

Sherritt Issues Letter to Shareholders, Reminds Shareholders to Vote Using Only Sherritt's BLUE Proxy

23.04.2014 | [Marketwired](#)

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

TORONTO, ONTARIO -- (Marketwired - April 23, 2014) - [Sherritt International Corporation](#) ("Sherritt") (TSX:S) today issued a letter to shareholders. With the proxy voting deadline of 5:00 p.m. (Toronto time) on Friday, May 2, 2014 fast approaching, shareholders are urged to vote the BLUE proxy today.

The letter to shareholders follows:

Dear Fellow Shareholders,

The voting deadline for the Sherritt Board of Directors is approaching fast - the future of your company is in your hands. Sherritt has positive momentum in its operations, in its share price performance and in support of its director nominees. In addition, a leading independent corporate governance and proxy voting advisory firm, Institutional Shareholder Services Inc. ("ISS"), after carefully reviewing the facts, has recommended that shareholders vote for all of Sherritt's director nominees.

As you prepare to cast your vote, we urge you to not let the dissidents threaten our progress. Please support Sherritt's nominees by voting only Sherritt's BLUE proxy prior to the proxy voting deadline of Friday, May 2, 2014 at 5:00 p.m. (Toronto time). Here are five key reasons why your fellow shareholders are voting for Sherritt's slate of director nominees on the BLUE proxy:

1. Sherritt's positive momentum in 2014 continues, thanks in large part to substantial progress at Ambatovy, execution on strategies adopted by your current Board and management team, and strengthening nickel prices. In 2014, Sherritt's shares have appreciated by 30% (as at market close on April 22, 2014)
2. Several analysts upgraded our stock subsequent to the Ambatovy nickel operation tour in March.
3. Sherritt has cut costs and announced an agreement to sell our coal business for \$946 million - a selling price that exceeded analyst consensus expectations. Sherritt will apply a portion of the proceeds from this sale to pay down debt and strengthen our balance sheet.
4. Sherritt has enhanced corporate governance based on broad investor feedback, and has renewed half of its independent Board seats over the past two years. Sherritt's active and ongoing program of Board renewal, based on recruiting strong, independent directors with deep and relevant experience, continues.
5. ISS concluded that the dissident has NOT made a compelling case for change. In recommending that shareholders vote FOR all of Sherritt's director nominees using only Sherritt's BLUE proxy, ISS stated¹:

- "On the strategic side, management seems to be clear on its current priorities, including reducing the total debt which can be achieved by leveraging the proceeds from the sale of the coal division and lowering cost structure. As the company's flagship project Ambatovy recently commenced commercial production and given the recovery of the nickel price in 2014 which have already been reflected by the recent increase in the company's share price, shareholders may wish to allow some more time for management to deliver its plan."

- "In light of the...positive changes the board has made in terms of director compensation structure, we [ISS] believe that Sherritt's director compensation is now generally aligned with shareholder interest and should not constitute a major cause of concern going forward."

- "Analyst Sentiment - Street analysts appear to be generally optimistic with the company's current overall outlook."

- "On the basis of the above, the dissident has not made a compelling case for change to the board..." (emphasis added)

Here are five key reasons not to trust dissident George Armoyan and his two handpicked associates:

1. Mr. Armoyan buried at the back of his dissident circular, in fine print, the troubling disclosure of the enforcement action against him by the Nova Scotia Securities Commission relating to trading in advance of the announcement of a take-over bid. He admitted to having acted contrary to the public interest and paid a \$400,000 penalty, plus \$30,000 in investigation costs. This is neither the behaviour nor the disclosure that shareholders want from Sherritt. Mr. Armoyan also has a history of conflicts and related party dealings, acting repeatedly through both Clarke Inc. and Geosam Investments Ltd., his private investment company, which he continues to do even though he previously promised to stop.

2. Mr. Armoyan has a history of forcing his way onto boards of companies whose business he does not understand, with terrible results. This includes Quebec furniture maker Shermag Inc., which became insolvent not long after he strong-armed his way onto its Board and HIP Interactive Corp., which also became insolvent under Mr. Armoyan's watch. He was also associated with significant value destruction at Granby Industries Income Fund and Art in Motion Income Fund, among others.

3. Mr. Armoyan omitted from his circular his numerous failures, like Halifax-based hotel company Holloway Lodging Corp, which is instructive because its Board includes both Mr. Armoyan and his fellow Sherritt dissident nominee Mr. Wood. Since December 2010, when Mr. Armoyan first pushed his way onto the Holloway Board, the shares have plummeted by 63% while the relevant peer index has increased by 48%.

4. Mr. Mehra, the third dissident nominee, lacks a track record of value creation. The four publicly traded companies for whom he has served have lost between 15% and 89% of their value during his term, for an average 49% loss in shareholder value.

