

Avion Gold Corporation Announces Acquisition by Endeavour Mining Corporation and a US\$20,000,000 Exchangeable Debt Financing

07.08.2012 | [Marketwired](#)

TORONTO, ONTARIO -- (Marketwire) -- 08/07/12 -- [Avion Gold Corporation](#) ("Avion") (TSX: AVR) (OTCQX: AVGCF) is pleased to announce today that it has entered into a definitive arrangement agreement (the "Arrangement Agreement") with [Endeavour Mining Corporation](#) ("Endeavour"), pursuant to which Endeavour has agreed to acquire all of the issued and outstanding common shares ("Avion Shares") of Avion by way of a statutory plan of arrangement under the Business Corporations Act (Ontario) (the "Arrangement").

Under the terms of the Arrangement Agreement, each Avion shareholder will receive 0.365 (the "Exchange Ratio") of an ordinary share of Endeavour for each Avion Share held. Each shareholder of Avion that is a Canadian resident may elect for tax purposes to receive Avion Exchangeable Preferred Shares ("Exchangeable Shares") on the basis of the Exchange Ratio. Each Exchangeable Share will be exchangeable for one ordinary shares of Endeavour at the option of the holder (the "Arrangement").

Based on the closing price of the Endeavour Shares on the Toronto Stock Exchange (the "TSX") of \$2.40 on August 7, 2012, the last trading day prior to the announcement of the Arrangement, the share consideration represents a 56.4% premium to the closing price of Avion Shares and a 70% premium over the volume-weighted average trading price ("VWAP") of the Avion Shares on the TSX for the last 20 trading days, on a VWAP to VWAP basis. On a pro-forma basis, Avion's shareholders are expected to hold approximately 39.8% of Endeavour on completion of the Arrangement.

John Begeman, President, CEO and Director of Avion, states "We are very pleased with the proposed transaction as it provides our shareholders with a substantial premium and meaningful ownership in a stronger combined West African-focused mining company with the financial resources to withstand a protracted lull in the capital markets. We believe this transaction to be mutually beneficial to both parties and strategically positions the new company well for future value creation. I look forward to my new role as a director of the new, stronger company."

Benefits of the Arrangement to Avion Shareholders

- Provides Avion shareholders with an immediate and attractive premium to the current Avion share price
- Creates a well positioned multi-mine gold producer focused on West Africa with a diversified production base from three producing mines and a strong development profile
- The pro forma company is very well funded with available liquidity and strong operating cash flow sufficient to meet the company's foreseeable capital needs
- Avion shareholders will retain a meaningful ownership stake in the new company providing leverage to the exploration and development successes at Hounde and the resolution of political issues within Mali, in addition to Endeavour's development prospects including the building of the Agbaou gold mine located in Cote d'Ivoire
- The combined company's 2012 production guidance is 282,000 - 304,000 ounces gold with diversified production and cash flow from mines located in major gold producing regions solidifying the company's status as one of the growth leaders in West Africa
- Strengthened management and operations teams with presence focused in geologically attractive regions of West Africa and track record of successfully building and operating mines
- Compelling revaluation opportunity based on an attractive market valuation, strong combined asset portfolio, better near-term liquidity and an enhanced capital markets profile

Transaction Details

The completion of the Arrangement is subject to customary conditions, including receipt of all necessary court, shareholder and regulatory approvals. The Arrangement Agreement includes customary representations and warranties of each party, non-solicitation covenants by Avion, "right-to-match" provisions in favour of Endeavour in the event of a Superior Proposal (as defined in the Arrangement Agreement) and the payment by Avion to Endeavour of a termination fee in the amount of \$11,500,000 should the Arrangement Agreement be terminated in certain circumstances.

The Arrangement is subject to the approval of 66 2/3% of the votes cast at a special meeting of Avion's shareholders to approve the arrangement (the "Avion Meeting") that is expected to occur on or about October 12, 2012. An information circular regarding the Arrangement will be filed with regulatory authorities and mailed to Avion's shareholders in accordance with applicable securities laws. The record date for the special meeting of the Avion's shareholders will be announced in the near future.

The issue of the Endeavour ordinary shares pursuant to the Arrangement must be approved by a simple majority of the shareholders of Endeavour at a special meeting of Endeavour shareholders (the "Endeavour Meeting"). The Endeavour Meeting is expected to occur on the same date as the Avion Meeting.

The Board of Directors of the combined company will draw from the expertise of both companies. John Begeman and another member of the current Avion board will be joining Endeavour's Board.

Exchangeable Loan

Avion and Endeavour have also entered into a loan agreement (the "Loan Agreement") whereby Endeavour is providing a US\$20,000,000 exchangeable loan (the "Loan") to Avion Resources (Mali) Ltd (the "Borrower"), a wholly-owned subsidiary of Avion. The Loan is for an initial term of six months (the "Initial Maturity Date") and bears interest at the rate of LIBOR plus 6%. Pursuant to the terms of the Loan Agreement, Avion has agreed to guarantee the Loan, which is secured against the common shares in the capital of the Borrower and Avion Mali Limited, another wholly-owned subsidiary of Avion.

The Loan is exchangeable at the option of Endeavour, at any time subsequent to the advance of the Loan, into Avion Shares at an exchange price of US\$0.4323 per Avion Share. In certain circumstances Avion will have the option to exchange the Loan for Avion Shares on the Initial Maturity Date at the lower of the agreed conversion price of US\$0.4323 per Avion Share and the five day VWAP of the Avion Shares on the TSX as at the close of trading on the date immediately preceding the Initial Maturity Date. Endeavour will, in turn, have the right to elect not to allow the conversion of the Loan at that time but instead to have the Loan remain outstanding for an additional six months on the same terms, subject to Endeavour retaining the option to convert at any time at the lower of the agreed upon conversion price of US\$0.4323 per share and the five day VWAP of the Avion Shares on the TSX as at the close of trading on the date immediately preceding the initial repayment date. The exchangeability features of the Loan are subject to the approval of the TSX. If the approval of the TSX to these exchangeability features is not obtained, the Loan will bear interest at the rate of LIBOR plus 12%.

