

Northern Vertex Mining and Eclipse Gold Mining to Combine to Create New Western U.S. Gold Producer, Announce C\$20 Million Financing

07.12.2020 | [CNW](#)

Summary:

- Exploration driven value creation at the Moss Mine and Hercules Project.
- Solid foundation of production and growing cash flow.
- Strong pro-forma balance sheet with a cash position of ~C\$29 million.
- Optimization ongoing at the Moss Mine to enhance cash flows.
- Combination of two highly capable leadership, operations and exploration teams.

VANCOUVER, Dec. 7, 2020 - [Northern Vertex Mining Corp.](#) ("Northern Vertex") (TSXV: NEE) (NASDAQ Intl: NHVCF) and [Eclipse Gold Mining Corp.](#) ("Eclipse") (TSXV: EGLD) (OTC: EGLPF) are pleased to announce that they have entered into a definitive arrangement agreement (the "Arrangement Agreement") to combine in an at-market merger (the "Transaction"), creating a new gold growth resource business focused on the Western United States. Northern Vertex will be the resulting company with offices in the US and Canada.

Transaction Highlights

- Concurrent "best efforts" private placement of subscription receipts by Eclipse for minimum gross proceeds of C\$20 million to be led by Stifel GMP on behalf of a syndicate of agents including Canaccord Genuity Corp., Raymond James Ltd., Beacon Securities Limited, and PI Financial Corp.
- Exchange ratio for existing common shares of Eclipse of 1.09 shares of Northern Vertex for every one share of Eclipse, determined based on the 20-day VWAP of each company on December 4th, 2020.
- Combined company will be comprised of 71% Northern Vertex shareholders, 18% Eclipse shareholders and 11% new shareholders.
- Joining the Board of Directors of Northern Vertex from Eclipse will be Douglas J. Hurst and Marcel de Groot. Mr. Hurst will serve as Chairman of Northern Vertex and lead the integrated Board and management team.
- Accelerated corporate growth will be supported by the Moss Mine's production and cash flow, and a bolstered balance sheet.
- Shareholders of the combined company gain leverage to resource growth at greater scale with accelerated drilling at both the Moss Mine and Hercules Gold project.

Northern Vertex President, CEO and Director Mr. Kenneth Berry stated, "The result of this transaction will be a combined company with a greatly strengthened balance sheet, and an enhanced team with extensive experience growing multi-asset gold companies. This represents a significant step toward our unwavering vision of building a top of the class mid-tier gold producer. We plan to use this new platform to accelerate organic growth opportunities by targeting significant resource expansion at the Moss Mine and execute an aggressive roll-up strategy focused on the Western United States."

Eclipse President, CEO and Director Michael G. Allen stated, "This combination gives Eclipse shareholders exposure to creating value on a larger scale, supported by positive cash-flow. Shareholders of the new combined company will now own a platform including two Walker Lane gold projects with multi-million-ounce potential, a producing mine with untapped production and cash-flow growth opportunities, and an executive team with demonstrated success building multi-asset companies organically and through M&A. This combination aligns all the key elements required toward building America's next mid-tier gold growth story."

Greenstone Resources LLP Senior Partner Michael Haworth stated, "As a 22% shareholder of this new,

integrated gold company, we are excited about the opportunity we see ahead with a stronger balance sheet, enhanced capital markets presence, and accelerated fulfilment of operational and exploration potential. With our original investment in 2017, we had a vision for developing a consolidated, Western US precious metals producer and support this transaction as the next step in that direction."

Board and Management Team

The combined company will feature a new integrated Board of Directors comprised of Douglas J. Hurst (Eclipse) acting as Chairman, Geoff Burns (Maverix Metals/Northern Vertex), Michael Haworth (Greenstone Resources/Northern Vertex), Marcel de Groot (Eclipse), David Farrell (Northern Vertex), Kenneth Berry (Northern Vertex), and James M. McDonald (Northern Vertex).

The management team will be comprised of President and CEO Kenneth Barry, CFO David Splett, EVP Corporate Development Michael G. Allen, and Dr. Warwick Board as Vice President of Exploration.

Transaction Details

Eclipse and Northern Vertex, who are arms length to each other, have entered into an Arrangement Agreement dated December 4th, 2020 pursuant to which shareholders of Eclipse will receive 1.09 shares in Northern Vertex for each Eclipse share by way of a plan of arrangement under the Business Corporations Act (British Columbia).

