

Orford Mining Corporation Provides Additional Disclosure And A Reminder To Vote

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TORONTO, March 20, 2024 - [Orford Mining Corporation](#) (TSXV: ORM) ("Orford" or the "Company"). As previously announced, the Company's special meeting of shareholders will be held on March 27, 2024 at 10:00 a.m. (Toronto time) at 66 Wellington Street West, Suite 4100, Toronto, ON M5K 1B7 (the "Meeting"), for the purpose of approving the previously announced plan of arrangement pursuant to which [Alamos Gold Inc.](#) (TSX: AGI, NYSE: AGI) ("Alamos") will acquire all of the outstanding common shares of Orford ("Orford Shares") not already owned by Alamos, for deemed consideration of C\$0.10 per Orford Share (the "Arrangement"). Pursuant to the Arrangement Agreement, Orford's shareholders ("Orford Shareholders") will receive 0.005588 (the "Exchange Ratio") of an Alamos common share (an "Alamos Share") for each Orford Share held (the "Consideration").

Additionally, shareholders are being asked to approve the entry by Orford into a non-convertible multi-draw credit facility or loan, applicable if the Arrangement does not close by April 15, 2024 whereby Alamos, may provide to Orford an amount up to C\$2 million, in the aggregate for the purpose of funding Orford's normal course business activities, all on reasonable commercial terms reasonably satisfactory to each of Alamos and Orford (the "Orford Credit Facility").

The Arrangement and the Orford Credit Facility are described in more detail in the management information circular dated February 23, 2024 (the "Management Information Circular") which was mailed to Orford Shareholders and is available on SEDAR+ under Orford's profile at [www.sedarplus.com](#). As a supplement to the disclosure in the Management Information Circular, Orford is pleased to provide additional information below under the headings Fairness Opinion and Background to the Arrangement.

YOUR VOTE IS IMPORTANT

The Board of Directors of Orford (with the abstention of the interested Director) UNANIMOUSLY RECOMMENDS that Orford shareholders vote:

- FOR the resolution approving the Arrangement,

and

- FOR the resolution approving the Orford Credit Facility.

Shareholder Questions and Assistance

If shareholders have any questions or require more information in respect of the voting procedures or completing the form of proxy or voting instruction form, please contact the Company's transfer agent, Computershare Investor Services, by telephone at 1-800-864-6253, or by email at corporateactions@computershare.com.

Reasons for the Recommendation

In evaluating the Arrangement and the Orford Credit Facility and UNANIMOUSLY (with the abstention of an interested director) reaching their conclusion that the Arrangement is in the best interests of all Orford securityholders and making their recommendation that Orford shareholders vote FOR the Arrangement and the Orford Credit Facility, the Orford board of directors considered the benefits and advantages resulting from the Arrangement and the Orford Credit Facility, including, among others:

- **Significant Premium:** Orford Shareholders will receive a significant premium for their Orford Shares of approximately 114% premium to the closing price of the Orford Shares on the TSXV on January 12, 2024, being the last trading day prior to the announcement of the Arrangement.

- Thorough Process: The Arrangement and the Orford Credit Facility have been evaluated and recommended by a Special Committee of Orford independent directors, which conducted a thorough process, in consultation with legal and financial advisors, including a considered review of other potential alternatives, as well as obtaining the Fairness Opinion (described below).
- Preferred Alternative: The Special Committee and the Board assessed the relative benefits and risks of various alternatives to the Arrangement, and concluded that the Consideration is likely to represent greater value than would reasonably be expected from the continued execution of the Company's existing strategic plan or of alternative transactions, in light of the ongoing uncertainty surrounding the junior mineral exploration market and limited equity financing alternatives.
- Fairness of Process: Orford Shareholders enjoy a number of protections to assure fairness of the Arrangement. The Arrangement Resolution must be approved by (i) the affirmative vote of at least 66% of the votes cast on the Arrangement Resolution by holders of Orford Shares present or represented by proxy at the Meeting, each being entitled to one vote per Orford Share held; and (ii) the affirmative vote of the majority the votes cast on the Arrangement Resolution by holders of Orford Shares present or represented by proxy at the Meeting, excluding Alamos and Alamos Related Parties, Mr. David Christie, and Ms. Michelle Sciortino, all in accordance with the requirements of MI 61-101. The Arrangement must also be approved by the Court, which will consider the fairness and reasonableness of the Arrangement to Orford Shareholders. Orford Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Orford Shares.
- Fair Treatment. In the Special Committee's and the Board's respective views, the terms of the Arrangement Agreement treat stakeholders of the Company equitably and fairly, and the Arrangement is expected to benefit the Company and the stakeholders of the Company.
- Elimination of Share Dilution. The Arrangement eliminates the potential for significant share dilution from the expected equity offerings that would be necessary to continue to fund the exploration of the Company's Mineral Projects and overhead costs in 2024.
- Option to Retain Alamos Shares. The Arrangement provides the option to retain shares in Alamos, which is a premier, low-risk, North American-focused intermediate gold producer with a pristine balance sheet, fully funded growth profile and commitment to return capital to shareholders.
- Cash, Technical Expertise, and In-Depth Knowledge. Alamos has the cash, technical expertise, and in-depth knowledge of geological structures and mineralization in the area to accelerate the exploration and advancement of the Mineral Projects.