The proceeds of the Loan will be used to fund capital expenditures for Avion's Tabakoto mine and general corporate purposes.

Board and Special Committee Approval

The Board of Directors of Avion formed a special committee (the "Special Committee") comprised of Bruce Humphrey, Honourable Pierre Pettigrew P.C. and Bernie Wilson to consider the proposed Arrangement. The Special Committee, based in part on a fairness opinion from National Bank Financial Inc. that the consideration offered in the Arrangement is fair to the holders of Avion Shares from a financial point of view, has unanimously determined that the completion of the Arrangement is in the best interests of Avion. The Special Committee unanimously recommended that the Board of Directors approve the Arrangement and recommend that shareholders of Avion vote in favour of the Arrangement.

Based in part on the recommendation of the Special Committee and on a fairness opinion from GMP Securities L.P. that the consideration offered in the Arrangement is fair to the holders of Avion Shares from a financial point of view, the Board of Directors of Avion determined that the Arrangement is in the best interests of Avion and Avion's shareholders. The Board recommends that Avion's shareholders vote to approve the Arrangement at the Avion Meeting.

Voting Support Agreements

All of Avion's officers and directors and certain other shareholders of Avion, holding, in the aggregate, 1.1%

of the issued and outstanding Avion Shares, have entered into support agreements with Endeavour to vote in favour of the Arrangement, not to solicit other transactions and otherwise support the Arrangement, subject to certain permitted exceptions.

Advisors

Avion's financial advisor for the Arrangement is GMP Securities L.P. and its legal advisor is Cassels, Brock & Blackwell LLP. The Special Committee retained National Bank Financial Inc. as its financial advisor. Fraser, Milner Casgrain LLP acted as counsel to the Special Committee.

Kingsdale Shareholder Services Inc. has been retained to act as Proxy Solicitation and Information Agent in connection with the Arrangement. Avion shareholders with questions about the Arrangement may contact Kingsdale toll free at 1-866-229-8214. Outside of North America, please dial 416-872-2272, or email at contactus@kingsdaleshareholder.com.

Conference Call:

Avion and Endeavour will hold a joint conference call and webcast on Thursday, August 9, 2012 starting at 8:00 a.m. Eastern Time.

Conference Call Access:

- North American Toll Free: +1 (877) 407-0832
- International: +1 (201) 689-8433
- Internet link: www.endeavourmining.com/s/Webcasts.asp

The conference call will be available for replay on Endeavour's website until August 9, 2013.

About Avion Gold Corporation

[Avion](#) is a Canadian-based gold mining company focused in West Africa that holds 80% of the Tabakoto and Segala gold projects in Mali. Avion has developed an underground mine at the Tabakoto deposit, and is developing another underground mine at the Segala deposit. The Tabakoto project property also contains several producing open pit mines. Production sustainability will continue to be supported by exploration programs over an approximately 600 km(2) exploration package that both surrounds and is near to the Avion's existing mine infrastructure, and contains mineral resources on the Kofi property. Additionally, mineral resources have grown considerably at Avion's 1,600 km(2) Hounde exploration property in Burkina Faso.

Forward Looking and Cautionary Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation regarding expected future events of Avion. By its nature, forward-looking information requires Avion to make assumptions and is subject to numerous inherent risks and uncertainties. There is significant risk that assumptions, predictions and other forward-looking information will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking information as a number of factors could cause actual future results, conditions, actions or events to differ materially from expectations, estimations or intentions expressed in the forward-looking information. Forward-looking information in this news release includes, but is not limited to: the proposed acquisition of Avion by Endeavour pursuant to a plan of arrangement, the anticipated benefits of the Arrangement, the timing of the record date and special meeting of Avion's shareholders, the filing and mailing of an information circular and the closing of the Arrangement. The forward-looking information is based on certain assumptions made by Avion in light of its experience and its perception of historical trends, business prospect and opportunities, expected future developments and business trends, future capital and other expenditures (including the amount, nature and sources of funding thereof), general economic and capital market conditions as well as other factors it believes are appropriate in the circumstances. Such forward-looking information reflects management's current beliefs and is based on information currently available to Management.

Forward-looking information involves significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including but not limited to, risks associated with: a failure to obtain the required regulatory, court and shareholder approvals; changes in the economic conditions in Canada, West Africa and globally;

volatility in commodity prices and exchange rates; changes in government regulation and government funding levels; and changes in demand for gold and other precious metals. In addition the Arrangement Agreement is subject to a number of conditions which are typical for transactions of this nature. Failure to satisfy any of these conditions may result in the termination of the Arrangement Agreement. Additional risks and uncertainties associated with Avion's future plans are described in Avion's Annual Information Form for the year ended December 31, 2011, which is available under the company's profile at www.sedar.com. Although the forward-looking information contained herein is based upon assumptions which management believes to be reasonable, Avion cannot assure investors that actual results will be consistent with this forward-looking information. This forward-looking information is made as of the date hereof and Avion assumes no obligation to update or revise this information to reflect new events or circumstances, except as required by applicable securities laws.

Contacts:

Avion Gold Corporation
Michael McAllister
Manager, Investor Relations
(416) 309-2134
info@Aviongoldcorp.com
Twitter: @AviongoldAVR

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/130866--Avion-Gold-Corporation-Announces-Acquisition-by-Endeavour-Mining-Corporation-and-a-US20000000-Exchange>

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](#).