

Glencore Agrees to Purchase US\$30 Million of PolyMet Common Shares

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Glencore and PolyMet also Agree to Extend Debentures

SWITZERLAND, Nov. 12 /[CNW](#)/ - Glencore AG ("Glencore") announced today that it has entered into an agreement with [PolyMet Mining Corp.](#) ("PolyMet") to purchase by way of private placement (the "Share Purchase") 15 million common shares (the "Shares") of PolyMet at US\$2.00 per Share for an aggregate purchase price of US\$30 million. Closing of the Share Purchase is expected to occur in three separate closings, each for 5 million Shares for a purchase price of US\$10 million. A closing will occur on or before each of January 17, 2011, October 17, 2011 and October 15, 2012, subject, in each case, to certain closing conditions. In addition, in connection with the Financing Amendments (as defined below), Glencore received a warrant (the "New Warrant") entitling Glencore to purchase up to 3 million Shares, at US\$2.00 per Share, at any time up to 5:00 p.m. (Vancouver time) on December 31, 2015.

As previously disclosed, pursuant to a purchase agreement (the "Purchase Agreement") dated October 31, 2008 among Glencore, PolyMet and PolyMet's wholly-owned Minnesota subsidiary, Poly Met Mining, Inc. (the "PolyMet Subsidiary"), Glencore agreed to invest US\$50 million through the purchase of floating rate secured debentures of the PolyMet Subsidiary. To date, Glencore has purchased an aggregate principal amount of US\$25 million of debentures in four separate closings (the "Issued Debentures"). As of September 30, 2010 approximately US\$2.226 million of interest had been capitalized in the Issued Debentures. These Issued Debentures can be exchanged by Glencore for Shares at US\$4.00 per Share. The final US\$25 million debenture (the "Tranche E Debenture") was to be issued to Glencore upon the satisfaction of additional closing conditions set out in the Purchase Agreement. In connection with the Purchase Agreement, Glencore also received a warrant (the "2008 Purchase Warrant") to purchase 6,250,000 Shares at US\$3.00 per Share that was to expire on September 30, 2011.

PolyMet, the PolyMet Subsidiary and Glencore also entered into an Amendment and Waiver pursuant to which they agreed to, among other things: (1) terminate and discharge any and all obligations of the PolyMet Subsidiary to issue, and of Glencore to purchase, the Tranche E Debenture; (2) extend the maturity date of the Issued Debentures from September 30, 2011 to September 30, 2012; (3) extend the expiration date of the exchange rights under the Issued Debentures from September 30, 2011 to September 30, 2012; and (4) cancel the 2008 Purchase Warrant (collectively, the "Financing Amendments").

Glencore now owns 9,433,962 Shares of PolyMet, and is able to exchange US\$27.226 million in Debentures into an additional 6,806,483 Shares, to exercise the New Warrant for an additional 3 million Shares and to acquire an additional 15 million Shares pursuant to the Share Purchase, for a total of 34,240,445 Shares representing approximately 19.6% of PolyMet's issued Shares on a partially diluted basis, assuming (a) no further capitalization of interest under the Debentures, and (b) 149,525,791 Shares currently outstanding. The 15 million Shares to be acquired pursuant to the Share Purchase and 3 million Shares which may be acquired under the New Warrant represent approximately 10.7% of the outstanding Shares on a partially diluted basis assuming 149,525,791 Shares currently outstanding.

The off take and marketing agreements whereby Glencore will market all of PolyMet's products for a minimum of five years from the start of commercial production at NorthMet are unaffected by the Financing Amendments.

Glencore agreed to the Financing Amendments and to purchase the Shares from PolyMet pursuant to the Share Purchase in the ordinary course of Glencore's business. Glencore may from time to time acquire additional securities of PolyMet and/or its subsidiaries, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its then current position. Persons who wish to obtain a copy of the early warning report to be filed by Glencore in connection with this transaction may obtain a copy of such report from [www.sedar.com](#) or by contacting Glencore's representative listed below.

About Glencore

Glencore International AG, based in Baar, Switzerland, is a leading privately held, diversified natural resources company with worldwide activities in the smelting, refining, mining, processing, purchasing, selling

and marketing of metals and minerals, energy products and agricultural products. Glencore AG, which maintains offices in Stamford, Connecticut, is a subsidiary of Glencore International AG.

About PolyMet

PolyMet Mining Corp. (www.polymetmining.com) is a publicly-traded mine development company that controls 100% of the NorthMet copper-nickel-precious metals ore body through a long-term lease and owns 100% of the Erie Plant, a large processing facility located approximately six miles from the ore body in the established mining district of the Mesabi Range in northeastern Minnesota. PolyMet has completed its Definitive Feasibility Study and is seeking environmental and operating permits to enable it to commence production. The NorthMet project is expected to require approximately one million man hours of construction labor and create at least 400 long-term jobs, a level of activity that will have a significant multiplier effect in the local economy.

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