

True Gold Mining Inc. to Combine With Endeavour Mining Corporation

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Karma to be a cornerstone mine within a premier West African focused intermediate gold producer

VANCOUVER, March 4, 2016) - [True Gold Mining Inc.](#) (TSX VENTURE:TGM) ("True Gold" or the "Company") is pleased to announce that it has entered into a definitive arrangement agreement (the "Arrangement Agreement") with Endeavour Mining Corporation (TSX:EDV) ("Endeavour"), pursuant to which Endeavour has agreed to acquire all of the issued and outstanding common shares of True Gold in an all-share transaction to be completed by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia) (the "Transaction"). True Gold's principal asset is the Karma Mine in Burkina Faso, a low cost, heap leach gold mine nearing production.

This transaction allows True Gold to reach its strategic objective of becoming an intermediate gold producer. The Karma gold mine will become a cornerstone asset within Endeavour's existing portfolio of four operating mines along with its fully permitted and construction ready Houndé project. The combined company will also benefit from having one of the largest and most prospective exploration land packages in West Africa, along with Endeavour's operating and executive team's significant in-country and regional experience. The combined entity will be supported by a strong balance sheet, financial flexibility, as well as a long-term strategic relationship with its 30% shareholder, La Mancha Holding S.à.r.l. ("La Mancha"), enabling it to grow through development of its internal pipeline.

Under the terms of the Arrangement Agreement, all of True Gold's issued and outstanding shares will be exchanged on the basis of 0.044 of an Endeavour common share for each True Gold common share (the "Exchange Ratio"). The share consideration represents a value of approximately C\$0.57 per True Gold common share and values the Company's total equity at approximately C\$240 million on a fully diluted in-the-money basis. The share consideration represents a 43% premium based on each company's respective closing price on March 3, 2016 and a 33% premium based on the 20-day volume-weighted average price ("VWAP") of each company.

Concurrently, Endeavour has also announced that La Mancha has elected to exercise its pre-emptive right to maintain its 30% interest, contributing additional cash funding of approximately C\$83 million in support of the combined company's future growth, and resulting in True Gold shareholders owning approximately 22% of the combined company, on a fully-diluted in-the-money basis.

"I am very proud of what our team has accomplished at True Gold. In just over three years we have taken Karma from an unpermitted and unfunded conceptual project to a fully constructed mine, nearing production start," stated Mark O'Dea, Executive Chairman of True Gold. "Our long term goal for the Company has been to grow the business into a significant and highly profitable producer. This transaction with Endeavour accomplishes that goal, giving our shareholders meaningful ongoing exposure to Karma as it moves into production, as well as exposure to Endeavour's exceptional portfolio of producing mines and development projects. We are excited to become shareholders in what we consider to be the premier intermediate gold producer in West Africa."

"This transaction offers a very meaningful share position in a proven and growing intermediate gold producer at an attractive premium," stated Christian Milau, President & CEO of True Gold. "We are excited by the near-term growth profile and future exploration prospects of the combined company. The platform provides our shareholders with immediate exposure to production and an accelerated development strategy with a broader and more diversified asset base."

Benefits to True Gold Shareholders:

- Significant and immediate premium to True Gold shareholders of 43% based on the closing price of both companies on March 3, 2016 and 33% based on the 20-day VWAP of each company.
- True Gold shareholders maintain meaningful ongoing exposure to the Karma gold mine through ownership of 22% of the combined company, on a fully-diluted in-the-money basis.
- Exposure to Endeavour's existing West African asset portfolio, including its four low-cost operating mines and the construction-ready Houndé project in Burkina Faso.

- Diversifies True Gold's single-asset base, supported by Endeavour's strong balance sheet, free cash flow profile and proven operational expertise in multiple jurisdictions.
- Enhanced shareholder liquidity and greater access to capital.
- The Transaction in conjunction with the La Mancha financing enhances a financing plan that accelerates the construction of the Houndé project and the ability to finance an expanded exploration strategy.

Transaction Summary

The completion of the Transaction is subject to customary conditions, including receipt of all necessary court, shareholder and regulatory approvals. The Arrangement Agreement includes customary representations and warranties of each party, non-solicitation covenants by True Gold, "right-to-match" provisions in favour of Endeavour in the event of a Superior Proposal (as defined in the Arrangement Agreement) and a reciprocal termination fee in the amount of C\$4.5 million should the Arrangement Agreement be terminated in certain circumstances.

The Transaction is subject to the approval of 66 2/3% of the votes cast at a special meeting of True Gold's shareholders to approve the Transaction (the "True Gold Meeting") that is expected to occur in April 2016. An information circular regarding the Transaction will be filed with regulatory authorities and mailed to True Gold's shareholders in accordance with applicable securities laws.

The issue of the Endeavour ordinary shares pursuant to the Transaction must be approved by a simple majority of the shareholders of Endeavour at a special meeting of Endeavour shareholders (the "Endeavour meeting"). The Endeavour Meeting is expected to occur on the same date as the True Gold Meeting.

Voting Support Agreements

True Gold's officers and directors and certain shareholders, holding, in the aggregate 15.7% of the issued and outstanding True Gold shares, have entered into support agreements with Endeavour to vote in favour of the Transaction.

Endeavour's directors and officers and certain shareholders, holding in the aggregate 31.5% of the issued and outstanding ordinary shares of Endeavour have entered into support agreements with True Gold to vote in favour of the issuance of the ordinary shares pursuant to the Transaction.

