

# Kirkland Lake Gold Completes Royalty Transaction With Franco-Nevada

31.10.2013 | [Marketwired](#)

- **US\$50 million raised by way of 2.5% NSR royalty**
- **Partial buy back option for three years**
- **Funds to be used for development of Kirkland Lake's properties including the Macassa Gold Mine**

KIRKLAND LAKE, ONTARIO--(Marketwired - Oct 31, 2013) - [Kirkland Lake Gold Inc.](#) ("**Kirkland Lake**" or "**the Company**") (TSX:KGI) (AIM:KGI), an operating and exploration gold mining company, is pleased to announce that it has closed its previously announced transaction to raise US\$50 million by the sale to [Franco-Nevada Corp.](#) (TSX:FNV) ("**Franco-Nevada**") of a 2.5% net smelter return royalty ("**NSR**") on Kirkland Lake's properties including the Macassa Gold Mine.

## Transaction Summary

Under the terms of the royalty agreement, Kirkland Lake received US\$50 million for a 2.5% NSR royalty on production from the Company's properties including the Macassa Gold Mine. The NSR agreement provides, amongst other things, that: (i) Kirkland Lake has a 3 year option to buy back 1% of the NSR, for total consideration of US\$36 million, less the royalty proceeds attributable to the buy back portion of the NSR that has been paid to Franco-Nevada prior to the date of the buy back; (ii) Franco-Nevada has a right of first refusal on any future royalty or stream interests from the Company's properties; and (iii) Franco-Nevada has the option to receive NSR payments in either gold bullion or cash.

National Bank Financial Inc. acted as financial advisor and Stikeman Elliott LLP acted as legal counsel to Kirkland Lake in respect of this transaction.

## About the Company

Kirkland Lake Gold's corporate goal is to create a self sustaining and long lived intermediate gold mining company based in the historic Kirkland Lake Gold Camp. The Company plans to do this by increasing production capacity to 2,200 tons of ore per day in several stages, and by decreasing production costs by realizing the economies of scale associated with that higher production capacity. At the same time, the Company is committed to maintaining a significant exploration program aimed at developing and maintaining a property wide reserve and resource base sufficient to sustain a mine life of more than ten years for as long as practicable.

*Neither the Toronto Stock Exchange nor the AIM Market of the London Stock Exchange has reviewed and*

*neither accepts responsibility for the adequacy or accuracy of this news release.*

### **Cautionary Note Regarding Forward Looking Statements**

*This Press Release contains statements which constitute "forward-looking statements", including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to the future business activities and operating performance of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, are intended to identify such forward-looking statements. Investors are cautioned that forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements.*

*These factors include the Company's expectations in connection with the projects and exploration programs being met, the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating gold prices, currency exchange rates (such as the Canadian dollar versus the United States Dollar), possible variations in ore grade or recovery rates, changes in accounting policies, changes in the Company's corporate mineral resources, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, risks related to joint venture operations, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, and limitations on insurance, as well as those risk factors discussed or referred to in the Company's annual Management's Discussion and Analysis and Annual Information Form for the year ended April 30, 2013 and the Company's Management's Discussion and Analysis for the interim period ended July 31, 2013 filed with the securities regulatory authorities in certain provinces of Canada and available at [www.sedar.com](http://www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements except as otherwise required by applicable law.*

### **Contact**

#### Kirkland Lake Gold Inc.

Brian Hinchcliffe

President

+1 705 567 5208

+1 705 568 6444

[bhinchcliffe@klgold.com](mailto:bhinchcliffe@klgold.com)

#### Kirkland Lake Gold Inc.

Lindsay Dunlop

Director of Investor Relations

+1 416-840-7884

+1 705 568 6444

[ldunlop@klgold.com](mailto:ldunlop@klgold.com)

[www.klgold.com](http://www.klgold.com)

NOMAD: Panmure Gordon (UK) Limited

Callum Stewart / Adam James

+44 (0) 20 7886 2500

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/159685--Kirkland-Lake-Gold-Completes-Royalty-Transaction-With-Franco-Nevada.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 -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).