

Sherritt Announces Successful Closing of Transaction to Extend Debt Maturities and Strengthen its Capital Structure

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[Sherritt International Corp.](#) ("Sherritt" or the "Corporation") (TSX:S) announced today that it has completed its previously announced transaction to extend the maturities of the Corporation's notes obligations, reduce outstanding indebtedness and annual interest expense, and strengthen the Corporation's capital structure (the "CBCA Transaction") pursuant to which, among other things, the Corporation's previously outstanding 8.50% senior second lien secured notes due 2026 (the "Senior Secured Notes") in a principal amount of approximately \$221 million, and its previously outstanding 10.75% unsecured PIK option notes due 2029 in a principal amount of approximately \$70 million were collectively exchanged for approximately \$266 million in aggregate principal amount of amended 9.25% senior second lien secured notes due 2031 (the "Amended Senior Secured Notes") pursuant to a plan of arrangement under the Canada Business Corporations Act (the "CBCA Plan").

As previously announced, Sherritt will also implement a subsequent exchange transaction (the "Subsequent Exchange Transaction") pursuant to which certain holders will exchange approximately \$17 million of their Amended Senior Secured Notes received pursuant to the CBCA Plan for an aggregate of 99 million common shares of the Corporation. All of the conditions precedent required to commence closing of the Subsequent Exchange Transaction have been satisfied and Sherritt expects implementation to be completed today.

"The successful closing of our strategic transactions marks a significant milestone in our efforts to strengthen Sherritt's financial foundation," said Leon Binedell, President and CEO of Sherritt. "With lower outstanding note obligations, reduced interest expense and debt maturity extended to late 2031, we are now well-positioned to navigate the near-term market volatility, pursue our long-term objectives and create lasting value for our stakeholders."

The CBCA Transaction and the Subsequent Exchange Transaction will collectively result in the reduction of the Corporation's outstanding indebtedness by approximately \$42 million in principal amount, the reduction of the Corporation's annual interest expense by approximately \$3 million, and the extension of maturities of the Corporation's notes obligations to November 2031.

Sherritt has been provided with a copy of an Application for Review submitted by SC2 Inc. ("SC2") to the Ontario Capital Markets Tribunal (the "Tribunal") seeking to set aside the decision of the Toronto Stock Exchange (the "TSX") to approve the listing of the common shares issuable by Sherritt pursuant to the Subsequent Exchange Transaction (the "Application for Review") and other alternative relief. SC2 is affiliated with Seablinc Canada Inc., a significant supplier to Sherritt's Moa Joint Venture in Cuba. Sherritt believes that SC2's position and the relief requested in the Application for Review are entirely without merit. The Respondent in the Application for Review is the TSX, but Sherritt intends to provide evidence and participate in the Tribunal's process to oppose the relief requested in the Application for Review.

Goodmans LLP is acting as Sherritt's legal advisor in connection with the CBCA Transaction and the Subsequent Exchange Transaction, and National Bank Financial Inc. acted as its financial advisor. Bennett Jones LLP is acting as legal advisor to certain holders of the Senior Secured Notes.

About Sherritt

Sherritt is a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt - metals

deemed critical for the energy transition. Sherritt's Moa Joint Venture has an estimated mine life of approximately 25 years and is advancing an expansion program focused on increasing annual MSP production by 20% of contained nickel and cobalt. The Corporation's Power division, through its ownership in Energas, is the largest independent energy producer in Cuba with installed electrical generating capacity of 506 MW, representing approximately 10% of the national electrical generating capacity in Cuba. The Energas facilities are comprised of two combined cycle plants that produce low-cost electricity from one of the lowest carbon emitting sources of power in Cuba. Sherritt's common shares are listed on the Toronto Stock Exchange under the symbol "S".

Forward-Looking Statements

This news release contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of statements that include such words as "believe", "expect", "anticipate", "intend", "plan", "forecast", "likely", "may", "will", "could", "should", "suspect", "outlook", "projected", "continue" or other similar words or phrases. Specifically, forward-looking statements in this document include, but are not limited to, statements set out in this news release relating to: the effect of the implementation of the CBCA Transaction and the Subsequent Exchange Transaction; the capital structure of the Corporation following the implementation of the CBCA Transaction and the Subsequent Exchange Transaction; the expected timing of the Subsequent Exchange Transaction's implementation; and the potential outcomes of the Application for Review.