Additionally, to be effective, the Orford Credit Facility Resolution must be approved, with or without variation, by the affirmative vote of the majority the votes cast on the Orford Credit Facility Resolution by holders of Orford Shares present or represented by proxy at the Meeting, excluding Orford Shares held directly or indirectly by each of Alamos and the Alamos Related Parties, all in accordance with the requirements of MI 61-101.

Fairness Opinion

In arriving at its view that the Arrangement was fair to Orford's securityholders, the Special Committee and the Board were informed by the fairness opinion provided by Red Cloud Securities Inc. Red Cloud concluded that the consideration to be received by Orford shareholders provides a meaningful and immediate premium to Orford shareholders and represents:

- an approximate 134% premium to the 20-day volume weighted average price of Orford shares (based on trading on all Canadian exchanges) for the period ended on January 12, 2024; and
- an approximate 114% premium to the closing price of Orford shares on the TSX-V on January 12, 2024.

Red Cloud determined that these implied premiums rank in the top quartile and well above the overall average of over 125 precedent acquisitions of publicly traded mineral exploration and development stage companies since 2015.

Red Cloud's Value Methodology for Orford

Red Cloud applied a sum-of-the-parts methodology by estimating a range of values for each of Orford's material projects and properties using analysis of selected publicly traded gold and lithium exploration companies as well as analysis of precedent transactions. In deriving value ranges, Red Cloud applied a range of multiples that included (i) enterprise value ("EV") to hectare multiples of select publicly traded companies with large, pre-resource stage gold exploration property holdings in Quebec, (ii) EV to hectare

multiples of select lithium pegmatite exploration companies with key projects in Quebec, (iii) transaction value ("TV") to hectare multiples of selected lithium property transactions in the Nunavik region in Quebec, and (iv) TV to resource multiples of selected precedent acquisitions of gold exploration projects in Canada. Red Cloud also considered historical and committed project expenditures incurred by the Company, and in the case of the West Raglan Project, joint venture partner Wyloo Metals Pty Ltd. Red Cloud derived a value range per Orford share that was lower than the market value of the consideration.

Red Cloud also considered other qualitative factors and considerations, including, but not limited to, the following:

- The substantial financing risk and potential future dilution to Orford shareholders that Orford would face as a stand-alone company by continuing to fund exploration programs across its 1,787 km² of highly prospective exploration properties in northern Quebec;
- Consideration in the form of Alamos Shares provides Orford shareholders ownership in a premier, relatively lower risk, North American-focused intermediate gold producer with a portfolio of high-quality mines and development projects, a strong balance sheet, fully funded growth profile and commitment to return capital to shareholders;
- Access to Alamos's strong balance sheet, robust free cash flow generation and technical expertise to accelerate the advancement of Orford's portfolio of properties; and
- Alamos Shares on the TSX and the New York Stock Exchange are highly liquid, providing a liquidity event for Orford shareholders.

Background to the Arrangement

Alamos initially became a shareholder of Orford on May 17, 2019, when Alamos purchased 14,764,706 Orford Shares representing approximately 19.3% of the outstanding Orford Shares in a private placement. Alamos remained a steadfast supporter of Orford, participating in all of Orford's subsequent private placements to maintain or increase its percentage holding of Orford Shares, and providing Orford with a reliable source of financing.

