

Concerned Shareholders of Growmax Resources Corp. Mail Proxy Circular and Urges Shareholders to Vote the Yellow Proxy

10.09.2018 | [CNW](#)

- Concerned Shareholders' circular exposes major concerns with Growmax's proposed acquisition of PrimaSea.
- Due to the essence of time, vote online or by telephone using only the Yellow Proxy? FOR the Concerned Shareholders' nominees and AGAINST the dilutive acquisition of PrimaSea.

VANCOUVER, Sept. 10, 2018 - Kulwant Mahli and BullRun Capital Inc. (the "Concerned Shareholders") today announced that they have commenced the mailing of the Concerned Shareholders' circular in advance of [GrowMax Resources Corp.](#)'s (GRO:TSX-V) Annual and Special Meeting of Shareholders scheduled for Tuesday September 25, 2018.

The Concerned Shareholders' circular includes a letter outlining the reasons why GrowMax shareholders should vote AGAINST the resolution to acquire PrimaSea and vote FOR the Concerned Shareholders' director nominees, among other matters. GrowMax shareholders are urged to read the Concerned Shareholders' circular thoroughly and vote with the recommendations of the Concerned Shareholders using only the YELLOW proxy. The Circular is filed on SEDAR under GrowMax's profile and also on the Concerned Shareholders' website at www.laurelhill.ca/abetter-growmax/.

A full copy of the Letter to shareholders is set out below:

Important Message to Shareholders of GrowMax

Board Change is Needed to Save Your Investment

Do Not Accept MASSIVE DILUTION and HAND OVER 50% of GrowMax to a Business that is Worthless

VOTE AGAINST the PrimaSea Acquisition and VOTE FOR the Concerned Shareholder's Board Nominees

September 10, 2018

Dear Fellow Shareholder,

Shareholders of [GrowMax Resources Corp.](#) ("GrowMax" or the "Corporation") are at a crossroad and you have a great opportunity to implement positive change in the Corporation. I, Kulwant Malhi and BullRun Capital Inc. (the "Concerned Shareholders") are writing to fellow shareholders in GrowMax for your support at the upcoming annual and special meeting (the "Meeting") of GrowMax to be held on September 25, 2018. All of our investments in GrowMax are in peril and WE can stop this together. To do this, vote FOR the new slate of director nominees (the "Concerned Shareholder Nominees") that the Concerned Shareholders have put forward. The independent and qualified Concerned Shareholder Nominees will act in shareholders' best interests and properly steward GrowMax in the right direction.

Time for Change

The current board of directors (the "Current Board") of GrowMax are destroying value and are not serving the

best interests of shareholders. This was clearly shown in the Current Board and management's decision to propose a transaction whereby GrowMax would acquire a Corporation that is a money-losing operation (the "PrimaSea Acquisition"). The time has come for real and meaningful change in the oversight and management of our company.

Under the Current Board, Shareholders have been presented with impeding actions that have stalled the creation of value including

- a lack of growth in GrowMax;
- a lack of focus and direction;
- the continuation of excessive payments into the pockets of the Current Board and management; and
- the proposed highly dilutive and non-profitable PrimaSea Acquisition.

Prior to voting, Shareholders are asked to consider the following:

1. What has the Current Board and management done for shareholders in the last 5 years?

- Dismal Shareholder Return. The Corporation's total shareholder returns over the last 5 years have been dismal. From a high of \$1.83 on January 3, 2014 to a startling \$0.10 on the closing of September 7, 2018. This represents a 95% drop over approximately four and a half years.
- Lack of Proper Focus and Direction. During this time, GrowMax changed strategy when it divested its oil assets in favour of becoming a fertilizer corporation. In connection with this change in strategy, the board has been shuffled so that almost all of the director nominees proposed by GrowMax at the Meeting, are now fertilizer specialists. Fertilizer is essentially all that management's proposed board knows and we believe this is why they continue to stubbornly pursue fertilizer projects regardless of future profitability prospects.
- Excessive Compensation. Executive compensation is out of line with the Corporation's performance. Share price has declined 95% since it's high point in January 2014, yet executive compensation for the last three years has exceeded \$8.4 million. Through this time, the Corporation has failed to advance any projects, with no active operations imminent or permitted, and has failed to generate any revenue from operations.

