

# Diamcor Signs Strategic Agreement and Closes \$5.5 Million Financing with New York Based Tiffany & Co.

29.03.2011 | [CNW](#)

*THIS NEWS RELEASE IS NOT FOR DISSEMINATION IN THE UNITED STATES, TO "U.S. PERSONS" OR TO UNITED STATES OF AMERICA NEWS SERVICES.*

KELOWNA, BC, March 29 /[CNW](#)/ - [Diamcor Mining Inc.](#) (TSX-V.DMI) (the "Company") is pleased to announce that it has entered into a long-term strategic alliance and closed a financing with world famous premier luxury jewellery and specialty retailer, New York based Tiffany & Co.

Tiffany & Co., in conjunction with their diamond sourcing and polishing subsidiary Laurelton Diamonds South Africa (Proprietary) Limited ("Laurelton"), and the Company, in conjunction with its subsidiary DMI Minerals South Africa (Proprietary) Limited ("DMI Minerals"), have entered into a strategic agreement (the "Off-Take Agreement") regarding future rough diamond production from the Krone-Endora at Venetia project ("Krone-Endora"), which the Company recently acquired from De Beers Consolidated Mines Limited ("De Beers"). Under the terms of the Off-Take Agreement, Tiffany & Co., through Laurelton, secured a first right of refusal to purchase up to 100% of the production of rough diamonds from Krone-Endora at fair market value prices to be negotiated and adjusted from time-to-time to reflect current market conditions. DMI Minerals retains the right to freely market any rough diamond production and specials (rough diamonds 10.8 carats or larger in size) which are not selected for purchase by Laurelton.

To expedite the production and supply of rough diamonds from Krone-Endora, Tiffany & Co. provided the Company with an aggregate amount of \$5,500,000 in financing through its subsidiary, Tiffany & Co. Canada. The financing includes a \$3,500,000 term loan (the "Term Loan") and a \$2,000,000 convertible debt debenture (the "Convertible Debenture").

The Term Loan has a term of 5 years and a fixed rate of interest of 7% per annum. The Term Loan is non-amortizing for a 24 month period from the date of issuance of the promissory note (the "Promissory Note") evidencing the Term Loan and, accordingly, no interest or principal is due until following this 24 month period, at which time principal and interest is payable monthly in accordance with a 36 month amortization schedule. The Company has the right to repay the outstanding principal and any accrued and unpaid interest due under the Promissory Note at any time without notice or penalty.

The Convertible Debenture has a term of 5 years and a fixed rate of interest of 7% per annum. Like the Term Loan, interest accrues but is not payable for the 24 month period from the date of issuance, following which interest becomes due and payable monthly. The Company has the right to repay the outstanding principal and any accrued and unpaid interest, without penalty, on not less than 30-days notice and subject to the conversion rights contained in the Convertible Debenture. Under the conversion rights of the Convertible Debenture, Tiffany & Co. Canada may convert the principal amount of \$2,000,000, along with any accrued and unpaid interest due at that time, in whole or in part, into class A common shares (the "shares") of Diamcor at a conversion price of CAD \$0.75 per share. At any time after 24 months from the issue date of the Convertible Debenture, the Company has the right to convert the principal amount of \$2,000,000, along with any accrued and unpaid interest due at that time, in whole or in part, into shares of the Company at a conversion price of CAD \$0.75 per share. Under both conversion scenarios, and assuming full conversion of the principal and accrued interest 24 months from the date of issue of the Convertible Debenture, a maximum of 3,053,614 shares in the Company would potentially be issued at that time. Any shares issued upon the conversion of any amounts due under the Convertible Debenture will be subject to a hold period which expires four months and one day from the date of issuance of the Convertible Debenture.

The sourcing, negotiation and successful completion of the financing transaction with Tiffany & Co. were completed by the Company's management and directors. As a result, no brokerage or finder's fees were incurred by the Company.

With this strategic financing closed, the Company can advance, develop and deploy the infrastructure to begin the mining and production of rough diamonds from Krone-Endora. The Company's operational team has begun the initial work associated with the start of the extended drilling and bulk sampling programmes recommended by the current National Instrument 43-101 technical report filed by the Company. Additional

information on these programmes will be provided by the Company in a separate news release by the Company in the coming days.

"We are very pleased to have achieved these significant milestones for the Company and look forward to a long and mutually beneficial relationship with Tiffany and Co." commented Diamcor President and Chief Executive Officer, Mr. Dean H. Taylor, "Our Company is well-positioned as one of the few diamond mining companies in the world with new near-term production potential at a time when rough diamond demand and prices are continuing to increase", added Mr. Taylor.

