

CB Gold Inc. Announces Cash and Share Offer From Batero Gold Corp. and C\$575,000 Non-Brokered Private Placement

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Transaction to Form a Well Capitalized Gold Exploration and Development Company in Colombia

VANCOUVER, BC -- (Marketwired - July 24, 2015) - [CB Gold Inc.](#) (TSX VENTURE: CBJ)

This distribution of CB Gold and Batero Gold shares discussed in this press release will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act") and the CB Gold and Batero shares may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the CB Gold or Batero shares, nor shall there be any offer or sale of the CB Gold or Batero shares in any jurisdiction in which such offer, solicitation or sale would be unlawful.

[CB Gold Inc.](#) (TSX VENTURE: CBJ) ("CB Gold" or the "Company") is pleased to announce that it has entered into a support agreement dated July 23, 2015 with [Batero Gold Corp.](#) (the "Support Agreement"), pursuant to which [Batero Gold Corp.](#) ("Batero" or the "Offeror"), has agreed, subject to the terms and conditions of the Support Agreement, to make an offer to acquire all of the outstanding common shares of CB Gold for a combination of C\$0.0275 in cash plus 0.3056 of a Batero Common share by way of a take-over bid (the "Batero Offer"). The combination of cash and shares offered by Batero values CB Shares at C\$0.05 representing a premium of 44% to the closing price of CB Gold common shares on the TSX Venture Exchange ("TSX-V") on July 23, 2015.

Non-Brokered Private Placement

In addition, CB Gold and Batero have agreed, subject to TSX-V approval, that Batero will complete a non-brokered private placement of common shares of the Company at a price of C\$0.05 per share (representing a 44% premium to market close on July 23, 2015), and for gross proceeds of C\$575,000 (the "Private Placement"). CB Gold intends to use the proceeds from the Private Placement to fund working capital including pending liabilities and for general corporate purposes.

Completion of the Private Placement is subject to TSX Venture Exchange approval. Any securities sold in connection with the financing are subject to a hold period of four months and one day under Canadian securities laws.

Transaction Rationale

The Board of Directors and Special Committee of CB Gold, after consultation with their advisors, have each unanimously determined that the Batero Offer (as opposed to the Red Eagle Take Over Bid ("RE Bid") made on June 29, 2015) is superior and in the best interests of CB Gold and its shareholders. The Board of Directors and Special Committee support the Batero Offer for reasons including the following:

- The Batero Offer provides a 44% premium to CB Gold closing price on July 23, 2015 (or \$0.05 per CB Gold share) while the RE Bid provides only a 32% premium to CB Gold closing price on July 23, 2015 (or \$0.046 per CB Gold share);
- The Batero Offer provides \$8.9 million of value (including the value ascribed to the private placement shares described below) as opposed to \$7.7 million under the RE Bid;
- The Batero Offer provides 54% of the offer value in cash as opposed to the RE Bid which is a share-only offer;
- The Batero Offer is less conditional than RE Bid;
- Batero Offer comes with a \$575,000 financing whereas Red Eagle has explicitly declined to provide any interim financing pending closing of the transaction;
- Batero is sufficiently funded to advance the Vetas Gold Project;

- Red Eagle funding is tied to developing its own assets and Red Eagle does not appear to have the financial strength to support CB Gold and to satisfy CB Gold's liabilities.

Hernan Martinez, Chair of CB Gold commented, "*This is a great opportunity for our shareholders to benefit from an offer that provides better premium and more cash to CB Gold shareholders than that presented by Red Eagle. Batero's financing, absent from Red Eagle offer, provides CB Gold with the ability to guarantee it as a going concern, represents a vote of confidence to CB Gold's management team and board of directors and demonstrates Batero's commitment to their offer. On behalf of the Board of Directors and CB Gold, we are delighted to present our shareholders with this opportunity.*"

Fabio Capponi, President and Chief Executive Officer of the Company said, "*The Offer reflects a significant premium to the recent trading price of CB Gold shares and the combination of cash and shares is a great result for the Company's shareholders. With C\$12.5 million in cash and no debt and backed by a group of experienced and well know developers and producers, Batero is financially and technically strong and provides CB Gold with an ideal partner. In addition, the Private Placement provides CB Gold with much needed financial strength in a challenging equity market.*"

Felipe Ferraro, lead Director of Batero stated, "*We are pleased CB Gold's Board has unanimously recommended support of Batero's Offer. This transaction provides CB Gold shareholders with a significant premium, participation in a well-funded Colombian-focused gold company and a unique technical proposition to advance the Vetas project. Both Batero and CB Gold shareholders will continue to benefit from the expertise of our strategic partner, Consorcio Minero Horizonte and its relationship with the Navarro-Grau Group. The combined company will gain exposure to a portfolio of attractive gold assets in Colombia.*"

Support Agreement

Pursuant to the Support Agreement, CB Gold may not solicit other acquisition proposals, but it is entitled to consider unsolicited acquisition proposals made by third parties and accept superior proposals in accordance with the terms of the Support Agreement. Batero has the right to match any acquisition proposal received by CB Gold that constitutes a superior proposal. The Support Agreement provides for the payment by CB Gold to Batero of a termination fee of US\$350,000 in certain circumstances, including in the event that CB Gold gives notice to terminate the Support Agreement in order to enter into a superior proposal.

