

Equinox Minerals to declare Offer for Citadel unconditional if its interest exceeds 50% by December 16, 2010(1)

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TORONTO AND SYDNEY, Dec. 3 - [Equinox Minerals Limited](#) (TSX and ASX: EQN) ("Equinox" or the "Company") announced today that it intends to declare its recommended takeover offer for [Citadel Resource Group Limited](#) ("Citadel") (the "Offer") free of all defeating conditions if Equinox receives an interest in Citadel shares of more than 50% on or before 5:00 p.m. Western Australia Standard Time on December 16, 2010.

Equinox currently holds an interest in Citadel of 20.5%. This includes acceptances recently received from all of Citadel's directors who hold shares and certain key Citadel shareholders - these acceptances are irrevocable and cannot be withdrawn.

Equinox believes that it is in the interests of all shareholders for the Offer to be completed as soon as possible. The Jabal Sayid project is currently at a critical stage in its development and an extended Offer period may impact the project timetable and increase the risk of escalation in project costs. The completion of the Offer will allow the Company to apply its technical expertise and financial strength to optimise development plans at the earliest possible stage.

Equinox President and Chief Executive, Craig Williams, said, "We believe our Offer is very attractive to Citadel shareholders. Citadel's assets are an excellent fit with Equinox's existing operations and the combination of our technical expertise and financial strength will allow us to create value for all shareholders. We encourage all Citadel shareholders to accept our Offer as soon as possible."

The Citadel board in its Target Statement dated November 25, 2010 reiterated its unanimous support for Equinox's Offer in the absence of a superior proposal.

Equinox also intends to reduce the time by which it provides the consideration under the Offer to seven (7) business days from the later of the date that the Offer is declared unconditional and the date that Equinox receives a valid acceptance from a Citadel Shareholder. This means shareholders will receive their Offer consideration before year end, provided acceptances are received on or before December 16, 2010 and the Offer is declared unconditional.²

Equinox encourages all shareholders to accept the Offer now but recognizes that there may be some shareholders who are either not willing or able to accept the Offer before it becomes unconditional. Equinox therefore intends to implement an institutional acceptance facility ("Acceptance Facility"), which will be operated by Computershare Investor Services Pty Ltd and open to professional investors. Valid instructions deposited into the Acceptance Facility do not constitute acceptance of the Offer but will be taken into account by Equinox in determining whether to declare the Offer free of all defeating conditions.

1 Subject to there being no breach in Offer conditions in the intervening period.

2 Other than Ineligible Foreign Shareholders and accepting shareholders who elect to participate in the Sale Facility. Such shareholders will receive \$0.105 cash within 7 business days of acceptance for each Citadel share held and a separate cash amount at a later date from the sale of the Equinox securities that the shareholder would otherwise have been entitled to under the Offer.

About Equinox

Equinox Minerals Limited is an international mining company dual-listed on the Canadian (Toronto) and Australian stock exchanges.

The Company is currently focused on operating its 100% owned large scale Lumwana Copper Mine in Zambia, one of the largest new copper mines to be developed globally over the last few years.

Equinox acquired the Lumwana project in 1999 and following nearly 10 years of feasibility, financing and construction, commissioned the mine, plant and infrastructure in December 2008.

Situated 220 km northwest of the Zambian Copperbelt, Lumwana is now a major copper mine which has established Equinox as one of the world's top 20 copper producing companies.

Lumwana is mining and processing in excess of 20 million tonnes of ore per year, mined at an average life of mine strip ratio of

In addition, Equinox has been implementing a strategy of growth through organic expansion at Lumwana, with an objective of 35Mtpa throughput to produce approximately 200,000tpa of copper, as well as through an international search for acquisition opportunities.

For information on Equinox and technical details on the Lumwana Project please refer to the company website at www.equinoxminerals.com

About Citadel

Citadel is an emerging ASX-listed base metals and gold company with a portfolio of development and exploration assets located in Saudi Arabia, within the highly prospective Arabian Shield minerals province. Citadel's flagship asset is Jabal Sayid, a copper-gold project located 350 kilometres north-east of the Red Sea port city of Jeddah, the commercial capital of Saudi Arabia, and 120 kilometres south-east of Medina.

Jabal Sayid is on a scale that is comparable with other well known volcanogenic massive sulphide ("VMS") ore deposits in Canada and Australia. Jabal Sayid has measured and indicated resources of 28.7Mt at a grade of 2.4% copper, for 687,000t of copper; and measured, indicated and inferred resources of 37.5 Mt at a grade of 2.2% copper, for 827,000t of contained copper.

The Jabal Sayid Definitive Feasibility Study ("DFS") was completed in December 2009 and the Mining (Exploitation) License for the project was granted in May 2010. Under the DFS, the project is forecast to have a development cost of US\$305 million and to produce approximately 57,000t of copper in concentrate per year for 10 years from 2012, at an average C1 cash cost of US\$0.98/lb copper produced (based on treatment charges of US\$70/dmt and refining charges of US\$0.07/lb). The deposits remain open at depth and are considered to have significant potential for future resource expansion.