5. Mr. Armoyan is erratic and prone to misleading statements. For example, he:

- Initially nominated two of his young employees with no relevant experience as Sherritt directors and then dumped them, with no explanation, after more than 100 days.

- Exaggerated Sherritt's Board compensation and omitted mention of Sherritt's discontinuance of Helms-Burton allowances for directors who are allowed to travel to the U.S.

- Put forward a resolution that would give him a veto over the will of the Board with respect to certain growth initiatives. This is unprecedented, fundamentally at odds with good governance and may well be contrary to law in any event.

Mr. Armoyan has twice rejected a fair compromise and forced an expensive and distracting proxy fight on Sherritt and its shareholders. With voting control over approximately 5% Sherritt's shares, he continues to ask you for 33% of the Board, after initially demanding an even more unreasonable 43%.

The truth is that Mr. Armoyan wants to be on the Board himself, even though he is unqualified for the position. Alternatively, he wants his employees or close associates on the Board - individuals who we determined to be equally unqualified as directors of Sherritt. The Board believes any Board representation given to Mr. Armoyan or his nominees would hurt shareholder value, not help it.

Sherritt is making progress and creating sustainable value for shareholders. George Armoyan and his dissident nominees threaten that progress. Don't let him and his handpicked nominees onto Sherritt's Board.

To date, we have seen strong support on the BLUE form of proxy, but I remind shareholders that every vote counts and your vote is important. Regardless of how many shares you hold please vote today.

Sincerely,

Harold (Hap) Stephen, Chairman

Sherritt International Corporation

Proxy Voting Instructions

Regardless of how many Sherritt shares you own, it is important you vote your BLUE proxy. Even if you have already voted using the Green Dissident form of proxy, you can still change your vote by voting the BLUE proxy, as only the latest dated proxy will be counted at the meeting.

We encourage shareholders to vote the control number found on your BLUE proxy FOR Sherritt's nominees,

no later than 5:00 p.m. (Toronto time) on Friday, May 2, 2014.

For more information or assistance in voting your BLUE proxy, please contact Kingsdale Shareholder Services at 1-800-749-9197 (toll-free), 416-867-2272 (outside North America), or by email at contactus@kingsdaleshareholder.com or go to www.sherritt.com.

About Sherritt

Sherritt is a world leader in the mining and refining of nickel from lateritic ores with operations in Canada, Cuba and Madagascar. The Corporation is the largest independent energy producer in Cuba, with extensive oil and power operations across the island. Sherritt licenses its proprietary technologies and provides metallurgical services to mining and refining operations worldwide. The Corporation's common shares are listed on the Toronto Stock Exchange under the symbol "S".

Forward-Looking Statements

This press 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. Forward-looking statements in this document include, but are not limited to, statements regarding operating performance, production, commodity prices, priorities and plans, anticipated financial performance, business prospects, and certain corporate objectives, goals and plans. Forward-looking statements are not based on historic facts, but rather on current expectations, assumptions and projections about future events. They are based on information available to management and/or assumptions management believes are reasonable. Many factors could cause results to differ materially from the results discussed in the forward-looking statements. Although the forward-looking statements are based on what management believes to be reasonable assumptions, Sherritt cannot assure investors that actual results will be consistent with such forward-looking statements and such forward-looking statements should not be unduly relied upon. All forward-looking statements in this press release are made as of the date of this press release. Except as required by applicable securities laws, Sherritt does not intend and does not assume any obligations to update or revise the forward-looking statements. The Corporation's risk factors are discussed in disclosure documents filed by Sherritt with Canadian securities regulators. Reference should be made to the management discussion and analysis in Sherritt's annual and interim financial statements and its annual information form for the year ended December 31, 2013 and dated March 26, 2014, all of which are available on SEDAR at www.sedar.com.

1 ISS Proxy Advisory Services, April 21, 2014, Report on Sherritt International Corporation.

CONTACT INFORMATION

Investor inquiries:
Kingsdale Shareholder Services
North American Toll-Free: 1-800-749-9197
International Collect Calls: 416-867-2272
contactus@kingsdaleshareholder.com

[Sherritt International Corporation](http://www.sherritt.com)
416-935-2451 or Toll-free: 1-800-704-6698
investor@sherritt.com
www.sherritt.com

Media inquiries:
Longview Communications
Joel Shaffer: 416-649-8006
Alan Bayless: 604-694-6035

Sherritt International Corporation
416-935-2421 or Toll-free: 1-888-625-3448
communications@sherritt.com

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/171574--Sherritt-Issues-Letter-to-Shareholders-Reminds-Shareholders-to-Vote-Using-Only-Sherrittund039s-BLUE-Proxy.htm>

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](#).