Gold Road Rejects Gold Field's Offer

Gold Road Resources (ASX: GOR)

Notes Gold Fields Limited market announcement of 24 March 2025 and confirms it has received, considered and subsequently rejected an opportunistic, conditional and non-binding indicative proposal from Gold Fields.



Gruyere Mine, courtesy of Gold Road Resources.

	Gold Road	ASX : GOR
	Stage	Production (50% JV)
	Metals	Gold
	Market cap	A$2.98 Billion @ A$2.75
	Location	Laverton, Western Australia
	Website	www.goldroad.com.au

Comment

This looks a vey opportunistic offer given the timing so soon after the downgrade in guidance due to mechanical issues at the Gruyere mine.

Worth just over A$3.05 at current market prices, the offer is at a decent premium, but I have held this stock for over twelve years and I would vote down the offer personally.

I wonder if they will come back with a more attractive offer? If they offered a minimum of A$3.50 I would be happy to sell for that now and reinvest the profits into other Austrlian producers, there are quite a few that are looking promising at the current gold price.

—-

GOLD ROAD RESOURCES RECEIPT AND REJECTION OF NON-BINDING INDICATIVE OFFER FROM GOLD FIELDS

Gold Road Resources Ltd (ASX: GOR) (Gold Road or the Company) notes Gold Fields Limited (Gold Fields) market announcement of 24 March 2025 and confirms it has received, considered and subsequently rejected an opportunistic, conditional and non-binding indicative proposal from Gold Fields (the Offer).

The Offer, received after market close on 7 March 2025, contemplated an acquisition of 100 percent of the shares on issue in Gold Road, by way of scheme of arrangement (the Proposed Transaction) for A$2.27 cash per share plus a variable cash amount equal to the proportionate value of each Gold Road shareholder's interest in the shares that Gold Road holds in De Grey Mining Ltd.

After careful consideration and engagement with Gold Fields, the Gold Road Board unanimously formed the view that the Offer materially under values Gold Road and is highly opportunistic in nature.

Gold Road notes that the receipt of the Offer coincided with a lower March 2025 quarter
production due to maintenance on the primary crusher and the failure of two conveyor belts (announced to ASX on 18 March 2025).

Gold Fields is the Manager of the Gruyere Joint Venture.

Further, the Offer appears to have been opportunistically tabled by Gold Fields in advance of the completion of exploration and studies into the potential underground expansion of the Gruyeren mine.

An 18-month drilling program to confirm that the Gruyere orebody extends at depth, with the results of that program being material to properly understanding the potential upside value of Gruyere.

The Offer attributes no value at all to the potential underground expansion of the Gruyere mine. ***As such, the Gold Road Board formed the view that it is not in the best interest of its shareholders to accept the Offer and rejected the Offer on 14 March 2025.***

Gold Road tabled an alternative proposal to acquire Gold Fields' interest in the Gruyere Joint Venture (Gruyere) (the Gold Road Counterproposal).

The Gold Road Counterproposal for Gruyere was rejected by Gold Fields.

A press release from Australia detailing the reasons for the rejection can be read **HERE**.

To read the full news release, please click HERE

To View Gold Road's historical news, please click here

The live gold price can be found HERE

=======

City Investors Circle is based in the financial district in the City of London

We present interesting and exciting junior mining companies listed on the ASX and TSX stock exchanges to a group of city professionals, and private investors, all of whom are active investors with a mandate to invest in junior mining companies.

Our audience is selected to ensure interest and relevance for the presenting company.

Meetings are non deal, small group, highly focused and engaged, with a lively Q and A to follow the main presentation.

If you wish to present to our select group of active mining investors, please email andrew@city-investors-circle.com

=======

This website is not sponsored, we are truly independent, and will always remain so.

Companies featured here have either presented to the Circle in London, or have been selected because they are considered to have interesting projects, in good jurisdictions, run by an experienced management team.

All information used in the preparation of this communication has been compiled from publicly available sources that we believe to be accurate and reliable, however, we cannot, and do not, guarantee the accuracy or completeness of this.

These articles are for awareness and informational purposes only, and are not recommendations in any form. Always consult an investment professional.

Disclosure

At the time of writing the author holds shares in Gold Road Resources