

Augyva Mining Resources Inc. Announces Implementation of Change of Business

06.03.2017 | [Marketwired](#)

Closing of Private Placements and Filing of Articles of Amendment

[Augyva Mining Resources Inc.](#) (TSX VENTURE:AUV) (the Company) is pleased to announce that, further to its news release dated February 23, 2017, it has completed its proposed change of business from a "Mining Issuer" to an "Investment Issuer" (as such terms are defined in the policies of the TSX Venture Exchange (TSXV)) focused on the auto retail sector (the COB), as described in its management information circular dated January 26, 2017 (the Circular) with respect to the special meeting of shareholders held on February 23, 2017 (Meeting) and available under the Company's profile on SEDAR (www.sedar.com).

In connection with the COB and as described in the Circular: (i) the Company, as limited partner, and Automotive Finance GP Inc., as general partner, have entered into an amended and restated limited partnership agreement to form Automotive Finance Limited Partnership (the Partnership); (ii) the Company has entered into an administration agreement (the Administration Agreement) with the Partnership pursuant to which the Partnership, as administrator, will administer the general and administrative affairs of the Company; and (iii) the Partnership has entered into an alliance agreement (the Alliance Agreement) with AA Finance Co LP (AAFC) pursuant to which it will make financing available to affiliates of AAFC, including, without limitation, the Initial Investment (defined below).

In connection with the entering into by the Company of the Administration Agreement, Mr. Kuldeep Billan, the Chief Executive Officer (CEO) and a director of the Company and Ms. Shannon Penney, the Chief Financial Officer of the Company (CFO), have resigned from their respective positions. As previously announced, Mr. Kuldeep Billan and Ms. Shannon Penney will provide the services of CEO and CFO to the Company pursuant to the Administration Agreement.

Initial Investment

In connection with the COB, and as further described below and in the Circular, the Partnership has, in accordance with the Alliance Agreement, entered into its first debt financing with DH Finance LP (the Initial Borrower), an affiliate of AAFC, in the aggregate principal amount of \$33,333,333 (the Initial Investment). The Initial Investment will bear interest at 10.5% per annum resulting in \$3,500,000 of annual revenue to the Company and have a 25 year term.

AAFC Private Placement

As described in the Circular, the Company has completed a capital contribution of \$10,400,000 to the Partnership, which funds were loaned by the Partnership to the Initial Borrower as part of the Initial Investment. The funds were used by AA Capital LP (the AAFC Control Person), an affiliate of the Initial Borrower, to subscribe for 65,000,000 common shares of the Company at a price of \$0.16 per share (the AAFC Private Placement).

As a result of the AAFC Private Placement, AAFC Control Person holds more than 20% of the outstanding common shares of the Company (on an undiluted basis) and thereby became a control person of the Company.

Brokered Private Placement

As previously announced, the Company completed a brokered private placement of 108,084,376 subscription receipts (the Subscription Receipts) at a price per Subscription Receipt of \$0.16 resulting in gross proceeds to the Company of \$17,293,500 (the Brokered Private Placement).

All Subscription Receipts have been automatically converted, without any further action by the holders of the Subscription Receipts, and without any additional consideration, into common shares of the Company and the net proceeds of the Brokered Private Placement (the Escrowed Funds) were released to the Company,

resulting in the issuance of 108,084,376 common shares. The common shares issued upon conversion of the Subscription Receipts are subject to resale restrictions in accordance with applicable securities laws and the policies of the TSXV expiring June 1, 2017.

Canaccord Genuity Corp. (the Agent) acted as the Company's agent for the Brokered Private Placement. The Company paid the Agent a cash fee equal to 6.0% of the gross proceeds raised in the Brokered Private Placement (provided, however that a cash fee equal to 4.0% of the total gross proceeds raised was paid to the Agent in respect of proceeds received from subscribers identified by the Company). 50% of the Commission, being an amount equal to \$375,870, was paid upon closing of the Brokered Private Placement and the remaining 50% of the Commission was paid directly out of the Escrowed Funds upon their release.

Name Change and Stock Consolidation

In connection with the COB, the Company filed articles of amendment on March 3, 2017 to change its name to Automotive Finco Corp. and consolidate its common shares on a 15:1 basis. As a result of the completion of the AAFC Private Placement and the conversion of the Subscription Receipts into common shares, there will be 18,307,469 common shares of the Company outstanding on a post-consolidation and undiluted basis.

