

Venus Metals Corporation Limited: and Rox Resources to Consolidate Interests in Youanmi Gold Project

31.03.2023 | [ABN Newswire](#)

Perth, Australia - [Rox Resources Ltd.](#) (ASX:RXL) and its joint venture partner [Venus Metals Corporation Ltd.](#) (ASX:VMC) are pleased to advise that they have entered into a binding agreement to consolidate their respective ownership interests in the Youanmi Gold Project in Western Australia.

Under the agreement, Rox will acquire Venus' gold interests in each of its Youanmi joint ventures (30% of OYG JV (all minerals), 45% of Youanmi JV and Currans Find JV, and 50% of Venus Metals JV) (collectively the "Youanmi Gold Project") for consideration of 110 million fully paid ordinary shares in Rox ("Rox Shares") ("the Transaction"), subject to the conditions precedent (as summarised below) being met. Venus will retain its nongold interests in the Youanmi JV, Currans Find JV and Venus Metals JV, as well as its interests in its nonYouanmi gold assets.

The Transaction will see all gold rights held by Rox and Venus consolidated under a simplified, single ownership structure, providing a strong platform to progress the development of the Youanmi Gold Project.

Venus shareholders will, following completion of the Transaction, have the opportunity to benefit from the Transaction through:

- Eligible Venus shareholders (as at a record date to be advised) receiving Rox Shares through Venus proposed in-specie distribution of Rox Shares; and
- Retaining their Venus shares, and therefore, retaining an indirect interest in the Rox Shares retained by Venus and continue to participate in the value of Venus' non-Youanmi assets (which include gold, lithium, base metals and rare earths projects).

By simplifying the ownership structure, streamlining the development decision making process and increasing scale and market relevance, the parties believe that this structure will provide Rox with greater market appeal and access to capital, which is expected to unlock value for both Rox and Venus shareholders.

Management Comments

Rox Resources Managing Director, Mr Rob Ryan commented:

"Consolidating the gold interests under the Youanmi Gold Project under Rox's ownership is a logical transaction that is expected to deliver compelling value for both sets of shareholders and we are enormously excited about the strong foundation this transaction creates for the Project's ongoing exploration and development. The transaction provides investors and financiers with a clearer ownership structure and access to the full value of the Youanmi Gold Project.

"Building on our existing high-grade resource base and our recent exploration success at Midway and Youanmi South, this simplified ownership structure will enable Rox and Venus shareholders to share in the future growth of Rox as we work to unlock the full potential of the Youanmi Gold Project."

"2023 is set to be a milestone year at Youanmi, with drilling underway to convert existing Inferred Resources to Indicated status to support the Pre-Feasibility Studies. We are also very excited to see ongoing results from the Midway and Youanmi South discoveries, which are potential gamechangers for the Youanmi Gold Project."

Venus Managing Director, Mr Matthew Hogan, commented:

"This is a win-win transaction for all shareholders in both companies, unlocking considerable value and dramatically simplifying the development pathway for the Youanmi Gold Project.

I'm extremely confident in the capabilities of the Rox Board and Management team, and very excited to be

joining forces with them with the aim of bringing the Youanmi Gold Mine back into production in the near future."

Transaction Rationale

Both the Rox and Venus Boards consider there to be strong strategic rationale for the Transaction. Venus shareholders will retain their exposure to the Youanmi Gold Project both as Rox and Venus shareholders, while also allowing the market to fully recognise the value of the remaining assets held by Venus.

Both sets of shareholders are expected to benefit from:

- Simplified ownership - this is expected to result in cost synergies and increases the appeal of the Youanmi Gold Project to potential investors;
- Greater market relevance - consolidating ownership of the Youanmi Gold Project, whilst increasing the market presence and liquidity of Rox, is expected to attract greater interest from the investment community (institutional investors and brokers);
- Access to capital - the simplified ownership structure will appeal to potential debt providers, whilst the greater scale and relevance will appeal to institutional investors; and
- Re-rating potential - Rox currently trades at a resource multiple that is a substantial discount to its peers. Rox and Venus believe that the factors outlined above will position Rox well for a positive re-rating in the market.

Following completion of the Transaction, Venus will continue to hold its non-gold interests in the Youanmi JV, Currans Find JV and Venus Metals JV, as well as its interests in its projects other than Youanmi, including the Youanmi Vanadium deposit, Youanmi Base Metals Project, Sandstone Bell Chambers deposit, Bridgetown Greenbushes East Lithium Project, Marvel Loch East Rare Earth Project, Henderson Lithium Gold Nickel Project and Mangaroon Rare Earth Project.

Additionally, following completion of the Transaction and the in-specie distribution, Venus is expected to hold 55 million Rox Shares, which when aggregated with the 5 million Rox Shares held by Venus' wholly-owned subsidiary, Redscope Enterprises Pty Ltd, is expected to represent approximately 18% of Rox Shares.

Key Transaction Details

The key transaction terms are summarised below:

- Joint venture consolidation - upon completion of the Transaction, the ownership of the Youanmi mine tenements (and the gold and non-gold rights under those tenements) will be as set out in the map below.

Rox will become the tenement holder for the majority of the Youanmi exploration tenements (where Venus will retain rights to non-gold minerals), whilst Venus will remain as tenement holder of selected tenements deemed core to their base metals and other minerals interests (Rox will retain the gold rights).

- Consideration shares - the Transaction will be funded through the issue of 110 million Rox Shares to Venus at a deemed issue price of \$0.25 each, representing a total value of \$27,500,000 (after adjustment for the JV loan, noted below*). As soon as practical following completion of the Transaction, Venus intends to distribute 55 million Rox shares to eligible Venus shareholders. Venus intends to hold the remaining 55 million Rox shares directly.

To view the Transaction detail and timetable, please visit:
<https://abnnewswire.net/lnk/1JZKM7T3>

About Venus Metals Corporation Limited:

[Venus Metals Corporation Ltd.](#) (ASX:VMC) is a West Australian based Company with a focus on gold, base metals, vanadium and lithium exploration projects. The Company aims to increase shareholder value through targeted exploration success on its projects.

The Company's major gold project is the Youanmi Gold Mine, located 500km north-east of Perth. The Youanmi Gold Mine is now jointly owned by Venus Metals (30%) and Rox Resources Limited (70%); Indicated and Inferred Resource of the mine is in excess of 3 million ounces of gold.

Source:

[Venus Metals Corporation Ltd.](#)

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/439503--Venus-Metals-Corporation-Limited--and-Rox-Resources-to-Consolidate-Interests-in-Youanmi-Gold-Project.html>

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