

Ascot Closes C\$200 Million Financing Package for Construction of the Premier Gold Project

19.01.2023 | [GlobeNewswire](#)

VANCOUVER, Jan. 19, 2023 - [Ascot Resources Ltd.](#) (TSX: AOT; OTCQX: AOTVF) ("Ascot" or the "Company") is pleased to announce the Company has completed final documentation for a total of approximately C\$200 million in project financing for construction of the Premier Gold Project ("PGP" or the "project"), located on Nisga'a Nation Treaty Lands in the prolific Golden Triangle of northwestern British Columbia. As announced in the News Release dated December 12, 2022, the finance package consists of US\$110 million as a deposit (the "Deposit") in respect of gold and silver streaming agreements (the "Stream") with Sprott Private Resource Streaming and Royalty B Corp. ("Sprott Streaming") and a strategic equity investment (the "Strategic Investment") by Ccori Apu S.A.C ("Ccori Apu") of C\$45 million, a portion of which will be structured as Canadian Development Expenditures flow through shares ("CDE flow through"), such that the total gross proceeds to the Company is C\$50 million. With the finance package closed, Ascot is able to proceed with re-mobilizing of contractors for project construction in 2023 ahead of initial gold production, which is anticipated in early 2024.

Derek White, President and CEO of Ascot commented, *"We commend our financing partners Sprott Streaming and Ccori Apu for working diligently over the past month to expeditiously close the C\$200 million financing package. We view the financing package as attractive as it preserves Ascot's operational flexibility and enables the Company to advance towards production with minimal debt. With funding secured, we look forward to refocusing our efforts on project construction this year and becoming Canada's next gold producer."*

Michael Harrison, Managing Partner at Sprott Streaming, commented, *"We are very pleased to enter into this partnership and support Ascot Resources with the development of the Premier and Red Mountain Gold Projects. With substantial infrastructure in place and excellent exploration potential, we are financing Ascot to production to contribute to the local communities and Nisga'a Nation and expect a long mine life. Sprott Streaming continues to provide funding to advance quality projects and provide project financing to bring mines into production."*

Victor Ostolaza, Attorney of Ccori Apu, commented, *"Our investment in Ascot expresses our belief in the potential of the Premier Gold Project and in the management team tasked with leading its development. We have ample experience in underground gold mining and are confident that the project will be the next success story in Canadian mining. We are thrilled to be part of Ascot and look forward to collaborating in the creation of value."*

GOLD AND SILVER STREAM - SPROTT STREAMING

Ascot has executed definitive documentation for the Stream with Sprott Streaming covering the PGP and Red Mountain Project ("RMP") properties. Sprott Streaming will provide to Ascot an upfront payment (the "Deposit") of US\$110 million and terminate the existing 10% streaming agreement it has on RMP in return for the delivery to Sprott Streaming of 8.75% and 100% of gold and silver production, respectively, from PGP and RMP in exchange for the reduction of the Deposit and ongoing payments from Sprott Streaming equal to 10% of prevailing gold and silver prices, including after the Deposit is reduced to nil. Silver production from the Silver Hill Target at the northeastern part of the PGP property, where Ascot has identified a distinct style of high-grade silver mineralization, has been excluded from the Stream.

From January 1, 2025 until December 31, 2026, Ascot has the right to buyback 50% of the stream from Sprott Streaming for US\$80 million in cash (the "Buyback"). Once 150,000 ounces of gold have been delivered ("Delivery Threshold") to Sprott Streaming, the stream deliveries for gold and silver shall be reduced by 50% to 4.375% and 50%, respectively. In the case that the Buyback is exercised, then the remaining Delivery Threshold at that time will be reduced by the Buyback percentage, and once the threshold is met the stream deliveries for gold and silver shall be reduced by a further 50% to 2.1875% and

25%, respectively. The Delivery Threshold and the Buyback shall apply to both PGP and RMP. Sprott Streaming has been granted first-ranking security to secure the obligations under the Stream, which security will be subordinated to any operating loan on the earlier the Buyback being exercised or the Deposit being reduced to zero. The Stream also contains certain customary covenants.

A portion of the gross proceeds have been used to repay the existing senior credit facility and production payment agreement with Sprott Lending.

STRATEGIC EQUITY INVESTMENT - CCORI APU

Ccori Apu's shareholders are the majority shareholders of Compañía Minera Poderosa S. A. ("Poderosa"), a publicly traded gold mining company listed on the Lima Stock Exchange. Poderosa owns and operates a high-grade, underground gold mine in northern Peru. The mine produces approximately 300,000 ounces of gold annually by feeding the Marañón and Santa María process plants with high-grade gold ore averaging 17 grams per tonne from the surrounding underground gold deposits. Ccori Apu has invested a total of C\$45 million in the Strategic Investment. A portion of the common shares sold were structured as CDE flow through, such that the total gross proceeds to Ascot was C\$50 million. Ccori Apu's ownership of Ascot is 19.9% upon closing and it received participation rights to maintain its pro rata ownership in subsequent equity issuances. Ccori Apu has the right to nominate up to two people to Ascot's Board of Directors as long as its ownership remains above 10% of Ascot common shares outstanding. If Ccori Apu's ownership falls below 10%, it will have the right to nominate one person to Ascot's Board of Directors, and if its ownership falls below 5% then it will not have the right to nominate anyone to Ascot's Board of Directors.

