

Sherritt Amends and Extends Its Previously Announced Offers on Receipt of Support From Significant Noteholders to Tender \$30 Million of Secured Notes

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[Sherritt International Corp.](#) ("Sherritt" or the "Corporation") (TSX:S) announced today that it has entered into support agreements with two significant noteholders, who have agreed to tender \$30 million of secured notes, and amended certain terms of its previously announced offers to purchase (i) its outstanding 8.50% senior second lien secured notes due in 2026 (the "Secured Notes") pursuant to a modified Dutch auction process (the "Secured Notes Dutch Auction") and (ii) its outstanding 10.75% unsecured PIK option notes due in 2029 (the "Junior Notes", and collectively with the Secured Notes, the "Notes") pursuant to a fixed price tender offer process (the "Junior Notes Fixed Price Tender Offer" and, together with the Secured Notes Dutch Auction, the "Offers" or the "Transaction"). The Transaction was announced by Sherritt in its press release issued on November 2, 2022 (the "November 2 Press Release"). The detailed terms of the Offers are set forth in Sherritt's Offer to Purchase dated November 2, 2022 (the "Purchase Offer") and the November 2 Press Release.

"With the support from two significant noteholders, we have amended certain terms of our offer, increasing the Maximum Secured Notes Bid Price and extending the Initial Expiration Date," said Leon Binedell, President and CEO of Sherritt. "We remain committed to generating value for stakeholders, and in doing so, two significant noteholders have agreed to support the Offers and tender an aggregate of \$30 million of their Secured Notes. Our strong 2022 results to date and expected cash flow provides us an opportunity to further deleverage our balance sheet to improve our financial strength, while providing near-term liquidity to our noteholders."

The Offers have been amended as follows (collectively, the "Offer Amendments"):

1. The Maximum Secured Notes Bid Price (as defined in the Purchase Offer) for the Secured Notes pursuant to the Secured Notes Dutch Auction has been increased from \$820 per \$1,000 of principal amount of Secured Notes to \$870 per \$1,000 principal amount of Secured Notes (the "Amended Maximum Secured Notes Bid Price").
2. The Secured Notes Clearing Price (as defined in the Purchase Offer) shall be deemed to be the Amended Maximum Secured Notes Bid Price.
3. The Initial Expiration Date (as defined in the Purchase Offer) for the Offers has been extended from November 16, 2022 to November 30, 2022, and the Extended Expiration Date (as defined in the Purchase Offer) has been extended from December 1, 2022 to December 8, 2022, as such dates may be further extended or earlier terminated by Sherritt.

The Offer Amendments are described in further detail in Sherritt's notice of variation and extension dated November 14, 2022 (the "Notice of Variation").

Sherritt made the Offer Amendments following consultation with certain significant noteholders and believes that such Offer Amendments are in the best interests of the Corporation. Sherritt believes that the Amended Maximum Secured Notes Bid Price is fair and reasonable consideration for the Secured Notes in the circumstances pursuant to the Secured Notes Dutch Auction, and determined to extend the Initial Expiration Date to November 30, 2022, in order to provide all holders of Notes with additional time to tender their Notes pursuant to the Offers given the Offer Amendments announced today and the upcoming U.S. Thanksgiving holiday.

Sherritt has entered into support agreements (the "Support Agreements") with two noteholders (the "Supporting Noteholders"), pursuant to which the Supporting Noteholders have agreed to support the Offer and to tender, in aggregate, \$30 million of their Secured Notes (the "Supporting Noteholders' Tendered Notes") at the Amended Maximum Secured Notes Bid Price pursuant to the Secured Notes Dutch Auction Offer by the Initial Expiration Date (for certainty, as extended pursuant to the Offer Amendments). Pursuant to the Support Agreements, Sherritt has agreed that in the event not all of the Supporting Noteholders' Tendered Notes are purchased by Sherritt pursuant to the Secured Notes Dutch Auction due to proration, Sherritt will purchase the remaining amount of the Supporting Noteholders' Tendered Notes at the Amended Maximum Secured Notes Bid Price plus the Initial Participation Consideration Amount (as defined below), plus all accrued and unpaid interest from the last interest payment date up to, but excluding, the applicable payment date, by no later than December 23, 2022.

As further described in the November 2 Press Release and the Purchase Offer, as amended by the Notice of Variation, holders of Notes that validly tender and do not withdraw their Notes prior to 5:00 p.m. (Toronto time) on the Initial Expiration Date (for certainty, as extended pursuant to the Offer Amendments), as such date and time may be further extended or earlier terminated by Sherritt, and whose Notes are purchased by Sherritt pursuant to the applicable Offer, will be entitled to additional cash consideration of \$30 per \$1,000 of principal amount of purchased Notes (the "Initial Participation Consideration Amount") for the purchase of such Notes, payable on the applicable settlement date (as described in the Purchase Offer). Noteholders should review the Purchase Offer and the Notice of Variation in detail for additional information.

Pursuant to the Offer, Sherritt will purchase any Junior Notes validly tendered pursuant to the Junior Notes Fixed Price Tender Offer and not withdrawn prior to 5:00 p.m. (Toronto time) on the Initial Expiration Date (the "Initial Junior Notes Purchase"), subject to the terms and conditions set forth in the Purchase Offer, as amended by the Notice of Variation, and then have the option to purchase Secured Notes validly tendered and not withdrawn pursuant to the Secured Notes Dutch Auction prior to 5:00 p.m. (Toronto time) on the Initial Expiration Date (the "Initial Secured Notes Purchase Option"), subject to the Maximum Consideration Amount (as defined and discussed in the Purchase Offer), taking into account the Initial Junior Notes Purchase, and the other terms and conditions set forth in the Purchase Offer, as amended by the Notice of Variation. The settlement date for any Notes purchased by Sherritt pursuant to the Initial Junior Notes Purchase and/or the Initial Secured Notes Purchase Option will be the date that is three business days after the Initial Expiration Date. Junior Notes validly tendered and not withdrawn prior to 5:00 p.m. (Toronto time) on the Initial Expiration Date will have priority in acceptance over Secured Notes validly tendered and not withdrawn prior to the Initial Expiration Date.

