Red Eagle Mining Extends Offer to Acquire CB Gold

04.08.2015 | CNW

VANCOUVER, August 4, 2015 /CNW/ - Red Eagle Mining Corp. (TSX-V: RD, OTCQX: RDEMF, SSE-V: RDCL) announces that it is extending the expiry of its share exchange takeover bid (the "Offer") to acquire all of the issued and outstanding common shares of CB Gold Inc. ("CB Gold") from August 5, 2015 to August 31, 2015.; This will make the Offer a 'permitted bid' under CB Gold's shareholder rights plan. A notice of variation and extension will be filed and mailed to CB Gold shareholders.

On July 24, 2015 Batero Gold Corp. ("Batero") announced a third attempt by the Navarro-Grau Group to obtain control of CB Gold's Vetas deposit, without disclosing that its bid will constitute an 'insider bid' under applicable securities law. Batero has stated its intention to make an offer to acquire all of the Shares of CB Gold for a combination of $0.0275 in cash plus 0.3056 of a Batero common share for each CB Gold Share, matching Red Eagle Mining's valuation of $0.05 per CB Gold Share.

"Provided that Batero follows through with its offer, CB Gold shareholders will have a choice: They can tender their Shares to Red Eagle Mining, and gain exposure to the fully financed and permitted Santa Rosa Gold Project and to a management team that has a strong track record of delivering on its promises, and running the company for the benefit of all shareholders. Alternatively, shares can be tendered to Batero which is firmly under the control of the Navarro-Grau Group," comments Ian Slater, Chief Executive Officer. "We believe that Red Eagle Mining's Offer continues to represent a clearly superior alternative for CB Gold shareholders."

Reasons to Accept the Red Eagle Mining Offer

- Significant Premium - The Offer represents a premium of 46% to CB Gold's 20-day VWAP of $0.035 and CB's closing share price of $0.035 on June 12, 2015, the last trading day prior to CB Gold's announcement of Red Eagle Mining's proposal;
- Gold Development Company Exposure - Participation in Red Eagle Mining's flagship project, the 100% owned, fully permitted, and fully financed, Santa Rosa Gold Project in Colombia which is expected to be in production during 2016;
- No Control Position – Without a controlling shareholder, Red Eagle Mining is managed for the benefit of all shareholders;
- Colombian Experience - Red Eagle Mining's proven experience in discovery, permitting, financing, and developing underground gold projects in Colombia; and
- Superior Financial Capacity - Red Eagle Mining's strong financial capacity and institutional shareholder base, including significant shareholders Liberty Metals & Mining Holdings LLC, Stracon GyM and Orion Mine Finance.

CB Gold's Ongoing Efforts to put the Vetas Gold Deposit Under Control of the Navarro-Grau Group

On May 19, 2015, CB Gold announced that it had entered into a definitive share purchase agreement with the Navarro-Grau Group owned OM.L Trading Inc. to acquire 100% of the shares in Leyhat Corporation, CB Gold's wholly-owned subsidiary which holds the Vetas gold deposit (the "OM.L Transaction"). The OM.L Transaction was subject to shareholder approval, which was sought at CB Gold's Annual and Special Meeting (the "Shareholders' Meeting") scheduled for June 23, 2015. The deadline for submission of proxies in respect of the Shareholders' Meeting was set at 10:00 a.m. on June 19, 2015. Following receipt of all proxies for the Shareholders' Meeting, on June 22, 2015 CB Gold announced its intent to complete a $3,500,000 Private Placement (the "Private Placement"). On the following day, June 23, 2015, at the Shareholders' Meeting, 66% of disinterested shareholders voted against the OM.L Transaction, contrary to CB Gold's management and board recommendation.

On June 24, 2015, CB Gold announced that the Private Placement would be led by the Navarro-Grau Group, the same related party who was frustrated in its attempt to acquire CB Gold's primary asset a day earlier. Red Eagle Mining applied to the British Columbia Securities Commission (the "Commission") seeking an order to cease trading any securities issued under the Private Placement (the "Cease Trade Application").

The Cease Trade Application was made on the basis that the Private Placement is a dilutive transaction designed to frustrate the ability of shareholders to consider Red Eagle Mining's Offer, and as such is an improper defensive tactic contrary to the public interest. Despite CB Gold's objections, the Commission decided that it would hear the Cease Trade Application and scheduled the hearing for July 3, 2015. On July 2, 2015, just prior to the hearing, CB Gold withdrew the Private Placement.

In conjunction with its announcement of the Batero takeover bid, on July 24, 2015 CB Gold announced that it had closed a $575,000 equity financing with Batero, which is also controlled by the Navarro-Grau Group and is not operating at arm's length. This was closed without any prior notice, providing no opportunity to apply for a cease trade order with the Commission and despite shareholders overwhelmingly voting against the OM.L Transaction at the June 23, 2015 Shareholders' Meeting.

