



Gryphon to acquire Shield Mining

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WA-based West African gold explorer Gryphon Minerals has announced a friendly all-scrip takeover bid for fellow West African gold player Shield Mining.

Pending an implementation agreement, Shield shareholders will receive one Gryphon share for every three Shield shares, valuing Shield at approximately \$27 million.

Gryphon has already entered into pre-bid agreements with 19.9 per cent of Shield shareholders.

Gryphon is being advised by Euroz Securities and Steinepreis Paganin. Shield is being advised by Blakiston & Crabb.

Shield's chief executive and managing director, David Netherway, will join the Gryphon board as a non-executive director on successful completion of the bid.

The deal is set to give the consolidated entity a combined cash position of \$23 million, which Gryphon managing director Steve Parsons said would allow "aggressive" exploration.

"We are well resourced and capable of aggressively exploring the highly prospective greenstone belt adjacent to the Tasiast Mine and other exploration assets within Shield's portfolio", Mr Parsons said.

"This acquisition delivers a potential pipeline of new opportunities in another West African country and fits with our strategy to build an important gold company in the region".

Shield's board has unanimously recommended shareholders to accept the proposal, which remains subject to conditions, including a minimum 90 per cent acceptance.

"I think the combination makes excellent sense in starting to create a truly West African gold company and I look forward to becoming a non-executive director of a highly successful gold exploration company and help it turn into a gold producer," Mr Netherway said.

Shares in Shield Mining have jumped on the news up five cents, or 25 per cent, at 25 cents at 1130 AEST, while Gryphon shares had slipped six cents, or 7.36 per cent to 75.5 cents.

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