James N. Fernandez, Executive Vice President and Chief Financial Officer of Tiffany & Co. said, "We are excited about this transaction with Diamcor which is consistent with our ongoing vertical integration program to expand our sources of supply for diamonds that meet Tiffany & Co.'s high quality standards."

#### **About Krone-Endora at Venetia:**

On February 28, 2011, the Company announced that it had successfully completed the acquisition of Krone-Endora from De Beers through its majority-owned subsidiary, DMI Minerals. The project consists of the prospecting rights over the farms Krone 104 and Endora 66, which represent a combined surface area of approximately 5,888 hectares directly adjacent to De Beers' flagship Venetia Diamond Mine in South Africa. The deposits which occur on the properties of Krone and Endora have been identified as both, an upper "Alluvial" deposit, as well as a rare high-grade lower "Eluvial" deposit, both proposed to have originated from the direct-shift and erosion of an estimated 1,000M, or 1.0 vertical km of material from the higher grounds of the adjacent Venetia kimberlite areas. De Beers previously completed various exploration efforts on an initial area of interest comprised of approximately 310 hectares, a summary of which was reported in an initial Independent National Instrument 43-101 Technical Report (the "NI43-101 Report") filed by the Company on July 30, 2009. Based only on the work completed to date, the current NI43-101 Report provided a current inferred resource estimate of 54,258,600 tonnes of diamond-bearing gravels and 1.3 million carats of diamonds for this area of interest alone. The deposits on Krone-Endora occur in two layers, and with an average total depth of only 15.0M from surface to bedrock, allows for a very low-cost mining operation to be employed. Krone-Endora also benefits from the significant development of infrastructure and services already in place due to its location directly adjacent to the Venetia Mine.

With the acquisition now closed, the Company is proceeding immediately with the extended drilling and bulk sampling programmes recommended by the NI43-101 Report which are aimed at identifying additional resources which have not yet been quantified, and determining the current market diamond price estimate for Krone-Endora (the initial NI43-101 Report price is from 2005). These efforts will be used by the Company to support the filing of a new and updated NI43-101 Report, to identify potential areas for the more extensive planned and recommended move to near-term trial-mining exercises, and to aid in determining the future long-term production targets for Krone-Endora.

#### **About Diamcor Mining Inc:**

Diamcor Mining Inc. is a fully reporting publically traded junior diamond mining company which is listed on the TSX Venture Exchange under the symbol V.DMI. The Company has well established operational and production history in South Africa, and extensive experience supplying rough diamonds to the world market. Rather than exposing itself to the high-risks and costs associated with exploration, the Company's focus is on the identification, acquisition, and operation of quality near-term production based diamond projects. For additional information, please visit [www.diamcormining.com](http://www.diamcormining.com).

#### **About Tiffany & Co.:**

Tiffany & Co. is a publically traded company which is listed on the New York Stock Exchange under the symbol TIF. Originally founded in 1837, the Tiffany's name is now globally recognised as one of the premier luxury jewellery and specialty retailers in the world. Through Tiffany & Co. and various other subsidiaries, the company is engaged in product design, manufacturing, and retailing activities on a global basis. As of October 31, 2010 Tiffany & Co. operates 225 retail stores and boutiques in the Americas, Japan, Asia-Pacific, and Europe and engages in direct selling through internet, catalog and business gift operations. For additional information, please visit [www.tiffany.com](http://www.tiffany.com).

On behalf of the Board of Directors

*This press release contains certain forward-looking statements. While these forward-looking statements represent our best current judgement, they are subject to a variety of risks and uncertainties that are beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Further, the Company expressly disclaims any obligation to update any forward looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. This news release is not for dissemination in the United States, to "U.S. Persons" or to United States of America news services.*

## **WE SEEK SAFE HARBOUR**

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **For further information:**

Mr. Dean H. Taylor  
President & CEO  
Diamcor Mining Inc.  
DTaylor@diamcormining.com  
Phone: (250) 864-3326  
Website: [www.diamcormining.com](http://www.diamcormining.com)

---

Dieser Artikel stammt von [Rohstoff-Welt.de](http://Rohstoff-Welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/102283--Diamcor-Signs-Strategic-Agreement-and-Closes-5.5-Million-Financing-with-New-York-Based-Tiffany-und-Co.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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).