About the Red Eagle Mining Offer

The Red Eagle Mining Offer is for all of the issued and outstanding Shares of CB Gold, including any CB Gold Shares that may become issued and outstanding upon the exercise of existing CB Gold convertible securities. The Offer is subject to certain customary conditions including the deposit under the Offer of not less than 51% of CB Gold Shares, receipt of all necessary regulatory approvals and no material adverse change in CB Gold. The Offer will not be subject to the approval of Red Eagle Mining's shareholders and is not subject to any financing or due diligence conditions.

Under the terms of the Offer, each CB Gold Share will be exchanged for 0.162 of a Red Eagle Mining common share with an implied value of $0.05 per CB Gold Share and an implied total offer value for all outstanding CB Gold Shares of approximately $8,400,000 based on Red Eagle Mining's 20-day volume weighted average share price ("VWAP") of $0.31 on June 12, 2015, the last trading day prior to CB Gold's announcement of Red Eagle Mining's proposal. The Offer will remain open until 4:00PM (Toronto time) on August 31, 2015 ("Expiry Time"), unless withdrawn or extended.

In addition to extending the expiry of the bid, Red Eagle Mining is also varying its offer to provide for an unqualified and irrevocable provision that in the event of the deposit under the Offer of not less than 51% of CB Gold Shares, Red Eagle Mining will make a public announcement and the Offer will remain open for deposits and tenders of Shares for not less than ten additional business days. These changes make the Offer a 'permitted bid' under CB Gold's shareholder rights plan and accordingly, Red Eagle Mining has also waived the condition that the shareholder rights plan be cease traded or waived.

The full details of the Offer are set out in the takeover bid circular ("Circular"), accompanying offer documents and the notice of variation and extension (collectively the "Offer Documents"), which Red Eagle Mining has filed with Canadian securities regulatory authorities on SEDAR and mailed to CB Gold's shareholders. CB Gold shareholders are encouraged to carefully review the Offer Documents, which contains the full terms and conditions of the Offer as well as detailed instructions on how to tender their common shares to the Offer. No further action is required for Shares which have already been tendered.

This press release does not constitute an offer to buy or an invitation to sell, or the solicitation of an offer to buy or invitation to sell, any securities of Red Eagle Mining or CB Gold. Such an offer may only be made pursuant to an offer and takeover bid circular filed with the securities regulatory authorities in Canada and pursuant to registration or qualification under the securities laws of any other such jurisdiction.

How to Tender Shares to the Offer

All questions regarding the Offer and how to tender CB Gold Shares should be directed to the Information Agent, Laurel Hill Advisory Group at +1 877 452 7184 (North American Toll-Free) or +1 416 304 0211 (Collect Calls) or by email at assistance@laurelhill.com. Shareholders who wish to accept the Offer may do so before the Expiry Time by delivering to Computershare (the "Depositary") (a) certificates representing the CB Gold shares to be tendered, (b) a properly completed and executed letter of transmittal (the "Letter of Transmittal") or a manually executed facsimile, and (c) any other documents required by the instructions set out in the Offer Documents. The Letter of Transmittal was included in the Offer Documents and specified the offices of the Depositary at which valid deposits under the Offer may be made. Alternatively, shareholders may follow the procedure for guaranteed delivery using a notice of guaranteed delivery, as described in the Offer Documents. Shareholders whose CB Gold Shares are registered in the name of an investment dealer, stockbroker, bank, trust company or other nominee should contact that nominee for assistance if they wish to accept the Offer.

Advisors

Red Eagle Mining has engaged National Bank Financial Inc. as its financial advisor and Farris Vaughan Wills & Murphy LLP as its legal counsel in respect of the Offer.

About Red Eagle Mining

Red Eagle Mining is a well-financed gold exploration and development company with an experienced mine-development team. Management is focused on building shareholder value through discovering and developing gold projects with low costs and low technical risks in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration. Red Eagle Mining is developing the 100 km² historic Santa Rosa Gold Project located in the Antioquia Batholith. Construction is underway at the fully permitted and fully financed San Ramon Gold Mine with production expected to commence during 2016.

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 release. This news release includes forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

SOURCE Red Eagle Mining Corp.

Contact

Patrick Balit, Director Corporate Development
Red Eagle Mining Corp.
Suite 920 - 1030 West Georgia Street, Vancouver, BC, V6E 2Y3
+1 778 372 2558, +1 604 360 5722 mobile,
balit@redeaglemining.com
www.redeaglemining.com;

For assistance with the Offer please contact the Information Agent:
Laurel Hill Advisory Group
+1 877 452 7184 North American Toll-Free, +1 416 304 0211 Collect Calls Outside North America
+1 416 646 2415
Facsimile, assistance@laurelhill.com

Dieser Artikel stammt von Rohstoff-Welt.de
Die URL für diesen Artikel lautet:
https://www.rohstoff-welt.de/news/207778--Red-Eagle-Mining-Extends-Offer-to-Acquire-CB-Gold.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 -1999-2025. Es gelten unsere AGB und Datenschutzrichtlinen.