If Sherritt exercises the Initial Secured Notes Purchase Option, the Offers shall not be extended past the Initial Expiration Date. If Sherritt does not exercise the Initial Secured Notes Purchase Option, Sherritt can extend the Offers past the Initial Expiration Date to the Extended Expiration Date of December 8, 2022, as such date may be extended or earlier terminated by Sherritt as described in the Purchase Offer.

Noteholders that do not validly tender their Notes prior to the Initial Expiration Date shall not be entitled to receive the Initial Participation Consideration Amount and will not have a further opportunity to tender their Notes if Sherritt exercises the Initial Secured Notes Purchase Option and does not extend the Offers past the Initial Expiration Date to the Extended Expiration Date.

As a result of the Offer Amendments, any holders of Secured Notes who tendered their Secured Notes to the Secured Notes Dutch Auction prior to the date of the Notice of Variation are advised that such tenders are no longer valid and such Holders will be required to properly retender their Secured Notes in the manner described in the Purchase Offer, as amended by the Notice of Variation, in order to participate in the Secured Notes Dutch Auction. For greater certainty, any and all Secured Notes previously tendered will be withdrawn and will not be accepted for purchase unless such Holders take the additional steps described in the Notice of Variation. Noteholders should review the Notice of Variation in detail for additional information. Holders of Junior Notes that previously tendered their Junior Notes to the Junior Notes Fixed Price Tender Offer do not need to retender their Junior Notes.

The Offers are subject to the terms and conditions described in the Purchase Offer, as amended by the Notice of Variation. The above dates and times are subject, where applicable, to the right of Sherritt to extend, reopen, amend and/or terminate the Offers, subject to applicable laws. Noteholders should be aware that their broker, dealer, commercial bank, trust company or other intermediary (each an "Intermediary") will establish their own earlier deadlines for participation in, or withdrawal from, the Offers. Noteholders are encouraged to contact their Intermediary directly to confirm any such internal deadlines.

Additional information relating to the Initial Expiration Date and the Offers are set out in detail in the November 2 Press Release, the Purchase Offer and the Notice of Variation.

National Bank Financial Markets (NBF.CapitalMarkets@nbc.ca or (416) 869-8635) is acting as dealer manager, Kingsdale Advisors (contactus@kingsdaleadvisors.com or 1-800-749-9197) is acting as depositary and as information agent, and Goodmans LLP is acting as Sherritt's legal advisor in connection with the Transaction. Copies of the Purchase Offer and the Notice of Variation may be obtained by contacting National Bank Financial Markets or Kingsdale Advisors at the above contact information.

The Offers are made only by and pursuant to the terms of the Purchase Offer, as amended by the Notice of Variation, and the information in this press release is qualified by reference to the Purchase Offer, as amended by the Notice of Variation. None of Sherritt, National Bank Financial Markets or Kingsdale Advisors make any recommendations as to whether holders should tender or withhold their Notes pursuant to the Offers. Sherritt may amend, extend or terminate either Offer in its sole discretion and subject to applicable law.

This press release does not constitute a notice of redemption under the redemption provisions of the indentures governing the Notes, nor does it constitute or form part of any offer or invitation to purchase or sell, or any solicitation of any offer to purchase or sell, the Notes or any other securities in any other country, nor shall it or any part of it, or the fact of its release, form the basis of, or be relied on or in connection with, any contract therefor.

About Sherritt

Headquartered in Toronto, Sherritt is a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt - metals essential for an electric future. Its Technologies Group creates innovative, proprietary solutions for natural resource based industries around the world to improve environmental performance and increase economic value. Sherritt has embarked on a multi-pronged growth strategy focused on expanding nickel and cobalt production by up to 20% from 2021 and extending the life of mine at Moa beyond 2040. The Corporation is also the largest independent energy producer in Cuba. Sherritt's common shares are listed on the Toronto Stock Exchange under the symbol "S".

Forward-Looking Statements

Certain statements and other information included in this press release constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") under applicable securities laws (such statements are often accompanied by words such as "anticipate", "forecast", "expect", "believe", "may", "will", "should", "estimate", "intend" or other similar words). All statements in this press release, other than those relating to historical information, are forward-looking statements, including, but not limited to the principal amount of any Secured Notes and /or Junior Notes to be purchased under the Offers; the purchase by Sherritt of any Supporting Noteholders' Tendered Notes; and the deadlines, determination dates and settlement dates specified herein in regard to the Offers. Forward-looking statements in this press release are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such forward-looking statements. The key risks and uncertainties are set forth in the Purchase Offer and in the Corporation's reports filed with the Canadian securities regulatory authorities, including without limitation the "Risk Factors" section of the Annual Information Form of the Corporation dated March 24, 2022 for the year ended December 31, 2021 and the "Managing Risk" sections of the Corporation's Management's Discussion and Analysis for the three and nine months ended September 30, 2022, all of which are available on SEDAR at www.sedar.com. As such, undue reliance should not be placed on the forward-looking information.

The forward-looking information and statements contained in this press 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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