2. The Questionable Dilutive and Non-Profitable PrimaSea Acquisition

The PrimaSea Acquisition proposed by management and the Current Board contemplates,

- Hand over 50% of the Corporation to the current shareholders of PrimaSea, the parent Corporation of Fertimar which has negative working capital, negative cash flow and unsustainable levels of debt.
- Dilutive issuance of 213,925,645 common shares of GrowMax to PrimaSea.
- Consolidation of the common shares of GrowMax ("Common Share") on the basis of six pre-consolidation Common Shares for every one post-consolidation Common Share.
- Creation of a controlling shareholder block whereby Management and PrimaSea executives would have over 50% voting control of the GrowMax shares and therefore, reducing the power of minority shareholders' ability to have a say.

Does the above seem fair to GrowMax Shareholders? It appears management and the Current Board are acting in the best interests of themselves instead of ALL shareholders of GrowMax.

Below is additional alarming information that brings into question the merits of the PrimaSea Acquisition, and the judgment of the Current Board and Management.

The PrimaSea Acquisition Will Destroy Value for GrowMax Shareholders. Fertimar is the wholly owned

subsidiary of PrimaSea, and its business plan for 2018 and 2019 fiscal years call for an expenditure of R\$12.34 million. This means that GrowMax's \$32.5M treasury will be used to fund loss-making operations over the next 2 years at minimum. The management information circular fails to articulate how Fertimar will miraculously cease losing money while simultaneously increasing production 5-fold. On December 31, 2017, Fertimar reclassified almost R\$2.93 million of non-current debt to current, as Fertimar was not in compliance with certain covenants. If the PrimaSea Acquisition is approved, GrowMax will inherit PrimaSea's substantial debt and the Corporation's treasury will be raided to pay down all the debt PrimaSea has accrued.

NEGATIVE Working Capital and NEGATIVE Operating Income. Fertimar currently has a negative working capital of R\$7,276,917 and R\$14.66 million in debt. The PrimaSea Acquisition values Fertimar at \$0.77 per common share, three times the price of the last debt conversion in 2017 which is the last known price of Fertimar shares.

The GrowMax Board Does Not Have Shareholders' Best Interests In Mind. The Current Board and management have positioned themselves to personally benefit, regardless of the outcome with their inflated salaries, new equity incentive plans and outrageous termination clauses.

GrowMax's Questionable Financial Advice and Approval Process. The Current Board has placed great emphasis on the financial advice from Bordeaux Capital in its decision to proceed with the PrimaSea Acquisition. However, they failed to disclose that the founder of Bordeaux Capital had extensive and deep relationships with certain GrowMax directors during his tenure at Mackie Research Corporation. Additionally, GrowMax's timeline of events provides evidence that Bordeaux Capital was influenced by financial motivations to ensure the acquisition went ahead.

- June 2, 2014 - Principal of Bordeaux Capital raises funds for GrowMax while at another investment house.
- Sep 13th, 2017 - Bordeaux Capital engaged to provide M&A advisory services.
- July 19th, 2018 - The agreement was amended for Bordeaux to provide financial advisory services, and "will be paid a fee based upon the successful closing of the Acquisition."
- July 23rd, 2018 - Bordeaux Capital was engaged by the Board to "prepare and provide its opinion as to the fairness from a financial point of view, of the exchange basis for the Acquisition."

As a result, Bordeaux Capital will be paid fees estimated to be approximately \$424,000 upon the successful closing of the PrimaSea Acquisition, in addition to the \$40,000 received for 18 days of spreadsheet work providing the Bordeaux Opinion. As the courts in Canada have noted opinions based on success fees are intrinsically flawed and of limited weight.

VOTE FOR AN INDEPENDENT BOARD WITH A PROVEN TRACK RECORD

The Concerned Shareholders believe passionately that a bright future for GrowMax can be achieved under the qualified, independent and motivated leadership of the Concerned Shareholder Nominees who are better aligned with the Shareholders' interests. The Concerned Shareholder Nominees consist of the following professionals who have a proven track record of creating value:

1. Kulwant Malhi

- Mr. Malhi has been instrumental in creating value in founding and raising significant funding for public companies.
- Cannabix Technologies Inc (CNSX:BLO) - Raised in excess of \$8M since 2015 and oversaw the increase of its share price from \$0.15 per share in 2016 to \$1.71 per share at market close on September 7, 2018. The company has a current market capitalization of \$162 million.
- Patriot One Technologies Inc (CVE:PAT) - Raised in excess of \$40M since 2016 and oversaw the increase of its market capitalization from \$1.62 million to \$197 million.
- Micron Waste Technologies Inc (CNSX:MWM) - Raised in excess of \$6M since 2017 and oversaw the increase to its market capitalization from \$7.8 million to \$35 million.

