

Southern Cross Goldfields Ltd Road to Production Remains On Track

25.03.2014 | [ABN Newswire](#)

Brisbane, Australia - [Southern Cross Goldfields Ltd.](#) (ASX: SXG) is pleased to announce that its A\$7.0M outstanding debt facility with RMB Australia Holdings Ltd ("RMB"), which was due for repayment in March 2014, has been reduced by A\$2.0M and extended to September 2014 on the terms summarised below.

In order to efficiently conclude the broader funding proposals and various corporate initiatives currently under consideration, SXG has agreed to immediately repay A\$2.0M in principal to RMB, and extend the remaining outstanding principal balance of A\$5.0M for an additional 6 months.

In 2013 SXG entered into the 12 month acquisition finance facility with RMB for the sum of A\$7.0M. The proceeds were primarily utilised for the acquisition of the Sandstone Project and associated gold plant, which was earmarked for relocation to the Marda Gold Project, as well as supporting working capital requirements.

SXG is in the final stage of assessing a number of project development funding proposals and corporate initiatives and will keep the market informed on these. The Company expects to announce further updates on its project development strategy in the near term.

Managing Director Frank Terranova stated, "It is very clear that project financiers have a strong preference for existing or near term cash flow generation. This is consistent with the SXG strategy of transitioning to gold producer status as soon as possible."

Currently the SXG portfolio has near term cash flow potential from both its Australian gold projects, namely the Mt Boppy Gold Project in New South Wales and the Marda Gold Project in Western Australia. The Company continues to assess the project sequencing including any potential to develop part of its projects in parallel in order to try to fully optimise its funding package and ultimately shareholder returns.

Frank Terranova added; "The Board currently considers that the fastest route to cash flow currently exists at the Mt Boppy Project, whilst the ability to add meaningful near term production ounces to the portfolio resides at Marda. Therefore blending both these attributes in the most efficient manner so that they do not become mutually exclusive in any funding scenario remains an organisational priority".

Project Status and Permitting Update

SXG continues to work with the financiers as well as internally firming up key project assumptions to improve the economics and bankability of the projects¹.

The Company continues the process of concluding all permits on its Australian gold projects, namely Mt Boppy Gold Project in New South Wales and Marda Gold Project in Western Australia.

The remaining operational permits at Mt Boppy are substantially progressed and will be finalised upon the establishment of the overall funding package for the Project.

Marda Project permitting also continues to advance with SXG now confident the process will conclude within calendar 2014 and has the potential to be accelerated pending its funding activities.

RMB Facility Terms:

The amendment to the RMB facility reduces the principal amount to A\$5.0M and extends the term for repayment to 24 September 2014 (or earlier if an alternate debt facility is undertaken). Partial repayment of A\$2.0M in principal of the original facility has been made, reducing the principal amount outstanding under the RMB facility from A\$7.0M to A\$5.0 million.

To extend the RMB facility, in addition to an agency fee of A\$250,000 paid by SXG to RMB, SXG issued RMB with 63,775,510 options in SXG ("Options"). The key terms of the Options are:

- exercise period of 2 years from date of issue; and

- exercisable at \$0.02.

The terms and conditions applicable under the original RMB facility continue to apply to the amended RMB facility, including the application of commercial interest rates.

About Southern Cross Goldfields Limited:

Southern Cross Goldfields (ASX Ticker: SXG) is an Australian mining and exploration company that is on the move. Investors in SXG are exposed to a compelling combination of near-term cash flow and outstanding exploration potential in the gold sector.

Contact:

Frank Terranova, Managing Director

[Southern Cross Goldfields Ltd.](#)

Telephone: +61-7-3221-6022

Email: frankt@scross.com.au

Web: www.scross.com.au

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/169314--Southern-Cross-Goldfields-Ltd-Road-to-Production-Remains-On-Track.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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).