



Orogen Gold PLC - ORE Proposed Placing and Open Offer
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Orogen Gold PLC
21 March 2017

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU 596/2014).

Orogen Gold plc
("Orogen" or the "Company")

New Strategy and Change of Name

Proposed Capital Reorganisation

Placing and Open Offer

and

Notice of General Meeting

Orogen Gold plc (AIM:ORE) announces that it has completed a review of its operations and has concluded that it is no longer in Shareholders' interests for the Company to continue to provide financial support for its mineral exploration activities. The Board is therefore proposing to dispose of the Company's mineral exploration interests and change the Company's business strategy. The Company intends to become an AIM Rule 15 cash shell and to complete a suitable reverse takeover within the next six months.

The Company is also pleased to announce that it has conditionally raised £3 million (before expenses) through a conditional placing with new and existing investors which will be used to explore corporate opportunities and for working capital. Certain Directors and Proposed Directors of the Company are intending to subscribe for Placing Shares in the Placing. Turner Pope has agreed to act as joint broker to the Company and has managed the Placing on behalf of the Company.

In addition to the Placing, in order to provide Shareholders with an opportunity to participate in the capital raising process on the same terms as the Placing, the Company is intending to launch an open offer to provide all Qualifying Shareholders with an opportunity to subscribe for shares on the same terms as the Placing to raise up to a further £470,460.

At the same time, the Company is proposing a Capital Reorganisation, which, following a consolidation and sub-division, will result in every 250 Existing Ordinary Shares becoming one New Ordinary Share and 249 New Deferred Shares.

The terms and conditions of the Open Offer will be set out in a circular being sent to Shareholders today, which will also include a notice convening a General Meeting. The Circular will set out: the reasons for, and provide further information on, the Proposals; explain why the Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole; and why the Directors unanimously recommend that Shareholders vote in favour of the Resolutions.

The Placing and Open Offer are conditional, *inter alia*, on the passing without amendment of all of the Resolutions by Shareholders at the General Meeting to be held at 11.00 a.m. on 7 April 2017 at Finsgate, 5-7 Cranwood Street, London EC1V 9EE and on the Admission of the New Ordinary Shares to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 10 April 2017.

Immediately following the General Meeting, it is intended that Colin Bird, Edward Slowey, Michael Nolan and Alan Mooney will step down from the Board and that Steven Metcalfe and Mark Collingbourne will be appointed as non-executive directors of the Company with immediate effect, subject to the necessary regulatory approvals.

Highlights:

- Placing to raise £3 million (before expenses)
- Open Offer to Qualifying Shareholders to raise up to a further £470,460 (before expenses)
- Directors and Proposed Directors intend to subscribe £310,000 in aggregate in the Placing
- Placing and Open Offer net proceeds to be used to explore corporate opportunities and for working capital
- Appointment of Steven Metcalfe and Mark Collingbourne as Non-executive Directors
- Capital Reorganisation
- Change of name to Orogen plc

Enquiries:

| | |
|---|----------------------|
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Introduction

Orogen is pleased to announce details of a proposed new strategy and consequent restructuring of its operations. The Board has completed a review of its operations and has concluded that it is no longer in Shareholders' interests for the Company to continue to provide financial support for its mineral exploration activities. The Board is therefore proposing to dispose of the Company's mineral exploration interests and change the Company's business strategy.

As an initial step in the above restructuring, the Company is proposing to undertake a share consolidation and sub-division in order to increase the price at which the Company's shares trade on AIM (although it should be noted that this does not in itself change the value of the shares) and to enable the Company to raise funds through the issue of new shares.

To provide the Company with the capital resources to seek to enter into a binding agreement for a reverse takeover and provide the Company with working capital, the Company is also pleased to announce a conditional placing of 200,000,000 New Ordinary Shares at 1.5p per New Ordinary Share to raise £3.0 million before expenses.

In order to provide Shareholders with an opportunity to participate in the proposed issue of New Ordinary Shares on the same terms as the Placing, the Company is providing all Qualifying Shareholders with the opportunity to subscribe for Open Offer Shares at the Issue Price on the basis of one Open Offer Share for every 250 Existing Ordinary Shares held (equivalent to one New Ordinary Share held on completion of the Capital Reorganisation). If the Open Offer is fully subscribed, the Company will issue 31,364,011 New Ordinary Shares pursuant to the Open Offer to raise an additional £470,460 before expenses.

The Open Offer provides Qualifying Shareholders with an opportunity to participate in the proposed issue of the Open Offer Shares whilst providing the Company with additional working capital.

