

Serabi Gold plc US\$8 million secured loan facility with Sprott Resource Lending

29.09.2014 | [GlobeNewswire](#)

LONDON, Sept. 29, 2014 (GLOBE NEWSWIRE) -- [Serabi Gold Plc](#) (AIM:SRB) (TSX:SBI), the Brazilian focused gold mining and development company, is pleased to announce that it has entered into a US\$8 million secured loan facility arrangement (the "Facility") with the Sprott Resource Lending Partnership ("Sprott"), part of the Sprott Inc. group of companies, one of Canada's largest, resource focused, investment management businesses.

Mike Hodgson CEO, in announcing the completion of the transaction, said:

"I view the decision by Sprott to provide a loan facility to Serabi, as a significant endorsement of the achievements we have made and will continue to make at Palito, and our ability to continue to increase production during the rest of 2014. With the on-going development of the Sao Chico project, this production growth can be expected to continue through 2015. The additional working capital that this facility provides will give the Group additional flexibility in executing its development plans."

The Facility is for a term expiring on 31 December 2015 and carries interest at a rate of 10% per annum. The Facility will be used to provide additional funding for the continued development of the Palito Mine and the Sao Chico gold project, to finance an additional drilling programme at Sao Chico and for general corporate purposes.

The Facility is subject to a number of conditions precedent, including execution of security documentation in favour of Sprott over the assets of the Group, and may be drawn down in up to three tranches with the first Tranche of US\$3 million having been released on 26 September 2014 concurrent with the closing of the transaction. The second and third tranches will be available until 31 December 2014 and drawdown will be subject to Serabi's on-going compliance with the terms of the Facility and the completion of the registration of all the security arrangements subjects to Sprott's right to waive in whole or part any such requirement at any time.

Serabi has provided to Sprott certain covenants and undertakings, consistent with normal bank lending arrangements, including an undertaking to maintain at all times working capital in excess of US\$4 million and a minimum of US\$1 million in unrestricted cash and cash equivalents The Facility is subject to standard events of default.

Serabi has agreed to pay Sprott a structuring fee of US\$80,000 and Serabi has granted to Sprott a call option over 4,812 ounces of gold at a strike price US\$1,285. Sprott has the right to exercise its call option, subject to a minimum of 500 ounces, at any time up to 31 December 2015. The call options when exercised will be settled in cash and at the option of the Borrower may be added to the Facility provided that in so doing this does not cause a breach of the Facility and that the principal balance of the Facility does not exceed US\$8 million.

Serabi may prepay in whole or part any amount of the Facility prior to 31 December 2015 without penalty provided that not less than six months of interest on the amount prepaid, has been paid to Sprott.

Serabi has been assisted in securing the Facility and in its negotiations with Sprott, by Medalist Capital Ltd, a Toronto based investment advisory group.

Enquiries:

[Serabi Gold Plc](#)

Michael Hodgson
Chief Executive

Tel: +44 (0)20 7246 6830
Mobile: +44 (0)7799 473621

Clive Line
Finance Director

Tel: +44 (0)20 7246 6830
Mobile: +44 (0)7710 151692

Email: contact@serabigold.com

Website: www.serabigold.com

Beaumont Cornish Limited
Nominated Adviser and Financial Adviser

Roland Cornish Tel: +44 (0)20 7628 3396

Michael Cornish Tel: +44 (0)20 7628 3396

Peel Hunt LLP
UK Broker

Matthew Armitt Tel: +44 (0)20 7418 9000

Ross Allister Tel: +44 (0)20 7418 9000

Blytheweigh
Public Relations

Tim Blythe Tel: +44 (0)20 7138 3204
Mobile: +44 7816 924626

Halimah Hussain Tel: +44 (0)20 7138 3203
Mobile: +44 7725 978141

Copies of this announcement are available from the Company's website at www.serabigold.com.

Neither the Toronto Stock Exchange, nor any other securities regulatory authority, has approved or disapproved of the contents of this announcement.

Forward Looking Statements

Certain statements in this announcement are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/182879--Serabi-Gold-plc-US8-million-secured-loan-facility-with-Sprott-Resource-Lending.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](#).