

Oracle Mining Signs Investment Agreement for US\$20 Million

02.11.2012 | [Marketwired](#)

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MF2 agrees to equity investment of up to US\$10 million
MF2 agrees to acquire 3% Net Smelter Royalty for US\$10 million

VANCOUVER, BRITISH COLUMBIA -- (Marketwire - Nov. 2, 2012) - [Oracle Mining Corp.](#) ("Oracle Mining" or the "Corporation") (TSX:OMN)(OTCQX:OMCCF)(FRANKFURT:OMC) is pleased to announce that, further to its previous announcement, the Corporation and MF2 Investment Company 1 LP, Bermuda LP ("MF2"), an affiliate of RK Mine Finance (Master) Fund II LP, have signed a definitive investment agreement (the "Investment Agreement").

Pursuant to the Investment Agreement, MF2 has agreed to be the lead order for up to US\$10 million of units of the Corporation (the "Equity Investment") (each unit being comprised of one common share and one-half of one common share purchase warrant in the capital of the Corporation) currently being marketed by way of a preliminary short form prospectus dated September 26, 2012 (the "Offering"), subject to MF2's shareholdings of the Corporation not exceeding 19.9% of the common shares of the Corporation upon closing of the Offering (assuming the exercise of MF2's warrants underlying the units offered). The Investment Agreement also provides that MF2 will be given certain anti-dilution and participation rights in respect of future issuances of securities of Oracle Mining for a period of four years from closing in order for MF2 to maintain its pro rata percentage ownership in the Corporation. Oracle Mining intends to use the proceeds from the Equity Investment in accordance with the use of proceeds that will be set forth in the final short form prospectus of the Corporation planned to be filed in connection with the Offering.

MF2 will also have the right to appoint a director to the board of Oracle Mining, which right will continue for so long as MF2 maintains ownership of 10% or more of the Corporation's common shares.

In addition, MF2 has agreed to purchase, upon closing of the Offering, a 3% Net Smelter Returns Royalty on the future sale of any metals and minerals derived from the Oracle Ridge Copper Mine in Arizona, USA, for US\$10 million (the "NSR Financing").

The Investment Agreement also provides that MF2 has the exclusive right, for a period of ninety days from the closing date, to finalize and enter into an offtake agreement and a loan agreement with the Corporation. As contemplated, the offtake agreement will provide that MF2 is to purchase 100% of the Oracle Ridge Copper Mine's future annual copper concentrate production for the life of the mine. The price payable for the material is to be based on prices set by the London Metal Exchange as published by the London Metal Bulletin. It is expected that the loan agreement will provide for a senior ranking loan facility in the amount of US\$15 million.

The transactions contemplated by the Investment Agreement remain subject to a number of conditions, including the completion of the Offering, the receipt of any required regulatory and exchange approvals and such other conditions as are customary for transactions of this nature. The closing of the NSR Financing is expected to occur concurrently with the closing of the Offering.

This media release does not constitute an offer to sell or solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Oracle Mining Corp.

Oracle Mining Corp. (TSX:OMN)(OTCQX:OMCCF)(FRANKFURT:OMC) is a Vancouver, Canada-based corporation that is the sole owner and operator of Oracle Ridge Mining LLC and the Oracle Ridge Copper

Mine located 24 km northeast of Tucson, Arizona, USA. Oracle Mining is managed by an experienced team of mining professionals with extensive operating and financial experience.

Forward-looking Statement Disclaimer

This document may contain "forward-looking statements" within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this document and Oracle Mining does not intend, and does not assume any obligation, to update these forward-looking statements. Forward-looking statements relate to future events or future performance and reflect management of the Corporation's expectations or beliefs regarding future events. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. Forward looking statements in this news release include, but are not limited to, statements with respect to the completion of the Offering and the transactions contemplated by the Investment Agreement, the filing of a final short form prospectus, the intended use of proceeds from the Equity Investment and the Offering and the entering into of definitive documentation with MF2 with respect to the loan agreement and the offtake agreement (or either of them). By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the Corporation being able to receive the required approvals for the Offering or the transactions contemplated by the Investment Agreement; risks related to the completion of the Offering in the expected time frame or at all; risks related to changes in the market; our ability to successfully negotiate a definitive offtake agreement or loan agreement with MF2; actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Corporation's annual information form for the year ended December 31, 2011 filed and available for review on SEDAR at www.sedar.com. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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<https://www.rohstoff-welt.de/news/136550--Oracle-Mining-Signs-Investment-Agreement-for-US20-Million.html>

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