

Razor Energy Corp. Announces Flow-Through Rights Offering for up to \$5 Million

01.04.2022 | [GlobeNewswire](#)

CALGARY, March 31, 2022 - [Razor Energy Corp.](#) ("Razor") (TSXV: RZE) in conjunction with FutEra Power Corp. ("FutEra"), a wholly owned subsidiary of Razor, is pleased to announce that it is offering rights (the "Rights Offering") to eligible holders of its common shares (the "Common Shares") of record at the close of business on April 7, 2022 (the "Record Date").

Pursuant to the Rights Offering, each holder of Common Shares resident in a province or territory in Canada (the "Eligible Jurisdictions") will receive one right (a "Right") for each 1 Common Share held. Each whole Right will entitle the holder to subscribe for 0.0841016 of a Common Share. As a result, holders of Common Shares will need to exercise 11.8903796 Rights to acquire one Common Share. A holder of Rights must pay \$2.55 to purchase one Common Share. No fractional Common Shares will be issued and, where the exercise of Rights would otherwise entitle the holder of Rights to fractional Common Shares, the holder's entitlement will be reduced to the next lowest whole number of Common Shares and no cash or other consideration will be paid in lieu thereof.

Razor expects to raise gross proceeds of up to \$5 million from the Rights Offering and intends to use the proceeds to fund certain eligible expenses yet to be incurred for our current 21 MW geothermal/natural gas power project, and eligible expenses on various early stage power projects including additional geothermal initiatives. The expected closing date of the Rights Offering is May 9, 2022.

The Common Shares issued as a result of the Rights Offering will be issued on a "flow-through" basis in respect of Canadian renewable and conservation expense ("CRCE") within the meaning of the *Income Tax Act* (Canada). CRCE receives tax treatment similar to that of Canadian exploration expense under Section 66 of the *Income Tax Act* (Canada), but is a distinct category for fully deductible expenditures relating to the start-up of renewable energy and energy conservation projects. Upon issuing the Common Shares to shareholders of Razor at the closing of the Rights Offering, Razor will renounce 100% of the to-be-incurred eligible expenses to the Rights Offering subscribers which can be deducted from ordinary income in calculating the subscriber's liability for income tax. Razor and its subsidiaries are then committed to incur an amount of eligible expenses equal to the Rights Offering proceeds prior to December 31, 2023.

The Rights will trade on the TSX Venture Exchange ("TSXV") under the symbol RZE.RT commencing on April 6, 2022. Common Shares purchased on or following the Record Date will not be entitled to receive Rights under the Rights Offering. The Rights Offering expires at 5:00 p.m. (Calgary time) (the "Expiry Time") on May 6, 2022. Rights are exercisable until the Expiry Time, after which time unexercised Rights will be void and of no value.

Directors and officers of Razor, have indicated their intention to exercise some or all of their Rights, subject to market conditions.

The Rights Offering includes an additional subscription privilege under which eligible holders of Rights who fully exercise their Rights will be entitled to subscribe for additional Common Shares, if available, that are not otherwise subscribed for in the Rights Offering.

There are currently 23,314,466 Common Shares outstanding. An aggregate of 23,314,466 Rights are expected to be issued to subscribe for up to 1,960,784 Common Shares pursuant to the Rights Offering. The final number of Rights to be issued will depend on the actual number of issued and outstanding Common Shares on the Record Date. Following completion of the Rights Offering and assuming the exercise of all Rights, Razor expects that there will be approximately 25,275,250 Common Shares outstanding.

Alberta Investment Management Corporation, which currently holds approximately 19.78% of Razor's issued

and outstanding Common Shares, has indicated that it does not intend to participate in the Rights Offering. Razor does not anticipate that any holder will hold more than 20% of the issued and outstanding Common Shares on closing of the Rights Offering.

