

Sprott Resource and Adriana Resources Receive Support from Leading Independent Proxy Advisors ISS and Glass Lewis for Business Combination

16.01.2017 | [Marketwired](#)

TORONTO, Jan 16, 2017 - Sprott Resource Corp. ("SRC") (TSX:SCP) and [Adriana Resources Inc.](#) ("ADI") (TSX VENTURE:ADI) are pleased to announce that leading proxy advisory firms Institutional Investor Services ("ISS") and Glass, Lewis & Co., LLC ("Glass Lewis") have recommended that SRC shareholders vote in favour of the proposed business combination (the "Business Combination") of SRC and ADI pursuant to which SRC would become a wholly-owned subsidiary of ADI and SRC shareholders would receive 3.0 ADI common shares per common share of SRC. Glass Lewis did not issue a recommendation to shareholders of ADI on the proposed business combination.

The ISS report notes: "the proposed combination will provide shareholders of the company with an increased NAV at \$150 million as well as a stronger balance sheet with a cash balance of \$55 million with no debt. The arrangement will also provide the combined entity new capital from private placements and increased liquidity for new and existing investments. In light of the favourable market reaction and the reasonable strategic rationale, shareholder approval of the arrangement is warranted."

In addition, the Glass Lewis report notes: "the proposed arrangement is expected to result in greater scale, financial strength and an improved capital markets profile compared to the standalone SRC, provides existing SRC shareholders with exposure to ADI's interest in the Lac Oteluk iron ore project, aligns the retained majority equity interests of SRC shareholders in the combined company with those of Sprott and experienced resource investors, is expected to narrow the gap between market prices and NAV and enhances the management team of the combined company."

If shareholders approve the Business Combination, and the other conditions to its implementation are satisfied, current SRC shareholders will hold approximately 57% of the outstanding common shares of the combined entity and current ADI shareholders will hold approximately 31% of the outstanding common shares of the combined entity.

Welcoming the ISS and Glass Lewis recommendations, SRC's chief executive, Steve Yuzpe said: "We are very pleased that both ISS and Glass Lewis are recommending that shareholders vote in favour of the proposed business combination of SRC and ADI. We firmly believe this transaction will create a stronger company and benefit all shareholders."

Mike Harrison, ADI's chief executive said: "The support of these leading proxy firms further validates the recommendations of both the SRC and ADI boards that shareholders should vote in favour of the proposed transactions."

We encourage all SRC and ADI shareholders to read the joint management proxy circular with regards to the Business Combination involving SRC and ADI which was mailed to shareholders of record as of December 19, 2016 and is available on SEDAR at www.sedar.com. The joint management proxy circular provided by SRC and ADI contains a detailed description of the Business Combination.

The Board of Directors of SRC unanimously recommends (Peter Grosskopf and Steve Yuzpe being interested directors, abstained from voting) that SRC shareholders vote FOR the Business Combination involving ADI to be considered at the special meeting of SRC shareholders.

The Board of Directors of ADI recommends that ADI shareholders vote FOR the Business Combination involving SRC and the related transactions and the name change to be considered at the special meeting of ADI shareholders.

SRC and ADI shareholders are reminded to vote before the proxy cut-off time at 9:00 a.m. (Toronto Time) and 10:30 a.m. (Toronto Time), respectively, on Monday, January 23, 2017.

If you require any assistance in completing your proxy, please consult with our proxy solicitor, Kingsdale

Shareholder Services ("Kingsdale") by telephone at 1-888-518-6805 toll-free in North America or call collect at 416-867-2272 outside of North America or by e-mail at contactus@kingsdaleshareholder.com. Kingsdale provides support for shareholders in English and French.

About Sprott Resource Corp.

