

Rockwell issues second quarter results of Fiscal 2018

16.10.2017 | [CNW](#)

TORONTO, Oct. 16, 2017 /CNW/ - [Rockwell Diamonds Inc.](#) ("Rockwell" or the "Company") (NEX: RDI.H; JSE: RDI) today filed its second quarter 2018 results, and provided a further update as to the developments with respect to its three subsidiaries in South Africa. These subsidiaries are Rockwell Resources RSA (Pty) Ltd (Rockwell RSA), HC van Wyk Diamonds Ltd (HC van Wyk) and Saxendrift Mine (Pty) Ltd (Saxendrift). Material elements include:

- The financial results presented included the financial statements of the Company and its two subsidiaries in Cayman Islands, but not the three subsidiaries in South Africa. The Company no longer has control over the three subsidiaries sufficient to consolidate under IFRS.
- The financial results show a comprehensive income (but non cash) of \$23.2M which results almost entirely from the reversal of foreign currency reserves in respect of the operations in South Africa, and certain stock based compensation reserves that were unwound.
- Operations were on cash break-even in August 2017, notwithstanding the fact that only 25% of the planned volumes were actually processed. The break-even position included the additional burden of the Business Rescue Practitioners (BRPs) and their legal advisor's fees.
- The three subsidiaries were again placed in provisional liquidation on September 22, 2017 by the BRPs, Metis Strategic Advisors Pty and their legal counsel Werksmans of Johannesburg, notwithstanding the fact that an offer had been received from Ascot Diamonds, a company with a proven purchasing capability, to buy the three subsidiaries on a going concern basis at a value in excess of liquidation value, and notwithstanding that the operations were break-even for August.
- The return date for hearing on the liquidation order is November 3, 2017 by which date the provisional liquidators will ask the High Court either to proceed with full liquidation or keep the subsidiaries in provisional liquidation pending the successful outcome of the transaction with Ascot Diamonds.
- The following statistical information was recorded during the period under business rescue administration:

	June 2017	July 2017	August 2017
Volume processed (m³)	39 851	63 960	56 457
Carats recovered	131	215	408
Grade (carats per 100 m³)	0.33	0.34	0.72
Revenue in respect of diamonds sold (US\$)	177 735	161 621	915 000
Average price per carat (US\$)	1 440	899	2 685

- Budgeted volumes were 175,000 m³ for each of the three months, and the operations at Wouterspan never achieved that under the BRP's administration. Budgeted grade was 0.6 carats per 100 m³, and planned revenue per carat was US\$ 2,000.
- The MD&A for the period June-August 2017 reflects a detailed account of the actions of the BRPs and the Company's attempt to undertake this sale transaction to Ascot Diamonds.
- The provisional liquidators are the attorneys Honey's of Bloemfontein which formally took over from the BRPs on October 11, 2017.
- The buyer and their Attorneys met with the provisional liquidators on Friday, October 13, 2017 to reinforce their interest in purchasing the three entities as a going concern. To undertake this, the provisional liquidators are undertaking their own assessment of liquidation value.

- The buyer has also offered to the company in a separate offer and transaction to buy the Cayman companies from the Company, although such offer is conditional on a successful transaction in South Africa with regards to the three South African subsidiaries. To the extent that such second offer does proceed, the Company will approach creditors and shareholders in the Company for approval.

About Rockwell Diamonds

Rockwell is engaged in the business of operating and developing alluvial diamond deposits. The Company also evaluates consolidation opportunities that have the potential to expand its mineral resources and production and provide accretive value to the Company.

As at the date of this document, Rockwell's subsidiary in South Africa (Rockwell Resources RSA Pty Limited) and its two subsidiaries (HC van Wyk Diamonds Limited and Saxendrift Mine Pty Limited) had again been placed in provisional liquidation, following an application by the Business Rescue Practitioners on September 7, 2017. The application was heard on September 22, 2017 and so ordered by the Court. Liquidators were appointed on September 27, 2017. The return date for hearing on the liquidation order is November 3, 2017.

Rockwell's common shares trade on NEX under the symbol "RDI.H" and on the JSE Ltd under the symbol "RDI". Trading of Rockwell's shares remains suspended at the request of the Company.

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.

No regulatory authority has approved or disapproved the information contained in this news release.

Forward Looking Statements

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. 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 the forward-looking statements.

Factors that could cause actual results to differ materially from those in forward-looking statements include uncertainties and costs related to the transaction and the ability of each party to satisfy the conditions precedent in a timely manner or at all, exploration and development activities, such as those related to determining whether mineral resources exist on a property; uncertainties related to expected production rates, timing of production and cash and total costs of production and milling; uncertainties related to the ability to obtain necessary licenses, permits, electricity, surface rights and title for development projects; operating and technical difficulties in connection with mining development activities; uncertainties related to the accuracy of our mineral resource estimates and our estimates of future production and future cash and total costs of production and diminishing quantities or grades of mineral resources; uncertainties related to unexpected judicial or regulatory procedures or changes in, and the effects of, the laws, regulations and government policies affecting our mining operations; changes in general economic conditions, the financial markets and the demand and market price for mineral commodities such as diesel fuel, steel, concrete, electricity, and other forms of energy, mining equipment, and fluctuations in exchange rates, particularly with respect to the value of the US dollar, Canadian dollar and South African Rand; changes in accounting policies and methods that we use to report our financial condition, including uncertainties associated with critical accounting assumptions and estimates; environmental issues and liabilities associated with mining and processing; geopolitical uncertainty and political and economic instability in countries in which we operate; and labour strikes, work stoppages, or other interruptions to, or difficulties in, the employment of labour in markets in which we operate our mines, or environmental hazards, industrial accidents or other events or occurrences, including third party interference that interrupt operation of our mines or development projects.

For further information on Rockwell, Investors should review Rockwell's home jurisdiction filings that are available at www.sedar.com.

SOURCE [Rockwell Diamonds Inc.](#)

Contact

on Rockwell and its operations in South Africa, please contact: Willem Jacobs, Chief Executive Officer, + 27 (0)72 614 4053; David Tosi, PSG Capital - JSE Sponsor, +27 (0)21 887 9602

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/279415--Rockwell-issues-second-quarter-results-of-Fiscal-2018.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](#).