

# Mexivada Signs Letter of Intent With Buena Vista Gold, Proposes Stock Consolidation and Announces Private Placement

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VANCOUVER, 06/04/12 - [Mexivada Mining Corp.](#) (TSX VENTURE: MNV) (OTCBB: MXVDF) (FRANKFURT: M2Q) is pleased to announce that it has signed an amended and restated binding letter of intent dated June 1, 2012 (the "LOI") with Buena Vista Gold Inc. ("BVG", [www.buenavistagold.com](http://www.buenavistagold.com)) to effect a transaction (the "Transaction") whereby Mexivada would acquire all of the outstanding shares of BVG (the "BVG Shares").

Pursuant to the LOI, the Transaction will involve:

- a. prior to closing of the Transaction, a consolidation of Mexivada's outstanding common shares (the "Consolidation") on the basis of one (1) "new" common share for each three and one-half (3.5) "old" common shares, with corresponding adjustments to Mexivada's outstanding stock options and warrants;
- b. prior to or concurrently with closing of the Transaction, completion of a concurrent financing of not less than \$1.0 million; and
- c. an acquisition by Mexivada of 100% of the outstanding BVG Shares from the shareholders of BVG in exchange for common shares of Mexivada on the basis of one (1) post-Consolidation Mexivada Share for each one (1) BVG Share held by way of an exempt takeover bid and BVG will become a wholly owned subsidiary of Mexivada.

BVG is a private Ontario corporation held by 47 shareholders that holds two properties, being the flagship Buena Vista gold-silver-copper property along the Oreana Gold Trend in central Nevada, across the valley from [Midway Gold Corp.](#)'s Spring Valley gold property (currently under option to Barrick Gold Exploration Inc.) and the Delamar gold-silver property in Lincoln County, Nevada. Subject to shareholder approval, BVG shall have the right to appoint two directors to the combined company.

The combined company of Mexivada and BVG will hold the BVG properties described above as well as Mexivada's 100% controlled flagship Goldstorm and Jefferson gold-silver properties in Nevada, and its Yecora property in Mexico, and its optioned Nevada, Ontario, and Mexico gold properties.

It is anticipated that Mexivada will issue approximately 25,968,332 common shares (on a post-Consolidation basis) in connection with the acquisition of BVG.

The Transaction will be considered a "reviewable transaction" under the policies of the TSX Venture Exchange and is subject to certain industry standard closing conditions, including regulatory approval and the execution of a definitive agreement and all related and ancillary documents. In addition, the Transaction is also subject to the approval of the TSX Venture Exchange, shareholder approval and completion of the Consolidation as well as the completion of an equity financing for the Company to raise gross proceeds in the minimum amount of \$1.0 million on or prior to the closing of the Transaction.

## Private Placement

Mexivada is pleased to announce that it has entered into an agreement with Canaccord Genuity Corp. (the "Agent") to act as agent in connection with the private placement on a best efforts basis of up to 11,111,111 units ("Units") of Mexivada (on a post-Consolidation basis) at a price of \$0.18 per unit (the "Offering") to raise gross proceeds of up to \$2.0 million. Each Unit will consist of one common share in the Company ("Share") and one-half of one common share purchase warrant (a "Warrant"). Each whole Warrant will entitle the holder to purchase one common share of the Company at a price of \$0.24 per common share for a period of 24 months following the closing date. The Agent will receive a cash commission of 8% of the gross proceeds received from the sale of the Units as well as warrants ("Broker Warrants") to acquire that number of common shares of the Company which is equal to 8.0% of the number of Units sold pursuant to the

Offering, at an exercise price of \$0.24 per share. In addition, the Agent will receive a corporate finance fee of \$40,000, payable in cash or units upon completion of the Offering if a minimum of \$1.0 million is raised under the Offering.

The net proceeds from the Offering will be used to cover the closing costs of the Transaction, to fund Mexivada's exploration activities at the Company's Nevada properties and for general working capital.

Mr. Richard Redfern, Mexivada's CEO, stated, "This new business combination with Buena Vista Gold starts a new period of excitement and project development for Mexivada and its shareholders. We will continue our efforts to bring all of our many projects to a high level of productivity and to capitalize on these opportunities in today's gold market. The commitment and competency of the members of our teams and the high quality of our gold properties will differentiate our company from others. The business combination with Buena Vista Gold is a perfect example of this effort translating into value for shareholders."

The Company's President and CEO, Richard R. Redfern, M.Sc. and Certified Professional Geologist, a 'qualified person' for the purposes on National Instrument 43-101 Standards of Disclosure for Mineral Properties, has verified the information contained in this news release.

### **About Mexivada Mining Corp.**

Mexivada is a diversified Canadian mineral exploration company focused on exploration and development of Gold-Silver exploration projects in Nevada, Canada and Mexico. Mexivada is managed by experienced and successful board members and advisors. For further information, please visit our web site at [www.mexivada.com](http://www.mexivada.com) or contact us by e-mail at [info@mexivada.com](mailto:info@mexivada.com).

On behalf of the Board of Directors,

Richard R. Redfern, President & CEO  
Mexivada Mining Corp.

*Caution Concerning Forward-Looking Statements: This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements relating to the plans for completion of the Transaction, including the acquisition of BVG and its properties, the Consolidation, the Offering; timing, availability and amount of financing; expected use of proceeds; business objectives; and the potential success of the foregoing. Forward looking information includes statements that are not historical facts and are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in such statements, including, without limitation: the risk that the Transaction, the Consolidation, the Offering (collectively, the "Transactions") will not be approved by the TSX Venture Exchange; risks and uncertainties related to the Transactions not being completed in the event that the conditions precedent thereto are not satisfied; the risk that the Consolidation will not be approved by shareholders; uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms. Forward-looking statements contained in this release are based on the beliefs, estimates, and opinions of management on the date the statements are made. There can be no assurance that such statements will prove accurate. Actual results may differ materially from those anticipated or projected. [Mexivada Mining Corp.](http://www.mexivada.com) undertakes no obligation to update these forward-looking statements if management's beliefs, estimates, opinions, or other factors, should change.*

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

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