The Issue Price of the Placing Shares and the Open Offer Shares is equivalent to 0.006p per Existing Ordinary Share, which represents a discount of 61.3 per cent. to the closing price of 0.0155p per Existing Ordinary Share on 20 March 2017 (being the latest practicable date before the announcement of the Proposals).

The Placing and the Open Offer are conditional upon, amongst other things, the passing of all of the Resolutions at the General Meeting and Admission. If the Resolutions are passed, the Placing Shares and the Open Offer Shares will be allotted immediately after the General Meeting and Admission is expected to occur at 8.00 a.m. on 10 April 2017. The Placing and Open Offer are not underwritten.

A circular is being sent to Shareholders today to provide them with further information on the Capital Reorganisation, the Placing, the Open Offer and to set out the reasons for the change of strategy and why the Board believes that the Proposals are in the best interests of the Company and its Shareholders and to seek Shareholder approval to the Resolutions at the forthcoming General Meeting. A notice convening a General Meeting to consider the Resolutions required to give effect to the Proposals is set out at the end of the circular. The General Meeting will be held at 11.00 a.m. on 7 April 2017.

Reasons for, and consequences of, the change of strategy

The Board has reviewed the recent drilling results for both Projects. The drilling results at the Silverton Project were disappointing. A low grade zone has been encountered on the Silverton fault zone, but there is no sign of gold enhancement at depth. The Board does not consider that these results provide a strong case for further drilling.

While the 2016 drilling results at the Mutsk Project were encouraging in that they extended the gold deposit footprint, an independent study of the deposit has concluded that the current resource lies well below the target of 1,000,000 ounces of gold for the project. The Board believes that there is scope to add to the resource through additional exploration and infill drilling, albeit that the overall gold grade of circa one g/t is low and will therefore require

significant additional tonnage to move the project forward to a commercial mine. As the Company has limited capital resources, and the Board does not consider that the Company will be able to raise the relatively significant level of new funds on acceptable terms to finance the further exploration of the Mutsk Project that is needed to delineate the target orebody, it has been decided that a sale or joint venture of this project to a larger and more financially robust entity gives the project the opportunity to move forward and gives the Company some expectation of recovering part of its investment in the Mutsk Project.

The Board has therefore concluded that it is no longer in Shareholders' interests, in the current market conditions, to continue to provide further finance for its mineral exploration activities, and it is therefore seeking to dispose of its interests in its mineral exploration projects, and to conclude an acquisition which would constitute a reverse takeover under the AIM Rules. The Company has decided to cap further expenditure on its existing mineral exploration projects at £75,000 and to put them on care and maintenance programmes whilst buyers are sought for the Company's interests in these assets.

The Company is not currently in discussions with any third party in respect of the disposal of the Projects and therefore there can be no guarantee that the Company will be able to find a buyer(s) for, or to complete the sale of, any of its Projects.

The decision to cease the Company's mineral exploration activities represents a fundamental change of business under Rule 15 of the AIM Rules. If the Resolutions required to give effect to the Proposals are approved by Shareholders at the General Meeting, the Company will become an AIM Rule 15 cash shell, which means that the Company must make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of the General Meeting, otherwise the trading of the Company's shares on AIM will be suspended. If the Company has not made an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules within six months of such suspension, the admission of the Company's shares to trading on AIM will be cancelled.

The Company is currently reviewing a number of possible acquisition targets in a range of sectors but all of these are at a very early stage and no discussions have been entered into with any sellers of such targets. There is no guarantee that the Company will complete the acquisition of any such targets.

In the event that the Company does enter into a legally binding contract to acquire any such target then such acquisition will be considered to be a reverse takeover under Rule 14 of the AIM Rules. The Company will be required to publish a new admission document, which will be sent to Shareholders and will include details of the target and the terms of the acquisition. The acquisition will then be subject to the approval of Shareholders at a general meeting.

In order to reflect the change in the Company's strategy, the Board is proposing to change the name of the Company to Orogen plc. Shareholder approval is needed in order to effect the change of name. Resolution 5 seeks such approval.

Capital Reorganisation

The Board is seeking Shareholder approval to reorganise the Company's share capital as the Existing Ordinary Shares trade in fractions of a penny on AIM. This situation restricts the ability of the Board to issue new ordinary shares as English company law prohibits a company from issuing a share at a price that is less than its par value. The Company is therefore proposing the Capital Reorganisation under which it will consolidate every 250 Existing Ordinary Shares (having a par value of 0.01p) into one Intermediate Ordinary Share (having a par value of 2.5p), and then divide each Intermediate Ordinary Share into one New Ordinary Share (having a par value of 0.01p) and 249 New Deferred Shares (each having a par value of 0.01p).