The Batero Offer will be subject to certain customary conditions, including there being deposited under the Batero Offer and not withdrawn at the expiry time of the Batero Offer such number of CB Gold Common Shares, which, together with any CB Gold Common Shares owned by the Offeror and its affiliates, represent at least 50.1% of the CB Gold Common Shares then outstanding on a fully-diluted basis (the "Minimum Tender Condition"), and there shall not have occurred any change, condition, event or development which has had, or which could reasonably be expected to have, a material adverse change, in respect of CB Gold. Batero may waive the conditions of the Batero Offer in certain circumstances.

The Batero Offer shall be made in accordance with applicable securities laws and shall expire at 5:00p.m. (Vancouver time) on the 36th day after the commencement of the Batero Offer, subject to the right of the Offeree to extend from time-to-time the period during which CB Gold Common Shares may be deposited under the Offer. Batero expects to make the Batero Offer within 15 days of this announcement.

Lock-Up Agreements

In connection with the execution of the Support Agreement, all of the directors and certain officers of CB Gold as well as certain shareholders of CB Gold, collectively holding approximately 19.5% of the outstanding CB Gold common shares, have agreed to enter into lock-up agreements with the Offeror, pursuant to which they have agreed to tender to the Offer all of the CB Gold common shares held by them.

CB Gold has engaged Stikeman Elliott LLP as its legal advisor in connection with the Offer.

Copies of the Support Agreement, lock-up agreements, take-over bid circular, directors' circular and certain other related documents will be filed with securities regulation and will be available on SEDAR at www.sedar.com.

Completion of the transaction is subject to a number of additional conditions typical of a transaction of this nature, including TSX Venture Exchange approval, the continued accuracy of the parties' representations and warranties, as at the closing date and the absence of any material adverse change in respect of certain

disclosures made by the Company to the buyer. The parties have completed their respective due diligence as at the signing of the definitive transaction agreement.

Rejection of previously announced Red Eagle Offer

As announced on July 14, 2015, the Company's board of directors has voted unanimously to recommend that shareholders reject the hostile offer by [Red Eagle Mining Corp.](#) ("Red Eagle") to acquire all of the outstanding common shares of CB Gold at a price of 0.162 Red Eagle shares per CB Gold share. CB Gold's board of directors has determined that the Red Eagle offer is inadequate and not in the best interests of shareholders. The CB Gold board unanimously recommends that CB Gold shareholders REJECT Red Eagle's hostile offer and NOT TENDER their common shares, and that any CB Gold shareholders who have previously tendered their shares into Red Eagle's offer WITHDRAW them immediately.

About Batero Gold Corp.:

[Batero Gold Corp.](#) is a precious metals exploration and development Company operating in Colombia's prolific Mid Cauca gold and copper belt. The flagship project of Batero is the Quinchia Gold Project which hosts the 100% owned La Cumbre oxide deposit. Batero is exploring for extensions to the La Cumbre oxide and will make a production decision, once the appropriate level of study has been completed. The initial target is the near and at surface higher grade oxidized gold mineralization at the deposit. With C\$12.6 million in cash (Company's Financial Statement dated February 28, 2015), Batero is also well positioned to look for opportunities to acquire prospective high-grade, production focused, mineral properties in Colombia. In pursuing these objectives, Batero plans to leverage its secure treasury position, strong regional relationships, experienced management team, and long-term financial partners.

About CB Gold Inc.:

[CB Gold](#) is a mineral exploration company headquartered in Vancouver, British Columbia. CB Gold, through its wholly-owned subsidiary, Leyhat Colombia Sucursal, is actively pursuing the exploration and development of mineral properties in the Republic of Colombia. The Vetas Gold Project consists of a number of existing mines and exploration concessions.

For more information on CB Gold please visit our web site at www.cbgoldinc.com or contact the Company at +1 (604) 630-5870, or info@cbgoldinc.com.

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

Cautionary Note Regarding Forward-Looking Statements

Information set forth in this news release includes forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the terms and completion of the proposed sale transaction are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, 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 following risks: failure to satisfy all conditions precedent to the transaction, including disinterested shareholder approval and stock exchange regulatory approval, and the additional risks identified in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

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