

OZ sells Cambodian assets to Renaissance



Rich Hart of Renaissance Minerals

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Oz Minerals says it will sell its Cambodian gold assets to Rick Hart-chaired explorer Renaissance Minerals for \$17.8 million in cash, shares and options.

Another \$22.5 million will be paid if certain milestones are achieved, including if Renaissance Minerals decides to mine and when a producing goldmine is established.

OZ Minerals said it had concluded the project did not fit within its strategy in relation to gold in terms of size and its overall preference for mid-tier copper projects.

Oz Minerals' only producing asset, the Prominent Hill mine in South Australia, is due to end its mine life in 2018.

The company's replacement Carrapateena copper and gold project might not be ready for production before the Prominent Hill mine runs out of economic deposits.

The company last week said it had an \$886.1 million cash balance.

The Cambodian assets host a known resource of 12.6mt at 1.8 grams per tonne for 729,000 ounces with the potential for further upside from exploration.

Renaissance managing director Justin Tremain described the deal as a company making-acquisition.

"It is a unique opportunity to be able to secure a project with a 729,000 ounce gold resource defined within a single deposit along with multiple drill ready prospects that offer exceptional exploration potential in an emerging new gold district," he said.

Mr Tremain said he was pleased to have attracted a corporate cornerstone shareholder of the likes of OZ Minerals.

“OZ Minerals shareholding demonstrates its belief in the potential of the Cambodian gold projects,” he said.

Mr Tremain said OZ already had an existing experienced in-country team, considerable experience in working in Cambodia and a strong understanding of the geology and mineralisation.

The deal is subject to approval by Renaissance Minerals shareholders in late March. Oz Minerals shares were three cents lower at \$11.04 at 8.40am while Renaissance shares were up 4.5 cents, or 18.75 per cent, to 28.5 cents in a broadly firmer market.