

Concerned Shareholders of Guyana Goldfields Demand Immediate Answers on Company Statements Regarding Full Development Approval for Aurora Mine

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- Guyana's Environmental Protection Agency (EPA) rebukes Guyana Goldfields' management for false statements regarding EPA permit; is "deeply disturbed by the company's total misrepresentation and misleading information"
- Latest claims consistent with Guyana Goldfields' pattern of misleading stakeholders and further damages company's reputation with Guyanese government; fresh start with wholesale board change is required to reset relationship

TORONTO, March 7, 2019 - [Guyana Goldfields Inc.](#) (TSX: GUY) ("Guyana Goldfields" or the "Company") shareholders ("Concerned Shareholders"), together owning not less than 5% of the issued and outstanding shares of the Company, are concerned about potentially misleading statements made to the market about a permit the Company received from Guyana's Environmental Protection Agency (EPA).

The Company claims in a new investor presentation dated February/March 2019 that it has "received EPA approval for underground development" and that it is now "fully licensed and permitted for underground development".

These statements clearly imply that the Company has received the necessary permit to resume certain activities at the Aurora Mine, which directly contradict specific statements made by Guyanese government officials. In what seems to be another self-inflicted government relations disaster for the Company, Guyanese officials publicly responded to set the record straight on the limits on what the Company is actually permitted to do—as covered in a March 2, 2019 local newspaper article.

- Speaking with Kaieteur News yesterday, EPA Head, Dr. Vincent Adams, categorically stated that no such permit has been received. He stressed that the company only got a permit to do prospective works which will allow for the collection of data.
- "Despite what the media reports are saying, that is all they are allowed to do. There is no mining that can be done at this time," Head articulated.
- The EPA Head said, "This is the second run in that the EPA has had with the company on this underground mining issue. The first was when they went ahead with the project without our approval";

"It is really disappointing that a company which claims to be of international repute is operating in this manner. It does not speak well for its reputation. It does not speak well for them and it is rapidly eroding EPA's trust in its operations."

Dr. Adams added, "I am deeply disturbed by the company's total misrepresentation and misleading information to the media, the public and their shareholders."

The Concerned Shareholders are deeply unsettled by the gross disconnect between the Company's claims about having received the necessary approvals and permits to resume certain activities at the Aurora Gold Mine and the statements of government officials refuting such claims. Whether or not the Company is legally able to carry on operations at, and execute on its plan for, the Aurora Gold Mine is a material fact that goes to the core of the Company's business. Incomplete and/or misleading disclosure on a fundamental material fact is extremely serious and troubling.

A Worsening Relationship with the Guyanese Government

As the Concerned Shareholders described in their January 2, 2019 press release, the Company's relationship with the Guyanese government in Guyana has taken several blows over the past year as a result of a series of missteps by the Company, including a h

non-compliance with EPA regulations and a mass-firing of 80 local workers last summer.

The Concerned Shareholders are worried that, along with this latest blunder, the Company's mounting transgressions may have serious and long-term consequences for Guyana Goldfields' mining operations.

"The fact that this story is splashed on the front pages of the Guyanese media and that government officials are publicly attacking Guyana Goldfields is not only embarrassing but it further puts into jeopardy the Company's relationship with the government. As its primary asset in Guyana, it's essential that they have good relationships with Guyanese officials and abide by all rules and regulations," said Patrick Sheridan, one of the largest shareholders and former Executive Chairman and former director of the Company. "Potentially misleading the market is a serious offence. It's becoming more and more clear that shareholders need a new board and management team with a fresh and honest approach to dealing with government officials, shareholders and the public at large. It's time for change."

An Ongoing Pattern of Misleading Shareholders

The Concerned Shareholders believe that Guyana Goldfields' latest claims are just another example of the current Board of Directors (the "Board") misleading shareholders.

The Concerned Shareholders believe that the Board has consistently and deliberately twisted or omitted the reasons for the Company's poor results, including excuses such as the rainy season, slow equipment mobilization and most recently, problems with the resource model. The Company also recently issued a press release mischaracterizing Concerned Shareholders' criticisms of Sheridan's tenure with the Company, desperately trying to distract shareholders from the massive value destruction (of over \$1 billion since 2016) that Guyana Goldfields' shareholders have had to endure.

Two New Handpicked Directors Does Not Equal Change

Earlier this week, the Company announced the addition of two new directors. While the Concerned Shareholders have welcomed new voices on the Board, they have also warned shareholders that the Company was likely to adopt this tactic in an effort to create the appearance of change. As the Concerned Shareholders noted in their January 22, 2019 press release, installing independent management-selected preferred replacement directors is a common tactic used by boards struggling to maintain shareholder support.

These patronage appointments should in no way be labelled as 'Board refreshment' and do not meet shareholders' expectations for a significant and meaningful change: no directors have resigned to make room for the new directors, the two new directors were handpicked by the current Board and there is no indication the Board plans to deviate from its same failed approaches. Indeed, it is highly unlikely that by adding these two directors the Board will be able to reset its dwindling relationship with the Government of Guyana.

