

Origin Gold Signs Definitive Agreement for Acquisition of Colombian Gold Project

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TORONTO, Oct. 28, 2020 - [Origin Gold Corp.](#) ("Origin Gold" or the "Company") (TSXV: OIC) is pleased to announce that it has entered into definitive documentation dated October 26, 2020 (collectively, the "Definitive Agreement") respecting the Company's previously announced acquisition of a gold mining project in Colombia known as the "Otu Central Project" (the "Acquisition"). The Otu Central Project consists of interests in 26 mining claim titles and applications in the Segovia/Zaragoza regions of Antioquia in Colombia (collectively, the "Assets"). A map with further details of the Assets is provided below.

Key Highlights:

- Acquisition of a company that indirectly holds or will hold 26 mining claim titles and applications in Colombia from Bullet Holding Corp. ("Bullet") for total consideration of US\$9 million (approximately C\$12.2 million), payable as US\$1 million (approximately C\$1.36 million) in cash and with the remainder payable as follows, in each case subject to approval of the TSXV Venture Exchange (the "TSXV"):
 - following completion of a private placement of the Company's equity securities ("Securities") for proceeds of greater than US\$3 million (the "Financing"), that number of Securities equal to US\$3 million (approximately C\$4 million) divided by the price of the Securities in the Financing;
 - on the one-year anniversary of the execution of the Definitive Agreement, that number of common shares of the Company (the "Shares") equal to US\$2.5 million (approximately C\$3.4 million) divided by the 30-day volume weighted average price ("VWAP") of the Shares on the TSXV for the period immediately prior to the date such shares are issued; and
 - on the two-year anniversary of the execution of the Definitive Agreement, that number of Shares equal to US\$2.5 million (approximately C\$3.4 million) divided by the 30-day VWAP of the Shares on the TSXV for the period immediately prior to the date such Shares are issued.
- Bullet will retain a perpetual 2% net smelter return royalty on the entire Otu Central Project, with the exception of production from mining title no. T4638005, which is already affected by a 5% net smelter return royalty payable to a third party.
- Origin Gold is acquiring the Assets free of debt along with any related infrastructure.
- Bullet will contribute exploration expertise and community relationships developed during several years of grassroots exploration.
- The Acquisition is expected to be completed no later than March 31, 2021.
- Completion of the Acquisition remains subject to the satisfaction of customary conditions precedent, including, *inter alia*, approval of the TSXV and the provision of applicable legal opinions concerning the title to the Assets.

Jaime Lalinde, Origin Gold's President and CEO, commented:

"I am extremely pleased to announce our much-anticipated acquisition of the Otu Central Project. We believe Otu to be a world-class gold district with enormous upside now that once-inaccessible land can finally be explored. It's a tremendous opportunity, and we are thrilled to be working on it with Bullet, a company with invaluable experience in Colombia's gold sector. We look forward to what is ahead, and to deepening the strong relationships Bullet has established with every stakeholder."

Definitive Agreement

Origin Gold has entered into, *inter alia*, a share purchase agreement dated as of October 26, 2020 with Bullet and certain of Bullet's directly and indirectly-owned subsidiaries, pursuant to which Origin Gold shall acquire all of the issued and outstanding shares of a newly formed entity ("NewCo") that will indirectly own 100% of the Assets.

The aggregate purchase price for the Assets will be US\$9 million (approximately C\$12.2 million) and shall be payable by a mixture of cash payments and the issuance of Shares and Securities, as outlined above.

Upon closing of the Acquisition, Origin Gold will have acquired all of the issued and outstanding shares of NewCo, which will indirectly own, or have been indirectly irrevocably transferred, 100% of the Assets. The Assets are located in the Segovia/Zaragoza regions of Antioquia in Colombia and cover approximately 24,255 hectares. In addition, Bullet shall be entitled to nominate one individual for election to Origin Gold's board of directors at its annual general meeting held each year and shall be entitled to participate in any of Origin Gold's future private placement financings on a *pro rata* basis in order for it to maintain its percentage ownership position, in each case for so long as Bullet holds at least 10% of the issued and outstanding Shares.

The Acquisition is an arm's length transaction for the purposes of the policies of the TSXV and is subject to the approval of the TSXV. Origin Gold is not paying any finder's fees in connection with the Acquisition. The closing of the Acquisition is subject to the satisfaction of customary conditions precedent, including, *inter alia*, the receipt of regulatory approvals in Colombia, the approval of the TSXV, the provision of applicable legal opinions concerning the titles to the Assets and other closing conditions customarily found in transactions similar to the Acquisition.

Please see below for a map showing the location of the Assets:

<https://www.globenewswire.com/NewsRoom/AttachmentNg/cf1b4fdd-a6e9-4751-a76c-a8fa5cb48e86>

About Origin Gold

Origin Gold is a mineral exploration company with its exploration activities focused in Colombia.

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Cautionary Note Regarding Forward-looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Assets, the Company's ability to complete the Acquisition and the Financing and to develop the Assets, the expected timing of completion of the Acquisition, the receipt of approval of the TSXV in connection with the Financing and the Acquisition, and other matters related thereto. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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