Shareholder approval is needed in order to effect the Capital Reorganisation. The Resolution to approve the Share Consolidation and Sub-division (being Resolution 1) must be passed by an ordinary resolution of Shareholders if the Capital Reorganisation is to be effective.

The New Deferred Shares (having a par value of 0.01p) will be in addition to the existing class of Existing Deferred Shares, of which there are 429,643,035 in issue.

The Articles will be required to be amended in order to facilitate the Share Consolidation and Sub-division. Resolution 3(b) sets out the proposed changes to the Articles.

Rights of the New Ordinary Shares and the New Deferred Shares

The New Ordinary Shares will have the same rights and be subject to the same restrictions as the Existing Ordinary Shares from which they will be derived. Following the Capital Reorganisation, each Shareholder will hold one New Ordinary Share for every 250 Existing Ordinary Shares held by him immediately before the Capital Reorganisation. The Capital Reorganisation will allow the Company to issue New Ordinary Shares, assuming that the share price of the Company does not fall below the 0.01p par value.

Like the Existing Deferred Shares (all of which will remain in issue), the New Deferred Shares will have no income or voting rights. The only right attaching to a New Deferred Share will be to receive the amount paid up on that New Deferred Share (i.e. 0.01p) on a winding-up of the Company once the holders of New Ordinary Shares have received the amount paid up on each of the New Ordinary Shares (i.e. 0.01p) plus a sum of £10,000,000 per New Ordinary Share and the holders of Existing Deferred Shares have received the amount paid up on each of the Existing Deferred Shares (i.e. 0.9p). Save for this and their par values, the New Deferred Shares will be identical to the Existing Deferred Shares.

Like the Existing Deferred Shares, the New Deferred Shares will not be admitted to trading on AIM, will have only very limited rights on a return of capital and will be effectively valueless and non-transferable. The Directors consider that the New Deferred Shares will have no effect on the respective economic interests of Shareholders.

Immediately following the Capital Reorganisation, the issued ordinary share capital of the Company will be 31,364,011 New Ordinary Shares.

Fractions

No Shareholder will be entitled to a fraction of an Intermediate Ordinary Share and where, as a result of the Share Consolidation, any Shareholder would otherwise be entitled to a fraction only of an Intermediate Ordinary Share in respect of their holding of Existing Ordinary Shares on the date of the General Meeting (a "Fractional Shareholder"), such fractions will, in so far as possible, be aggregated with the fractions of Intermediate Ordinary Shares to which other Fractional Shareholders of the Company would be entitled so as to form whole New Ordinary Shares ("Fractional Entitlement Shares").

These Fractional Entitlement Shares will be aggregated and sold in the market and the net proceeds of the sale attributable to each Fractional Shareholder shall be retained by the Company for the benefit of all Shareholders.

The provisions set out above mean that any such Fractional Shareholders will not have a resultant proportionate shareholding of New Ordinary Shares exactly equal to their proportionate holding of Existing Ordinary Shares. Shareholders with only a fractional entitlement to a New Ordinary Share (i.e. those Shareholders holding a total of fewer than 250 Existing Ordinary Shares at the record date for the Capital Reorganisation) will cease to be a Shareholder of the Company. Accordingly, Shareholders currently holding fewer than 250 Existing Ordinary Shares who wish to remain a Shareholder of the Company following the Share Consolidation would need to increase their shareholding to at least 250 Existing Ordinary Shares prior to the record date for the Capital Reorganisation. Shareholders in this position are encouraged to obtain independent financial advice before taking any action.

Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their entitlement to New Ordinary Shares.

Admission of, and dealings in, the New Ordinary Shares

Application will be made for the New Ordinary Shares to be admitted to trading on AIM and, assuming that all of the Resolutions are passed by Shareholders, dealings in the Existing Ordinary Shares are expected to cease at the close of business on Friday 7 April 2017 and dealings in the New Ordinary Shares are expected to commence at 8.00 a.m. on Monday 10 April 2017.

UK tax

Based on current UK tax legislation, the Capital Reorganisation should not be treated as a disposal for the purposes of UK capital gains tax. The Capital Reorganisation should also not be treated as giving rise to any distribution for income tax purposes. After the Capital Reorganisation, the base cost of Existing Ordinary Shares for the purposes of UK capital gains tax should be apportioned between the resulting New Ordinary Shares.