"Incremental changes are insufficient to get Guyana Goldfields back on track. Wholesale change is required to turn this around, repair the relationship with the Guyanese government and create value for shareholders," said Mr. Sheridan.

The Board's commitment to refreshment is further challenged by the fact that the Board has not attempted any communication with the Concerned Shareholders since they submitted their requisition more than two months ago and has failed to interview any highly qualified candidates they have put forward. If the Board is serious about refreshment, they would consider the Concerned Shareholders' slate of director nominees who bring superior skill-sets, track records and experience: each of the Concerned Shareholders' nominees has held senior leadership positions at leading Canadian and international companies including [Barrick Gold Corp.](#), [Newmont Corp.](#), [Placer Dome Inc.](#), [Inc.](#), [Falco Resources Ltd.](#), [Ivanhoe Mines Ltd.](#), Minnova Gold Corp., [Atacama Pacific Gold Corp.](#) and [Osisko Metals Inc.](#) Each nominee has significant mining, operational, public company, financial and legal experience.

Learn More about the Concerned Shareholders and their Plan to Fix Guyana Goldfields

Shareholders are encouraged to visit FixGuyGold.com to learn more about the Concerned Shareholders and about the plan to stop the massive value destruction.

Patrick Sheridan, on behalf of the Concerned Shareholders, welcomes the opportunity to engage with fellow shareholders.

Sheridan can be reached at 416-628-5904 or jpsminefinder@gmail.com.

Advisors

Kingsdale Advisors is acting as strategic shareholder, communications and proxy advisor and Norton Rose Fulbright C. and Lenczner Slaght Royce Smith Griffin LLP are acting as legal advisors to the Concerned Shareholders of [Guyana Goldfields Inc.](#)

Additional Information

Information in Support of Public Broadcast Solicitation

The information contained in this press release does not and is not meant to constitute a solicitation of a proxy within the meaning of applicable securities laws. Although the Concerned Shareholders have delivered the requisition, shareholders are not being asked at this time to execute a proxy in favour of the Concerned Shareholders' nominees (the "Nominees") or any other person set forth in the requisition. In connection with the meeting, the Concerned Shareholders may file a dissident information circular in due course in compliance with applicable securities laws.

Notwithstanding the foregoing, the Concerned Shareholders are voluntarily providing the disclosure required under section 51-102 of the National Instrument 51-102 & #8211; Continuous Disclosure Obligations ("NI 51-102") and section 150(1.2) of the Canada Business Corporations Act in accordance with Canadian corporate and securities laws applicable to public broadcast solicitations. In connection therewith, certain information regarding, among other things, the Nominees has been provided by the Concerned Shareholders in its press release dated January 10, 2019, (the "Nominee Announcement") under the section entitled "Information Concerning the Nominees". The Nominee Announcement has been filed by the Concerned Shareholders and is available for review on the Company's SEDAR profile at www.sedar.com. Since the Nominee Announcement, Nominee James Whitford has advised the Concerned Shareholders that he now beneficially owns, controls or directs (directly or indirectly) 35,000 common shares of Guyana Goldfields.

The information contained herein and any solicitation made by the Concerned Shareholders in advance of the meeting shall be, as applicable, made by the Concerned Shareholders and not by or on behalf of the management of Guyana Goldfields. The costs incurred for any solicitation will be borne by the Concerned Shareholders, provided that, subject to applicable law, the Concerned Shareholders may seek reimbursement from Guyana Goldfields of the Concerned Shareholders' out-of-pocket expenses, including proxy solicitation expenses and legal fees, incurred in connection with a successful reconstitution of Guyana Goldfields' board.

The Concerned Shareholders are not soliciting proxies in connection with the meeting at this time. The Concerned Shareholders may engage the services of one or more agents and authorize other persons to assist in soliciting proxies on behalf of the Concerned Shareholders. The Concerned Shareholders have retained Kingsdale Advisors ("Kingsdale") as its strategic shareholder, communications and proxy advisor. Kingsdale's responsibilities will principally include soliciting shareholders and the Concerned Shareholders commence a formal solicitation of proxies, providing strategic advice and advising the Concerned Shareholders with respect to the meeting and proxy protocol. Any proxies solicited by or on behalf of the Concerned Shareholders, including by Kingsdale or any other agent, may be solicited pursuant to a dissident information circular or by way of public broadcast, including through press releases, speeches or publications and by any other manner permitted under Canadian corporate and securities laws. Any such proxies may be revoked by instrument in writing executed by a shareholder or her attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized in any other manner permitted by law.

The registered address of Guyana Goldfields is located at 141 Adelaide Street West, Suite 1608, Toronto, Ontario, M5H 1P1. A copy of this press release may be obtained on the Company's SEDAR profile at www.sedar.com.
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