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Shanghai-based Yintai Gold is the company that outbid Dundee over Osino assets

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Yintai Gold is the company that outbid Dundee Precious Metals in acquiring Osino Resources' assets.

Osino CEO Heye Daun announced on Monday that Yintai Gold will acquire all of the outstanding common shares of Osino for C\$368 million (N\$5,3 billion).

The sale came months after Osino recorded a net loss of US\$1,9 million in September 2023.

The Twin Hills Gold Project, which should start production in 2026, requires US\$365 million for construction set for July 2024.

A June 2023 feasibility study puts the project's life of mine at 13 years during which it is expected to produce an average 162.000 ounces per year.

As part of the agreement, Yintai will provide Osino with a loan comprising approximately US\$10 million facility provided concurrently with the execution of the arrangement agreement to enable the continued, fast-tracked development of the Twin Hills gold project and to fund other liquidity needs of Osino.

Yintai will also pay Dundee Precious Metal a US\$9.55 million (N\$145 million) termination fee.

Yintai is a mining company publicly listed on the Shenzhen Stock Exchange with a market capitalization of US\$5.6 billion as of February 23, 2024.

The company had over US\$570 million in cash and cash equivalents as of December 31, 2023.

Yintai conducts businesses in the mining and exploration of precious and non-ferrous metals.

The company owns five mining operations in China, including the Yulong lead, zinc and silver mine, the Heihe Yintai gold mine, the Jilin Banmiaozi gold mine, the Qinghai Dachaidan gold mine and the Mangshi Huasheng gold mine.

In 2023, Yintai produced 225.4 Koz of gold, 6.2 Moz of silver, 9.5 Kt of lead and 16.5 Kt of zinc.

The major ~29% shareholder of Yintai is Shandong Gold, the operator of multiple gold mines internationally including the ~7Moz Namdini Gold Project under construction in Ghana.

Osino CEO Heye Daun said while they appreciated the previous offer from Dundee Precious Metals, the all-cash offer from Yintai represents a significant premium, thus is a superior proposal, and is an excellent outcome for Osino's shareholders.



Daun also said Yintai is experienced, well-financed, and has a highly credible track record in gold mining in China, with the technical skills and financial resources to progress the project through construction and into production.

Yintai president Xingong Ou said the Twin Hills represents a unique opportunity to add a high-quality gold development asset to their portfolio in a stable and mining-friendly jurisdiction.

“The project provides the foundation for our future production profile with production targeted for 2026 and significant exploration upside,” Ou said.

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