Share certificates

The New Ordinary Shares will be in registered form and may be held in certificated or uncertificated form. Following Admission becoming effective, share certificates in respect of the Existing Ordinary Shares will cease to be valid and will be cancelled. New certificates in respect of New Ordinary Shares will be issued to those Shareholders who hold their Existing Ordinary Shares in certificated form and are expected to be dispatched, at the risk of Shareholders, during the week commencing 17 April 2017. Share certificates in respect of Existing Ordinary Shares should be destroyed upon receipt of new certificates. No temporary documents of title will be issued. Transfers of New Ordinary Shares after 7 April 2017, but before the dispatch of new certificates, will be certified against the register of members of the Company. CREST accounts are expected to be credited with New Ordinary Shares on 10 April 2017.

The Placing

The Placing

The Company has conditionally raised £3.0 million (before expenses) by means of a placing of 200,000,000 Placing Shares, which are not subject to clawback, at the Issue Price of 1.5p per Placing Share for the benefit of the Company. The Issue Price is equivalent to 0.006p per Existing Ordinary Share, which represents a discount of 61.3 per cent. to the closing price of 0.0155p per Existing Ordinary Share on 20 March 2017 (being the latest practicable date before the announcement of the Proposals).

The Placing is conditional, *inter alia*, upon:

- the Placing and Open Offer Agreement becoming unconditional in all respects;
- the passing (without amendment) of the Resolutions at the General Meeting; and
- admission of the Placing Shares to trading on AIM becoming effective on or before 8.00 a.m. on 10 April 2017 (or such later date and/or time as the Company, Cairn and Turner Pope may agree, being no later than 5.00 p.m. on 21 April 2017).

The Placing and Open Offer Agreement

Pursuant to the terms of the Placing and Open Offer Agreement, Turner Pope has conditionally agreed to use its reasonable endeavours, as agent for the Company, to procure subscribers for the Placing Shares. The Placing and Open Offer Agreement is conditional upon, *inter alia*, the Resolutions being duly passed without amendment at the General Meeting and Admission becoming effective by no later than 8.00 a.m. on 10 April 2017 (or such later date as the Company, Cairn and Turner Pope may agree, being in any event not later than 5.00 p.m. on 21 April 2017).

The Placing and Open Offer Agreement contains warranties from the Company in favour of Cairn and Turner Pope in relation to, *inter alia*, the accuracy of the information in the circular and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Cairn and Turner Pope in relation to certain liabilities it may incur in respect of the Placing. Cairn and Turner Pope each has the right to terminate the Placing and Open Offer Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of the warranties given to them in the Placing and Open Offer Agreement, the failure of the Company to comply with its obligations under the Placing and Open Offer Agreement or an adverse change affecting, *inter alia*, the condition, earnings, business or prospects of the Company, whether or not foreseeable at the date of the Placing and Open Offer Agreement.

Settlement and dealings

The Placing Shares, when issued and fully paid, will rank equally in all respects with the New Ordinary Shares arising pursuant to the Capital Reorganisation and the Open Offer Shares, including the right to receive all dividends and other distributions declared, made or paid after Admission.

It is expected that Admission will become effective and dealings in the Placing Shares will commence on 10 April 2017.

The Company is seeking Shareholder approval for Resolution 3(a) which revokes any limit which may exist on the amount of the Company's authorised share capital.

Directors' participation in the Placing and the Open Offer

Adam Reynolds, Michael Nolan, Alan Mooney and Colin Bird, Directors of the Company and Steven Metcalfe and Mark Collingbourne, the Proposed Directors, have each conditionally agreed to subscribe for Placing Shares and to apply for Open Offer Shares. Further details of their participation are set out below:

