

Sabre Gold Announces Debt and Stream Restructuring

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Vancouver, October 3, 2023 - [Sabre Gold Mines Corp.](#) (TSX: SGLD) (OTCQB: SGLDF) ("Sabre Gold" or the "Company") is pleased to announce it has entered into a non-binding Term Sheet with its secured creditors setting out the terms on which the parties are proposing to restructure the Company's current debt obligations and the gold stream over the Copperstone Mine. The proposed terms include: (i) partial early repayment of its debt obligations in return for the forgiveness of \$3 million in accrued interest, (ii) amending the gold entitlement percentage under the gold stream in return for initial and deferred payments and shares in the Company, (iii) repurchasing the 1.5% gross production royalty on the Copperstone Mine within 12 months for consideration of US\$1,250,000.

"The Company thanks its partners for their flexibility and cooperation in working with us to improve not only the overall financial position of the Company but also the potential economic returns for the Copperstone Mine by reducing the streaming percentage from 6% to 4% in the initial years of anticipated production and the eventual reduction in the gross production royalty," commented CEO & President Andrew Elinesky, "With these improvements and a projected cash balance in excess of \$3.5 million from our recent sale of the Brewery Creek project, we have significantly upgraded our financial position and are excited to be working towards gold production at the Copperstone Mine."

Transaction Details

The Term Sheet provides that the Company's two lenders will forgive \$3 million in accrued interest on their promissory notes in return for an initial cash payment of \$3.95 million and deferred payments of \$1.8 million and \$1.2 million in 12 and 24 months, respectively. Following the payments, the Company will have a debt balance of approximately \$3.25 million plus any further accrued interest.

In addition, under the proposed terms the Company and its streaming partner, Star Royalties Ltd. ("Star"), will amend the gold streaming agreement relating to the Copperstone Mine to fix the gold entitlement at 4% of the payable gold ounces produced for the life of mine. The agreement currently provides for an initial gold entitlement percentage of 6.6% that is stepped down to 2.2% and 0.8% after cumulative gold deliveries of 14,000 and 18,133 ounces, respectively. As consideration for the proposed amendment to the stream, the Company will issue 7,407,407 common shares to Star and pay Star \$1.55 million in cash on completion of the restructuring and deferred payments of \$1.2 million and \$0.8 million in 12 and 24 months, respectively.

Finally, the Company has agreed to repurchase a 1.5% gross production royalty on the Copperstone Mine from the holder for consideration of US\$1,250,000 payable within 12 months either in cash or in exchange for other certain assets of the Company.

Definitive documentation is anticipated to be completed in the coming weeks and will be announced by the Company once finalized. Certain aspects of the restructuring are subject to the approval of the Toronto Stock Exchange.

All currency amounts are in Canadian dollars unless specified otherwise.

The Board of Directors of the Company has established an ad hoc committee of independent directors (the "Independent Committee") which supervised the negotiation of the Term Sheet. The Independent Committee is in the process of negotiating the definitive documentation in respect of the restructuring, and there can be no assurance that the restructuring will be completed.

The proposals in the Term Sheet regarding the debt obligations of the Company and the repurchase of the

royalty on the Copperstone Mine will constitute a related party transactions within the meaning of Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("MI 61-101"), as the debtholders and the owner of the royalty are companies owned and controlled by directors of the Company. The Company expects to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1) (a) of MI 61-101 for both the debt restructuring the royalty buyback as in each case in respect of each related party the fair market value the subject matter of the transaction and the fair market value of consideration does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

About Sabre Gold Mines Corp.

Sabre Gold is a near-term gold producer in North America which holds 100% ownership of both the fully licensed and permitted Copperstone gold mine located in Arizona, United States. Management intends to restart production at Copperstone in the near term. Sabre Gold also holds other investments and projects at varying stages of development.

Copperstone has approximately 300,000 ounces of gold in the Measured and Indicated categories, and approximately 197,000 ounces of gold in the Inferred category. Additionally, Copperstone has considerable existing operational infrastructure as well as significant exploration upside. Sabre Gold is led by an experienced team of mining professionals with backgrounds in exploration, mine building and operations.

For further information please visit the [Sabre Gold Mines Corp.](http://www.sabre.gold) website: (www.sabre.gold).

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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking information under Canadian securities legislation including statements concerning the proposed debt and stream restructuring and the potential effect on Company's financial condition, the Company's views on exploration upside and the potential that resources at Copperstone can be expanded through additional exploration drilling, and intentions regarding the development of and restart of production at Copperstone. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to: the proposed debt and stream restructuring being completed on the terms disclosed, the assumptions used in the preparation of the PEA for the Copperstone project, basing a construction decision on the results of a PEA and not on a feasibility study of mineral reserves, demonstrating economic and technical viability; the price of gold; operational, funding, and liquidity risks; reliance on third parties, exploration risk, failure to upgrade resources, the degree to which mineral resource and reserve estimates are reflective of actual mineral resources and reserves; the degree to which factors which would make a mineral deposit commercially viable are present, and the risks and hazards associated with underground operations and other risks involved in the mineral exploration and development industry. Risks and uncertainties about Sabre Gold's business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedarplus.ca and readers are urged to read these materials. Sabre Gold assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

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