

Anthem United Inc. to Acquire Second Milling Operation and Mineral Assets, Conduct Private Placement Financing

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VANCOUVER, May 28, 2015 - [Anthem United Inc.](#) (TSX VENTURE:AFY) ("Anthem" or the "Company") is pleased to announce that the Company has entered into a binding agreement (the "Agreement") pursuant to which Anthem, along with its 20% joint venture partner EMC Green Group S.A. ("EMC Green"), have agreed to acquire four private Peruvian companies (the "Transaction"), the material assets of which include:

- A 350 tonne per day gold processing plant in Chaparra, Arequipa, Peru and associated infrastructure, rolling stock and operations inventory (the "Chaparra Mill");
- A portfolio of three mineral claims in the region collectively comprising 2,500 hectares; and
- Offtake agreements with small-scale miners currently operating on the mineral claims pursuant to assignment agreements.

Similar to the Company's existing Koricancha Mill, the Chaparra Mill will produce gold for its own account by processing gold bearing material purchased from small scale and artisanal miners in Peru.

Transaction Highlights

- Creates a multi-asset, growth oriented, gold milling company with significant scale in an emerging industry.
- Doubles the Company's consolidated milling capacity to create significant synergies with existing operations.
- Diversifies and enhances Anthem's asset base with addition of mineral claims and ongoing quantities of secured mill feed offtake.
- Accretive to Anthem with respect to consolidated milling capacity and projected future cash flow on a per share basis.

Greg Smith, President and CEO of Anthem, commented: "The Chaparra Mill and mineral assets are complementary to our existing Koricancha Mill and the two mills combined create meaningful scale in what is currently a highly fragmented industry characterized by smaller, single asset operations. We look forward to continue working with our Peruvian partner, EMC Green, to establish our operations as an industry leader in the Peruvian gold milling space."

Transaction Terms and Details

Pursuant to the Agreement, Anthem and EMC Green will acquire 80% and 20%, respectively, of all the outstanding securities of Pull S.A.C, Minera Rana 34 S.A.C., Minera Rana 35 S.A.C., and Minera Alosaurio S.A.C. (together the "Target Companies"). The Target Companies are private companies incorporated under the laws of Peru.

The Agreement sets out the terms of the Transaction, including, among other things, total consideration of US\$14 million (the "Consideration") to be paid in the following manner:

- US\$3 million no later than June 29, 2015 (the "Initial Payment");
- US\$7 million no later than February 29, 2016, at which point 100% of the shares of the Target Companies will be transferred and physical delivery of assets will occur (the "Closing Date");
- US\$2 million no later than one year following the Closing Date; and
- US\$2 million no later than two years following the Closing Date.

The Company has placed US\$500,000 into escrow in favour of the vendors as a non-refundable deposit, such amount to be applied to the Initial Payment when made.

Anthem will fund 100% of the Consideration and will recover the 20% of the Consideration attributable to EMC Green from distributable cash flow attributable to EMC Green from the operation of the acquired assets. EMC Green will be the Operator of the acquired assets.

The principal assets of the Target Companies are comprised of the Chaparra Mill, a 350 tonne per day gold milling facility in Arequipa, Peru, three regional mineral concessions which have been assigned to independent third-party small scale operating mining companies, and certain rolling stock, inventory and financial assets.

The Chaparra Mill is located in the district of Chaparra, Caraveli province, in Arequipa, Peru. The plant is at low altitude with paved road access in close proximity to the Pan American Highway. The plant includes a 350 tonne per day crush, grind, carbon-in-leach circuit capable of producing gold loaded carbon for further refinement. Ancillary infrastructure includes a tailings facility, water storage, assay lab, truck scale, offices and a power station. The Chaparra Mill has provisional operating permits issued pursuant to the formalization process in Peru, including an approved Corrective Environmental Management Statement (or "IGAC") and is currently authorized to operate. The process to complete formal permitting is progressing and requires, among other items, the final water usage and archeological certificates (provisional certificates have been received) and land surface rights for the plant foot print (in process to be obtained from the regional government). The Chaparra Mill is currently on care and maintenance pending the closing of the Transaction. On closing of the Transaction, the Company expects the Chaparra Mill can be re-commissioned over the course of approximately three months.

