

Regulatory Announcement

[Go to market news section](#)



Company [North River Resources Plc](#)
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North River Resources Plc
15 December 2008

NORTH RIVER RESOURCES PLC

("North River" or "the Company")

The Directors hereby provide an update on the current status of North River Resources Plc and appointment of new Directors.

North River was admitted to AIM in December 2006 on the back of entering into a farm in agreement with Seque Resources Limited ("**Segue**") the holder of the Coronet Hill Tenement.

Coronet Hill Project

North River entered into a farm in agreement with the holder of the Coronet Hill Tenement, Segue on 26 July 2006. Interest in the tenement was pursuant to an agreed expenditure (at that time £400,000) by 27 December 2008, being the second anniversary of admission. As of 31 December 2007, North River had committed £100,000 with a further £300,000 committed by 27 December 2008.

With the funds provided by the Company to date, Segue has completed soil sampling in the southern and most prospective part of the Coronet Hill Tenement. This demonstrated multi-element anomalism in the main Coronet Hill fault zone in the area tested. Field visits and grab sampling highlighted the abundance of massive and disseminated sulphide material in historical workings along the fault that gave values up to 20% copper but also significant arsenic. A gradient-array induced polarisation (IP) geophysical survey has been completed over the most prospective area to locate electromagnetic conductors that may be indicative of sulphide accumulations for drill testing.

Segue has now been granted a renewal of the Tenement for a further term expiring on 18 August 2010. There is provision under the Northern Territory Mining Act for the Tenement to be renewed for a further period of 2 years.

Amendment to Coronet Hill Tenement Farm-in Agreement

Pursuant to an Amended Farm-in Agreement, the Company and Segue have amended the Farm-in Agreement to provide that:

- the period in which the Company may earn a 20% interest in the Coronet Hill Tenement by expending £400,000 or such other amount as agreed between the parties ("Initial Expenditure") shall be extended from 27 December 2008 to 18 August 2010; and
- the period in which the Company may earn a further 31% interest in the Coronet Hill Tenement by expending £2,000,000 less the Initial Expenditure shall be extended from 27 December 2010 to 18 August 2012.

A budget for the period to 18 August 2009 is being investigated, with the field season on the project beginning in March 2009, subject to favourable conditions.

It must be noted that North River can withdraw from the farm in contract at any time by giving notice in writing to Segue of its intention to withdraw and upon withdrawal the Farm-in Agreement shall terminate.

Appointment of New Directors and Chief Operating Officer

In order to accelerate the identification of new projects and/or acquisitions, the Company has sought to restructure the Board, adding personnel who have track records in sourcing resource projects. As such, Glenn Whiddon and Martin French have joined the Board as Non-Executive Directors with Robert Downey stepping down.

In addition, Luke Bryan has been appointed as chief operating officer. Luke will be based out of London to assist the Directors sourcing new projects.

Details of these individuals are set out below:

Glenn Whiddon - Non-Executive Director

Glenn Whiddon was Chief Executive of Grove Energy Ltd which he built up from September 1996 until January 2007 and which he sold to Stratic Energy Corp for C\$123m. Glenn also has an extensive background in banking and corporate advisory services having worked for the Bank of New York in Sydney, Melbourne, Geneva and Moscow. In Moscow, he established a boutique merchant bank providing corporate advice and undertaking direct investments. Now a resident of Monaco, Glenn holds a number of board positions for resource companies and has regular dealings with investors in Europe, Canada and Australia. Current directorships include Statesman Resources Limited, Seque Resources Limited, Oklo Uranium Limited and UMC Energy plc.

Martin French - Non-Executive Director

Martin French started his career at Merrill Lynch and has 25 years experience in international capital markets with extensive experience in Asia, and the junior resource sector. He was a senior staff writer at Euromoney magazine in London and the launch editor of Asiamoney in Hong Kong. In 1991 he joined and later became a partner of Credit Lyonnais Securities Asia (CLSA) for eight years, running their operations in Thailand, Malaysia/Singapore and Latin America in this period and ultimately selling his interest in the

business to Credit Lyonnais. For the past five years he has specialised in investment and promotion of junior resource companies globally in the name MSF Capital Management.

Luke Bryan - Chief Operating Officer

Luke Bryan has a broad range of international experience in the mining industry. A mining engineer with 20 years construction and mining knowledge he has focused on project design and delivery with extensive project and commercial experience. Recently Mr Bryan has worked as a consultant providing technical and financial analysis and developing bankable feasibility studies for resource projects.

In addition, David Steinepreis has been appointed Executive Chairman.

Potential acquisitions and other opportunities

Coronet Hill Tenement commitments aside, the Directors continue to investigate the sourcing of new projects or acquisitions in the resources area. The Board is flexible regarding its acquisition and investment strategy and has not outlined size, geographic or class of commodity restrictions with regard to acquisition criteria. With the fresh impetus of new Board members, North River has the ability to assess suitable opportunities that present themselves.

Loan Facility

To supplement the Company's funding, the Company entered into loan facility agreements with Lagral Capital ("Lagral"), a company associated with newly appointed director Glenn Whiddon, and Ascent Capital Holdings Pty Ltd ("Ascent Capital"), a company associated with Chairman David Steinepreis, whereby these companies (the "Lenders") will make available a Stg£300,000 convertible loan facility to the Company (the "Loan Facility"). The Loan Facility has been entered into to provide North River with additional working capital.

Each director's interest in the Loan Facility, through their respective associated companies, are as follows:

Glenn Whiddon (through Lagral)	Stg£150,000
David Steinepreis (through Ascent Capital)	Stg£150,000

The key terms of the Loan Facility are as follows:

- The loan facility is repayable on the earlier of the first anniversary of the Loan Facility or the date upon which the Company undertakes a separate fundraising ("Capital Raising").
- The loan facility has an interest rate of 8% per annum payable monthly in arrears.
- In the event of a Capital Raising, the Lenders may elect to convert all or part of the Stg£300,000 into shares in Company. The issue price per share shall be the same as the offer price in the Capital Raising.

The Lenders have indicated that it is their intention to participate in any Capital Raising.

The Loan Facility is being entered into with associated companies of a director and proposed director of the Company and, owing to the amount involved, is classified as a related party transaction under the AIM rules. The independent directors of the Company, being Patrick Burke and Robert Downey, having consulted with their nominated adviser, Blue Oar Securities Plc, consider the terms of the Loan Facility to be fair and reasonable insofar as its shareholders are concerned.

For further information contact:

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NOTES TO EDITORS:

Glenn Ross Whiddon, aged 44, is currently, or has been in the past five years, a director of the following companies:

Current:

Commodity Services scp
Lagral Capital scp
Resource Corporate Solutions Pty Ltd
Segue Resources Limited
Statesman Resources Limited
Stream Oil & Gas Limited
Transport scp
Westwind Capital Pty Limited

Past:

Advanced Energy Systems Limited
Grove Energy Limited
OKLO Uranium Limited
OMEGA Corp Limited
Resonance Health Limited
Rialto Energy Limited
Rimfire Finance Pty Limited
UMC Energy plc

Glenn Whiddon has an interest in 2,750,000 ordinary shares of the Company, representing 4.04 per cent. of the issued share capital of the Company.

Martin Stephen French, aged 46, is not currently, and has not been in the past five years, a director of any companies:

The contents of this announcement include the full disclosures required under Schedule 2, Para (g) of the AIM Rules.

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