

Diamond Fields Resources Expands the Labola Project and Enters into Agreements to Raise \$3.1m from Existing Shareholders and Management at C\$0.20 Per Share

11.03.2022 | [ACCESS Newswire](#)

Highlights

- US\$3.1m to be raised through the issuance of 19,891,375 shares at C\$0.20 per share, a premium to the current share price
 - Raise supported by investment from existing shareholders, management, and directors
 - Funding relates to and is conditional upon DFR's proposed acquisition of Moydow to create a New West African gold explorer
- Proceeds from the financing will be used for working capital and on resource expansion drilling at the Labola Project where a maiden mineral resource estimate was reported by DFR in December 2021
- Drilling at Labola Project to recommence following closing of the Moydow acquisition, expected during Q2 2022, and will target multiple newly identified zones along mineralized strike length of 30km
- Agreement reached to increase exploration area at the Labola Project by an additional 243km²

VANCOUVER, March 11, 2022 - [Diamond Fields Resources Inc.](#) (TSXV:DFR) ("DFR" or, including its subsidiaries, the "Company") is pleased to announce that it has entered into agreements to raise US\$3,132,500 through the issuance of 19,891,375 shares at C\$0.20 per share (the "New Financing"). In addition, the Company has entered into agreements to settle an aggregate of US\$117,500 of debt owed to two insiders of the Company in consideration for the issuance of 746,125 shares at C\$0.20 per share.

DFR is also pleased to announce that Moydow Holdings Limited ("Moydow"), the company to be acquired by DFR pursuant to the transaction (the "Transaction") announced on August 25, 2021 (the "Transaction Press Release"), has entered into an agreement to acquire an additional exploration license contiguous to the Labola Project referred to in the Transaction Press Release.

Commenting on the announcement John McGloin, CEO of DFR said: "The scale of opportunity presented by the potential of the Labola Project is underlined by the strong support of our existing shareholders and the commitment of our management team. This endorsement is an important step towards the completion of the Moydow acquisition.

"We intend to start drilling at the Labola Project in the second quarter of 2022 and will be updating shareholders as this work proceeds. Drilling to date has only covered a small part of the identified deposit and the next phase of exploration will focus on areas of known mineralization with the aim of expanding the current resource.

"We are progressing with the steps required to seek conditional approval from the Exchange and deliver an Information Circular to shareholders ahead of a vote to approve the acquisition of Moydow in the second quarter."

Fundraising details

US\$3,132,500 is to be raised through the issuance of 19,891,375 shares at C\$0.20 per share, a premium to the last closing price of the DFR shares. Participants in the New Financing include:

- Jean Raymond Boule (via Spirit Resources SARL ("Spirit")) - US\$500,000
- Brian Kiernan, Executive Chairman of Moydow Holdings - US\$1,000,000

- DFR Directors and officers, Al Gourley, Bertrand Boule and David Reading (Directors), John McGloin (Director and CEO) and Jean L Charles (CFO) - US\$182,500 in aggregate (collectively the "Insider Private Placements")
- Existing DFR shareholders - US\$700,000

John McGloin and Jean L Charles have also agreed to settle an aggregate of US\$117,500 of debt through the issuance of 746,125 shares at C\$0.20 per share (the "Insider Debt Settlements").

The New Financing is conditional upon completion of the proposed acquisition of Moydow as announced in the Transaction Press Release. The Transaction is subject to approval by the TSX Venture Exchange ("TSX V"), required shareholder approvals, and completion of satisfactory confirmatory due diligence by DFR.

Additional License Area

The footprint of the Labola Project has been extended by an additional 243km² following Moydow's acquisition of an option over an exploration license ("Wuo Land 2") contiguous to the existing license area ("the Moydow Option"). Importantly the Company now has control of a full 30km strike length of identified mineralization surrounding Moydow's original Labola Project.

The Moydow Option is exclusive and can be exercised through the payment of US\$0.5m with the license holder retaining a net smelter royalty of 1% on all gold produced up to a total aggregate payment of US\$2.0m. The US\$0.5m is payable in tranches with US\$200,000 due upon satisfaction of all the requirements of an escrow agreement to hold the Wuo Land 2 license being satisfied (the "Wuo Land 2 Closing Date"), US\$150,000 within 12 months of the Wuo Land 2 Closing Date and US\$150,000 within 18 months of the Wuo Land 2 Closing Date.