In connection with the filing of the articles of the amendment, the Company's common shares are currently halted. It is expected that the Company's shares will commence trading under the new name and on a post-consolidation basis on March 8, 2017 under the trading symbol of "AFCC". The Company will be listed as a Tier 2 Investment Issuer under TSXV policies. Registered shareholders will have received a letter of transmittal from Computershare Investor Services Inc. describing the process by which shareholders may obtain new certificates representing their post-consolidation and name change common shares. Shares held in uncertificated form by non-registered shareholders through brokerage accounts will be converted through each shareholder's brokerage accounts. Non-registered shareholders should consult their broker for further information.

Escrow Arrangements

As a condition to the completion of the COB, the directors of the Company, Mr. Billan and Ms. Penney, as Principals (as defined under TSXV Policy) of the Company, have entered into an Tier 1 Value Escrow Agreement with the TSXV and Computershare Investor Services Inc., as escrow agent, in respect of an aggregate of common shares 4,283,077. Under the terms of escrow agreement, 25% of such escrowed shares are immediately released upon the issuance of the TSXV's final bulletin with respect to the COB with subsequent 25% releases occurring 6, 12 and 18 months from closing.

Similarly, AAFC Control Person has entered into an Tier 2 Value Escrow Agreement with the TSXV and Computershare Investor Services Inc., as escrow agent, in respect of an aggregate of 65,000,000 common shares. Under the terms of escrow agreement, 10% of such escrowed shares are immediately released upon the issuance of the TSXV's final bulletin with respect to the COB with subsequent 15% releases occurring 6, 12, 18, 24, 30 and 36 months from closing.

Details of the escrow arrangements are outlined in the Circular.

Investors are cautioned that, except as disclosed in the COB Circular, any information released or received with respect to the transactions may not be accurate or complete and should not be relied upon. Trading in securities of Augyva should be considered highly speculative.

The TSXV has in no way passed upon the merits of the proposed transactions and has neither approved nor disapproved the contents of this news release.

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.

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws, including statements regarding the future strategy of the Company and the approvals of matters put forth for approval at the Meeting. All statements, other than statements of historical fact, constitute forward-looking statements or forward-looking information. Such forward-looking information and statements are frequently identified by words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "estimate", "intend" and similar terminology, and reflect assumptions, estimates, opinions

and analysis made by management in light of its experience, current conditions, expectations of future developments and other factors which it believes to be reasonable and relevant. In particular and without limitation, this news release contains forward-looking statements pertaining to the following: completion of the COB and Other Transactions (as such terms are defined in the COB Circular); details concerning the Resulting Issuer that assume completion of the COB and Other Transactions; statements of intention with respect to the business and operations of the Resulting Issuer; the Resulting Issuer's growth strategy and opportunities.

Information contained in this news release may be considered to be a financial outlook for the purposes of applicable Canadian securities laws. Financial outlook contained in this news release is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available, and to become available in the future. Prospective financial information contains forward-looking statements and is based on a number of material assumptions and factors set out above. Actual results may differ significantly from the information presented herein. Readers are cautioned that any such financial outlook contained or referenced herein should not be used for purposes other than those for which it is disclosed herein. The Company and its management believe that the prospective financial information has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results.

Forward-looking information and statements involve known and unknown risks and uncertainties that may cause actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and, accordingly, undue reliance should not be placed thereon. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause these differences include but are not limited to: the Company's failure to complete the COB and Other Transactions; the Company's failure to obtain requisite regulatory approvals in connection with the COB and Other Transactions; anticipated and unanticipated costs; the Company's ability to obtain necessary capital; the failure to complete the Initial Investment and other subsequent financings; and changes to general market and economic conditions. In addition, other risks and uncertainties that may cause actual results to differ materially from forward-looking information can be found in Augyva's disclosure documents on the SEDAR website at www.sedar.com. Augyva does not undertake to update any forward looking information except in accordance with applicable securities laws.

Not for distribution to United States newswire services or for dissemination in the United States. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under 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.

Contact

Kuldeep Billan
kbillan@rogers.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/258698--Augyva-Mining-Resources-Inc.-Announces-Implementation-of-Change-of-Business.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](#).