

Advantage Lithium Corp. Announces Arrangement Agreement With Orocobre Limited

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VANCOUVER, Feb. 18, 2020 - [Advantage Lithium Corp.](#) (TSXV: AAL) (OTCQX: AVLIF) ("Advantage") is pleased to announce that it has entered into a definitive arrangement agreement (the "Arrangement Agreement") with [Orocobre Limited](#) (TSX: ORL) ("Orocobre") pursuant to which Orocobre will, subject to the terms and conditions of the Arrangement Agreement, acquire all of the issued and outstanding common shares of Advantage that Orocobre does not already own by way of a court-approved plan of arrangement (the "Arrangement") in exchange for 0.142 common shares of Orocobre (each whole common share, an "Orocobre Share") for each common share of Advantage (an "Advantage Share"). Based on the closing price of Orocobre Shares on the Australian Securities Exchange on February 18, 2020, the consideration represents a premium of approximately 24% to the closing price of Advantage Shares on February 14, 2020, the last trading day of Advantage Shares prior to the announcement of the Arrangement, and a premium of approximately 35% based on the trailing 20-day volume-weighted average price of Advantage as of the close of trading on February 14, 2020.

Arrangement Overview

The Arrangement will be carried out by way of a court-approved plan of arrangement under the provisions of the Business Corporations Act (British Columbia). Under the terms of the Arrangement, Advantage shareholders will receive 0.142 of an Orocobre Share for each Advantage Share held (such exchange ratio being hereinafter referred to as the "Exchange Ratio") resulting in the issuance of approximately 15.1 million Orocobre Shares in exchange for 106 million Advantage Shares (excluding approximately 56.5 million Advantage Shares currently held by Orocobre). In addition, (i) each outstanding Advantage option will be assigned and transferred to Orocobre in exchange for the issuance of a number of Orocobre Shares as is equivalent in value to the amount the consideration issued in respect of an Advantage Share exceeds the exercise price of such option and (ii) each outstanding Advantage restricted share unit will be redeemed in exchange for the issuance of such number of Orocobre Shares as is equal to the consideration to which such holder would have been entitled had such RSUs been redeemed for Advantage Shares. Total share consideration is valued at approximately \$69 million based on prices at the close of trading on February 14, 2020.

Completion of the Arrangement is subject to approval by the Supreme Court of British Columbia and the affirmative vote of Advantage shareholders at a special meeting that is expected to be held in April 2020 (the "Meeting"). At the Meeting, the Arrangement will require approval by at least two-thirds (66.7%) of the votes cast by Advantage shareholders present in person or represented by proxy and entitled to vote at the Meeting. The Arrangement will also require minority approval in accordance with Multilateral Instrument 61-101 ("Minority Approval"). The votes attaching to the Advantage Shares owned by Orocobre and certain other persons will be excluded for the purposes of determining whether Minority Approval is achieved.

Pursuant to the terms of the Arrangement Agreement, the Arrangement is also subject to customary conditions, including support of the transaction by directors, officers and significant shareholders of Advantage, and receipt of applicable regulatory and third party approvals and consents as may be required to effect and complete the transaction, including approval of the Toronto Stock Exchange (in respect of Orocobre) and the TSX Venture Exchange (in respect of Advantage). The Arrangement Agreement also provides for a payment of a termination fee of C\$1,000,000 by Advantage to Orocobre in certain circumstances where the transaction is not completed.

The board of directors of Advantage (the "Advantage Board") (with interested directors abstaining), after receiving the unanimous recommendation of the special committee of the Advantage Board created to consider matters relating to the Arrangement, has unanimously determined that the Arrangement is fair to Advantage shareholders and is in the best interests of Advantage. Accordingly, the Advantage Board approved the Arrangement and recommends that Advantage shareholders vote their Advantage Shares in favour of the Arrangement. In making its recommendation, the Advantage Board considered a number of factors, including the receipt by the Advantage Board of a fairness opinion from Fort Capital which determined that the consideration offered to Advantage shareholders pursuant to the Arrangement is fair, from a financial point of view, to Advantage shareholders.

All of the directors and officers of Advantage and certain significant shareholders of Advantage (who hold in

the aggregate approximately 11.6% of the issued and outstanding Advantage Shares on a non-diluted basis) have entered into support agreements with Orocobre pursuant to which they have agreed, among other things, to support the transaction and vote their Advantage Shares in favour of the Arrangement.

Assuming that all requisite approvals are received, Orocobre and Advantage expect to close the proposed Arrangement shortly after the date of the Meeting. Upon completion, all of the members of the Advantage Board will resign and the current management team of Orocobre will manage Advantage after completion of the Arrangement.

The terms of the Arrangement will be described in further detail in the Management Information Circular of Advantage to be filed with regulatory authorities and mailed to Advantage shareholders in March 2020 in accordance with applicable securities laws.

Advantage security holders and other interested parties are advised to read the materials relating to the proposed Arrangement, including the Arrangement Agreement that will be filed by Advantage with securities regulatory authorities in Canada when they become available. Anyone may obtain copies of these documents when available free of charge at the Canadian Securities Administrators' website at www.sedar.com.

Fort Capital Partners acted as financial advisor to the special committee of Advantage. McMillan LLP acted as legal counsel to Advantage.

This announcement is for informational purposes only and does not constitute a solicitation or a proxy.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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 release.

Further information about the Company can be found at www.advantagelithium.com.

About Advantage

[Advantage Lithium Corp.](#) is focused on developing its 75% owned Cauchari lithium project, located in Jujuy Province, Argentina. The Company also owns 100% interest in additional and prospective lithium exploration properties in Argentina: Antofalla, Incahuasi, and Guayatayoc having a combined area of ~72,000ha. The Company is headquartered in Vancouver, British Columbia and trades on the TSX Venture Exchange (TSX-V: AAL) and the OTCQX Best Market in the U.S. (OTCQX: AVLIF).

ON BEHALF OF THE BOARD OF DIRECTORS OF Advantage Lithium Corp.

"Callum Grant"
Callum Grant, Interim CEO

Cautionary Statement: Certain information in this news release is considered forward-looking within the meaning of certain securities laws and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to the Company's beliefs, plans, expectations, anticipations, estimates and intentions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this news release describes the Company's expectations as of the date of this news release. Forward-looking statements in this news release include, but are not limited to statements with respect to the anticipated timing for the meeting of Advantage shareholders and the closing of the Arrangement, the anticipated consideration to be received by Advantage shareholders, the satisfaction of closing conditions including: (i) required Advantage shareholder approval; (ii) necessary court approval in connection with the Arrangement; (iii) certain termination rights available to the parties under the Agreement; (iv) Advantage obtaining the necessary approvals from the TSX-V; and (v) other closing conditions, including, without limitation, the

operation and performance of the Advantage business in the ordinary course until the closing of the Arrangement and compliance by Advantage with various covenants contained in the Agreement.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Material factors which could cause actual results or events to differ materially from such forward- looking information include, among others, risks arising from general economic conditions; adverse industry events; inability to realize anticipated synergies; future legislative and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; income tax and regulatory matters; the ability of Advantage and Orocobre to implement their business strategies; competition; currency and interest rate fluctuations and other risks. Readers are cautioned that the foregoing list is not exhaustive.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME.

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