

Toronto- Multinational miner Eldorado Gold has agreed to make a \$14.6-million strategic investment in project developer Integra Gold through a private placement of common shares, giving Eldorado a 15% stake in the company. Integra would use the proceeds of the private placement for the continued exploration and development of the Triangle zone at the Lamaque project, including exploration programmes and economic studies and for general corporate purposes. Under the terms of the share purchase agreement, Eldorado would buy 52.06-million Integra common shares at \$0.28 a share, representing a 5.7% premium to the closing price and an 11% premium to the 20-day volume weighted average price of Integra on the TSX-Venture exchange as on Monday. "The Eldorado investment allows us to substantially increase our current programme with the objective of enhancing our confidence in existing mineral resources and adding to an already substantial gold resource base," Integra president and CEO Stephen de Jong commented. He added that with five drill rigs operational by the end of the month and almost 100 000 m of planned drilling in 2015, this investment provided the company with the financial resources to more rapidly move forward with an active fall and winter drill programme, which was expected to include ten operating drills at the project. Eldorado, with its portfolio of assets in Turkey, China, Greece, Brazil and Romania, would bring its technical expertise and proven capabilities in developing mines across the globe, and its investment in Integra represented a significant endorsement of the Lamaque project and the team behind it. The investment brought Integra's cash balance to \$27-million, enabling it to continue to execute on its exploration and development plans. Subject to getting custom and regulatory approvals, the transaction was expected to close on August 31. Eldorado would, for as long as it held a 10% interest in Integra, also have the right to appoint one member to the newly created three-member technical committee that would review and provide recommendations in an advisory capacity for exploration activities on the Lamaque project. Should Eldorado increase its ownership to 19% or more, it would have the right to appoint one director to Integra's board. Eldorado would also have the right to participate in future equity offerings by the company. Integra's Lamaque South gold project and Sigma-Lamaque mill and mine complex were located directly east from the city of Val-d'Or along the prolific Abitibi Greenstone belt, in Quebec, about 550 km north-west of Montreal. The Lamaque South project was divided into three clusters, the North, South and West clusters. The primary targets were the high-grade Parallel zone, in the North Cluster, and the Triangle zone, in the South Cluster. The Sigma mill, 1 km from the Parallel zone and 3 km from the Triangle zone, comprised a fully permitted, 2 200 t/d mill and tailings facility. Integra in June gave the public the opportunity to make the next big gold discovery at its Sigma-Lamaque gold

World: Eldorado validates Integra's Lamaque South project, takes 15% stake

property, when it launched its Integra Gold Rush Challenge, a form of crowd sourcing. The company's acquisition of the Sigma-Lamaque mine last year brought with it 6 TB of prospecting data spanning 75 years, which the miner now wanted to make publicly available to 'digital prospectors', who could win a share of C\$1-million.

source: minningweekly.com