

Alaris Royalty Corp. Contributes \$40 Million to a New Partnership and Increases Dividend by 9.5%

23.05.2013 | [Marketwired](#)

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO UNITED STATES NEWS AGENCIES

CALGARY, ALBERTA -- (Marketwired - May 23, 2013) - [Alaris Royalty Corp.](#) ("Alaris" or the "Corporation") (TSX:AD) is pleased to announce that it has entered into a new partnership agreement (the "Partnership Agreement") with SCR Mines Technology Inc. ("SCR") effective May 23, 2013, forming SCR Mining and Tunneling L.P. (the "Partnership"). The Corporation is also pleased to announce it has received approval from its Board of Directors (the "Board") to increase the monthly dividend by \$0.01 to \$0.115 from \$0.105 (the "Dividend Increase"). On an annualized basis, the dividend will increase by \$0.12 to \$1.38 per share from \$1.26, representing a 9.5% increase. This is Alaris' sixth consecutive dividend increase.

New Partner

Pursuant to the Partnership Agreement, Alaris has contributed \$40,000,000 to SCR (the "SCR Contribution") in exchange for a pre-tax annual preferred distribution of \$6,400,000 (the "SCR Distribution") for the first full year after the SCR Contribution, which represents an expected initial pre-tax return of 16%. Commencing on January 1, 2016, the Distribution will be adjusted annually based on the percentage change in gross revenue over the prior 24 month period, with a collar of 6% governing the maximum amount the SCR Distribution can change (up or down) in a given year. The SCR Contribution was funded with \$31,000,000 of funds drawn on the Corporation's previously undrawn \$50,000,000 senior credit facility (the "Facility") and \$9,000,000 of cash on hand.

"Alaris' partnership with SCR is a very important development for our company. Aside from adding our 11th partner and the associated dividend increase, SCR represents a strategic diversification in our revenue stream. Even though SCR shares the important criteria of i) a long track record of steady free cashflow, ii) low debt and capex levels, iii) an excellent and committed management team and iv) long term growth prospects, it is very different than our other partners in the economic drivers that impact SCR's business. We believe that receiving revenues from companies with different economic sensitivities reduces the overall risk of Alaris' revenue stream while continuing to focus on our strategy of identifying preferred, collared distributions which represent a low percentage of a partner's cash flow. We are very proud to be partnering with Rick and Claude Seguin and the rest of the SCR team and look forward to the continued growth in their business." said Steve King, President and CEO, Alaris.

"The Partnership will provide a significant opportunity for SCR to work with the team at Alaris to expand its footprint across the many development projects in Canada that are seeking a strong and experienced contracting company to deliver on-time and on-budget," said Rick and Claude Seguin, the Co-Owners of SCR. "SCR is looking forward to working with Alaris and developing a strong and beneficial relationship, with not just with the Alaris team, but also Alaris' other partner companies."

Dividend Increase

The SCR Distribution is expected to result in an increase to Alaris' net cash from operating activities of approximately \$0.18 per share (on an annualized basis based on the currently issued and outstanding shares), of which, the Corporation will be passing on \$0.12 per share (on an annualized basis based on the currently issued and outstanding shares) by way of the Dividend Increase. The first dividend for which this Dividend Increase will apply is the dividend expected to be paid on July 15, 2013 to shareholders of record on June 28, 2013.

At the new dividend level of \$0.115 per share, management estimates Alaris' current payout ratio to be approximately 84% versus 87% prior to the SCR Contribution.

An updated corporate presentation will be posted to Alaris' website at www.alarisroyalty.com.

About SCR

SCR has operated in the Northern Ontario region for over 20 years and offers a comprehensive suite of services, on a contract basis, to customers ranging from large multi-national producers to newer development companies in the metals and mining sector. The Company has the reputation, experience, technical strength and infrastructure to undertake large and small scale turn-key projects in construction, mining, electrical and mechanical services. SCR provides services through the entire life cycle of a mine, from mine development through operation to rehabilitation; including site preparation (clearing, drilling and blasting, etc.), mining services (including shaft sinking, lateral and vertical developments, and production mining), construction of mine infrastructure (electrical distribution systems, switch rooms, transportation infrastructure, fuel bays, ventilation systems, refuge systems etc.), and the provision of ongoing and continuous maintenance support. SCR employs approximately 250 dedicated workers. More information about the Company can be found at www.scrmines.com

About Alaris

The Corporation provides alternative financing to a diversified group of private businesses ("Private Company Partners") in exchange for royalties or distributions from the Private Company Partners, with the principal objective of generating stable and predictable cash flows for dividend payments to its shareholders. Royalties or distributions to Alaris from the Private Company Partners are structured as a percentage of a "top line" financial performance measure such as gross margin, same clinic sales, gross revenues and same-store sales and rank in priority to the owners' common equity position.