SRC is a publicly-listed private equity firm focused on the natural resource sector. The company currently has investments in energy production and services, mining and agriculture. SRC creates value for its investors by applying a disciplined investment process to deploy capital while managing risk within highly cyclical sectors. SRC is a business builder that is committed to being a value-added partner with proven management teams. SRC supports its investments through active management and the provision of long-term capital, as well as strategic, financial and governance oversight. Founded in 2007, SRC is based in Toronto, Canada and is managed by an experienced team of private equity specialists, supported by the technical and investment resources of Sprott Inc. and its subsidiaries and affiliates. Management of SRC is dedicated to generating long-term superior returns on capital for its shareholders, while focusing on risk management and real wealth preservation. To learn more, please visit www.sprottresource.com.

About Adriana Resources Inc.

ADI owns 40% of the Lac Otehluk iron ore project in Northern Quebec. ADI's 60% joint venture partner in Lac Otehluk Mining Ltd. ("LOM JV") is WISCO International Resources & Investment Limited, a subsidiary of Bao Wu Steel Ltd. In April 2015, the LOM JV published a NI 43-101 compliant Technical Report on the feasibility of the Lac Otehluk project. ADI reported a cash position of \$28.6 million as at September 30, 2016. The LOM JV is currently on care and maintenance and has a cash position of \$7.9 million as of September 30, 2016. ADI has a Board of Directors and management team with extensive experience in the resource sector and has been undertaking a strategic review of opportunities to create shareholder value while the LOM JV project is on care and maintenance.

Forward-Looking Information and Statements

Certain statements in this press release contain forward-looking information (collectively referred to herein as the "Forward-Looking Statements") within the meaning of applicable securities laws including, but not limited to, statements about; the completion of the proposed transactions, including the Transaction and expected timing; the anticipated benefits of the Transaction to SRC and its securityholders and to ADI and its securityholders; the timing and anticipated receipt of required stock exchange, court and securityholder approvals for the proposed transactions; the ability of SRC and ADI to satisfy the other conditions to, and to complete, the Transaction; the anticipated mailing of the joint information circular regarding the Transaction; the intended transition from a private equity firm to a diversified holding company and anticipated benefits therefrom; and similar statements concerning anticipated future events, results, circumstances, performance or expectations, that reflect management's current expectations and are based on information currently available to management of SRC, ADI and their respective subsidiaries.

Forward-Looking Statements are based on a number of expectations or assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although SRC and ADI believe the expectations and assumptions reflected in such Forward-Looking Statements are reasonable, undue reliance should not be placed on Forward-Looking Statements because SRC can give no assurance that such expectations and assumptions will prove to be correct. The Forward-Looking Statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors, which may cause actual results or events to differ materially from those anticipated in such Forward-Looking Statements, including, but not limited to, a failure to realize the anticipated benefits of the Transaction and to successfully integrate SRC and ADI and the failure of SRC or ADI to obtain necessary securityholder, regulatory, court and other third party approvals, or to otherwise satisfy the conditions to the Transaction, in a timely manner, or at all. The foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of SRC, ADI and the combined company are included in reports on file with applicable securities regulatory authorities, including, but not limited to, those listed under the heading "Risk Factors" in SRC's annual information form dated March 4, 2016 and those listed under the heading "Risks and Uncertainties" in ADI's Management's Discussion and Analysis for the Year Ended December 31, 2015 dated February 26, 2016. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the Forward-Looking Statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the Forward-Looking Statements contained in this news release.

The Forward-Looking Statements contained in this news release speak only as of the date of this news release, and each of SRC and ADI do not assume any obligation to publicly update or revise any of the included Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities laws. Neither the Toronto Stock Exchange nor the 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 press release.

Contact

Sprott Group of Companies
Glen Williams, Director of Communications
416-943-4394
gwilliams@sprott.com

[Adriana Resources Inc.](#)

Michael Harrison, Chief Executive Officer
416-363-2200
mharrison@adrianaresources.com

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/253336--Sprott-Resource-and-Adriana-Resources-Receive-Support-from-Leading-Independent-Proxy-Advisors-ISS-and-Gla>

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](#).