Gold Road Lowers De Grey Mining Stake

Gold Road Resources (ASX: GOR)

Gold Road has announced its intention to participate in the De Grey Mining Financing announced recently.

It will participate for only A$50.8, million, which dilutes its percentage holding by around 2.9%.



Gold Road Resources Gruyere Gold Mine at night

Gold Road Lowers De Grey Mining percentage Stake

Gold Road Resources (ASX: GOR) has announced its intention to participate in the De Grey Mining A$600 million financing announced recently.

But, It will participate for only A$50.8, million, which will dilute its percentage holding by around 2.9% to just over 17%.

Although Gold Road boasts a treasury of some A$146 million, it would have needed to invest A$119 million to maintain its 19.9% stake in De Grey.

This suggests they might possibly have another investment in mind, as they recently failed to purchase a 40% stake in the Greenstone Gold Mine in Canada, and may already have a plan B.

At the current price of Gold, the De Grey Hemi mine will repaid in around two years.

Hemi, once built, will be in the top 5 largest Australian gold mines.

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To read the full news release please click HERE

The live Spot gold price can be found HERE

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Disclosure

At the time of writing the author holds no shares in Gold Road Resources.

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