Non IFRS Measures

Payout Ratio: The term "payout ratio" is a financial measure used in this news release that is not a standard measure under International Financial Reporting Standards. The Corporation's method of calculating payout ratio may differ from the methods used by other issuers. Therefore, the Corporation's payout ratio may not be comparable to similar measures presented by other issuers. Payout ratio means Alaris' annualized dividend payable per share (after giving effect to the Dividend Increase) over the next twelve months divided by its expected net cash from operating activities over the next 12 months. The payout ratio should only be used in conjunction with the Corporation's annual audited and quarterly reviewed financial statements, which are available on SEDAR at www.sedar.com.

Forward-Looking Statements

This news release contains forward-looking statements as defined under applicable securities laws. Statements other than statements of historical fact contained in this news release may be forward-looking statements under applicable securities legislation, including, without limitation, management's expectations, intentions and beliefs concerning: the return to Alaris on the SCR Contribution, the SCR Distribution; the anticipated increase in net cash from operating activities; the estimated payout ratio; the Dividend Increase and the timing thereof; and the indebtedness under the Facility. Many of these statements can be identified by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. To the extent any forward-looking statements herein constitute a financial outlook, they were approved by management as of the date hereof and have been included to provide an understanding with respect to Alaris' financial performance and are subject to the same risks and assumptions disclosed herein. There can be no assurance that the plans, intentions or expectations upon which these forward looking statements are based will occur.

Statements containing forward-looking information by their nature involve numerous assumptions and significant known and unknown facts and uncertainties of both a general and a specific nature. Key assumptions include, but are not limited to assumptions that: the Private Company Partners will continue to grow and may require additional capital from Alaris in the future; the Canadian and U.S. economies will grow moderately over the next 12 to 24 months; interest rates will not rise in a material nature over the next 12 to 24 months; more private companies will require access to alternative sources of capital; and the Corporation will obtain required regulatory approvals on a timely basis. In determining the Corporation's expectations for economic growth, management primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies.

The forward-looking statements contained herein are subject to numerous known and unknown risks that may cause actual results to vary from those set forth in the forward-looking statements, including, but not limited to risks associated with: general economic conditions and changes in the financial markets; risks associated with the Private Company Partners and their respective businesses; a change in the ability of the

Private Company Partners to continue to pay Alaris' preferred distributions; failure to obtain required regulatory approvals on a timely basis or at all; and changes in legislation on government regulations and the interpretations thereof. In addition, the information set forth under the heading "Risk Factors" in the Corporation's Annual Information Form dated March 13, 2013 (a complete copy of which can be found on SEDAR at www.sedar.com) identifies additional factors that could affect the operating results and performance of the Corporation and may cause the actual results of the Corporation to differ materially from those anticipated in forward-looking statements.

As forward-looking statements are subject to risks, uncertainties and assumptions and should not be read as guarantees or assurances of future performance. Accordingly, readers are cautioned not to place undue reliance on any forward-looking information contained in this news release 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. Statements containing forward-looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this news release. Although management believes that the assumptions reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations will prove to be correct.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this news release are made as of the date of this news release and Alaris does not undertake or assume any obligation to update or revise such statements to reflect new events or circumstances except as expressly required by applicable securities legislation.

Contact

[Alaris Royalty Corp.](http://www.alarisroyalty.com)

Curtis Krawetz, Manager of Investor Relations, Analyst
(403) 221-7305

www.alarisroyalty.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/149813--Alaris-Royalty-Corp.-Contributes-40-Million-to-a-New-Partnership-and-Increases-Dividend-by-9.5Prozent.html>

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 -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).