Forward-looking statements are not based on historical facts, but rather on current expectations, assumptions and projections about future events, including matters relating to the CBCA Transaction and the Subsequent Exchange Transaction; the Application for Review; commodity and product prices and demand; the level of liquidity and access to funding; share price volatility; production results; realized prices for production, earnings and revenues; global demand for electric vehicles and the anticipated corresponding demand for cobalt and nickel; the commercialization of certain proprietary technologies and services; advancements in environmental and Green House Gas ("GHG") reduction technology; GHG emissions reduction goals and the anticipated timing of achieving such goals, if at all; statistics and metrics relating to environmental, social and governance ("ESG") matters which are based on assumptions or developing standards; environmental rehabilitation provisions; environmental risks and liabilities; compliance with applicable environmental laws and regulations; risks related to the U.S. government policy toward Cuba; current and future economic conditions in Cuba; the level of liquidity and access to funding; Sherritt share price volatility; and certain corporate objectives, goals and plans for 2025. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this news release not to place undue reliance on any forward-looking statement as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, risks associated with failure to complete the Subsequent Exchange Transaction as expected; dilution arising from the Subsequent Exchange Transaction; the potential outcomes of the Application for Review, including possible impacts on the shares issued in connection with the Subsequent Exchange Transaction and voting at Sherritt's annual meeting of shareholders scheduled for June 10, 2025; commodity risks related to the production and sale of nickel cobalt and fertilizers; security market fluctuations and price volatility; level of liquidity of Sherritt, including access to capital and financing; the ability of the Moa Joint Venture to pay dividends; the risk to Sherritt's entitlements to future distributions (including pursuant to the Cobalt Swap) from the Moa Joint Venture; risks related to Sherritt's operations in Cuba; risks related to the U.S. government policy toward Cuba, including the U.S. embargo on Cuba and the Helms-Burton legislation; political, economic and other risks of foreign operations, including the impact of geopolitical events on global prices for nickel, cobalt, fertilizers, or certain other commodities; uncertainty in the ability of the Corporation to enforce legal rights in foreign jurisdictions; uncertainty regarding the interpretation and/or application of the applicable laws in foreign jurisdictions; risk of future non-compliance with debt restrictions and covenants; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding climate change and greenhouse gas emissions; risks relating to community relations; maintaining social license to grow and operate; uncertainty about the pace of technological advancements required in relation to achieving ESG targets; risks to information technologies systems and cybersecurity; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; the possibility of equipment and other failure; potential

interruptions in transportation; identification and management of growth opportunities; the ability to replace depleted mineral reserves; risks associated with the Corporation's joint venture partners; variability in production at Sherritt's operations in Cuba; risks associated with mining, processing and refining activities; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; the possibility of equipment and other failures; uncertainty of gas supply for electrical generation; reliance on key personnel and skilled workers; growth opportunity risks; uncertainty of resources and reserve estimates; the potential for shortages of equipment and supplies, including diesel; supplies quality issues; risks related to the Corporation's corporate structure; foreign exchange and pricing risks; credit risks; competition in product markets; future market access; interest rate changes; risks in obtaining insurance; uncertainties in labour relations; legal contingencies; risks related to the Corporation's accounting policies; uncertainty in the ability of the Corporation to obtain government permits; failure to comply with, or changes to, applicable government regulations; bribery and corruption risks, including failure to comply with the Corruption of Foreign Public Officials Act or applicable local anti-corruption law; the ability to accomplish corporate objectives, goals and plans for 2025; and the ability to meet other factors listed from time to time in the Corporation's continuous disclosure documents.

Readers are cautioned that the foregoing list of factors is not exhaustive and should be considered in conjunction with the risk factors described in the Corporation's other documents filed with the Canadian securities authorities, including without limitation the "Managing Risk" section of the Management's Discussion and Analysis for the three months and year ended December 31, 2024 and the Annual Information Form of the Corporation dated March 24, 2025 for the period ending December 31, 2024, which are available on SEDAR+ at www.sedarplus.ca.

The Corporation may, from time to time, make oral forward-looking statements. The Corporation advises that the above paragraphs and the risk factors described in this news release and in the Corporation's other documents filed with the Canadian securities authorities should be read for a description of certain factors that could cause the actual results of the Corporation to differ materially from those in the oral forward-looking statements. The forward-looking information and statements contained in this news release are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any oral or written forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.

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