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HD Evolution in bid to trump rival offer for Phoenix
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LP The battle for control of Kalgoorlie-based Phoenix Gold has taken another twist with [Evolution Mining](#) yesterday moving to trump a \$47 million takeover by China's Zijin Mining Group.

Evolution, which controls 19.8 per cent of Phoenix shares, is seeking to mop up the remainder by offering Phoenix investors a mix of shares and cash.

TD The offer is the equivalent to 12¢ a share, a premium to Zijin's 10¢ cash bid announced on June 22.

The bid places a \$56.4 million valuation on Phoenix, which controls four million ounces of gold resources across an extensive tenement position north-west of Kalgoorlie-Boulder.

Phoenix's ground is adjacent to [La Mancha Resources'](#) Australian assets, including the 1.5Mtpa Mungari plant which is fed by the Frog's Leg and White Foil mines.

Evolution is finalising its acquisition of the La Mancha assets via a scrip deal announced in April.

The final hurdle is approval from the Foreign Investment Review Board after 99.6 per cent of Evolution shareholders voted in favour at an extraordinary meeting in July.

Evolution executive chairman [Jake Klein](#) said many of the exploration targets developed by Phoenix are geologically similar to Frog's Leg and White Foil.

"There is clear commercial logic in combining the Phoenix assets with the Mungari project which we are acquiring from La Mancha," Mr Klein said.

"Evolution is committed to building a long-term presence in this exciting region of WA and our intention to make this compelling bid for Phoenix is the next step in our strategy."

The Dale Rogers-led Phoenix yesterday advised shareholders to take no action until the board makes its formal recommendation.

Phoenix is preparing a target statement in relation to the Zijin offer, which will include an independent expert report from BDO Corporate Finance.

"Phoenix directors will keep shareholders fully informed of further developments as they occur and will provide a formal recommendation in respect of both the Zijin offer and Evolution offer in ample time for shareholders to make an informed decision," the company said.

CO mnchrs : La Mancha Resources Inc | westml : Evolution Mining Limited

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