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Pelican House Mining Plc - Posting of Circular and General Meeting Notice PR Newswire

Pelican House Mining plc

(the "Company" or "Pelican House Mining")

Posting of Circular and General Meeting Notice

The Company is today issuing a circular ("Circular") to all Shareholders (as the expression is defined in the Circular) convening, and explaining the reasons for, a general meeting ("General Meeting") of the Company to consider and, if thought fit, approve the following measures:

**Change of Investment Strategy
Directors' Powers to Allot Ordinary Shares
Change of Name to Sport Capital Group plc
Disapplication of Pre-emption Rights
Amendment to the Articles of Association**

The Circular also contains notice of the General Meeting convened for 2nd January 2019 at which the above measures are to be considered.

The explanatory letter from Simon Grant-Rennick, the Chairman of Pelican House Mining, which forms part of the Circular, sets out the Directors' reasoning as follows:

"Introduction

The purpose of this letter is to set out the background to and the reasons for the proposed change in Investment Strategy and the other matters to be proposed at the General Meeting (the "Proposals") and to explain why the Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole and why they recommend that Shareholders should vote in favour of the Resolutions to be proposed at the General Meeting being convened for 11.00 a. m. on 2nd January 2019 at the offices of Peterhouse Capital Limited, New Liverpool House, 15 Eldon Street, London, EC2M 7LD. The notice of the General Meeting is set out at the end of this document.

The Company today announces that it is intending to seek Shareholders' consent to change its Investment Strategy, increase the Directors' share allotment authority, allow the disapplication of pre-emption rights in respect of shares allotted under such increased authority and change the Company's name to Sport Capital Group Holdings plc (together, the "Proposals").

Information about the Company

The Company currently owns a 15 per cent. stake in Mighty Oak Explorations Ltd., a company possessed of licences to explore for lithium and cobalt in Uganda. It also owns an interest in Kalahari Key Minerals Exploration (Pty) Limited, a Botswanan metals exploration venture, and a commercial property in Leeds, West Yorkshire, which is currently leased to a business tenant.

On 12th July 2018, the Company announced that it made a pre-tax loss of £22,396 for the half-year ended 30th June 2018 (period ended 30th June 2017 - £7,742) and cash at bank at the period's end was £48,598 (period ended 30th June 2017 - £27,593).

Background to the Proposals

After careful deliberation, the Board has concluded that changing the Company's Investment Strategy could result in the emergence a number of opportunities to make attractive investments; accordingly, it is seeking authority from Shareholders to adopt the Proposed Investment Strategy as set out below.

The Directors believe that greater flexibility to issue shares would be beneficial. They are therefore seeking authority from Shareholders to increase the Directors' ability to issue shares, further details of which are set out below.

Company's Articles presently provide that general meetings which include among the business any special resolutions to be put to Shareholders must be convened on a minimum notice period of 21 clear days. The Directors believe that amending relevant Article to allow for shareholders' meeting for the passing of special resolutions to be called on 14 clear days' notice would bring the Company's notice periods into line with those permitted in changes to company legislation introduced by the Act.

To reflect this proposed new strategy, and in light of recent changes to the Company's Board and the sectoral focus described, the Company proposes to change its name to Sport Capital Group plc. Subject to the passing of the Resolution to change the Company's name, the Company's corporate website address and TIDM will be changed and Shareholders will be informed of the new address and TIDM in due course.

Proposed Investment Strategy

Conditional on Resolution 1 (on the passing of which Resolutions 2, 3, 4 and 5 are contingent) to this effect being approved at the General Meeting, the Company will adopt the following Investment Strategy:

The Company's objective is to generate an attractive rate of return for shareholders through the provision of finance to businesses within the sports and leisure sectors together with their associated intellectual property, media, technology and infrastructure.

The Company aims to provide equity, debt, and equity-related investment capital, such as convertible loans, to growing companies which are seeking capital for growth and development, consolidation or acquisition, or as pre-IPO financing. The Company may undertake a reverse takeover or may make investments into companies that it considers to represent exceptionally prospective opportunities for future reverse takeovers but is predominately focussed on building a portfolio of investments in this sector.

In addition, the Company may invest in publicly traded entities which have securities listed on a stock exchange or over-the-counter market. These investments may be in combination with additional debt or equity-related financing, and in appropriate circumstances in collaboration with other value added financial and/or strategic investors.

The Company is not geographically restricted in terms of where it will consider making investments but is anticipated that most of its attention will be focussed on the UK and Europe. It will consider any geographical area, to the extent that the investment fits within the Company's investment criteria. The Company will not be subject to any borrowing or leveraging limits.

The Company does not intend to be an active investor, but the Directors will reserve the right to seek representation on the board of the investee company where they feel that an investee company would benefit from their skill and expertise, and to assist with monitoring the Company's investment.

