

Reservoir Minerals Reminds Shareholders to Vote in Favour of Strategic Combination With Nevsun Resources

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VANCOUVER, Jun 7, 2016 - [Reservoir Minerals Inc.](#) ("Reservoir" or the "Company") (TSX VENTURE:RMC) (OTC PINK:RVRLF) (BERLIN:9RE), reiterates the premium value of the Arrangement Agreement (the "Arrangement") it has entered into with [Nevsun Resources Ltd.](#) ("Nevsun") (TSX:NSU) (NYSE MKT:NSU). Following the completion of the Arrangement the pro-forma company will have over US\$300 million in cash to fund the development of Timok, as well as ongoing cash flow generated by Nevsun's 60%-owned Bisha mine, a high grade mine which generated US\$120 million of operating cash flow in 2015.

Reservoir's Board of Directors unanimously urges shareholders to vote IN FAVOUR of the Arrangement in order to receive premium value and long-term exposure to the Timok project. Reservoir's Board also cautions that Reservoir's shares are currently trading at a premium linked to the Arrangement and the price may decline substantially if the Arrangement is rejected.

The Company reports that it has been made aware of criticism of the Arrangement put into the public domain by Jing Bao, a dissident shareholder based in China. As the dissident shareholder is not a reporting issuer in Canada, it is under no obligation to provide support for or to substantiate any of the data presented and shareholders are thus cautioned not to rely on the numbers Jing Bao is using.

The Company also reports that related to the Jing Bao dissent, it has received an unsolicited, non-binding financing proposal from another China based shareholder, Shandong Xiangguang Group Co. Ltd. ("XGC"). This proposal requires the Company to make an US\$80 million private placement of equity to XGC priced at C\$8.00 a share, a 7.5% discount to the Company's current share price.

The financing proposal also requires Reservoir to borrow US\$50 million from XGC, secured by Reservoir's interest in Timok as well as other Reservoir assets. Reservoir cautions shareholders of the risk of a default that could deliver to XGC the full ownership of Reservoir's interest in Timok, since Reservoir has no current operations that would allow it to service or repay the loan when it comes due.

The Company cautions shareholders not to rely on these terms or on such funds being available as proposed or at all in the event of a no vote for the Arrangement. XGC could change any of the terms of its proposal, or withdraw it entirely, at any time.

Miles Thompson, Non-Executive Chairman of Reservoir commented: "The Arrangement with Nevsun is the result of a rigorous process during which our Board of Directors considered a range of strategic alternatives, details of which have been provided in our information circular. The Arrangement was selected as it offered a premium for Reservoir's shareholders, a low risk path to exercise our Right of First Offer on Timok, and access to Nevsun's substantial balance sheet and proven mine building expertise. We reiterate our recommendation that Reservoir shareholders vote in favour."

Simon Ingram, President and CEO of Reservoir commented: "As announced last week, we have recently received recommendations for the Transaction with Nevsun from leading independent proxy advisory firms ISS and Glass Lewis. This is in addition to the strategic process we ran and the fairness opinion from our financial advisor. Reservoir was funded by Nevsun at \$9.40 per share and Nevsun's balance sheet and expertise will put the Company in the driver seat to deliver value."

Nevsun Arrangement is the result of a rigorous process

In November 2015 the Board of Directors of Reservoir contacted approximately 25 parties during a rigorous strategic process to consider potential strategic partners for the Timok project, and in March 2016 the Board engaged independent financial advisors to assist in evaluating strategic alternatives.

The Board and its advisors considered a number of options, including financing proposals from Jing Bao and XGC, and the Board unanimously agreed that the Arrangement with Nevsun was the preferred alternative. The Board also received a fairness opinion from its independent financial advisor that the consideration to be

received by the Reservoir Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Reservoir Shareholders.

As part of its evaluation of alternatives, Reservoir and its advisors conducted extensive due diligence on Nevsun and its operations, including legal, financial, political risk, and technical analyses. Both the Non-Executive Chairman of the Board and the CEO of Reservoir visited the Bisha mine site and met with Eritrean government officials. The Board concluded that Nevsun has the proven mine development expertise and balance sheet to move the Timok project forward.

The Company has provided extensive and detailed disclosure on the Arrangement in the Information Circular dated May 18, 2016 that sets out the terms and conditions regarding the Arrangement, as well as voting instructions for the special meeting to be held on June 17, 2016 (the "Meeting"); eligible shareholders and optionholders are encouraged to read it carefully. Reservoir's Board of Directors and Executive team unanimously supports this transaction and urges shareholders to vote their Proxy FOR the Arrangement. Subject to certain customary conditions, the transaction is expected to close on or about June 23, 2016. At that time, Reservoir Shareholders will receive two common shares of Nevsun and \$0.001 in cash (less applicable statutory withholdings) for each Reservoir common share they own.

TIME IS SHORT - VOTE YOUR PROXY NOW TO RECEIVE PREMIUM VALUE AND UPSIDE

If you have any questions or need assistance with voting, please contact D.F. King, the proxy solicitation agent, by telephone at 1-866-822-1237 (North American Toll Free) or 1-201-806-7301 (Collect Outside North America); or by email at: inquiries@dfking.com

About Reservoir Minerals Inc.

[Reservoir Minerals Inc.](#) is an international mineral exploration and development company run by an experienced technical and management team, with a portfolio of precious and base metal exploration properties in Europe and Africa. The Company operates an exploration partnership business model to leverage its expertise through to discovery.

Forward-Looking Statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Such forward-looking statements or information, including but not limited to those with respect to receipt of the Information Circular and proxy materials, the expected closing date of the Arrangement, the consideration to be received in respect of the Arrangement, beliefs with respect to future value creation at the Timok Project and the outcome of the Arrangement and benefits to shareholders, and the future ownership by Reservoir shareholders of Nevsun Shares, involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of [Reservoir Minerals Inc.](#) to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such factors include, among others, (i) the conditions to completion of the arrangement will not be satisfied, including approval by Reservoir's and Nevsun's shareholders, and court approval; (ii) an event, change or other circumstance that could give rise to the termination of the arrangement agreement will occur; (iii) the retention of employees and other personnel will be adversely affected by uncertainty surrounding the arrangement; (iv) the companies will be unable to successfully integrate their operations following completion of the arrangement; (v) any of the assumptions in the historical resource estimates turn out to be incorrect, incomplete, or flawed in any respect; (vi) the methodologies and models used to prepare the resource and reserve estimates either underestimate or overestimate the resources or reserves due to hidden or unknown conditions, (vii) exploration activities or the mine operations are disrupted or suspended due to acts of god, internal conflicts in the country of Eritrea or Serbia, unforeseen government actions or other events; (viii) operations will be disrupted due to equipment or power failures, uncertainties in the copper mineralogy, metallurgical recoveries or concentrate grades, or other or other events; (ix) Nevsun is subjected to any hostile takeover or other unsolicited attempts to acquire control of Nevsun; or (x) are associated with the speculative nature of exploration activities, periodic interruptions to exploration, failure of drilling, processing and mining equipment, the interpretation of drill results and the estimation of mineral resources and reserves, changes to exploration and project plans and parameters and other risks disclosed in documents filed from time to time with the securities regulators in the applicable Provinces of British Columbia and Alberta.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

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