes.

Resumption of Trading

The common shares of Gold Ridge will remain halted pending receipt by the Exchange of certain required materials from Gold Ridge and until Gold Ridge engages a sponsor or a sponsorship exemption is granted.

Description of Significant Conditions to Closing

Completion of the Arrangement is subject to a number of conditions, as noted above, including, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Arrangement will be completed as proposed or at all. In addition, there are a number of conditions to closing of the transaction contemplated by the EKI Agreement, and there can be no guarantee that all such conditions will be satisfied in accordance with the terms of the EKI Agreement. Gold Ridge will issue a subsequent press release containing the details of additional terms of the Arrangement, including information relating to sponsorship, expected closing date, and to the extent not contained in this press release, additional information required by the Exchange with respect to the identity and jurisdiction of residence of control persons of EKI and key financial information of EKI and Industrial Evolution.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Gold Ridge should be considered highly speculative.

Neither the TSX Venture Exchange, Inc. nor its Regulation Service Provider (as that term is defined under the policies of the TSX Venture Exchange) has in any way passed upon the merits of the Arrangement and associated transactions and has neither approved nor disapproved of the contents of this press release.

Cautionary and Forward-Looking Statements:

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This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. Forward-looking statements and information are often, but not always, identified by the use of words such as "appear", "seek", "anticipate", "plan", "continue", "estimate", "approximate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions.

More particularly and without limitation, this news release contains "forward-looking statements" within the meaning of applicable securities laws relating to the proposal to complete the Arrangement and associated transactions, including statements regarding the terms and conditions of the Arrangement and associated transactions. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with the Arrangement and associated transactions, that the ultimate terms of the Arrangement and associated transactions will differ from those that currently are contemplated, and that the Arrangement and associated transactions will not be

successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The statements in this news release are made as of the date of this release. Gold Ridge undertakes no obligation to comment on analyses, expectations or statements made by third parties.

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