The Directors believe that their broad, collective experience, together with their extensive network of contacts, will assist them in identifying, evaluating and funding suitable investment opportunities. External advisers and investment professionals will be engaged as necessary to assist with sourcing and due diligence of prospective opportunities. The Directors will also consider appointing additional directors with relevant experience, should this appear to be prudent and beneficial.

The Company intends to deliver shareholder returns principally through capital growth rather than capital distribution through dividends.

Consistent with the Company's proposed new Investment strategy, the Directors are aware of a number of potential acquisition and/or investment opportunities which may be available to the Company. No terms have yet been concluded with any such potential opportunity, and any such any potential opportunity would be subject to due diligence, final board approval and future fundraises.

Mention is made of the potential for a future reverse takeover. I would point out to Shareholders that, were a reverse takeover opportunity to present itself and to be recommended by the Board, the Company requires under the NEX Exchange Rules first to seek and obtain Shareholders' approval for any such transaction.

Authority to allot new shares; and to allot new shares in disapplication of pre-emption rights

In view of the modest capital base of the Company (£97,989.50) and of the number of new Ordinary Shares already agreed to be issued (conditional upon the passing of the Resolutions to be proposed at the General Meeting) in the Placing, Resolution 2 seeks the authority to allot shares up to a nominal value of £111,322.83. Resolution 3 seeks authority for the Board to allot such new Ordinary Shares on a non-pre-emptive basis.

Upon completion, the Placing (which is defined in the Definitions' section of the Circular on page 7) will consume £13,333.33 of the Directors' existing share allotment authority, leaving £84,656.17 remaining of the authority approved on 13th June 2018 at the last AGM. Resolutions 2 and 3 thus propose to restore the position in proportion to the Company's issued Ordinary Share capital as it will have been enlarged by the Placing to that obtaining between 13th June 2018 and the present in relation to the currently-issued share capital.

Section 561 of the Act contains pre-emption rights that require all equity shares which it is proposed to allot for cash to be offered to existing shareholders in proportion to their existing shareholdings, unless a special resolution is passed to disapply such rights. Such rights do not apply to an issue otherwise than for cash, such as an issue in consideration of an acquisition. The Directors believe that these requirements are too restrictive and it is proposed that the Directors should be able to allot shares amounting to an aggregate nominal amount of £ £111,322.83 otherwise than on a pre-emptive basis.

In each case, the authority conferred shall expire at the earlier of: fifteen months after the passing of this resolution; or at the conclusion of the next AGM of the Company following the passing of Resolutions 2 and 3. The Directors intend to raise additional funds for the Company in due course after the forthcoming General Meeting, subject to the Resolutions being approved by shareholders.

Amendment to the Company's Articles

The proposed amendment to Article 65 of the Articles to allow Shareholders' meeting for the consideration of special resolutions to be called on 14 clear days' notice is conditional upon Resolutions 1, 2 and 3 having first been approved by Shareholders. Article 65 presently states, "An annual general meeting or a meeting called for the passing of a special resolution shall be called by not less than twenty-one clear days' notice in writing. A meeting other than an annual general meeting shall be called by not less than fourteen days' clear notice in writing."

It is proposed in Resolution 4 to amend Article 65 by the deletion of the words, "or a meeting called for the passing of a special resolution" so as to read, "An annual general meeting shall be called by not less than twenty-one clear days' notice in writing. A meeting other than an annual general meeting shall be called by not less than fourteen days' clear notice in writing."

A copy of the Articles shall be available for inspection at the General Meeting and, if Resolution 4 is passed at the General Meeting, a copy of the Company's amended Articles shall be made available on the Company's website at www.pelicanhousemining.co.uk.

Change of Name

The proposal to change the name of the Company from Pelican House Mining plc to Sport Capital Group plc is conditional upon Resolutions 1, 2, 3 and 4 having first been approved by Shareholders. The Directors believe that the proposed, new name better reflects the sectoral focus of the Company and may more readily attract the attention of sports and leisure sector investors and of potential investee companies."

There follows a section which summarises the voting arrangements for the General Meeting, details of which may be found in the Circular. The Chairman's Letter continues,

"Recommendation

For the reasons set out above, the Board of Directors recommends Shareholders to vote in favour of the Resolutions, as they intend to do in respect of the shareholdings over which they have voting authority which, as at close of business on 7th December 2018 (being the last business day prior to the issue of the Circular), amounted to 27,000,000 Ordinary Shares representing approximately 27.55 per cent. of the existing issued Ordinary Share capital of the Company."

A copy of the Circular, including the General Meeting notice, will be uploaded as a PDF on the NEX Exchange website under "Shareholder Documents" and be accessible by visiting: <https://www.nexexchange.com/member?securityid=101329>.

John Treacy,

Director,

Pelican House Mining plc,

London, 10th December 2018

The foregoing announcement has been issued after due and careful enquiry; the Directors of Pelican House Mining accept responsibility for its content.

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Ends.



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