| <i>Director or Proposed Director</i> | <i>Number of Existing Ordinary Shares held</i> | <i>Number of New Ordinary Shares held on completion of the Capital Reorganisation</i> | <i>Number of Placing Shares subscribed for</i> | <i>Number of Open Offer Shares to be applied for</i> | <i>Number of New Ordinary Shares held on Admission</i> | <i>% of Enlarged Share Capital*</i> |
|--------------------------------------|--|---|--|--|--|-------------------------------------|
| Directors | | | | | | |
| Adam Reynolds | 87,040,580 | 348,162 | 5,666,667 | 348,162 | 6,362,991 | 2.42% |
| Michael Nolan | 135,110,907 | 540,443 | 2,666,667 | 540,443 | 3,747,553 | 1.43% |
| Edward Slowey | 165,896,071 | 663,584 | - | 663,584 | 1,327,168 | 0.51% |
| Alan Mooney | 129,610,907 | 518,443 | 2,666,667 | 518,443 | 3,703,553 | 1.41% |
| Colin Bird | 100,000,000 | 400,000 | 1,333,333 | 400,000 | 2,133,333 | 0.81% |
| Proposed Directors | | | | | | |
| Steven Metcalfe | - | - | 5,666,667 | - | 5,666,667 | 2.16% |
| Mark Collingbourne | - | - | 2,666,667 | - | 2,666,667 | 1.01% |

*Assuming the Open Offer is taken up in full.

The conditional agreements entered into by the Directors to subscribe for Placing Shares are classified as related party transactions for the purposes of the AIM Rules. The Independent Director, Edward Slowey, considers, having consulted with the Company's nominated adviser, Cairn, that the terms of the Directors' participation in the Placing are fair and reasonable insofar as Shareholders are concerned.

Open Offer

In order to provide Qualifying Shareholders with an opportunity to subscribe for New Ordinary Shares at the Issue Price, the Company is proposing to raise up to £470,460 (before expenses) pursuant to the Open Offer. The proposed issue price of 1.5p per Open Offer Share is the same price as the Issue Price at which Placing Shares are being issued pursuant to the Placing. The Open Offer provides Qualifying Shareholders with an opportunity to participate in the Open Offer by subscribing for their respective Open Offer Entitlements.

The Open Offer is conditional, *inter alia*, upon:

- i. the passing (without amendment) of the Resolutions at the General Meeting;
- ii. admission of the Open Offer Shares to trading on AIM becoming effective on or before 8.00 a.m. on 10 April 2017 (or such later date and/or time as the Company may decide, being no later than 5.00 p.m. on 21 April 2017).

It is expected that Admission will become effective and dealings in the Open Offer Shares will commence on 10 April 2017. In the event that the Open Offer does not become unconditional by 8.00 a.m. on 10 April 2017 (or such later time and date as the Company may decide, being no later than 5.00 p.m. on 21 April 2017), the Open Offer will lapse and application monies will be returned by post to the Applicant(s) at the Applicant's risk and without interest, to the address set out in the Application Form, within 14 days thereafter.

The Open Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the New Ordinary Shares arising pursuant to the Capital Reorganisation and the Placing Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

The estimated proceeds of the Open Offer assuming it is subscribed in full are anticipated to be £470,460 (before expenses).

Open Offer Entitlement

Qualifying Shareholders are being given the opportunity to subscribe for Open Offer Shares under the Open Offer at the Issue Price, payable in full on application and free of all expenses, pro rata to their existing shareholdings on the following basis:

One Open Offer Share for every 250 Existing Ordinary Shares

held by Qualifying Shareholders and registered in their name at the Record Date (equivalent to one Open Offer Share for every one New Ordinary Share held immediately after the Capital Reorganisation).

The Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that under the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

The number of Open Offer Shares offered to Shareholders under the Open Offer will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will not be allocated and will be disregarded.

Application has been made for the Open Offer Entitlements of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements will be admitted to CREST on 22 March 2017. The Open Offer Entitlements will also be enabled for settlement in CREST on 22 March 2017 to satisfy *bona fide* market claims only. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying Non-CREST Shareholders will receive an Application Form which sets out their maximum entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them.

If applications are made for less than all of the Open Offer Shares available, then the lower number of Open Offer Shares will be issued and any outstanding Open Offer Entitlements will lapse.

The Open Offer is restricted to Qualifying Shareholders in order to enable the Company to benefit from exemptions from securities law requirements in certain jurisdictions outside the United Kingdom.

Action to be taken in respect of the Open Offer

Qualifying Non-CREST Shareholders will be sent an Application Form which gives details of their Open Offer Entitlement (i.e. the number of Open Offer Shares available to them). If Shareholders wish to apply for Open Offer Shares under the Open Offer, they should complete the Application Form and post it, or return it by hand (during normal business hours only), together with payment in full in respect of the number of Open Offer Shares applied for, to Capita Asset Services, Corporate Actions, 34 Beckenham Road, Beckenham, BR3 4TU so as to arrive as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 6 April 2017.

For Qualifying CREST Shareholders, no Application Form will be sent. Qualifying CREST Shareholders will receive a credit to their appropriate stock account in CREST in respect of their Open Offer Entitlement.