Citadel is in the process of completing a transaction under which it would acquire 100% ownership of Jabal Sayid from its local Saudi Arabian partners.

Citadel also owns several other advanced exploration projects in Saudi Arabia, including the Jabal Shayban and Jabal Baydan gold-base metal projects, the Lahuf gold project, the Bari porphyry gold-copper project and the Wadi Kamal sulphide nickel-copper-PGM project.

Cautionary Notes

Forward-Looking Statements

Certain information contained or incorporated by reference in this press release, including any information as to the Company's strategy, projects, plans, prospects, future outlook, anticipated events or results or future financial or operating performance, constitutes "forward-looking statements" within the meaning of Canadian securities laws. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements can often, but not always, be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "predicts", "potential", "continue" or "believes", or variations (including negative variations) of such words; or statements that certain actions, events or results "may", "could", "would", "should", "might", "potential to", or "will" be taken, occur or be achieved or other similar expressions concerning matters that are not historical facts. Readers are cautioned that forward-looking statements are not guarantees of future performance. All of the forward-looking statements made or incorporated in this press release are qualified by these cautionary statements.

Forward-looking statements are necessarily based on a number of factors, estimates and assumptions that, while considered reasonable by Equinox (the "Company") as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such factors, estimates and assumptions of the Company contained in this news release include, but are not limited to: (i) the assumption that the Company will complete the Offer in accordance with the terms and conditions of the Bid Implementation Agreement; (ii) the accuracy of management's assessment of the successful integration of the combined companies upon completion of the Offer; (iii) the accuracy of the Company's and Citadel's

mineral reserve and mineral resource estimates; (iv) management's expectation that Citadel's Jabal Sayid copper and gold project will be commissioned in late 2011; (v) the viability of Citadel's Jabal Shayban, Lahuf, Bari, Wadi Kamal, Murayjib-Bil'iwy, and Jabal Baydan prospects on a basis consistent with the management's current expectations; (vi) management's expectations of the trading price of the Company's common shares and CHESS depositary interests and of Citadel's ordinary shares; (vii) management's expectation of there being no significant risks relating to the Company's or Citadel's mining operations, including political risks and instability and risks related to international operations; (viii) management's expectation that exchange rates will be approximately consistent with current levels or as set out in this news release; (ix) certain price assumptions for copper, uranium, gold and base metals; * certain price assumptions for natural gas, fuel oil, electricity and other key supplies remaining consistent with current levels; (xi) management's expectation of production forecasts; and * management's expectations of permitting, development and expansion at the Company's existing properties. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Readers are also cautioned that forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Equinox and/or its subsidiaries to differ materially from those expressed or implied in the forward-looking statements, including the risk that the Offer will not be completed for any reason. Certain of these risks and uncertainties are described in more detail in the Company's Annual Information Form dated March 15, 2010 and in the Company's most recently filed Management's Discussion and Analysis, to which readers are referred and which are incorporated by reference in this news release. The Company's Annual Information Form and its most recently filed Management's Discussion and Analysis are available on SEDAR at www.sedar.com and on the Company's website at www.equinoxminerals.com.

Although Equinox has attempted to identify statements containing important factors that could cause actual actions, event or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein are made as of the date of this document based on the opinions and estimates of management on the date statements containing such forward looking information are made, and Equinox disclaims any obligation to update any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise. 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, readers should not place undue reliance on forward looking information.

The Company will be filing important documents relating to the Offer with applicable Canadian securities regulatory authorities, including a copy of the Bid Implementation Agreement. The description of the Bid Implementation Agreement contained in this press release does not purport to be complete and is qualified in its entirety by reference to the full text of the Bid Implementation Agreement. Investors and securityholders are urged to carefully read the Bid Implementation Agreement and all such documents filed with applicable Canadian securities regulatory authorities. Such documents will be available on SEDAR at www.sedar.com and on the Company's website at www.equinoxminerals.com.

Technical Information

Certain technical information in this press release has been summarized or extracted from the Technical Report on the Lumwana Project, North Western Province, Republic of Zambia dated June 2008 and re-filed in April 2009 (the "Technical Report"). Scientific and technical information concerning Equinox contained in this press release has been prepared under the supervision of Robert Rigo, BEng., FAusIMM, MIEAust, Vice President, Project Development of Equinox, who is a "Qualified Person" in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Readers are cautioned not to rely solely on the summary of information contained in this release, but should read the Technical Report which is posted on Equinox's website at www.equinoxminerals.com and filed on SEDAR at www.sedar.com and any future amendments to such report. Readers are also directed to the cautionary notices and disclaimers contained therein.

The information in this announcement concerning Citadel's assets is based on publicly available information and has not been independently verified by Equinox.

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