

Frontier Rare Earths Announces Special Meeting of Shareholders to Consider Consolidation Proposal

17.08.2016 | [Marketwired](#)

TORONTO, Aug 17, 2016 - [Frontier Rare Earths Ltd.](#) ("Frontier" or the "Company") (OTCQX:FREFF) announces that it has called a special meeting ("Meeting") of holders of ordinary shares of the Company ("Shareholders") to be held at 10:00 a.m. (Luxembourg time) on Thursday, September 22, 2016. The record date ("Record Date") for voting at the Meeting has been set at the close of business on Thursday, August 18, 2016.

At the Meeting, Shareholders will be asked to vote on, among other things, a special resolution relating to a proposed consolidation (the "Consolidation") of all of the Company's issued and outstanding shares (the "Pre-Consolidation Shares") on the basis of one post-Consolidation share of the Company (each a "New Share") for every 9,000,000 Pre-Consolidation Shares held. Subject to the Consolidation being approved and completed, all Pre-Consolidation Shares held by Shareholders as of the Record Date other than those held by Moka Limited, Goldrose Limited and Sunshine Innovation Limited (the "Remaining Shareholders") will become fractional shares that will be acquired by the Company and cancelled, and in consideration therefor the holder shall receive payment in the amount of C\$0.05 for each Pre-Consolidation Share held.

The Company is providing Shareholders the opportunity to vote on the Consolidation in order to provide all shareholders other than the Remaining Shareholders with a liquidity opportunity in respect of their shares, having regard to the lack of liquidity of the shares on the OTC market in the United States following the delisting of the Company's shares from the Toronto Stock Exchange ("TSX") in September 2015 and in light of the outlook for the Company and its projects as outlined in the management information circular ("Circular") that is being distributed to Shareholders in connection with the Meeting. Completion of the Consolidation will also significantly reduce the annual administrative and other costs of the Company related to being a reporting issuer.

The proposed Consolidation consideration of C\$0.05 per Pre-Consolidation Share was determined by a special committee of the board of directors of the Company comprised of Paul McGuinness and Crispin Sonn after considering a number of factors as set out in the Circular, and represents a 570% premium to the volume-weighted average price ("VWAP") of the shares as traded on the OTC market in the ten-month period since the delisting of the Company's shares from the TSX in September 2015 and a 45% discount to the VWAP as traded on the TSX in the 30 days prior to the delisting.

The shares held by the Remaining Shareholders are held on behalf of a discretionary trust, the potential beneficiaries of which currently include, but are not limited to, James Kenny and Philip Kenny, who are insiders of the Company. Accordingly, votes cast by James Kenny, Philip Kenny and the Remaining Shareholders (collectively the "Excluded Shareholders") will be excluded for purposes of "minority approval" in accordance with Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions. The Consolidation is subject to approval by (i) an affirmative vote of at least two-thirds of the votes cast at the Meeting by all Shareholders including votes cast by the Excluded Shareholders, and (ii) an affirmative vote of a simple majority of the votes cast at the Meeting by all Shareholders excluding votes cast by Excluded Shareholders. Accordingly the Consolidation cannot take effect unless the majority of Shareholders whose shares may be consolidated vote in favour of the proposal.

If the resolution approving the Consolidation is passed at the Meeting, the Consolidation will take effect on such date as may be determined by the board of directors of the Company. It is currently anticipated that the Consolidation (if so approved) will be completed as soon as practicable after the Meeting. Once the Consolidation is completed, the Company intends to file an application to cease to be a reporting issuer with the applicable securities regulatory authorities. As a result of ceasing to be a reporting issuer, the Company would no longer have reporting obligations in Canada.

In connection with the Meeting, the Company will distribute a notice of special meeting, the Circular and accompanying meeting materials ("Meeting Materials") to all Shareholders of record as of the Record Date. A copy of the Meeting Materials will also be filed on SEDAR at www.sedar.com under Frontier's issuer profile. The Meeting Materials will contain, among other things, details concerning the Consolidation, a detailed summary of the reasons for the Consolidation, requirements for the Consolidation to be

implemented and procedures for voting at the Meeting. Shareholders are urged to carefully review the Meeting Materials as they will contain information regarding the Consolidation and its consequences to Shareholders.

About Frontier Rare Earths Limited

Frontier Rare Earths Ltd. (www.frontierrareearths.com) is a mineral exploration and development company principally focused on the development of the Zandkopsdrift rare earth project, located in the Northern Cape Province of South Africa and the Lurio graphite project, a large flake graphite deposit in Mozambique.

Forward Looking Statements - This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Forward-looking information contained herein are made as of the date of this press release and the Company disclaims, any obligation to update any forward-looking information whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise, other than as required by Canadian securities laws.

There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, the reader is cautioned not to place undue reliance on forward-looking information.

Contact

[Frontier Rare Earths Ltd.](http://www.frontierrareearths.com)

Paul McGuinness, Chief Financial Officer

+353 1 4966 006

www.frontierrareearths.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/240225--Frontier-Rare-Earths-Announces-Special-Meeting-of-Shareholders-to-Consider-Consolidation-Proposal.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](#).