

# Crescent Resources Corp. and Coventry Resources Ltd. Announce Business Combination

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Vancouver, Sep 10, 2012 - [Crescent Resources Corp.](#) (TSX-V:CRC) ("Crescent") and [Coventry Resources Ltd.](#) (ASX:CVY) ("Coventry"), an Australian company, are pleased to announce that they have entered into a merger implementation agreement dated September 7, 2012 (the "Agreement") pursuant to which the two companies will combine by way of a share exchange to create a new gold exploration and development company focused on properties in Ontario, Canada. Under the terms of the Agreement, Crescent will acquire all of the issued and outstanding common shares of Coventry on the basis of 0.2513 post-consolidation shares of Crescent for each share of Coventry owned. Immediately prior to the share exchange, Crescent will complete a consolidation of its shares in which 5 old Crescent shares will be exchanged for 1 new Crescent share. The boards of directors of Crescent and Coventry have each unanimously approved the terms of the transaction.

"This transaction provides the shareholders of Coventry with significant potential for value growth by gaining exposure to the Canadian equity market" said Mike Naylor, Managing Director and CEO of Coventry. "We look forward to joining forces with Crescent and strongly believe that the combined company will be well positioned to unlock additional value at the Cameron Gold Project."

"Coventry has proven highly effective in advancing the Cameron Gold Project since acquiring full ownership in 2010 and we believe this transaction presents an exciting opportunity for Crescent shareholders to gain exposure to a quality development stage gold project and promising exploration potential in an excellent jurisdiction" commented Don Halliday, President, CEO & Director of Crescent.

## Benefits of the Transaction

Following completion of the transaction, the company's name will be changed to "Coventry Resources Inc." or another name acceptable to both parties. The resulting company (the "Company") will be headquartered in Toronto, Ontario and be listed on the TSX Venture Exchange (the "TSX-V"), as well as on the Australian Securities Exchange (the "ASX"). Benefits to Coventry shareholders of the transaction and the Canadian listing include:

- A combined portfolio of both development and exploration assets located in the mining friendly jurisdictions of Ontario and Alaska
- A TSX-V listing which will better align the Canadian investor and research community with the Ontario-based Cameron project and Coventry's exploration portfolio
- Direct exposure to the global strengths of the TSX-V, renowned for superior trading liquidity and access to equity financing in the mining industry
- Positioning of the Company among a large geographic peer group to allow investors to better assess relative merit and value
- Upon becoming a Canadian company, Coventry will have the option to fund future exploration activities on its Ontario properties via tax-advantaged 'flow-through share' financing
- Complementary shareholder bases, marrying ownership by Australian retail investors, Canadian retail investors and global institutions
- A combined board of directors and management team well suited to advancing the Cameron gold project, conducting exploration and interacting with the North American capital markets

## Transaction Details

The transaction will take place by way of the Agreement, pursuant to which Crescent will acquire all of the

issued and outstanding common shares of Coventry by way of a share exchange on the basis of 0.2513 post-consolidation shares of Crescent for each outstanding share of Coventry. The share exchange will take place immediately following completion of a share consolidation of the Crescent shares on a 5:1 basis, in which 5 old Crescent shares will be exchanged for 1 new Crescent share. Crescent intends to complete a concurrent non-brokered private placement offering of \$750,000 of subscription receipts at \$0.05 each, the proceeds of which will be held in escrow pending completion of the transaction. Further, Coventry plans to undertake a concurrent financing of A\$1.3 million at A\$0.055 per ordinary share. It is anticipated that upon closing, Coventry shareholders will hold approximately 87.25 percent of the outstanding postfinancing shares of the Company, with Crescent shareholders holding approximately 12.75 percent. In addition, outstanding options and warrants of Coventry will be exchanged for new options and warrants of the Company, adjusted in accordance with their terms such that the number of shares of the Company received upon exercise and the exercise price will reflect the exchange ratio described above. Senior officers and directors of each company have also agreed to vote their shares to support the transaction.

The transaction will be subject to certain customary conditions including approval of the Coventry and Crescent shareholders and regulatory approvals.

The Company will have a board of directors comprised of six members of which four will be nominees of Coventry and two will be nominees of Crescent. The management team of the Company will be comprised primarily of the current Coventry management, with each member to continue on in his or her current role, and is to be augmented by the existing Crescent management team, including Don Halliday as VP, Investor Relations.