The Strategic Investment consisted of 48,500,000 Common Shares of the Company at a price of C\$0.41 per Common Share for gross proceeds of C\$19,885,000 and 60,000,000 Common Shares of the Company that qualify as "flow through shares", as defined in the Income Tax Act (Canada) (the "CDE Common Shares"), at a price of C\$0.50 per CDE Common Share for gross proceeds of C\$30,000,000. The Common Shares and CDE Common Shares were offered by way of private placement pursuant to applicable prospectus exemptions and will be subject to hold periods in accordance with applicable securities laws.

The net proceeds from the sale of the Common Shares will be used for capital costs at the Premier Gold Project and for general corporate purposes.

An amount equal to the gross proceeds from the issuance of the CDE Common Shares will be used to incur "Canadian development expenses" as defined in the Income Tax Act (Canada) ("Qualifying Expenditures"). The Qualifying Expenditures will be incurred on or before June 30, 2024 and will be renounced by the Company to the subscribers with an effective date no later than June 30, 2024 to the initial purchasers of the CDE Common Shares in an aggregate amount not less than the gross proceeds raised from the issue of the CDE Common Shares.

ADVISORS

Morrison Park Advisers Inc., along with its affiliate Summa Advisers in Peru, is acting as exclusive financial advisor to Ascot in connection with the Strategic Investment by Ccori Apu and Auramet International LLC is acting as financial advisor to Ascot in connection with the Stream. Blake, Cassels & Graydon LLP is acting as Ascot's legal advisor. Fasken Martineau Dumoulin LLP is acting as Sprott Streaming's and Ccori Apu's legal advisor.

Qualified Person

John Kiernan, P.Eng., Chief Operating Officer of the Company is the Company's Qualified Person (QP) as defined by National Instrument 43-101 and has reviewed and approved the technical contents of this news release that relate to Ascot.

On behalf of the Board of Directors of [Ascot Resources Ltd.](#)
"Derek C. White"
President & CEO

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About Ascot Resources Ltd.

Ascot is a Canadian junior exploration and development company focused on re-starting the past producing Premier gold mine, located on Nisga'a Nation Treaty Lands, in British Columbia's prolific Golden Triangle. Ascot shares trade on the TSX under the ticker AOT. Concurrent with progressing the development of Premier, the Company continues to successfully explore its properties for additional high-grade underground resources. Ascot is committed to the safe and responsible development of Premier in collaboration with Nisga'a Nation as outlined in the Benefits Agreement.

For more information about the Company, please refer to the Company's profile on SEDAR at www.sedar.com or visit the Company's web site at www.ascotgold.com, or for a virtual tour visit www.vrify.com under Ascot Resources.

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding Forward-Looking Information

All statements and other information contained in this press release about anticipated future events may constitute forward-looking information under Canadian securities laws ("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", "targeted", "outlook", "on track" 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 are forward-looking statements, including statements in respect of the proposed use of proceeds, the advancement and development of the PGP and the timing related thereto, the exploration of the Company's properties and management's outlook for the remainder of 2022 and beyond. 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 risks associated with the business of Ascot; risks related to exploration and potential development of Ascot's 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 and indigenous groups 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; risks associated with COVID-19 including adverse impacts on the world economy, construction timing and the availability of personnel; the possibility that the transactions described herein are not completed; and other risk factors as detailed from time to time in Ascot's filings with Canadian securities regulators, available on Ascot's profile on SEDAR at www.sedar.com including the Annual Information Form of the Company dated March 21, 2022 in the section entitled "Risk Factors". Forward-looking statements are based on assumptions made with regard to: the structure of the Strategic Investment and the Stream, the completion of the Strategic Investment and the Stream on the terms described herein, the estimated costs associated with construction of the Project; the timing of the anticipated start of production at the Project; the ability to maintain throughput and production levels at the Premier Mill; the tax rate applicable to the Company; future commodity prices; the grade of Resources and Reserves; the ability of the Company to convert inferred resources to other categories; the ability of the Company to reduce mining dilution; the ability to reduce capital costs; and exploration plans. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Although Ascot believes 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 Ascot can give no assurance that such expectations will prove to be correct. Ascot does not undertake any obligation to update forward-looking statements. The forward-looking

information contained in this news release is expressly qualified by this cautionary statement.

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