The Rights Offering will be conducted only in the Eligible Jurisdictions. Accordingly, and subject to the detailed provisions of Razor's Rights Offering circular (the "Circular"), Rights will not be delivered to, nor will they be exercisable by, persons resident outside of the Eligible Jurisdictions ("Ineligible Holders"), unless an Ineligible Holder satisfies Razor that their participation in the Rights Offering is lawful and in compliance with all applicable securities and other laws, in which case Razor will direct the depositary and subscription agent, Alliance Trust Company ("Alliance"), to issue its Rights. After 5:00 p.m. on April 26, 2022 (10 days prior to the Expiry Time), such Rights may be sold on their behalf by Alliance.

Details of the Rights Offering are set out in Razor's Rights Offering notice (the "Notice") and Circular, which will be available under Razor's profile on SEDAR at www.sedar.com. The Notice and accompanying Rights Certificate and subscription form (the "Rights Certificate") and a subscription and renunciation agreement (the "Subscription Agreement") will be mailed to each eligible shareholder of Razor as at the Record Date. To subscribe, registered shareholders must forward the completed Subscription Agreement and Rights Certificate together with the applicable funds to Alliance prior to the Expiry Time. Shareholders who hold their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

The Rights and the Common Shares issuable upon exercise of the Rights have not been, and will not be, registered under the United States Securities Act of 1933, as amended and, accordingly, the Rights and the Common Shares are not being publicly offered for sale in the "United States" or to "U.S. persons" (as such terms are defined in Regulation S under the United States Securities Act of 1933, as amended). This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. There shall be no sale of the securities in any jurisdiction in which an offer to sell, a solicitation of an offer to buy or a sale would be unlawful.

About FutEra

FutEra leverages Alberta's resource industry innovation and experience to create transitional power and sustainable infrastructure solutions to commercial markets and communities, both in Canada and globally. Currently it is developing a 21 MW co-produced geothermal and natural gas hybrid power project in Swan Hills, Alberta.

www.futerapower.com

About Razor

Razor is a publicly traded junior oil and gas development and production company headquartered in Calgary, Alberta, concentrated on acquiring, and subsequently enhancing, producing oil and gas properties primarily in Alberta. Razor is led by experienced management and a strong, committed Board of Directors, with a long-term vision of growth, focused on efficiency and cost control in all areas of the business. Razor currently trades on TSXV under the ticker "RZE".

www.razor-energy.com

Razor has two active subsidiaries, FutEra and Blade Energy Services Corp. ("Blade").

About Blade

Blade Energy Services is a subsidiary of Razor. Operating in west central Alberta, Blade's primary services include fluid hauling, road maintenance, earth works including well site reclamation and other oilfield services.

www.blade-es.com

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FORWARD-LOOKING STATEMENTS: This press release contains forward-looking statements. More particularly, this press release contains statements concerning, but not limited to, Razor's extension of its term loan facility, debt financing, related royalty sale, corporate structure and well reactivation plans. In addition, the use of any of the words "anticipate", "believe", "intend", "may", "is", "will", "should", "expect" and similar expressions are intended to identify forward-looking statements.

The forward-looking statements are based on certain key expectations and assumptions made by Razor, including but not limited to expectations and assumptions concerning the continued availability of capital, current legislation, receipt of required regulatory approvals, the timely performance by third-parties of contractual obligations, the success of reactivation, drilling and development activities, the performance of existing wells, the performance of new wells, Razor's growth strategy, general economic conditions, availability of required equipment and services prevailing commodity prices, price volatility, price differentials and the actual prices received for Razor's products. Although Razor believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Razor can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to several factors and risks. These include, but are not limited to, risks associated with the oil and gas industry and geothermal electricity projects in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; variability in geothermal resources; as the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), electricity and commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas and geothermal industries and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Please refer to the risk factors identified in the annual information form and management discussion and analysis of Razor which are available on SEDAR at www.sedar.com.

In addition, the effects, risks and impacts related to geopolitical risk, including the invasion of Ukraine by Russia and sanctions enacted against Russia in response to the ongoing conflict, widespread pandemic outbreaks, including the coronavirus disease (COVID -19), and any related actions taken by businesses and governments, ongoing results, commodity prices, industry conditions and activity levels, currency exchange rates, financial positions or results are unknown at this time and could cause Razor's actual results to differ materially from the forward-looking statements contained herein.

The forward-looking statements contained in this press release are made as of the date hereof and Razor undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither 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.

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