

Ascendant Resources Receives US\$35 Million Indicative Term Sheet for Project Loan Financing for the Expansion of the El Mochito Mine in Honduras

06.02.2019 | [GlobeNewswire](#)

TORONTO, Feb. 06, 2019 - [Ascendant Resources Inc.](#) (TSX: ASND) (OTCQX: ASDRF;) ("Ascendant" or the "Company") is pleased to announce that it has received a non-binding term sheet from Overseas Private Investment Corporation ("OPIC"), for a project loan of US\$35 million to American Pacific Honduras S.A. de C.V., the Company's operating subsidiary in Honduras, to finance the expansion of the El Mochito mine in Honduras as detailed in the Company's Technical Report "Preliminary Economic Assessment for the Expansion" of the El Mochito Mine, dated December 6, 2018.

Highlights of the terms include:

- US\$35 million loan facility to finance the expansion of the El Mochito mine in Honduras
- Proposed 7-year term
- Funds to cover total financing requirements for the expansion program at El Mochito including mine development expansion, a new underground shaft, underground water pumping upgrades and mill upgrades

"We are very pleased to have received a non-binding term sheet from OPIC for the financing of the expansion program at El Mochito. OPIC has a history of financing large and important international infrastructure projects that make a significant contribution to the local communities in which they provide funding. We look forward to the opportunity to work together to expand the operations at El Mochito for the benefit of our employees, the local community, our stakeholders and our shareholders", stated Chris Buncic, President and CEO.

He continued, "This non-dilutive financing represents a significant step for the Company, as once the expansion program has been completed, it will structurally reduce the all-in cost base for the El Mochito mine that should enable profitability in almost any reasonable commodity price environment. We are also very pleased that the OPIC financing is structured to provide all necessary funds for the expansion project, while not encumbering the Company with a significant financial burden over the short term."

The OPIC project loan has been designed to provide the necessary capital to complete the full expansion of the El Mochito mine as detailed in the Company's Technical Report titled Preliminary Economic Assessment for the Expansion of the El Mochito Mine, dated December 6, 2018, eliminating further project financing needs.

The Term Sheet is non-binding and bears no legal obligation by any of the parties until definitive agreements have been made. The loan is subject to the completion of OPIC's due diligence, additional documentation, internal approvals and certain other conditions.

About the Expansion Project at El Mochito

On December 6, the Company filed a Preliminary Economic Assessment ("PEA") for the expansion and optimization of operations at its El Mochito mine. The PEA outlines a substantial project Internal Rate of Return of 58% with a payback period of just under two years. The PEA further presents a robust and compelling opportunity for the Company to position El Mochito as a long-term profitable operation as it foresees a reduction in average all-in sustaining costs to \$0.97 per payable zinc equivalent pound

produced, and a significant increase in average annual contained zinc equivalent production to 120 million pounds. The PEA assumes a mine life of 10 years inclusive of Inferred Mineral Resources and is based upon the Company's current Mineral Resource Estimate, not including any of the 30,000-metre drill program carried out in 2018.

All key highlights of the PEA are summarized below:

Table of Key Project Highlights

Project IRR after taxes & royalties	58%
Incremental Project NPV (8%) after taxes & royalties	\$83.0 million
Incremental Project undiscounted after-tax cash flow	\$146.5 million
Project construction period	2 years
Project Payback period	2 years
Life of mine (including current operations)	10 years
Metal Prices assumed	
Zinc	\$1.21/lb
Lead	\$1.09/lb
Silver	\$15/oz
LOM Process recovery	
Zn	90%
Pb	75%
Ag	75%
Average Annual Metal production (rounded)	
Zn	41 kt
Pb	10 kt
Ag	742 koz
ZnEq	120 million lbs
Total LOM payable ZnEq production (rounded)	1,038 million lbs
Project Development Capital Expenditures	\$32.8 million
LOM Sustaining Capital Expenditure (excluding closure)	\$129.7 million
Average annual operating costs after construction	\$61.85/t processed
Average annual operating costs after construction	\$0.58/lb ZnEq payable
Average annual AISC after construction	\$0.97/lb ZnEq payable

For additional and full details please see the Company's Technical Report which can be found on the Company's website or SEDAR.

About Overseas Private Investment Corporation (OPIC)

The Overseas Private Investment Corporation (OPIC) is a self-sustaining U.S. Government agency that helps American businesses invest in emerging markets. Established in 1971, OPIC provides businesses with the tools to manage the risks associated with foreign direct investment, fosters economic development in emerging market countries, and advances U.S. foreign policy and national security priorities. OPIC helps American businesses gain footholds in new markets, catalyzes new revenues and contributes to jobs and growth opportunities both at home and abroad. OPIC fulfills its mission by providing businesses with financing, political risk insurance, advocacy and by partnering with private equity fund managers.