2. Alfred Wong

- Mr. Wong has been instrumental in the development of Micron Waste Technologies and creating a partnership with multi-billion dollar market capitalization company Aurora Cannabis Inc (TSE:ACB).
- Mr. Wong is the Principal at Alfred and Company whereby he consulted with early stage start-up companies on the development of business plans, management recruitment, transaction negotiation, mergers & acquisitions, and business development.
- Mr. Wong has won numerous recognitions for his work in entrepreneurship and social innovation.

3. Michael Sadhra

- Mr. Sadhra brings a wealth of financial experience through his background as a tax specialist and his duties as Chief Financial officer on numerous Canadian Public companies.
- He is a self-employed Tax Consultant since January 2007. From September 1999 to December 2006, he was employed at KPMG LLP Chartered Accountants and served as Senior Tax Manager from October 2003 to December 2006 and he specialized in corporate Canadian and international taxation for mining companies. Mr. Sadhra holds a Bachelor of Commerce from the University of British Columbia in 1991 and is a Chartered Professional Accountant.

4. Pratap Reddy

- Mr. Reddy is a strategic consultant to the management and board of directors of Canadian Zeolite Corp. He is also the Chief Executive Officer of Ichaana Indo-Can Zeolite Private Limited, an Indian company focused on introducing various products of natural zeolite to the Indian agriculture and farming sectors.
- Mr. Reddy has been working in the resource industry as a geologist for over 20 years and has extensive knowledge in the global agriculture and farming sectors. He is currently involved in various potash projects in developing vertical market integration with partners in India, Canada and the United States.

Detailed backgrounds of each director nominee can be found under "Election of Directors of GrowMax".

The Concerned Shareholder Nominees Provides an Alternative Plan that Preserves Shareholder Value

- Curtail expenses and restructure compensation to be in-line with shareholder interests.
- Decrease director salaries saving millions of dollars per year.
- Divest mining assets with limited exploration potential.
- Conduct a careful and thorough review of all prior agreements to determine if any contracts were negotiated in bad faith and if necessary, and take action to recover losses.
- Pursue acquisitions in high growth areas with significant investor interest and liquidity.

We know there are many of you who feel the same way that we do. The large support that we continue to receive daily only reinforces the crucial need for all shareholders to take a stand now and vote. Vote using only your YELLOW Proxy as set out in the Concerned Shareholders' Proxy Circular, including:

X AGAINST the PrimaSea Acquisition.

? FOR fixing the number of directors at four.

? FOR the election of the Concerned Shareholder Nominees.

X AGAINST the 6 to 1 consolidation of GrowMax common shares.

If you have already voted using management's proxy but support our efforts for necessary change, you may vote again by using the YELLOW Proxy enclosed. The later dated proxy will count. Voting is easy. You may cast your vote online at www.proxyvote.com, by telephone at our North American Toll-Free number 1-877-452-7184, or call our Collect number at 416-304-0211. Full instructions can be found on the YELLOW Proxy.

We would like to thank shareholders who have voiced their support for us. Notwithstanding the tremendous support the Concerned Shareholders have received, we encourage and invite all Shareholders to vote for our

nominees to ensure real change is implemented.

Yours sincerely,

/s/ "Kulwant Malhi"

Kulwant Malhi, Director and Chairman of BullRun Capital Inc.

Vote Today

Vote Well in Advance of the Proxy Voting Deadline at 8 a.m. Calgary Time on Friday, September 21, 2018.

Shareholders are urged to vote online or by telephone by following the instructions found on the YELLOW Proxy to ensure votes are received in a timely manner. IF YOU HAVE ALREADY VOTED USING MANAGEMENT'S PROXY, YOU CAN STILL SUPPORT THE CONCERNED SHAREHOLDERS BY USING THE YELLOW PROXY. THE LATER DATED PROXY WILL SUPERSEDE.

SOURCE BullRun Capital Inc.

Contact

Questions and requests for assistance may be directed to the Concerned Shareholders' Proxy Solicitor:

Laurel Hill Advisory Group, Toll free in North America: 1-877-452-7184, Outside North America:
1-416-304-0211 (Collect), Email: assistance@laurelhill.com

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Die URL für diesen Artikel lautet:

<https://www.goldseiten.de/artikel/388845--Concerned-Shareholders-of-Growmax-Resources-Corp.-Mail-Proxy-Circular-and-Urges-Shareholders-to-Vote-the-Y>

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