Labola Project exploration

The Labola Project lies in the Banfora Birimian Greenstone Belt, one of the three major mineralized belts in western Burkina Faso.

Gold mineralization at the Labola Project is spatially associated with sulfides and quartz sericite alteration. Historical geophysics (IP and EM) surveys have helped define a 30km mineralized corridor. Within this corridor, historical and recent mapping and sampling combined with the widespread activity of artisanal miners has identified seven structures with mapped extents of 15km to 25km. The recent drilling undertaken by Moydow has concentrated on only a small portion of this belt, towards the northern end of the Central Western and Eastern structures. Drill testing has covered only between 6% and 25% of the mapped strike length of these three structures and rarely to depths of more than 100m. The current resource, which was prepared in accordance with an NI43-101, was based upon validated historical and recent drilling.

The objective of the next phase of exploration work is to infill and extend the previous drill pattern on areas of known mineralization to expand the current resource. Additionally, the next phase will test the tenor and continuity of some of the other structures that have been identified through our mapping and sampling campaign and are currently being exploited at surface by artisanal gold panners.

Preliminary metallurgical test work was conducted by previous operators High River Gold Mines Limited and Taurus Gold Limited. This work suggested that the gold present in the license area was treatable by conventional cyanide leaching. Recoveries were seen to be 90 to 98% in the oxide zone and 82% to 93% in the transitional and sulfide zone. During the exploration work undertaken by Moydow, LeachWell accelerated cyanide leach testing was used alongside fire assay analysis of drill samples and the results have provided further indication that the gold mineralization is essentially free milling in line with historical and regional metallurgical results. A wider metallurgical test program to confirm these results will be implemented as the Labola Project advances.

Moydow transaction update

The Moydow transaction is expected to close during the second quarter of 2022.

As set out in the Transaction Press Release, Brian Kiernan, Spirit and Panthera Resources Plc held warrants to subscribe for up to 70,000 Moydow shares each at a price of US\$3.50 per share until 31 December 2021 (the "Moydow Warrants") that would have been converted to shares in DFR. However, the Moydow Warrants expired unexercised.

Beravina Zircon Project

Following the expiry of its co-operation agreement with TMH Acquisition Co., DFR is considering its options with regards to the Beravina Zircon Project ("Beravina"). Zircon prices are currently buoyant with major producers reporting strong demand that is expected to continue in the short to medium term. Beravina has an Inferred Mineral Resource Estimate of 1.5 million tonnes grading 22.7% Zircon (ZrSiO₄) (equivalent to 15.3% ZrO₂) as set out in the technical report filed by the Company on January 29, 2019 entitled "[Diamond Fields Resources Inc. Beravina Project Madagascar](#)" dated December 20, 2018 with an effective date of December 14, 2018 and prepared by the MSA Group (Pty) Ltd..

Exercise of Options

A Director, of the Company has exercised 700,000 DFR share options with an exercise price of C\$0.145.

Insider Debt Settlements and Insider Private Placements

The Insider Debt Settlements and Insider Private Placements are exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 ("MI 61-101") by virtue of the exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in that the fair market value of the consideration for the securities of the Company to be issued to insiders does not exceed 25% of its market capitalization.

Early Warning Reports

In connection with the Transaction and the New Financing, Brian Kiernan will acquire a total of 65,638,465 common shares of DFR, representing approximately 36.8% of the to be issued and outstanding common shares of the Company after giving effect to the Transaction and the New Financing. Brian Kiernan is acquiring the common shares of DFR as part of the Transaction and for investment purposes. Depending on market and other conditions, Brian Kiernan may from time to time in the future increase or decrease his ownership, control or direction over DFR securities as circumstances warrant (noting, as described in the Transaction Press Release, that he has agreed to a 30 month hold period for the shares he receives as consideration under the Share Exchange Agreement).

As of the date hereof, Spirit holds 64,161,990 common shares of DFR, representing approximately 80% of the issued and outstanding common shares of DFR. In connection with the Transaction and the New Financing, Spirit will acquire a total of 6,833,607 common shares of DFR, for a total shareholding of 70,995,597, representing approximately 39.8% of the to be issued and outstanding common shares of the Company after giving effect to the Transaction and the New Financing. Spirit is acquiring the common shares of DFR for investment purposes. Depending on market and other conditions, Spirit may from time to time in the future increase or decrease its ownership, control or direction over DFR securities as circumstances warrant.

