



News

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Aureus signs deal to fund restarting of New Liberty gold mine in Liberia

Aureus Mining has secured funding to restart operations at its New Liberty gold mine in Liberia after signing an equity financing agreement with Turkish firm MNG Gold Jersey.

Last month, the company temporarily suspended operations at the mine following a cyanide leak that occurred due to problems with the process plant's detoxification circuit.

The mine is expected to resume operations this month. Aureus plans to use the funds to facilitate the processing plant's ramp-up.

The company has received credit approval from its lender group Nedbank, FirstRand Bank and the Export Credit Insurance Corporation of South Africa for a four-month default waiver.

"There have been operational challenges that reduced anticipated cash-flows."

Aureus Mining chairman David Netherway said: "Within five years, the Aureus team has overseen the exploration, development and commissioning of New Liberty, Liberia's first ever commercial gold mine.

"During this time, the company has faced the significant challenges of the tragic Ebola virus and the financial constraints of the global mining downturn.

"More recently, there have been operational challenges that, while not unusual at the early stages of commissioning and operations, reduced anticipated cash-flows."

The transaction will make MNG Gold a major shareholder and provide Aureus with a more stable future as the company prepares to restart production at New Liberty.

MNG Gold general manager Serhan Umurhan said: "MNG Gold is steadily expanding the resource and production base of its business and the investment in Aureus represents a further progression of this strategy in a country that is well-known and important to the MNG group.

"New Liberty is an attractive opportunity to add high-quality ounces to our West African mining portfolio."

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