

Besra Convertible Note Offering

06.01.2014 | [Marketwired](#)

TORONTO, ONTARIO--(Marketwired - Jan 6, 2014) - Besra (TSX:BEZ)(ASX:BEZ)(OTCQX:BSRAF)(FRANKFURT:OP6) announces that, subject to any required regulatory or shareholder approval, Besra intends to raise US \$12.0 million through the issuance of 8% unsecured convertible redeemable notes on a private placement basis.

The proposed terms are that the notes are convertible during the first 30 months of the note at a price of \$0.15 per common share and are convertible thereafter at the lower of \$0.15 and the five-day volume weighted average price, less a discount of 10% subject to a minimum conversion price of \$0.05. The notes will mature on 30 November 2017 and bear interest at 8% per annum payable semi-annually.

The first tranche of the financing is expected to close within the first few weeks of January 2014, although no assurances can be given that the notes will be issued in accordance with the currently proposed terms, or at all. It is expected that the second tranche would close some time around the Lunar New Year holiday season. The offering will cover current debt and interest commitments due now and in March 2014, as well as planned capital expenditures on Besra's two operating gold mines in Vietnam. Financing is subject to all necessary regulatory approvals including the Toronto Stock Exchange.

The Company has experienced lower revenues because of recent issues in Vietnam that have affected Besra's short-term cash flow. This has meant that the Company is late in meeting its existing convertible note interest payment. Besra is in consultation with the note holders' agents to reschedule payment of interest due to match the closing of the first tranche of the current financing.

Besra CEO John Seton said, "Whilst Besra is not alone in having faced a difficult year for small cap mining companies, it has faced some unique challenges. The current situation has largely been brought about by two sets of circumstances that can only be described as 'force majeure' and negatively affected production in Vietnam."

The first was a disputed export tax assessment by the Vietnam General Department of Customs (GDC). During the dispute, the Company was unable to import supplies and mining equipment due to import & export restrictions levied by GDC. This negatively impacted production at both its mine sites in Vietnam (see Besra media release of 27 September 2014), with operations taking some time to recover. The import and export restrictions have been lifted and Besra is hopeful, after discussions with senior government officials, that the current disputed assessments will be reduced or vacated following further review by GDC.

The second was serious damage to State and internal roads leading to its Bong Mieu site, caused by a series of typhoons and tropical storms in quick succession. Multiple road damage locations cut off access to the site and Bong Mieu operations remain suspended since November 2013 (see Besra media release of 19 November 2014). In more positive news, based on discussions with the insurer, we expect that it will accept liability and fund the reinstatement of roads and de-watering of underground areas. Besra expects Bong Mieu to be back in production within 4 to 6 weeks with a period of ramping up to full production.

Production at Phuoc Son has been recovering since the tax dispute restrictions were lifted and is on the path to returning to full production, but the impacts on cash flow are still being felt. The current low gold price has also meant that production gains have not translated to significantly improved cash flow.

Seton said, "Whilst Vietnam is continuing to prove to be a challenging operating environment, we are persisting with production improvements and are looking forward to pushing ahead with the very exciting Bau project. Having recently released preliminary results on the feasibility study for Stage 1 of the Bau Project, I'm pleased to confirm that we are on track to release the full feasibility by 20 January 2014. Furthermore we expect significant interest in funding options for Stage One of the project."

[Besra Gold Inc.](#)

John A G Seton, Chief Executive Officer

Besra - www.besra.com

Besra is a diversified gold mining company focused on the exploration, development and mining of mineral properties in South East Asia. The Company has four key properties; the Bau Goldfield in East Malaysia, Bong Mieu and Phuoc Son in Central Vietnam, and Capcapo in the Philippines. Besra expects to expand existing gold capacity in Vietnam over the next two years and is projecting new production capacity from Bau Central during late 2015.

Cautionary Note Regarding Forward-Looking Statements

Certain of the statements made and information contained herein is "Forward-looking information" within the meaning of applicable securities laws, including statements concerning our plans at our producing mines and exploration projects, which involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, failure to establish estimated resources or to convert resources to mineable reserves; the grade and recovery of ore which is mined varying from estimates; capital and operating costs varying significantly from estimates; delays in obtaining or failure to obtain required governmental, environmental, or other project approvals; changes in national and local government legislation or regulations regarding environmental factors, royalties, taxation or foreign investment; political or economic instability; terrorism; inflation; changes in currency exchange rates; fluctuations in commodity prices; delays in the development of projects; shortage of personnel with the requisite knowledge and skills to design and execute exploration and development programs; difficulties in arranging contracts for drilling and other exploration and development services; dependency on equity market financings to fund programs and maintain and develop mineral properties; and risks associated with title to resource properties due to the difficulties of determining the validity of certain claims and other risks and uncertainties, including those described in each management's discussion and analysis released by the Company. In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management; the assumed long-term price of gold; the availability of permits and surface rights; access to financing, equipment and labour and that the political environment in the jurisdictions within which the Company operates will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements, which speak only as of the date they are made. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

Technical Information

The technical information in this press release has been prepared under the supervision of Mr Graeme Fulton who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a "Competent Person", as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve" and a "Qualified Person" as defined in National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators. Mr Fulton is a full-time consultant to the Company and is not "independent" within the meaning of National Instrument 43-101. Mr Fulton consents to the inclusion in this press release of the technical information, in the form, and context in which it appears.

Contact

[Besra Gold Inc.](#)

James W Hamilton

Investor Relations

+1 (416) 572 2525 or TF: 1 888 902 5522 (North America)

ir@besra.com

[Besra Gold Inc.](#)

Steve Wilson

Corporate Communications

T: +64 9 9121765 or M: +64 21675660

TF: 800 308 602 (Australia)

steve.wilson@besra.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/163744--Besra-Convertible-Note-Offering.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](#).