Convertible Loan Facility

True Gold and Endeavour have also entered into an unsecured loan agreement (the "Loan Agreement") whereby Endeavour is providing a \$15 million convertible loan (the "Loan") for a term of 12 months bearing interest at the rate of LIBOR plus 4%.

Drawdown of the Loan is at the option of True Gold, subject to the satisfaction of certain standard conditions, any time between announcement and closing of the Transaction. The Loan is intended as an alternative source of funding to the remaining undrawn \$15 million increase option under the Franco Nevada / Sandstorm Gold stream financing. If drawn upon, the proceeds of the Loan will be used to fund capital expenditures for True Gold's Karma mine, for working capital purposes or repayment of the Auramet loan.

The Loan is convertible, upon certain events, at the option of Endeavour, into common shares of True Gold at a price per common share equal to the 5-day VWAP on the date prior to True Gold's drawdown of the Loan. The conversion features of the Loan are subject to the approval of the TSXV.

Special Committee & Board of Director's Approval

The Board of Directors of True Gold formed a special committee (the "Special Committee") to consider the proposed Transaction. The Special Committee has unanimously determined that the completion of the Transaction is in the best interests of True Gold, based in part on a fairness opinion from Haywood Securities Inc. that subject to the assumptions, limitations and qualifications set out therein, the consideration is fair to the holders of True Gold shareholders from a financial point of view. The Special Committee unanimously recommended that the Board of Directors of True Gold approve the Transaction.

Based in part on the recommendation of the Special Committee and on a fairness opinion from National

Bank Financial Inc., which concluded that, subject to the assumptions, limitations and qualifications set out therein, the consideration provided for in the Arrangement Agreement is fair, from a financial point of view to shareholders of True Gold, the Board of Directors of True Gold also unanimously determined that the Transaction is in the best interests of True Gold, and recommends that the True Gold shareholders vote in favour of the Transaction.

Timing

Full details of the Transaction will be included in the information circular and is expected to be mailed to shareholders in late March 2016. It is anticipated that the shareholder meeting and closing of the Transaction will take place in late April 2016.

Advisors and Legal Counsel

National Bank Financial Inc. is acting as financial advisor and Blake, Cassels & Graydon LLP is acting as legal counsel to True Gold. Haywood Securities Inc. has provided a fairness opinion to the Special Committee.

Conference Call and Webcast Information

Endeavour Mining and True Gold will host a conference call and webcast to discuss the transaction as part of Endeavour's previously announced year-end results conference call and live webcast at 9:00 am Toronto time (EST) on Friday, March 4, 2016.

The conference call and live webcast are scheduled on Friday March 4, 2016 at:

6:00am in Vancouver

9:00am in Toronto and New York

2:00pm in London

10:00pm in Hong Kong and Perth

The live webcast can be accessed through the following link:
<http://edge.media-server.com/m/p/p944mzru>

Analysts and interested investors are also invited to participate and ask questions using the dial-in numbers below:

International: 1 212 444 0412

North American toll-free: 1 877 280 2342

UK toll-free: 0800 279 5004

Australian toll-free: 1 800 027 830

Confirmation code: 4692288

Additional information about the Transaction and the Company and its activities may be found on the Company's website at www.truegoldmining.com and under the Company's profile at www.sedar.com.

ON BEHALF OF THE BOARD

Christian Milau
President & CEO

Neither 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.

All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to True Gold within the meaning of applicable securities laws, including statements with respect

to: the likelihood of completing and benefits to be derived from the Arrangement; closing of the Arrangement; the receipt of the necessary shareholder and regulatory approvals; the growth path and financial position of the combined company following completion of the Arrangement; True Gold shareholders' ownership and exposure to the Karma project following completion of the Arrangement; management of the combined company following completion of the Arrangement; La Mancha exercising its investment rights; the proposed timing of construction completion and first gold pour at the Karma project; the anticipated production at the Hounde project; the financing of the Hounde project; the timing of the True Gold Meeting and Endeavour Meeting and related information circulars; the drawdown and use of proceeds of the Loan; and receipt of necessary regulatory approvals for the Loan. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions regarding the combined company following completion of the Arrangement, completion of the Arrangement, including receipt of required shareholder, regulatory or court approvals, La Mancha exercising its investment rights, processing and recovery of mined and stockpiled ore, future prices of gold, copper, silver and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of True Gold and there is no assurance they will prove to be correct.

Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to:

the failure to obtain shareholder, regulatory or court approvals in connection with the Arrangement; the interpretation of results at the Karma project; the Arrangement and Loan Agreement; Endeavour's mineral properties and operations; processing and recovery of mined and stockpiled ore, reliance on technical information provided by third parties as related to the Karma project; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; satisfaction of Burkina Faso requirements relating to the periodic submissions of Environmental Impact Assessments; possible claims against True Gold or Endeavour; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, accidents, equipment breakdowns, risk of undiscovered, title defects and surface access, the potential for delays in exploration and permitting activities, uncertainties related to True Gold's relationship with communities that surround its properties in Burkina Faso, risks related to the financing agreement with Franco-Nevada and Sandstorm, including True Gold's ability to meet its scheduled delivery obligations, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, political risk as well as those factors discussed in the Annual Information Form of the Company dated April 27, 2015 in the section entitled "Risk Factors", under True Gold's SEDAR profile at www.sedar.com.

Although True Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. True Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

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