

North American Tungsten Extends Loan Agreement With Callidus Capital Corporation

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Dec 31, 2014) - **North American Tungsten Corporation Ltd. (TSX VENTURE:NTC)** ("**NTC**" or the "**Company**") announces an amendment to the \$11.0 million loan (the "**Callidus Loan**") with Callidus Capital Corporation ("**Callidus**") dated May 15, 2014. The amendment includes additional proceeds of \$3.65 million and an extension of the repayment date for the loan balance to May 31, 2016. The Callidus Loan remains repayable on demand and bears interest at 18% per annum with interest payable monthly. Principal repayments of \$150,000 per month will continue, with the remaining balance due at maturity. The Callidus Loan is secured by a first charge over substantially all assets of the Company, excluding the Mactung Project and all mining and mineral leases, claims and tenures related thereto.

Of the additional proceeds, \$2.0 million was utilized to repay a note payable with a former mining contractor due December 31, 2014. The remaining proceeds will be used for capital projects and working capital.

Callidus earned a facility fee in the amount of \$154,208 in respect of the increase and extension of the loan agreement, which is due at maturity.

A condition of the amendment to the Callidus Loan was that Queenwood Capital Partners II LLC ("**Queenwood II**") loan a further \$2.0 million in the Company. Accordingly, prior to this amendment, Queenwood II advanced \$2.0 million (the "**Queenwood II Advance**") pursuant to a demand grid promissory note which allows for borrowing of up to US\$3.0 million (the "**Queenwood II Loan**"). The Queenwood II Loan bears interest at 18% per annum, and such interest is payable by the Company quarterly in arrears on March 31, June 30, September 30 and December 31 of each year, with any remaining accrued and unpaid interest payable on maturity. The repayment of the principal amount of the Queenwood II Loan is fully subordinated to the repayment of the Callidus Loan. The Queenwood II Loan is secured by a charge over all of the assets of the Company pursuant to a previously existing general security agreement. Two directors of the Company, Ronald Erickson and Kurt Heikkila, collectively own all of the issued and outstanding units of Queenwood II.

On the basis that Queenwood II is considered an "insider" of the Company, the Queenwood II Loan may be considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). As a result, the following additional disclosure details are provided, following the listing of disclosure in section 5.2 of MI 61-101. The distribution of an information circular to shareholders, the preparation and distribution of a formal valuation and the seeking of shareholder approval for, and in connection with, the Queenwood II Loan is not necessary under M 61-101, because:

1. for the purposes of Section 5.5(b) of MI 61-101 the securities of the Company are only listed on the TSX Venture Exchange, and on that basis the Queenwood II Loan falls within an exemption from a formal valuation requirement of Section 5.4 of MI 61-101; and
2. for the purposes of Section 5.7(1)(f) of MI 61-101 the Queenwood II Loan is on reasonable commercial terms that are not less advantageous to the Company than if such funds were obtained from a person dealing at arm's length with the Company, including the Callidus Loan, and the Queenwood II Loan is not convertible into securities of the Company or repayable as to principal or interest in securities of the Company, and on that basis the Queenwood II Loan falls within an exemption to the minority shareholder approval requirement of Section 5.6 of MI 61-101.

As the terms of the Queenwood II Advance were only recently finalized, the Company was not able to file a material change report 21 days prior to the closing of the Queenwood II Advance.

ON BEHALF OF THE BOARD OF DIRECTORS

Kurt E. Heikkila, Chairman & CEO

ABOUT NORTH AMERICAN TUNGSTEN CORPORATION LTD.

The Company is a publicly listed Tier 1 Junior Resource Company engaged primarily in the operation, development, and acquisition of tungsten and other related mineral properties in Canada. The Company's 100% owned CanTung mine and MacTung development project make it one of the few tungsten producers with a strategic asset in the western world. MacTung is one of the world's largest known undeveloped high grade tungsten-skarn deposits.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term as defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note: *The Company relies upon litigation protection for "forward-looking" statements.*

Safe Harbour Statement under the United States Private Securities Litigation Reform Act of 1995 and similar Canadian legislation: *Except for the statements of historical fact contained herein, the information presented contains "Forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and similar Canadian legislation. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," "believes," or variation of such words and phrases that refer to certain actions, events or results to be taken, and other factors which may cause the actual results, performance or achievements of North American Tungsten Corporation Ltd. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual results of reclamation activities, the estimation or realization of mineral reserves and resources, the timing and amount of estimated future production, costs of production, capital expenditures, future prices of commodities, possible variations in ore grade or recovery rates, efficacy and efficiency of milling process, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes and other risks in the mining industry. Although North American Tungsten Corporation Ltd. has attempted to identify important factors that could cause 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 such 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 contained herein and in North American Tungsten Corporation Ltd.'s other filing incorporated by reference.*

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