OPIC services are available to new and expanding businesses planning to invest in more than 160 countries worldwide. Because OPIC charges market-based fees for its products, it operates on a self-sustaining basis at no net cost to taxpayers. All OPIC projects must adhere to best international practices and cannot cause job loss in the United States.

About Ascendant Resources Inc.

Ascendant is a Toronto-based mining company focused on its 100%-owned producing El Mochito zinc, lead and silver mine in west-central Honduras and its high-grade polymetallic Lagoa Salgada VMS Project located in the prolific Iberian Pyrite Belt in Portugal.

After acquiring the El Mochito mine in December 2016, Ascendant spent 2017 implementing a rigorous and successful optimization program restoring the historic potential of El Mochito, a mine in production since 1948, to deliver record levels of production with profitability restored. The Company now remains focused on cost reduction and further operational improvements to drive robust profitability in 2018 and beyond. With a significant land package of approximately 11,000 hectares in Honduras and an abundance of historical data, there are several near-mine and regional targets providing longer term exploration upside which could lead to further Mineral Resource growth.

Ascendant holds an interest in the high-grade polymetallic Lagoa Salgada VMS Project located in the prolific Iberian Pyrite Belt in Portugal. The Company is engaged in exploration of the Project with the goal of expanding the already-substantial defined Mineral Resources and testing additional known targets. The Company's acquisition of its interest in the Lagoa Salgada Project offers a low-cost entry point to a potentially significant exploration and development opportunity. The Company holds an additional option to increase its interest in the Project upon completion of certain milestones.

Ascendant Resources is engaged in the ongoing evaluation of producing and development stage mineral resource opportunities, on an ongoing basis. The Company's common shares are principally listed on the Toronto Stock Exchange under the symbol "ASND". For more information on Ascendant Resources, please visit our website at www.ascendantresources.com.

Neither the Toronto Stock Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

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Forward Looking Information

This news release contains "forward-looking statements" and "forward-looking information" (collectively, "forward-looking information") within the meaning of applicable Canadian securities legislation. All information contained in this news release, other than statements of current and historical fact, is forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "budget", "guidance", "scheduled", "estimates", "forecasts", "strategy", "target", "intends", "objective", "goal", "understands", "anticipates" and "believes" (and variations of these or similar words) and statements that certain actions, events or results "may", "could", "would", "should", "might" "occur" or "be achieved" or "will be taken" (and variations of these or similar expressions). Forward-looking information is also identifiable in statements of currently occurring matters which may continue in the future, such as "providing the Company with", "is currently", "allows/allowing for", "will advance" or "continues to" or other statements that may be stated in the present tense with future implications. All of the forward-looking information in this news release is qualified by this cautionary note.

Forward-looking information in this news release includes, but is not limited to, statements regarding the closing of the loan facility, the repayment of the loan facility and the ability of the loan facility to provide the necessary capital to complete the full expansion of the El Mochito mine. The material factors or assumptions that Ascendant identified and were applied by Ascendant in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to, the ability of the Company to close the loan facility, to repay the loan facility and the ability of the loan facility to provide the necessary capital to complete the full expansion of the El Mochito mine.

The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, risks generally associated with the mining industry, such as economic factors (including future commodity prices, currency fluctuations, energy prices and general cost escalation), uncertainties related to the development

and operation of Ascendant's projects, dependence on key personnel and employee and union relations, risks related to political or social unrest or change, rights and title claims, operational risks and hazards, including unanticipated environmental, industrial and geological events and developments and the inability to insure against all risks, failure of plant, equipment, processes, transportation and other infrastructure to operate as anticipated, compliance with government and environmental regulations, including permitting requirements and anti-bribery legislation, volatile financial markets that may affect Ascendant's ability to obtain additional financing on acceptable terms, the failure to obtain required approvals or clearances from government authorities on a timely basis, uncertainties related to the geology, continuity, grade and estimates of Mineral Reserves and Mineral Resources, and the potential for variations in grade and recovery rates, uncertain costs of reclamation activities, tax refunds, hedging transactions, the inability of the Company to meet its guidance, the inability of the Company close the loan facility, to repay the loan facility, the inability of the loan facility to provide the necessary capital to complete the full expansion of the El Mochito mine, as well as the risks discussed in Ascendant's most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities and available at www.sedar.com.

Should one or more risk, uncertainty, contingency, or other factor materialize, or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, the reader should not place undue reliance on forward-looking information. Ascendant does not assume any obligation to update or revise any forward-looking information after the date of this news release or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

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<https://www.rohstoff-welt.de/news/318599--Ascendant-Resources-Receives-US35-Million-Indicative-Term-Sheet-for-Project-Loan-Financing-for-the-Expansion>

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