Discussions concerning Alamos purchasing Orford commenced on March 30, 2023, when Alamos submitted to Orford an unsolicited initial non-binding letter of intent contemplating the acquisition of all the Orford common shares not already owned by Alamos in exchange for common shares of Alamos (the "Initial Proposal"). The Initial Proposal represented a premium to the then-current market price of the Orford Shares. The Orford board appointed a Special Committee of independent directors to review the offer, with a mandate to negotiate the proposed transaction with Alamos on the Orford board's behalf, and to consider and evaluate the merits of any proposed transaction in order to ultimately determine whether to recommend a proposal from Alamos to the Orford board. Negotiations led to a revised non-binding letter of intent being sent by Alamos to Orford on April 4, 2023 (the "Second Proposal"). Orford requested changes to the Second Proposal on April 6, 2023 and received a response from Alamos on April 10, 2023. On that date, Orford's Special Committee retained Cormark Securities Inc. ("Cormark") as its financial advisor and Red Cloud Securities Inc. to provide a fairness opinion should the transaction proceed.

The Special Committee met with Cormark on April 12, 2023 to review and discuss the Second Proposal, and determined that it would be acceptable provided certain changes were made, including provisions that Alamos exercise warrants that would result in proceeds to Orford following the transaction announcement, and provide Orford with additional funds by way of loan. Negotiations continued on April 13, 2023 and April 14, 2023 ultimately resulting in Orford sending to Alamos a revised draft non-binding letter of intent that was executed on April 14, 2023. On April 26, 2023, Alamos withdrew its offer. No fairness opinion was presented or provided by Red Cloud Securities Inc. to Orford prior to the withdrawal of the offer, and the Special Committee was disbanded upon Alamos' withdrawal of their offer.

On December 1, 2023, Orford received an unsolicited non-binding letter of intent from Alamos, at which time the Orford board reconstituted the Special Committee, which commenced a new round of negotiations described in the Management Information Circular, ultimately culminating in the Arrangement Agreement and the Plan of Arrangement, as described in the Management Information Circular.

Additional Information

The Company has mailed its Management Information Circular and related materials (the "Meeting Materials") to its shareholders. The Meeting Materials are available on SEDAR+ under Orford's profile at www.sedarplus.com. All shareholders are urged to read the Meeting Materials.

About Orford Mining

Orford Mining is a gold and critical mineral explorer focused on highly prospective and underexplored areas of Northern Quebec. Orford's principal assets are the Qiqavik, West Raglan and lithium exploration projects comprising a land package totaling over 168,336 hectares in the Cape Smith Belt of Northern Quebec. The Qiqavik Project hosts several new high-grade gold discoveries along a mineralized trend in excess of 40 km. The West Raglan Project hosts a number of high-grade Raglan-style nickel/copper/platinum group metal discoveries along a 55 km mineralized trend. In early 2023 Orford acquired large claim blocks targeting Lithium in the Nunavik Region. These Lithium claim blocks have been carefully selected as having promising lithium potential after an exhaustive compilation of available data. The first field season of exploration on the lithium focused properties returned positive results. Orford also has four property positions in the Joutel region of the Abitibi District of Northern Quebec, which hosts historical deposits such as the Eagle/Telbel, Joutel Copper, Poirier Copper, and Vezza deposits. Orford continually seeks new gold exploration opportunities in North America. Orford's common shares trade on the TSX Venture Exchange under the symbol ORM. This information from neighbouring properties is not necessarily indicative of the mineralization on Orford Mining's properties.

To view further details about Orford's exploration projects please visit Orford's website, www.orfordmining.com.

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

Cautionary Statement Concerning Forward-Looking Statements

This news release contains "forward-looking information" as defined under applicable securities laws. Such forward-looking statements include, but are not limited to, statements relating to: the completion of the Transaction and the Arrangement as proposed to be effected pursuant to the Agreement; the ability of the parties to satisfy the conditions to closing of the Arrangement; the anticipated timing of the completion of the Arrangement, and statements relating to Orford's liquidity and capital resources and potential of one or more of Orford's mineral exploration properties.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Orford to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These factors include, among others, obtaining required shareholder, court, and regulatory approvals, exercise of any termination rights under the Agreement, meeting other conditions in the Agreement, material adverse effects on the business, properties and assets of Orford, and whether any superior proposal will be made. completion of the Transaction, and, in respect of statements concerning Orford's liquidity, capital resources and potential of Orford's mineral exploration properties, future prices and the supply of metals; the results of drilling; inability to raise the money necessary to incur the expenditures required to retain and advance the properties; environmental liabilities (known and unknown); general business, economic, competitive, political and social uncertainties; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; or delays in obtaining governmental approvals, failure to obtain regulatory or shareholder approvals. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to Orford's filings with Canadian securities regulators available on SEDAR+ at www.sedarplus.com.

Although Orford has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and Orford disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

SOURCE [Orford Mining Corp.](http://www.orfordmining.com)

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