

Tinka Resources Ltd. Announces Strategic Investment by Buenaventura

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VANCOUVER, Dec. 19, 2019 - [Tinka Resources Ltd.](#) ("Tinka" or the "Company") (TSXV & BVL: TK) (OTCPK: TKRFF) is pleased to announce that it has entered into an equity subscription agreement (the "Agreement") with Compañía de Minas Buenaventura SAA ("Buenaventura"). Buenaventura is a precious and base metals mining and exploration-development company with numerous mining operations in Peru, listed on the New York Stock Exchange and Lima Stock Exchange (NYSE: BVN & BVL: BUENAV).

Under the terms of the Agreement, Buenaventura will subscribe for 65,843,620 common shares (the "Common Shares") of Tinka at a price of C\$0.243 per Common Share (the "Issue Price") for gross proceeds to Tinka of C\$16 million (the "Buenaventura Subscription", and collectively with the pre-existing rights subscriptions described below, the "Private Placement"). The Issue Price represents a premium of 83% to Tinka's 3-month VWAP and a premium of 45% to Tinka's 6-month VWAP, on the TSX Venture Exchange. Upon closing of the Buenaventura Subscription, Buenaventura will become a new insider of Tinka holding approximately 19.9% of the outstanding common shares of the Company on a non-diluted basis, subject to the exercise of pre-existing pre-emptive rights. The long-term nature of this strategic relationship is demonstrated by Buenaventura agreeing to a 24-month equity lock-up on the Common Shares, as well as to certain customary standstill provisions. Subject to receipt of TSX Venture Exchange (the "Exchange") acceptance, the Private Placement is expected to close on or about January 7, 2020.

The net proceeds from the Private Placement will be used for development of the Company's Ayawilca Project, further exploration, and for working capital and general corporate purposes. No finder's fees or commissions are payable on the Private Placement.

The President and CEO of Tinka, Dr. Graham Carman, stated: "We are thrilled to welcome Buenaventura as a strategic investor in Tinka and to have them join our share register, which includes long-term supportive shareholders such as Sentient. The investment by Buenaventura, which is at a significant premium to market price, is a strong endorsement of the Ayawilca project and our management team. Buenaventura is a large and well respected Peruvian mining company that has extensive experience in developing, building, and operating mining projects in Peru."

The CEO of Buenaventura, Mr. Victor Gobitz, stated: "Buenaventura is very pleased to make this strategic investment in Tinka. We believe that the Ayawilca project is an attractive development project that may benefit from synergies with some of our existing operations in Peru, such as Uchucchacua, El Brocal and Yumpag, as well as offering potential for additional mineral resource growth and new discoveries."

Upon closing of the Buenaventura Subscription, for so long as Buenaventura owns 5% or more of the outstanding shares of Tinka, on a partially-diluted basis, Buenaventura will have the right to nominate one individual to Tinka's board of directors. In the event that Buenaventura owns 20% or more of the outstanding shares of Tinka, on a partially-diluted basis, Buenaventura will have the right to nominate two individuals to Tinka's board. It is expected that the first Buenaventura director nominee will be appointed at the next annual general meeting of shareholders of the Company. In addition, Buenaventura has been granted a pre-emptive right to maintain its percentage interest in the outstanding shares of Tinka, in connection with any future issuances of Tinka securities, subject to certain exclusions.

Sentient Global Resources Fund IV, LP ("Sentient IV"), an Insider of the Company, has exercised its pre-existing participation rights in respect of the Private Placement. As a result, Sentient IV will subscribe for a minimum of 10,288,066 Common Shares in the Private Placement at the Issue Price (the "Sentient Subscription") for additional gross proceeds to Tinka of C\$2.5 million. Upon closing of the Private Placement and assuming no additional pre-emptive rights are exercised, it is anticipated that Sentient IV will hold an aggregate of 74,036,831 common shares of Tinka or approximately 21.7% of the Company's outstanding common shares, and approximately 22.5% on a partially-diluted basis assuming only Sentient IV warrants are exercised. As a result of the exercise of Sentient IV's pre-emptive right, and on the assumption no

additional rights are exercised, it is anticipated that Buenaventura will hold 19.3% of the outstanding common shares of the Company on a non-diluted basis, upon closing of the Private Placement.

It is not known at this time if additional pre-existing pre-emptive rights will be exercised. In the event that additional pre-emptive rights are exercised, Tinka may issue up to an additional 12 million Common Shares in the Private Placement at the Issue Price for additional gross proceeds to the Company of approximately C\$2.9 million.

Participation by Sentient IV in the Private Placement is considered a "related party transaction" pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Insider's participation in the Private Placement in reliance of sections 5.5(b) and 5.7(a) of MI 61-101.

All securities issued in connection with the Private Placement will be subject to a statutory four-month hold period. The Private Placement is subject to certain conditions customary for transactions of this nature, including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange.

The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction.

About Tinka Resources Limited

Tinka is an exploration and development company with its flagship property being the 100%-owned Ayawilca carbonate replacement deposit (CRD) located in the zinc-lead-silver belt of central Peru, 200 kilometres northeast of Lima. The Ayawilca Zinc Zone contains 11.7 Mt of Indicated Resources grading 6.9% zinc, 0.2% lead, 15 g/t silver and 84 g/t indium and 45.0 Mt Inferred Resources grading 5.6% zinc, 0.2% lead, 17 g/t silver and 67 g/t indium. A Preliminary Economic Assessment for the Ayawilca Zinc Zone was released on July 2, 2019 (see release). The Qualified Person, Dr. Graham Carman, Tinka's President and CEO, and a Fellow of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the technical contents of this release.

About Compañía de Minas Buenaventura SAA

Buenaventura is a Peruvian precious metals producer with over 66 years of experience in exploration, development, construction and mining operations. Currently the company operates several mines, both underground and open pit, and has an important participation in Minera Yanacocha SRL, a world-class gold deposit in the Cajamarca region and Sociedad Minera Cerro Verde S.A.A, a world-class copper mine in the Arequipa region of Peru. Buenaventura is the first Latin American mining company to list on the New York Stock Exchange, starting in 1996, and currently trades on the NY and Lima stock exchanges.

On behalf of the Board,

"Graham Carman"
Dr. Graham Carman, President & CEO

Forward Looking Statements: Certain information in this news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws (collectively "forward-looking statements"). All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are based on the beliefs and expectations of Tinka as well as assumptions made by and information currently available to Tinka's management. Such statements reflect the current risks, uncertainties and assumptions related to certain factors including, without limitations, drilling results, the successful completion of the Private Placement, the exercise of existing pre-emptive rights and the final subscription amounts for the holders of the pre-emptive rights in connection with the Private Placement, the appointment of Buenaventura's nominee(s) to Tinka's board of directors, the use of proceeds from the Private Placement, the Company's expectations regarding the Ayawilca Project PEA,

changes in world metal markets, changes in equity markets, uncertainties relating to the availability and costs of financing needed in the future, equipment failure, unexpected geological conditions, imprecision in resource estimates or metal recoveries, success of future development initiatives, competition, operating performance, environmental and safety risks, delays in obtaining or failure to obtain necessary permits and approvals from local authorities, community agreements and relations, and other development and operating risks. Should any one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described herein. Although Tinka believes that assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. Except as may be required by applicable securities laws, Tinka disclaims any intent or obligation to update any forward-looking statement.

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