The latest time for applications to be received under the Open Offer is 11.00 a.m. on 6 April 2017. The procedure for application and payment depends on whether, at the time at which application and payment is made, Shareholders have an Application Form in respect of their Open Offer Entitlement or their Open Offer Entitlement has been credited to their stock account in CREST.

Board Changes

Immediately following the General Meeting, it is intended that Colin Bird, Edward Slowey, Michael Nolan and Alan Mooney will step down from the Board and that Steven Metcalfe and Mark Collingbourne will be appointed as non-executive directors of the Company with immediate effect, subject to the necessary regulatory approvals.

Steven Metcalfe (*aged 47*) *Non-Executive Director*

Steven is a former stockbroker with more than 28 years' experience in the financial industry. In 2005, as Head of UK Equities at Hichens Harrison, he was involved in the management buyout and then subsequent sale to Religare Capital Markets. For the last seven years, he has been involved with institutions, hedge funds and high net worth individuals within the regulated arena. Since leaving Investment Banking in mid-2016, he is now using his substantial background and history within the financial and corporate world and has set up a consultancy business that advises SMEs on finance, strategy and growth within their chosen area.

Mark Collingbourne (*aged 51*) *Non-Executive Director*

Mark is a qualified accountant with significant experience in financial management, particularly in the area of publicly quoted companies. He has dealt with all aspects of PLC development from bringing small companies to flotation to supervising the on-going accountancy and ensuring the good governance of international businesses.

During his ten year tenure with ViaLogy plc (now Premaitha Health plc), Mark was a key member of the team that arranged its transformation from a private US organisation to an AIM company, via a merger with Original Investments PLC. He also played a major part in arranging the financial details of ViaLogy's restructuring.

Previously, after periods with ITV Network Centre and Mechanical Copyright Protection Society Limited, Mark was appointed Finance Director of Curtis Brown Group Limited, one of the UK's leading literary agencies, in 1996, where he managed the financial implications of the management buyout in 2001.

Mark is currently Finance Director of React Group Plc and Chief Finance Officer of Optibiotix Health PLC. Mark also holds board positions on a number of small private companies.

New Share Scheme

In the event that the Resolutions are approved at the General Meeting, the Company intends to establish a New Share Scheme for the benefit of Directors and senior management. The New Share Scheme will enable the Company to issue options to Directors and senior management. It is intended that the maximum number of options in issue at any one time under the New Share Scheme will represent no more than 10 per cent. of the Company's issued ordinary share capital.

Effect of Proposals

As at the end of February 2017, the Company's cash balances stood at £247,000. The Company therefore needs to raise additional capital to cover its running costs and provide the £75,000 earmarked for the care and maintenance programme for the Projects so that the Company can seek to recover as much as possible of its investment in the Projects.

The Placing will raise £3 million (before expenses) and the Open Offer may raise up to a further £470,460 (before expenses). The net proceeds of the Placing and Open Offer, together with any sums received from the disposal of the Projects, will put the Company on a sound financial footing to enable it to seek to negotiate a suitable acquisition which would constitute a reverse takeover under Rule 14 of the AIM Rules.

In the event that the Company does enter into a legally binding contract to acquire any such target then such acquisition will be conditional on Shareholder approval at a general meeting as well as the production and publication of a new admission document, in accordance with Rule 15 of the AIM Rules.

Resolutions

The Proposals are conditional upon, *inter alia*, the passing of the Resolutions. A notice convening the General Meeting to be held at Finsgate, 5-7 Cranwood Street, London EC1V 9EE at 11.00 a.m. on 7 April 2017 will be set out in the circular. At the General Meeting the following Resolutions will be proposed:

- 1) an ordinary resolution to approve the Capital Reorganisation;
- 2) an ordinary resolution to authorise the Directors to allot relevant securities, *inter alia*, for the purposes of the Placing and the Open Offer ;
- 3) a special resolution to alter the Company's Articles of Association to include the rights attaching to the New Deferred Shares and to remove any limit on the maximum amount of shares that may be allotted by the Company;
- 4) a special resolution to allow the Directors to issue New Ordinary Shares, *inter alia*, for the purposes of the Placing and the Open Offer for cash otherwise than on a pre-emptive basis; and
- 5) a special resolution to change the name of the Company to Orogen plc.

Shareholders should note that the Resolutions are interconditional. This means that if any one of the Resolutions is not approved, the other Resolutions will also not be passed and the Proposals will not complete.