For the purposes of this notice, the Head Office of DFR is Lot 223, Le Mahe Beau, Vallon, Mauritius 50810. In satisfaction of the requirements of National Instrument 62-104 - Take-Over Bids And Issuer Bids and National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues, an Early Warning Report in respect of acquisition of common shares of DFR by Brian Kiernan and Spirit will be filed under the Company's SEDAR Profile at www.sedar.com.

Ends

David J Reading, M.Sc., FIMM, a director of DFR and a Qualified Person as defined under Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), has prepared or supervised the preparation of, or approved, as applicable, the technical information contained in this press release. Mr. Reading has over 40 years' experience in the mining industry covering all stages of mine development, including exploration, feasibility, financing, construction and operations. He has an MSc in Economic Geology and is a Fellow of the Institute of Materials, Minerals and Mining and of the Society of Economic Geologists.

[Diamond Fields Resources Inc.](#)

John McGloin, CEO
Contact: enquire@diamondfields.com

Michael Oke/Andy Mills: +44 20 7321 0000
Aura Financial LLP: www.aura-financial.com

Notes to Editors:

DFR is a TSX Venture Exchange listed exploration and mine development company with assets in Madagascar and Namibia. In Madagascar, DFR is developing the Beravina Project, an advanced high grade hard rock zircon exploration prospect located in the west of the country, approximately 220km east of the port of Maintirano and close to a state road. DFR acquired Beravina from Pala Investments and Austral Resources in 2016. In Namibia, the Company owns several offshore diamond mining licenses including the ML 111 concession which has a ten-year mining license, effective until 4 December 2025. In 2018 and early 2019 mining undertaken by a contractor on the Company's ML111 license area produced two parcels of rough diamonds totaling 47,318.41 carats.

Moydow is a privately owned, BVI registered, West African focused gold exploration business, which was formed in 2019 and subsequently in 2020 acquired, from AIM listed Panthera Resources Plc, its interest in the Labola Project, (Burkina Faso), followed by the Kalaka (Mali) project interest in 2021. At Closing Moydow will be controlled by DFR.

Website: www.diamondfields.com

The Company's public documents may be accessed at www.sedar.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements:

This release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements other than statements of historical fact in this release that address activities, events or developments that DFR expects or anticipates will or may occur in the future are forward-looking statements or information. Often, but not always, forward-looking information can be identified by the use of words such as "aim", "aspire", "strive", "will", "expect", "intend", "plan", "believe" or similar expressions as they relate to DFR. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to materially differ from those reflected in the forward-looking information.

The forward-looking statements and information in this release include but are not limited to statements and information relating to the terms, conditions and completion of the Transaction and New Financing; the use of proceeds from the New Financing; the obtaining of all required regulatory approvals in connection with the Transaction and New Financing; technical information; drilling and exploration programs; political risks; statutory and regulatory compliance; the proposed officers and directors of DFR following completion of the Transaction; and the impact of the Transaction on the business of DFR.

Such statements and information reflect the current view of DFR. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause DFR's actual results, performance or achievements or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

There are a number of important factors that could cause DFR's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: the ability to satisfy the conditions to the consummation of the Transaction and the New Financing; the ability to obtain requisite shareholder and regulatory approvals; the potential impact of the announcement or consummation of the Transaction on relationships; including with regulatory bodies, employees; suppliers customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation and the diversion of management time on the Transaction and the New Financing. Should one or more of these risks, uncertainties or other factors materialize, or should assumptions underlying the forward-looking information or statement prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

DFR cautions that the foregoing list of material factors is not exhaustive. When relying on DFR's forward-looking statements and information to make decisions, shareholders should carefully consider the foregoing factors and other uncertainties and potential events. DFR has assumed that the material factors referred to in the previous paragraph will not cause such forward looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this release represents the expectations of DFR as of the date of this release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward looking information and should not rely upon this information as of any other date. While DFR may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.

SOURCE: [Diamond Fields Resources Inc.](#)

View source version on accesswire.com:

<https://www.accesswire.com/692725/Diamond-Fields-Resources-Expands-the-Labola-Project-and-Enters-into-Agreem>

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/409608--Diamond-Fields-Resources-Expands-the-Labola-Project-and-Enters-into-Agreements-to-Raise-3.1m-from-Existing>

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](#).