All outstanding stock options and warrants of Eclipse will be exchanged for stock options or warrants of Northern Vertex on the same basis as the share exchange ratio for the common shares.

The Transaction will be carried out by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia) and is subject to a number of conditions being satisfied or waived by one or both of Eclipse and Northern Vertex at or prior to closing of the Transaction, including approval of Eclipse's shareholders and receipt of all necessary regulatory and court approvals and the satisfaction of certain other closing conditions customary for a transaction of this nature, including completion of the Offering (as hereinafter defined).

It is expected that the special meeting of Eclipse shareholders to approve the proposed Transaction will be held in February 2021 with closing shortly thereafter.

The Arrangement Agreement includes customary provisions, including mutual non-solicitation, right-to-match and fiduciary out provisions, as well as certain representations, covenants and conditions that are customary for a transaction of this nature. A termination fee of C\$2.0 million will be payable by either party in the case of certain terminating events. The termination fee payable by Northern Vertex will increase to C\$2.6 million in the event that Northern Vertex terminates the Arrangement Agreement to accept a superior proposal at any time following the closing of the Offering, as defined below.

Further information regarding the Transaction will be contained in a management information circular to be prepared by Eclipse and mailed to Eclipse shareholders in connection with a special meeting of shareholders to consider the Transaction. All shareholders of Eclipse are urged to read the information circular once available, as it will contain important additional information concerning the Transaction.

Board Recommendations and Voting Support

The Transaction has been unanimously approved by the board of directors of both Northern Vertex and Eclipse. The board of directors of Eclipse has unanimously recommended that the Eclipse shareholders vote in favour of the Transaction.

All the directors and officers of Eclipse, holding in aggregate approximately 17.3% of the issued and outstanding common shares of Eclipse have entered into customary voting support agreements agreeing to vote in favour of the Transaction.

Stifel GMP has provided a fairness opinion to the board of directors of Eclipse that, as of the date hereof, and based upon and subject to the assumptions, limitations and qualifications stated therein, the consideration being received by the shareholders of Eclipse under the Transaction is fair, from a financial point of view, to the shareholders of Eclipse.

Concurrent Financing

Concurrent with signing the Arrangement Agreement, Eclipse has entered into an agreement with a syndicate of agents led by Stifel GMP and including Canaccord Genuity Corp., Raymond James Ltd., Beacon Securities Limited, and PI Financial Corp. (collectively, the "Agents") in connection with a "best efforts" private placement financing (the "Offering") of subscription receipts (the "Subscription Receipts") to be sold at C\$0.50 per Subscription Receipt for minimum gross proceeds of C\$20 million.

The Subscription Receipts will each be automatically converted into one divided by 1.09 of an Eclipse share (the "Eclipse Shares") (for no further consideration and without any further action by the holders thereof) upon the satisfaction of certain escrow release conditions, all of which must occur before February 28, 2021. The Eclipse Shares acquired upon conversion of the Subscription Receipts will be exchanged for Northern Vertex shares in accordance with the Plan of Arrangement resulting in purchasers of Subscription Receipts receiving one common share in Northern Vertex for each Subscription Receipt purchased in the Offering.

The Northern Vertex shares issued in connection with the closing of both the offering and the Transaction will not be subject to any statutory hold period in Canada.

[Maverix Metals Inc.](#) ("Maverix") has agreed to exercise, on or before December 12, 2020, approximately 19.5 million share purchase warrants (the "Warrants") exercisable into 19.5 million Northern Vertex common shares (the "Warrant Shares") at C\$0.40 per Warrant Share for gross proceeds to Northern Vertex of approximately C\$7.8 million. As part of the Transaction, Maverix will sell the Warrant Shares to Eclipse for C\$0.50 per Warrant Share for a total purchase price of C\$9.8 million. Immediately following the closing of the Transaction the Warrant Shares will be returned to Northern Vertex for cancellation.

The proceeds of the Offering will partly be used to fund the purchase of the Warrant Shares from Maverix (C\$9.8 million) with the remaining funds (C\$10.2 million), prior to commission and expenses, together with the C\$7.8 warrant exercise proceeds plus cash on hand, will be used to fund ongoing exploration and development at Northern Vertex's Moss Mine, the Hercules Gold project, and general corporate purposes.

Advisors and Counsel

Stifel GMP is acting as financial advisor to Eclipse and DuMoulin Black LLP is acting as legal counsel to Eclipse.