Recommendation

The Directors unanimously believe that the Proposals are in the best interests of the Company and its Shareholders as a whole and recommend Shareholders to vote in favour of the Resolutions, as they intend to do in respect of their own beneficial holdings of 617,658,465 Existing Ordinary Shares, equivalent to approximately 7.88 per cent. of the current issued share capital of the Company.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2017

Record Date for Open Offer Entitlements

close of business on 17 March

| | |
|--|---|
| Announcement of the Proposals | 7.00 a.m. on 21 March |
| Publication and posting of the circular and posting of the Form of Proxy and the Application Form to Qualifying Shareholders | 21 March |
| Ex-Entitlement Date | 8.00 a.m. on 21 March |
| Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST | as soon as possible after 8.00 a.m. on 22 March |
| Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST | 4.30 p.m. on 30 March |
| Recommended latest time for depositing Open Offer Entitlements into CREST | 3.00 p.m. on 31 March |
| Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only) | 3.00 p.m. on 4 April |
| Latest time for receipt of Forms of Proxy and receipt of electronic proxy instructions via the CREST system | 11.00 a.m. on 5 April |
| Latest time and date for receipt of completed Application Forms, and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate) | 11.00 a.m. on 6 April |
| General Meeting | 11.00 a.m. on 7 April |
| Announcement of result of General Meeting and Open Offer | 7 April |
| Record date for the Capital Reorganisation | close of business on 7 April |
| Last day of trading in Existing Ordinary Shares | 7 April |
| Admission effective and trading expected to commence in the New Ordinary Shares on AIM | 8.00 a.m. on 10 April |
| CREST members' accounts credited in respect of Placing Shares and Open Offer Shares in uncertificated form | as soon as possible after 8.00 a.m. on 10 April |

All times are London times and each of the times and dates are subject to change. If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service. Certain of the events in the timetable above are conditional upon, *inter alia*, the approval of the Resolutions

DEFINITIONS

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| "Act" | the Companies Act 2006 (as amended); |
| "Admission" | the effective admission of the New Ordinary Shares to trading on AIM, in accordance with Rule 6 of the AIM Rules; |
| "AIM" | the market of that name operated by the London Stock Exchange; |

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| "AIM Rules" | the AIM Rules for Companies; |
| "Applicant" | a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form or submits a valid USE instruction in CREST in connection with the Open Offer; |
| "Application Form" | the application form enclosed with the circular to Shareholders for use by Qualifying Non-CREST Shareholders in connection with the Open Offer; |
| "Articles" | the articles of association of the Company for the time being; |
| "Cairn" | Cairn Financial Advisers LLP, the Company's Nominated Adviser; |
| "Capita Asset Services" or "Registrars" | Capita Asset Services, a trading division of Capita Registrars Limited, the Company's registrar and receiving agent; |
| "Capital Reorganisation" | the capital reorganisation of the Company pursuant to which every 250 Existing Ordinary Shares will be consolidated into one Intermediate Ordinary Share and subsequently subdivided into one New Ordinary Share and 249 New Deferred Shares; |
| "Company" or "Orogen" | Orogen Gold plc; |
| "CREST" | the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form which is administered by Euroclear; |
| "CREST Manual" | the CREST Manual referred to in agreements entered into by Euroclear and available at www.euroclear.com ; |
| "CREST member" | a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations); |
| "CREST member account ID" | the identification code or number attached to a member account in CREST; |
| "CREST participant" | a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations); |
| "CREST participant ID" | shall have the meaning given in the CREST Manual; |
| "CREST payment" | shall have the meaning given in the CREST Manual; |
| "CREST Regulations" | the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended); |
| "CREST sponsor" | a CREST participant admitted to CREST as a CREST sponsor; |

