

Bauxite Resources Limited. September 2015 Quarterly Activities and Cashflow Reports

29.10.2015 | [ABN Newswire](#)

Perth, Australia - [Bauxite Resources Ltd.](#) (ASX:BAU) announce the September 2015 Quarterly Activities and Cashflow Reports with significant highlights.

- Non-Binding Memorandum of Understanding for Resolution of Dispute and Termination of Joint Ventures with Yankuang. Key terms of the MOU are:

o The existing Joint Ventures between the parties terminated;

o BRL sell its interests in the Joint Ventures and its 100% owned Fortuna bauxite rights to Yankuang for cash consideration and a royalty right; and

o BRL buy back Yankuang's shares in BRL and Yankuang cease to be represented on the BRL Board.

- Sam Middlemas appointed new CEO following the departure of Peter Canterbury

- BRL remains in JV with HD Mining under which all exploration and study costs 100% carried by HD Mining (current resource base 87.8Mt, see 2015 Annual Report and Resources and Reserves Statement for resource details - HD Mining have an earn in of up to 60% on decision to mine)

- Cash at bank A\$22.2 million and no debt.

During the quarter exploration activities were significantly reduced while the Dispute with Yankuang was under mediation. The result of that mediation was announced to the market on 21 October 2015 as follows:

BACKGROUND

[Bauxite Resources Ltd.](#) ("BRL"), Yankuang Resources Pty Ltd ("Yankuang") and Yankuang Group Company Ltd ("YGL") had been engaged in a formal mediation in an effort to resolve the dispute between the parties regarding amongst other things the progress of the Refinery Bankable Feasibility Study.

The mediation was conducted on 11 August 2015 and was adjourned to enable the parties to explore a proposal under which the joint ventures would be terminated with Yankuang acquiring BRL's interests in the joint ventures and in BRL's 100% owned Fortuna bauxite interests.

Since the mediation was adjourned on 11 August 2015, the parties and their solicitors were actively engaged in ongoing negotiations which have resulted in them entering into the non-binding Memorandum of Understanding (MOU).

A summary of the key terms of the proposed transaction documents which are the subject of the MOU follows.

KEY TERMS OF THE PROPOSED TRANSACTION

- The joint ventures with Yankuang will be terminated;

- Yankuang will pay BRL the sum of A\$7.15 million for its interests in the assets of the joint ventures, including its shareholding in Bauxite Alumina Joint Ventures Pty Ltd ('BAJV'), and for its interests in the Fortuna bauxite rights;

- BRL will buy back Yankuang's 19,700,000 shares in BRL for the sum of \$1.15 million;

- Yankuang and BAJV will pay BRL a royalty of 0.9% of the FOB price for the first 100 million tonnes of bauxite mined from the Fortuna and Felicitas tenements;

- BRL will transfer to Yankuang all its interest in the tenements that relate to the joint ventures;

- Subject to the agreement of the tenement holder, BRL will assign its rights in the Fortuna bauxite resource to Yankuang and in the event that the Fortuna tenement holder does not agree, then the royalty right referred to above will be reduced to the first 87 million tonnes; and

- Yankuang's nominee director will resign from the Board of BRL.

If the Boards of Directors of each of Yankuang, YGL and BRL approve and execute the proposed transaction documents, the transaction will still be conditional upon BRL shareholder approval for the sale of the joint venture interests under ASX Listing Rule 11, BRL shareholder approval for the buyback of Yankuang's shares under section 257D of the Corporations Act, Foreign Investment Review Board ("FIRB") approval to Yankuang's acquisition of the joint venture interests, and approval by the State-Owned Assets Supervision and Administration Commission of the Peoples Republic of China ("SASAC").

It is anticipated that BRL shareholder approval will be sought in December 2015, if the proposed transaction documents are approved by the Boards each of BRL, Yankuang and YGL.

BRL reiterates that there is as yet no binding agreement between the parties.

EXPLORATION ACTIVITIES UNDER THE JOINT VENTURE WITH HD MINING

Background

In 2010 the Company entered into a joint venture ("JV") with HD Mining & Investment Pty Ltd ("HD Mining") a wholly-owned subsidiary of the Shandong Bureau No1 Institute for Prospecting of Geology & Minerals ("Shandong") to explore for bauxite. The JV allows for HD Mining to fund 100% of exploration and feasibility costs for HD Mining to earn 60% interest of the bauxite rights upon a decision to mine.

Current Activities

Due to current fiscal restraints within the Shandong Bureau the proposed Bankable Feasibility Study for the Dionysus project has been delayed. However development work has progressed with a number of water level monitoring bores drilled to allow collection of baseline standing ground water levels and variography holes drilled to provide information on the lateral variation of the grade and thickness of the bauxite horizon.

CORPORATE

Board and Management Changes

As announced on 21 October 2015, following the signing of the non-binding MOU for the resolution of the dispute and determination of the joint ventures with Yankuang, with the likely consequential change in focus and direction for BRL going forward, the Chief Executive Officer and Executive Director Peter Canterbury resigned his position to pursue other opportunities in the resources sector.

The Board has appointed Sam Middlemas as Chief Executive Officer to replace Peter. Sam has been with the Company for over three years in the role as Company Secretary and was Acting Chief Executive Officer prior to the appointment of Peter Canterbury.

Cash Position and Shareholder Information

As at 30 September 2015 the Company had 2,368 shareholders and 232,002,336 ordinary fully paid shares on issue with the top 20 shareholders holding 58.0% of the total issued capital.

Bauxite Resources is in a strong financial position with significant cash reserves and no debt. As at 30 September 2015 the Company held AU\$22.9 million in cash.

To view the report, please visit:

<http://media.abnnewswire.net/media/en/docs/ASX-BAU-739808.pdf>

About Bauxite Resources Limited:

Bauxite Resources (ASX:BAU) (OTCMKTS:BX RDF) was established with a substantial tenement holding in

Western Australia to develop new bauxite supply for the global alumina/aluminium industry. The Company listed on the Australian Securities Exchange (ASX) in October 2007.

The Darling Range in the south-west of Western Australia (WA) is the world's largest bauxite mining and alumina refining region producing around 20% of the world's alumina. This area has mined bauxite and refined alumina since the 1960s. These industries are leaders in sustainable resource development and represent the fifth largest sector of WA's resource industry.

Contact:

[Bauxite Resources Ltd.](#)

T: +61 8 9200 8200

F: +61 8 9200 8299

E: info@bauxiteresources.com.au

www.bauxiteresources.com.au

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/214436--Bauxite-Resources-Limited.-September-2015-Quarterly-Activities-and-Cashflow-Reports.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](#).