

Mariana Resources

RFC Ambrian was engaged as financial adviser to Mariana Resources plc (AIM and TSX-V listed) in respect of a US\$175m cash and scrip takeover proposal from Sandstorm Gold. Mariana was a longstanding client of RFC Ambrian, originating with Mariana's AIM IPO.

- ✓ Mariana had a 30% interest in the prefeasibility stage Hot Maden gold-copper deposit in Turkey where it had achieved significant exploration success, transforming itself from a small exploration company focused on South America to a genuine production aspirant. At the time of the offer Sandstorm was Mariana's largest shareholder with a 7.1% interest and Sandstorm had also obtained a 2% Net Smelter Royalty over Mariana's interest in Hot Maden.
- ✓ RFC Ambrian's engagement with Mariana on the Sandstorm offer involved the provision of both general takeover advice and particular regulatory advice required by Rule 3 of UK Takeover Code to the Independent Directors of Mariana on whether the financial terms of the offer were fair and reasonable (this advice to be made known to shareholders).
- ✓ In addition to this specific advice, RFC Ambrian advised Mariana broadly on (i) application of the UK Takeover Code and any Takeovers Panel matters, (ii) negotiation of the final deal pricing, (iii) structuring of the strategy to deal with the Sandstorm offer and/or any alternatives sourced or presented, (iv) valuation and due diligence matters, (v) response tactics and timetable, and (vi) stakeholder engagement.
- ✓ Against the backdrop of complex cross-border issues stemming from UK and Canadian listings, the UK corporate law and regulatory environment and Turkish assets, the proposal was able to be shaped into a mutually beneficial scheme of arrangement secured at a significant premium to Mariana's share price. This was then meticulously executed in adherence to all regulatory matters and the mandated transaction timetable, with the scheme of arrangement becoming effective just over 2 months from when the transaction was announced.
- ✓ Ultimately, RFC Ambrian successfully steered Mariana through a complicated process requiring the full range of advice from the more commercially focused strategic corporate advice to highly procedural and regulatory advice, with missteps anywhere along this spectrum potentially harmful to achieving a successful outcome.

The outcome was a successful transaction at a high premium to the pre-offer traded price of Mariana shares