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| "CREST sponsored member" | a CREST member admitted to CREST as a sponsored member; |
| "Deferred Shares" | the Existing Deferred Shares and the New Deferred Shares; |
| "Directors" or "Board" | the current directors of the Company; |
| "Enlarged Share Capital" | the entire issued share capital of the Company on Admission following completion of the Proposals; |
| "Euroclear" | Euroclear UK & Ireland Limited, the operator of CREST; |
| "Ex-Entitlement Date" | the date on which the Existing Ordinary Shares are marked "ex" for entitlement under the Open Offer; |
| "Existing Ordinary Shares" | the existing ordinary shares of 0.01p each in the capital of the Company in issue; |
| "Existing Deferred Shares" | the existing deferred shares of 0.9p each in the capital of the Company; |
| "Form of Proxy" | the form of proxy enclosed with the circular to Shareholders for use by Shareholders in connection with the General Meeting; |
| "FCA" | the Financial Conduct Authority; |
| "FSMA" | the Financial Services and Markets Act 2000 (as amended); |
| "General Meeting" | the general meeting of the Company convened for 11.00 a.m. on 7 April 2017 and any adjournment thereof; |
| "g/t" | grams per tonne; |
| "Intermediate Ordinary Shares" | the new ordinary shares of 2.5p each in the capital of the Company arising on completion of the Share Consolidation and prior to the Sub-division; |
| "Issue Price" | 1.5p per Placing Share and per Open Offer Share; |
| "London Stock Exchange" | London Stock Exchange plc; |
| "Member Account ID" | the identification code or number attached to any member account in CREST; |
| "Mutsk Project" | the Company's gold exploration project in Mutsk, Armenia; |
| "New Articles" | the existing articles of association of the Company as amended pursuant to the Resolutions; |
| "New Deferred Shares" | new B deferred shares of 0.01p each in the capital of the Company created as part of the Capital Reorganisation; |

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| "New Ordinary Shares" | the ordinary shares of 0.01p each in the capital of the Company arising on completion of the Capital Reorganisation, together with the Placing Shares and the Open Offer Shares; |
| "New Share Scheme" | the new share option scheme of the Company; |
| "Official List" | the Official List of the United Kingdom Listing Authority; |
| "Open Offer" | the conditional offer to Qualifying Shareholders, constituting an invitation to apply for Open Offer Shares; |
| "Open Offer Entitlement" | the entitlement to apply for Open Offer Shares pursuant to the Open Offer; |
| "Open Offer Shares" | the 31,364,011 New Ordinary Shares which are the subject of the Open Offer; |
| "Overseas Shareholders" | shareholders who are resident in or a citizen or national of any country outside the United Kingdom; |
| "Placees" | the subscribers for Placing Shares pursuant to the Placing; |
| "Placing" | the proposed conditional placing by Turner Pope on behalf of the Company of the Placing Shares at the Issue Price; |
| "Placing and Open Offer Agreement" | the conditional placing and open offer agreement dated 20 March 2017 between (1) the Company; (2) Turner Pope; and (3) Cairn relating to the Placing and Open Offer; |
| "Placing Shares" | the 200,000,000 New Ordinary Shares which have been conditionally placed by Turner Pope; |
| "Proposals" | the proposed Capital Reorganisation, the Placing, the Open Offer and the change of name of the Company; |
| "Proposed Directors" | Steven Metcalfe and Mark Collingbourne; |
| "Prospectus Rules" | the Prospectus Rules made in accordance with EU Prospective Directive 2003/71/EC published by the FCA pursuant to Part VI of FSMA; |
| "Projects" | the Mutsk Project and the Silverton Project; |
| "Qualifying CREST Shareholders" | Qualifying Shareholders holding Existing Ordinary Shares in a CREST account; |
| "Qualifying Non-CREST Shareholders" | Qualifying Shareholders holding Existing Ordinary Shares in certificated form; |
| "Qualifying Shareholders" | shareholders whose Existing Ordinary Shares are on the register of members of the Company at the close of business on the Record Date with the exclusion (subject to exemptions) of persons with a registered |

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| | address or located or resident in any of the Restricted Jurisdictions; |
| "Receiving Agent" | Capita Asset Services; |
| "Record Date" | close of business on 17 March 2017; |
| "Resolutions" | the resolutions to be proposed at the General Meeting, the full text of which is set out in the notice of General Meeting; |
| "Restricted Jurisdiction" | each and any of Australia, Canada, Japan, United States, the Republic of South Africa and New Zealand and any other jurisdiction where the extension or availability of the Placing and Open Offer would breach applicable law; |
| "Securities Act" | the US Securities Act of 1933 (as amended); |
| "Shareholders" | holders of Existing Ordinary Shares, and the term "Shareholder" shall be construed accordingly; |
| "Share Consolidation" | the consolidation of every 250 Existing Ordinary Shares into one Intermediate Ordinary Share; |
| "Silverton Project" | the Company's gold exploration project in Silverton, Nevada; |
| "Sub-division" | the sub-division of each Intermediate Ordinary Share into one New Ordinary Share and 249 New Deferred Shares; |
| "Turner Pope" | Turner Pope Investments (TPI) Ltd; and |
| "USE" | unmatched stock event. |

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