Raymond James Ltd. is acting as financial advisor and Maxis Law Corporation is acting as legal counsel to Northern Vertex.

Qualified Persons

The foregoing technical information contained in this news release has been reviewed and verified by Mr. Joseph Bardswich, P.Eng., a director of Northern Vertex and a Qualified Person ("QP") for the purpose of National Instrument 43-101 (Disclosure Standards for Mineral Projects), as well as Dr. Warwick Board, P.Geo., Vice President of Exploration for Eclipse Gold Mining Corporation, and a QP.

About Northern Vertex

[Northern Vertex Mining Corp.](#) owns and operates the Moss Mine, currently the largest pure gold and silver mine in Arizona. Focused on low cost gold and silver production, the Company has experience across all areas of operations, mine development, exploration, acquisitions, and financing of mining projects. With operations at the flagship Moss Mine achieving commercial production the Company intends to consolidate additional producing or near-term production gold assets within the Western US. Through mergers and acquisitions Northern Vertex's corporate goal is to become a mid-tier gold producer.

About Eclipse Gold Mining

Eclipse Gold Mining is exploring the district-scale Hercules gold property within Nevada's Walker Lane trend. The Hercules property is located only a one-hour drive from Reno and appears to have all the characteristics of a large, low-sulphidation epithermal gold system. The company brings together a team with a track record of extensive M&A and nine successful buyouts totaling \$4.6 billion.

ON BEHALF OF THE BOARD OF DIRECTORS OF NORTHERN VERTEX MINING
Kenneth Berry, President, CEO and Director

ON BEHALF OF THE BOARD OF DIRECTORS OF ECLIPSE GOLD MINING
Michael G. Allen, President, CEO and Director

Want more context or have questions: schedule a call by clicking here:

<https://meetings.hubspot.com/dylan-berg>

TSXV: NEE | Nasdaq Intl: NHVCF | Frankfurt: 54N | ISIN: CA6660061012 | WKN: A1JUA0

TSXV: EGLD | OTC:EGLPF | Frankfurt:43J | ISIN: CA27888R1001 | WKN: A2PYV4

Cautionary Statement Regarding Forward Looking Information

All statements, trend analysis and other information contained in this press release about anticipated future events or results constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. All statements, other than statements of historical fact, included herein, including, without limitation, statements regarding anticipated benefits of the Transaction, the closing of the Transaction and the Offering, are forward-looking statements. Although Eclipse and Northern Vertex (the "Companies") believe that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since the Companies can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in the Companies' periodic filings with Canadian securities regulators, and assumptions made with regard to: the Companies' ability to complete the proposed Transaction; the Companies' ability to secure the necessary shareholder, securityholder, legal and regulatory approvals required to complete the Transaction; the ability to complete the Offering; the estimated costs associated with the advancement of the Companies' projects; and the Companies' ability to achieve the synergies expected as a result of the Transaction. Forward-looking statements are subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Important factors that could cause actual results to differ materially from the Companies' expectations include risks associated with the business of Eclipse and Northern Vertex; risks related to the satisfaction or waiver of certain conditions to the closing of the Transaction; non-completion of the Transaction; risks related to reliance on technical information provided by Eclipse and Northern Vertex; risks related to exploration and potential development of the Companies' projects; business and economic conditions in the mining industry generally; fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; the need for cooperation of government agencies in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; and other risk factors as detailed from time to time and additional risks identified in Eclipse and Northern Vertex's filings with Canadian securities regulators on SEDAR in Canada (available at www.sedar.com). Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Neither Eclipse nor Northern Vertex undertakes any obligation to update forward looking statements except as required by applicable securities laws. Investors should not place undue reliance on forward-looking statements.

/NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES/

SOURCE [Eclipse Gold Mining Corp.](#)

Contact

CORPORATE INQUIRIES:

Kenneth Berry, President, CEO and Director at Northern Vertex

Company Website: www.northernvertex.com

+1 (855) 633-8798 Toll Free, +1 (604) 601-3656 Office

Email: ken@northernvertex.com

Dylan Berg, VP Investor Relations at Eclipse Gold Mining

Company Website: www.eclipsegoldmining.com
+1 (844) 427-6453 Toll Free, +1 (778) 945-3949 Direct
Email: dylan.berg@eclipsegoldmining.com

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/368812--Northern-Vertex-Mining-and-Eclipse-Gold-Mining-to-Combine-to-Create-New-Western-U.S.-Gold-Producer-Annou>

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](#).