Both the Coventry and Crescent boards believe that the board of directors and management of the combined Company contain the requisite experience, expertise and skill sets to advance the Cameron gold project and create shareholder value.

The Agreement contains customary deal protection mechanisms, including a reciprocal break fee of A\$150,000, payable if the proposed merger is not completed in certain circumstances. In addition, the Agreement contains customary nonsolicitation provisions.

The proposed transaction is expected to be completed by December 15, 2012 or such later date as the parties may mutually agree in writing and is subject to certain customary conditions, including receipt of all necessary court, shareholder and regulatory approvals. Special meetings of the shareholders of Coventry and Crescent will be held at a time yet to be determined to approve the proposed transaction.

Crescent has engaged Axiom Law Corp. as its legal advisor and Haywood Securities Inc. as its financial adviser in respect of this transaction. Coventry has engaged Cassels Brock & Blackwell LLP as its legal advisor in respect of this transaction.

## About Coventry Resources Limited

[Coventry Resources Limited](#) is an ASX-listed company that is advancing the Cameron Gold Project in Ontario, Canada towards production. The property hosts a National Instrument 43-101 compliant mineral resource estimate as outlined in the table below. A preliminary economic assessment (scoping study) on the Cameron Gold Deposit is due for completion in 2012. In addition to the existing resource, Coventry has identified a number of exploration targets within the project area and at its highly-prospective Rainy River Gold Project. The Company believes it can continue to expand the existing resource base through discovery. Coventry is led by a strong management team with the proven ability to explore, develop, finance and operate mining projects.

## Cameron Gold Project

Cut-off grade (g/t gold)	Category	Tonnes	Grade (g/t gold)	Ounces of gold
1.0	Measured	2,472,000	2.68	213,400
	Indicated	4,724,000	2.33	353,700
	Inferred	12,226,000	2.11	830,100

Coventry's resource estimate is effective as at March 2012.

Additional information on Coventry, the Cameron Gold Project and its exploration potential is available on Coventry's website at [www.coventryres.com](http://www.coventryres.com).

Tony Goddard is the Qualified Person of Coventry who approved the technical information in respect of Coventry's Cameron Gold Project contained in this press release.

### **About Crescent Resources Corp.**

[Crescent](#) is a TSX-V listed company focused on exploration at the Uncle Sam gold project, located in the prolific Tintina gold belt of Alaska.

Additional information on Crescent and its Uncle Sam gold project is available on Crescent's website at [www.crescentresourcescorp.com](http://www.crescentresourcescorp.com).

### **For further information about Coventry, please contact:**

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*Completion of the transaction is subject to a number of conditions, including TSX Venture Exchange acceptance and shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Crescent should be considered highly speculative.*

*The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.*

*Neither the 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.*

### **Forward-Looking Statements**

*This news release may contain "forward-looking statements" and/or "forward-looking information" within the meaning of applicable securities regulations in Canada and the United States (collectively, forward-looking information). Any forwardlooking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Coventry and Crescent (the "Companies") do not intend, and do not assume any obligation, to update this forward-looking information. Forward-looking information includes, but is not limited to, statements with respect to mineral resource estimates, drill plans, planned work programs, future upgrading of mineral resources and expected outcomes. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.*

*Any forward-looking information contained in this news release is based on certain assumptions that the Companies believe are reasonable, including, with respect to any mineral resource estimates, the key assumptions and parameters on which such estimates are based, that the current price of and demand for gold will be sustained or will improve, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms, that*

*supplies, equipment, personnel, permits and local community approval required to conduct the Companies' planned exploration and development activities will be available on reasonable terms and that the Companies will not experience any material accident, labour dispute, or failure of equipment.*

*However, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risks and uncertainties relating to the actual results of exploration activities being different than anticipated, cost of labour increasing more than expected, cost of equipment or materials increasing more than expected, fluctuations in the price of gold and other commodities, currency fluctuations, mineral resources not being as estimated, unexpected variations in mineral resources, grade or recovery rates, risk of accidents, labour disputes and other risks generally associated with mineral exploration and unanticipated delays in obtaining or failing to obtain governmental or community approvals or financing. Although the Companies have 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 to not be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.*

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