

Victoria Gold Closes US\$200 Million Credit Facility To Refinance Project Debt

18.12.2020 | [GlobeNewswire](#)

TORONTO, Dec. 18, 2020 - [Victoria Gold Corp.](#) (TSX-VGXC) (Victoria; or the Company) is pleased to announce that it has entered into a credit agreement with a syndicate of banks, comprised of Bank of Montreal, as Joint Bookrunner, Co-Lead Arranger and Administrative Agent, CIBC, as Joint Bookrunner and Co-Lead Arranger, and BNP Paribas, as Co-Lead Arranger in connection with a secured US\$200 million debt facility (the Loan Facility). The Loan Facility is comprised of a US\$100 million term loan (the Term Facility) and a US\$100 million revolving facility (the Revolving Credit Facility).

All conditions precedent for the drawdown of the Loan Facility have been satisfied and the Company has drawn the full amount of the Term Facility and approximately US\$75 million of the Revolving Credit Facility. The funding from the Loan Facility has been used to repay the previously outstanding project finance facility, which included senior and subordinated debt that was used for the construction of the Eagle Gold Mine. The Revolving Credit Facility is available for general corporate purposes subject to customary terms and conditions.

Mr. John McConnell, President and CEO commented, *We are thrilled to have achieved our objective to refinance the project finance facility in advance of our targeted time frame. The Loan Facility features substantially lower interest rates which is anticipated to reduce carrying costs by approximately 50% in 2021. The Loan Facility also provides notably improved flexibility headlined by the ability to draw and repay the Revolving Credit Facility as required and more latitude with respect to permitted distributions including investments, share buybacks and dividends. Prior to repaying the project facilities, the Company had paid over US\$54 million in principal and interest against the original project construction facilities. Given current gold prices, the Company anticipates generation of sufficient free cash flow to continue to pay down material amounts of debt during calendar 2021.*

The Loan Facility is available by way of (i) US dollar LIBOR loans, with an interest rate ranging from 3.00% to 4.00% over LIBOR (currently one month LIBOR is approximately 0.15%), or (ii) US dollar Base Rate loans, with an interest rate ranging from 2.00% to 3.00% over the US Base Rate, each based on the Company's leverage ratio and other customary terms and conditions.

The Term Facility will be repaid in twelve equal quarterly installments starting at the end of the first quarter of 2021. Any outstanding amounts on the Revolving Credit Facility shall be repayable as a bullet on the maturity date, which is extendible at the discretion of the Company and the lenders. Any unused portion of the Revolving Credit Facility will be subject to a customary commitment fee. The Loan Facility matures in December 2023.

The equipment lease facility with Caterpillar Financial Services Limited (Cat Financial) remains in place. In conjunction with the refinancing of the project debt outlined herein, and subject to acceptable documentation, the terms of the Cat Financial equipment lease facility are to be amended in Victoria's favour including a reduction in the interest rate.

The Company would like to thank Cassels Brock & Blackwell LLP (Legal Counsel) and Auramet International (Financial Advisor) for their practical and valuable assistance throughout this process.

The Banks were assisted by Fasken Martineau DuMoulin LLP (Legal Counsel).

About Victoria

Victoria Gold's 100%-owned Dublin Gulch gold property (the Property) is situated in central

Yukon Territory, Canada, approximately 375 kilometers north of the capital city of Whitehorse, and approximately 85 kilometers from the town of Mayo. The Property is accessible by road year round, and is located within Yukon Energy's electrical grid.

Victoria Gold's Eagle Gold Mine achieved commercial production on July 1, 2020. The mine is expected to produce an average of 210,000 ounces of Au per year for over 10 years as outlined in a NI 43-101 Technical Report for the Eagle Gold Mine entitled "Technical Report for the Eagle Gold Mine, Yukon Territory, Canada" and dated December 3, 2019.

Exploration potential of the greater Dublin Gulch property is excellent and includes priority targets Olive-Shamrock, Nugget-Raven and Lynx amongst others.

Cautionary Language and Forward-Looking Statements

This press release includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts, that address intended use of proceeds from the Term Facility and the Revolving Credit Facility, the terms and conditions of the Loan Facility, expectations regarding free cash flow and repayment of debt, estimates of Mineral Resources and Mineral Reserves, future exploration drilling, exploration activities, anticipated metal production, internal rate of return, estimated ore grades, commencement of production estimates and projected exploration and capital expenditures (including costs and other estimates upon which such projections are based) and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include failure to satisfy conditions precedent of the Loan Facility, metal prices, exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Accordingly, readers should not place undue reliance on forward-looking statements.

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