

Para Resources Inc. Control Shareholder Files Early Warning Report, Provides Credit Facility

08.04.2016 | [ACCESS Newswire](#)

VANCOUVER, April 8, 2016 - [Para Resources Inc.](#) (TSX Venture: PBR) ("Para" or the "Company"): This press release is being disseminated as required by National Instrument 62-103 The Early Warning System and Related Take Over Bids and Insider Reporting Issues in connection with the filing of an early warning report (the "Early Warning Report") regarding the acquisition of securities of the Company by Conex Services Inc. ("Conex Services").

Conex Services, a company wholly-owned and controlled by Glenn Walsh, acquired 24,430,000 Units of the Company at a price of \$0.12 per Unit under the Company's non-brokered private placement announced October 14, 2015. Each "Unit" consists of one common share (a "Share") and one half of one transferable share purchase warrant (each whole warrant, a "Warrant"). Each Warrant is exercisable to acquire one additional Share of the Company for a period of 18 months at a price of \$0.18 per Share.

Accordingly, Conex Services beneficially owns an aggregate 25,855,237 Shares and 12,500,000 Warrants of the Company, representing approximately 41.78% of the 61,882,441 issued and outstanding Shares of the Company on an undiluted basis, and approximately 51.56% of the Company's 74,382,441 issued and outstanding Shares, on a fully diluted basis, assuming exercise of the Warrants held by Conex Services.

Mr. Walsh personally holds 1,570,224 Shares of the Company and warrants to acquire an additional 1,285,112 Shares of the Company. When aggregated, Conex Services and Mr. Walsh own and control 27,425,461 of the Company's 61,882,441 issued and outstanding Shares, or 44.32%. On a fully diluted basis, Conex Services and Mr. Walsh own and control 41,210,573 Shares, or 54.46% of the 75,667,553 Shares the Company would then-have issued and outstanding.

Conex Services intends to hold its securities of the Company for investment purposes. Conex Services may, depending on market and other conditions, increase or change its beneficial ownership over the Shares or other securities of the Company through market transactions, private agreements, treasury issuances, exercise of convertible securities or otherwise.

A copy of the Early Warning Report for Conex Services can be found under the Company's profile at www.SEDAR.com.

Conex Services and Para have also entered into a credit facility agreement dated March 31st, 2016 (the "Credit Facility"). Pursuant to the Credit Facility, Conex Services has made available to Para a revolving credit line in the amount of up to CAD \$3,000,000. The Credit Facility will bear interest at a rate of 12% per annum, and each drawdown on the Credit Facility (a "Drawdown") will be secured by a promissory note in favour of Conex Services.

As additional consideration for the Credit Facility, the Company will issue Conex a bonus equal to 20 percent of the principal amount of each Drawdown, payable by the issuance of common shares of Para (the "Bonus Shares"), at a deemed price equivalent to the last closing price of the Company's common shares on the TSX Venture Exchange (the "Exchange") before each Drawdown is advanced, subject to a minimum price of \$0.05 per Bonus Share.

The Credit Facility and issuance of the Bonus Shares is subject to the acceptance of the Exchange and the Bonus Shares may be subject to resale restrictions of not less than four months and one day from their date of issuance. The Credit Facility is subject to standard default terms for a transaction of this size and nature.

The Credit Facility is a "related party transaction" under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Because the Company's shares trade only on the Exchange, the Credit Facility is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to Subsection 5.5(b) of MI 61-101. Because the Credit Facility is not convertible, directly or indirectly, into equity or voting securities of the Company or repayable in equity or voting securities of the Company the Credit Facility is exempt from the minority approval requirements of Section 5.6 of MI 61-101 pursuant to Subsection 5.7(1)(f) of MI 61-101.

The issuance of the Bonus Shares to Conex Services also constitutes is a "related party transaction" under

MI 61-101. Because the Company's shares trade only on the Exchange, the issuance of Bonus Shares is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to Subsection 5.5(b) of MI 61-101, and exempt from the minority approval requirements of Section 5.6 of MI 61-101 pursuant to Subsection 5.7(1)(b) of MI 61-101.

Mr. Geoff Hampson, President and Chief Executive officer of Para stated: "Mr. Glenn Walsh and his company Conex Services, have demonstrated and continue to demonstrate a huge commitment to assisting Para Resources in building the company from a small scale to a mid-tier gold producing and toll milling company. Conex' recent cash equity investment of close to \$3 Million and the credit facility of an additional \$3 Million, has allowed Para to complete the rehabilitation and upgrade of the El Limon mine located near Zaragoza, Antioquia, Colombia, including the purchase of a new ball mill, increasing through-put to 200 TPD of crushed rock and 200 TPD of tailings. The credit facility has a 2 year term with interest accruing and payable at term. This loan is non-dilutive and can be paid back out of future cash flow from the El Limon mine."

ABOUT PARA RESOURCES:

Para Resources is an exploration-stage gold mining and toll milling company. In addition to its existing properties, Para will continue to take advantage of current market conditions to acquire and develop additional assets that have strong exploration and development potential.

ON BEHALF OF THE BOARD OF DIRECTORS

"C. Geoffrey Hampson"

C. Geoffrey Hampson, Chief Executive Officer and Director

For further information, please contact:

[Para Resources Inc.](#)

Andrea Laird

Telephone: 604-259-0302

Neither 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.

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/227243--Para-Resources-Inc.-Control-Shareholder-Files-Early-Warning-Report-Provides-Credit-Facility.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](#).