

New Dawn Provides Update to Shareholders on its Zimbabwe Indigenisation Plans

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TORONTO, April 27 /CNW/ - New Dawn Mining Corp. (TSX: ND) ('New Dawn' or the 'Company'), a Zimbabwe-focused gold mining company, announced that it is actively developing a comprehensive indigenisation plan for submission to the Government of Zimbabwe within the timeframe specified in the recently gazetted additions and amendments to the indigenisation regulations.

As previously reported, on March 25, 2011, the Government of Zimbabwe gazetted the Minimum Requirements for Indigenisation (the 'Announcement'), which stipulates that each non-indigenous mining company with net assets in excess of US\$1 must submit an indigenisation plan by May 9, 2011. The Announcement stated that each such mining company must dispose of 51%, less any percentage previously indigenised to qualified indigenous Zimbabwean companies or investors, of its shares to a 'designated entity' by September 25, 2011, which may, in certain circumstances, be extended by a further period of no more than three months. The Announcement defined a 'designated entity' as any one of several specified state owned or controlled entities or an employee share ownership scheme. The Announcement also stated that the value of the shares to be transferred to a designated entity will be calculated on the basis of a valuation agreed by the Minister and the non-indigenous mining company, and will take into account Zimbabwe's sovereign ownership of the minerals exploited or proposed to be exploited by the non-indigenous mining company.

In this regard, New Dawn is engaging with the Government of Zimbabwe in order to establish the terms, conditions and timing of an acceptable indigenisation program that is compliant with applicable legal requirements. New Dawn's Zimbabwe operating subsidiaries, Casmyn Mining Zimbabwe (Private) Limited, Falcon Gold Zimbabwe Limited and Olympus Mines Limited, are all non-indigenous companies for purposes of the Indigenisation and Economic Empowerment Act that was signed into law on March 9, 2008, and the related Regulations that were gazetted as Statutory Instrument 21 of 2010 issued on January 29, 2010.

New Dawn's indigenisation plans include engaging directly with indigenous capital partners in Zimbabwe, such as pension funds and investment firms that qualify as indigenous investors, in order to assemble a viable indigenisation plan that receives the support and approval of the Government of Zimbabwe. Additionally, the Company is considering a listing of its common stock on the Zimbabwe Stock Exchange (in addition to maintaining its primary listing on the Toronto Stock Exchange), in conjunction with a secondary offering of its common stock to indigenous investors in Zimbabwe. Furthermore, the Company is considering establishing employee and community share ownership plans for the benefit of indigenous Zimbabweans, as well as various other structures that will result in broad-based participation by indigenous Zimbabweans.

Through fostering investment by local indigenous parties in the Company at fair value, the Company will seek to fulfill its obligations to comply with the indigenisation laws and regulations, thereby increasing local ownership in the Company, contributing to the growth of the mining sector in Zimbabwe, and enhancing the ability of the Company to develop its extensive portfolio of mining properties in Zimbabwe. However, there is currently substantial uncertainty surrounding the implementation of the new indigenisation regulations and their potential impact on the Company. There can be no assurances that the Company will be successful in its efforts to comply with the indigenisation laws and regulations.

In light of the current uncertainty surrounding the implementation of the indigenisation regulations over a short timeframe, management of New Dawn believes that the Company's current share price, which has lost substantial value since the indigenisation regulations were gazetted on March 25, 2011, is now well below fair value and does not reflect the Company's inherent value or potential. To the extent that the Company is able to obtain Zimbabwe government approval for its indigenisation plans and arrange for equity-based transactions reflective of fair value with qualified indigenous investors, the elimination of this uncertainty with respect to indigenisation and the additional operating capital that would be provided by indigenous investors would be expected to have a positive impact on the Company, and would provide additional working capital to support New Dawn's efforts to increase its gold production to 100,000 ounces of gold on an annualized basis within the next four to five years.

New Dawn is engaging in confidential discussions with the Government of Zimbabwe in an effort to establish a position that will be compliant with the relevant indigenisation regulations. The Company will provide further information to shareholders as and when such discussions have been concluded, or when developments otherwise warrant.

The TSX has not reviewed and does not accept responsibility for the adequacy or the accuracy of this release. Statements in this press release regarding the Company's business which are not historical facts are 'forward-looking statements' that involve risks and uncertainties, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

Special Note Regarding Forward-Looking Statements: Certain statements included or incorporated by reference in this news release, including information as to the future financial or operating performance of the Company, its subsidiaries and its projects, constitute forward-looking statements. The words 'believe,' 'expect,' 'anticipate,' 'contemplate,' 'target,' 'plan,' 'intends,' 'continue,' 'budget,' 'estimate,' 'may,' 'schedule' and similar expressions identify forward-looking statements. Forward-looking statements include, among other things, statements regarding targets, estimates and assumptions in respect of gold production and prices, operating costs, results and capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates. Forward-looking statements are necessarily based upon a number of estimates and

assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Such factors include, among others, risks relating to reserve and resource estimates, gold prices, exploration, development and operating risks, political and foreign risk, uninsurable risks, competition, limited mining operations, production risks, environmental regulation and liability, government regulation, currency fluctuations, recent losses and write-downs and dependence on key employees. See 'Risk Factors' in the Company's Annual Information Form - 2010. Due to risks and uncertainties, including the risks and uncertainties identified above, actual events may differ materially from current expectations. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. Forward-looking statements are made as of the date of this press release and the Company disclaims any intent or obligation to update publicly such forward-looking statements, whether as a result of new information, future events or results or otherwise.

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