

[Advanced Search](#) [All Recent News](#) [Email a Friend](#) [Print-Friendly](#)**Arapaho Capital Corp.**TSX VENTURE: [AHO](#)**Jun 30, 2009 18:58 ET****Arapaho Capital Corp.: Malbex Completes \$10.6 Million Financing**

TORONTO, ONTARIO--(Marketwire - June 30, 2009) -

NOT FOR DISSEMINATION IN THE UNITED STATES OF AMERICA

Arapaho Capital Corp. (TSX VENTURE:AHO) ("Arapaho") and Malbex Resources Inc. ("Malbex") are pleased to announce that Malbex has completed its previously announced private placement (the "Private Placement") of subscription receipts. The Private Placement consisted of the sale of 21,275,000 subscription receipts (the "Subscription Receipts") by Malbex through Thomas Weisel Partners Canada Inc. (as lead agent), Dundee Securities Corporation and GMP Securities L.P. (collectively the "Agents") at a price of \$0.50 per Subscription Receipt for gross proceeds of \$10,637,500.

The Private Placement was completed in connection with the proposed reverse take-over transaction (the "Proposed Transaction") announced on May 26, 2009 involving Malbex and Arapaho to be completed by way of a three-cornered amalgamation (the "Amalgamation") whereby Malbex will amalgamate with a wholly-owned subsidiary of Arapaho and shareholders of Malbex will receive common shares of Arapaho on the basis of one common share of Arapaho for 1.5 common shares of Malbex (the "Exchange Ratio").

Immediately prior to completion of the Amalgamation, each one Subscription Receipt will be automatically exchanged, without the payment of any additional consideration, for one unit of Malbex (each a "Unit"). Each Unit will consist of one common share of Malbex (each a "Unit Share") and one-half of one warrant of Malbex (each whole warrant a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share of Malbex (each a "Warrant Share") at a price of \$0.75 (the "Exercise Price") at any time on or before the date (the "Expiry Date") which is the earlier of (a) 18 months after the effective date of the Amalgamation, and (b) June 29, 2011. Malbex (or, upon completion of the Amalgamation, Arapaho) has the right to accelerate the Expiry Date on notice to the Warrant holders if the closing price of its common shares on a stock exchange in Canada is higher than \$1.00 per common share (the "Acceleration Price") for a period of 20 consecutive trading days in which case the Warrants will expire on the 30th day after the date on which such notice is given.

The Unit Shares and the Warrants will be exchanged for common shares and warrants of Arapaho on the basis of the Exchange Ratio in accordance with the terms of the Amalgamation. The Exercise Price, the number of Warrant Shares issuable upon exercise of the Warrants and the Acceleration Price are subject to adjustment on the basis of the Exchange Ratio in accordance with the terms of the Amalgamation.

The proceeds from the Private Placement will be used for exploration and general corporate purposes. Upon closing of the Private Placement, \$2,000,000 plus the cash fee payable to the Agents and the expenses in connection with the Private Placement (the "Non-Escrowed Funds") was released to Malbex. The remaining portion of the aggregate gross proceeds from the Private Placement is being held in escrow and will be released to Malbex upon completion of the Amalgamation, provided that the Amalgamation is completed within six months from the date of closing of the Private Placement. In the event that the Amalgamation is not completed by such date, a portion (equal to the percentage that the Non-Escrowed Funds represent of the gross proceeds from the Private Placement) of the Subscription Receipts of each holder will be exchanged for Units, and each of the holders of Subscription Receipts will have the option, as to such holder's remaining Subscription Receipts, to redeem them for the purchase price for such Subscription Receipts or exchange them, without the payment of any additional consideration, for Units on the basis of one Unit for each such Subscription Receipt.

The Subscription Receipts were sold on a private placement basis only to persons resident in the Provinces of British Columbia, Alberta and Ontario, the United States and in certain other jurisdictions outside of North America, in each case pursuant to available exemptions from any prospectus, registration or similar requirement of applicable securities legislation.

About Malbex Resources Inc.

Malbex is a private gold exploration company led by several former executives and directors of Aurelian Resources Inc. Malbex holds an indirect 100% interest in three exploration projects in the Province of San Juan, Argentina, two of which are in close proximity to Barrick's Veladero and Pascua-Lama gold deposits. Malbex has outstanding 52,799,996 common shares, a promissory note convertible into 1,500,000 common shares in certain events and 21,275,000 Subscription Receipts. To date, Malbex has raised an aggregate of approximately \$4.4 million from the issue of common shares of Malbex.

About Arapaho Capital Corp.

Arapaho is an investment company. Its objective in managing capital is to ensure sufficient liquidity to pursue potential investments. Arapaho has not had any active business operations for the past three years. Its only source of revenue is interest earned from funds on deposit. Its expenditures are for costs to maintain a public company in good standing and to identify and evaluate potential business ventures or properties.

Completion of the Proposed Transaction is subject to a number of conditions, including Exchange acceptance and disinterested approval of the shareholders of Arapaho.

The Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Arapaho Filing Statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Arapaho should be considered highly speculative.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: the terms and conditions of the proposed reverse take-over transaction; future exploration and testing; use of funds; and the business and operations of Arapaho after the proposed reverse take-over transaction. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; the price of gold; and the results of current exploration and testing. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Arapaho and Malbex disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The TSX Venture Exchange has in no way passed upon the merits of the Proposed Transaction and neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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