The three mineral concessions are in the general region of the Chaparra Mill and cover approximately 2,500 hectares. They are located in the Nazca-Ocona belt of the Coastal Batholith. All three concessions have been contractually assigned to independently incorporated third-party small scale mining companies who are currently working the concessions. The Chaparra Mill, in turn, has offtake agreements with the small scale mining companies to purchase mineralized material produced from the mineral concessions. The mineral concessions have not been subject to formal exploration nor do they contain an established mineral reserve or resource. The mineral claims are not considered material to the Transaction.

Private Placement Financing

The Company will undertake a non-brokered private placement financing (the "Private Placement") to raise gross proceeds of up to CDN\$5 million.

The Private Placement will consist of the following two components, the relative proportion of each to be determined in the context of the market:

- Issue of common shares of the Company at a price of CDN\$0.35 per common share.
- Issue of units at a price of CDN\$0.40 per unit with each unit consisting of one common share of the Company and one-half of one common share purchase warrant of the Company (each whole warrant being a "Warrant"). Each Warrant will entitle the holder to acquire one common share at a price of CDN\$0.50 for a period of five years following the date of the closing of the Private Placement.

Pursuant to the Private Placement, the maximum number of shares that can be issued is approximately 14.3 million and the maximum number of warrants that can be issued is approximately 6.25 million.

The proceeds from the Private Placement will be used by the Company to fund a portion of the Consideration, to fund capital and commissioning of the Chaparra Mill, and for general and operating working capital associated with the Company's existing operations. Anthem reserves the right to increase the size of the Private Placement, subject to approval by the TSX Venture Exchange. The Company may pay finder's fees in connection with the Private Placement.

Closing of the Private Placement is not contingent upon closing of the Transaction nor is closing of the Private Placement conditional upon closing of the Transaction.

Closing of the Transaction and Private Placement

The Private Placement is expected to close in June 2015 with the Initial Payment to be made shortly thereafter.

The Company intends to close the Transaction on or before the Closing Date. The Company is evaluating funding options for the portion of the Consideration payable at the Closing Date. The Company has received

indicative terms on certain options and alternatives may include debt, equity, forward sales, stream or royalty financing or some combination thereof.

Both the Transaction and the Private Placement are subject to certain conditions, including, but not limited to, receipt of all necessary regulatory approvals and the approval of the TSX Venture Exchange. There is no certainty either the Transaction or the Private Placement will close

Amendments to the Joint Venture Agreement

Anthem and EMC Green have agreed, subject to the closing of the Transaction, to amend their current joint venture agreement in respect of the Koricancha Mill (the "Joint Venture") such that the interest of Anthem in the Joint Venture will increase from 75% to 80% and the interest of EMC Green will decrease from 25% to 20%. Further, the 8% cost of goods sold royalty payable to Anthem from the Joint Venture will be cancelled.

About Anthem United Inc.

Anthem (www.anthemu.com) is focused on building a precious metals producing company through the acquisition and development of silver and gold mineral assets. The Company is currently advancing the development, construction and operation of the 350 tonne per day Koricancha Mill in Peru, in which it owns a 75% interest. The Company's joint venture partner, EMC Green, owns the remaining 25% and is the operator of the Koricancha Mill.

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

Forward-Looking Statements

This release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian and U.S. securities laws. Forward-looking statements can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. Forward-looking statements include, but are not limited to, statements with respect to the Transaction, the Private Placement, receipt of certain permits and approvals for the Chaparra Mill, the re-commissioning of the Chaparra Mill, the amending of the terms of the Joint Venture and the existing assets of the Company. Forward-looking statements are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable at the time of such forecasts, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Certain of the statements made herein by the Company are forward-looking and subject to various risks and uncertainties, both known and unknown, many of which are beyond the ability of the Company to control or predict. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Forward-looking information is subject to known and unknown risks and uncertainties that may cause the Company's actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking information, and are developed based on assumptions about such risks, uncertainties and other factors set out here in, including but not limited to the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other exploration data, the potential for delays in exploration or development activities, mine development and production costs, future production levels, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters, labour disputes or other unanticipated difficulties with or interruptions in production and operations, fluctuating metal prices, unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, regulatory restrictions, including environmental regulatory restrictions and liability, competition, loss of key employees, and other related risks and uncertainties. The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

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