



Ansarada helps fast-track Gem Diamonds' acquisition of BDI Mining Corp

BDI Mining Corp acquired by Gem Diamonds Limited

BDI Mining Corp was an Asia Pacific-focused London-listed mining company whose primary assets were an operating diamond mine in Indonesia and an advanced-stage gold exploration project in Papua New Guinea. Prior to the acquisition by Gem Diamonds Limited, the Group employed over 350 staff in four countries and had a market capitalisation of £35 million.

When UK and South African diamond miner Gem Diamonds registered interest in acquiring BDI Mining through an unconditional cash offer, BDI Mining turned to Ansarada to facilitate the ensuing due diligence.

Ansarada's on-demand technology saved BDI Mining significant amounts of money in due diligence costs and smoothed the way for Gem Diamonds to acquire BDI Mining for a total transaction value of £41 million.

Takeover offer prompts search for data room provider

Reg Spencer, Corporate Affairs Manager for BDI Mining, says, "We required a data room to streamline the due diligence process to allow Gem Diamonds to make an unconditional offer for BDI Mining."

"Most of the relevant files were here in Australia, our operating subsidiaries in Indonesia and Papua New Guinea, our main corporate office is in London and Gem Diamonds is in the UK and South Africa – so we sought a provider to facilitate the deal efficiently over multiple geographic regions and time zones."

Reg Spencer, Corporate Affairs Manager, BDI Mining

Ansarada up and running in less than one day

To meet BDI Mining's imperative for a fast, highly secure due diligence process to mitigate the risk of market speculation or leaks about the possible merger, Reg explains, "Ansarada was up and running in one day. It was only 24 hours from the time I first spoke to Ansarada until when all the users were granted access and began the review process."

"From a confidentiality perspective, the security features of Ansarada's data room were more than sufficient for our needs. I give Ansarada 10/10 in this regard."

Reg Spencer, Corporate Affairs Manager, BDI Mining

Collaboration across three continents

A major strength of Ansarada is its ability to break down geographical barriers by making documents available to all participants through a familiar and accessible internet browser.

"If it's a multi-jurisdictional deal or if you have parties who need to access due diligence data from remote locations, Ansarada is a wonderful system, very simple and easy-to-use – I recommend it."

Reg Spencer, Corporate Affairs Manager, BDI Mining

BDI Mining sets up, deploys and manages the entire process

Uniquely, Ansarada's logical and simple interface enabled BDI Mining to administer the data room itself, adding new participants and documents with ease, with no need for training or going through the IT department.

"Ansarada's user-friendly interface allowed participants to then log-on, click on the documents and begin immediately. There were no user complaints or issues through the entire process. It was a huge success," Reg says.

A robust data room scales to handle large document volumes

Ansarada's reliable solution catered for BDI Mining's volumes of documents effortlessly.

"There were a lot of documents! We uploaded at least six to eight volumes, covering company history, technical and financial data, contingent liabilities, all our listing information as well as company loan, contractor, share purchase and employment agreements."

"If I had to worry about the data room going down with problems, it would have been quite stressful. Ansarada had no issues scaling to cope with our page impression volumes," says Reg.

Ansarada delivers cost savings

Ansarada delivered cost benefits on two fronts. Reg explains, "Ansarada's service promised strong value for money in its own right."

"The price we paid for Ansarada was very reasonable. For a similar system it would have cost us twice the amount!"

Reg Spencer, Corporate Affairs Manager, BDI Mining

Furthermore, he adds, "Without the online data room, the process itself would have been more expensive. Since many of the documents were stored in Australia, Gem Diamonds' legal team and our advisors would have had to fly and stay here for the duration of the due diligence, or the required documents would have been sent to the UK."

The outcome: accelerated due diligence

For BDI Mining and Gem Diamonds, the result was a faster and more streamlined due diligence process.

"If we didn't have Ansarada's online data room, we'd probably still be faxing documents between Australia, South Africa and the UK! Ansarada made due diligence a lot quicker."

Reg Spencer, Corporate Affairs Manager, BDI Mining

Reg explains, "Our Company Directors had a responsibility to ensure the highest price possible for their shareholders. Ansarada indirectly contributed to achieving this by ensuring the deal was done efficiently."

"I've been very pleased with the process. Ansarada, has been a wonderful help and nothing was ever a problem."

Extending the data room to facilitate efficient post merger integration

Ansarada is now playing a vital role in the integration of the two companies.

"The nature of BDI Mining's operations in numerous countries, with different legal systems, regulations and reporting requirements, means the knowledge sharing Ansarada can facilitate is vital during the integration process post acquisition."

"Ansarada is now helping share the intricacies of how we have successfully operated in these countries with our Gem Diamonds colleagues," concludes Reg.

"If all external service providers were like Ansarada, I'd be a very happy man. The fact that we didn't have any questions or issues through the entire process speaks volumes!"

Reg Spencer, Corporate Affairs Manager, BDI Mining

Ansarada is an experienced and trusted data room specialist providing powerful virtual data room facilities protected by the highest levels of security. Ansarada's customisable data rooms are powered by sophisticated technology that accelerates projects enabling controlled access by multiple users to sensitive information securely and simply via an internet browser from anywhere in the world.

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