



# Kingsgate

Consolidated Limited

ABN 42 000 837 472

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**FOR PUBLIC RELEASE**

Manager  
Company Announcements Office  
Australian Securities Exchange

## **Corporate Debt Restructure Documentation Signed**

Kingsgate Consolidated Limited (ASX: KCN) is pleased to announce that it has signed documentation with Investec Bank (Australia) Ltd to refinance Kingsgate's existing corporate debt facilities as previously detailed in the 2013 financial year accounts. The new facility will be available to the Company following satisfaction of conditions precedent, standard for a corporate facility of this nature. This is expected in the first quarter of 2014.

As part of the restructure, Kingsgate has reduced its corporate debt by A\$11 million to A\$44 million and following completion of the refinancing (expected in the first quarter 2014) Kingsgate's corporate borrowings will reduce further to A\$40 million under one new corporate debt facility.

In conjunction with the current refinancing, the company has recently drawn down A\$15 million under its Convertible Revolving Credit Facility, which subsequently has been repaid through the issue of 11,774,572 ordinary shares at a price of approximately \$1.27 per share. Funds raised are available for general corporate purposes.

Appendix A summarises the Kingsgate Group's debt facilities following completion of this refinancing.

Kingsgate Managing Director and CEO Mr Gavin Thomas said, "This refinancing strengthens our capital structure and is another important step in transitioning the company to operate in a weaker and more volatile gold price environment."

"We remain focused on reducing the Group's debt position, with more than A\$17 million of borrowings now repaid over the last two months.

"When combined with the considerable operating and cost improvements at the Challenger mine and the continued strong performance at Chatree, Kingsgate is maximising its flexibility in adapting to changing market conditions," he said.

**Gavin Thomas**  
Managing Director & CEO  
Kingsgate Consolidated Limited

## **Appendix A**

### **Kingsgate Debt Facilities (following completion of the Corporate Debt Restructure)**

#### ***Senior Corporate Facility***

The new facility is an A\$40 million Senior Corporate Loan Facility consisting of two tranches:

- Tranche one is an A\$25 million Akara Resources PCL (“Akara”) Pre-IPO Bond with a maturity date of 31 July 2015. The current intention is for this tranche to be repaid from proceeds raised through the Akara IPO although at Kingsgate’s election repayment can be made by Kingsgate either in cash or Kingsgate shares.
- Tranche two is an A\$15 million amortising loan facility with A\$5 million to be repaid during the 2014 financial year and the remaining balance to be repaid during the 2015 financial year.

#### ***Convertible Revolving Credit Facility (unchanged)***

A three year A\$25 million Convertible Revolving Credit Facility. Under the terms of this facility, Kingsgate has the option of repaying any funds drawn down under the facility through either cash or by issuing ordinary shares.

#### ***Multi-currency, syndicated loan facility (unchanged)***

Kingsgate’s Thai operating subsidiary, Akara, has an amortising multi-currency loan facility which was initially fully drawn to the equivalent of US\$125 million and an additional undrawn Thai Baht denominated working capital facility equivalent to US\$15 million. The facility has 5 years remaining with loan re-payments on a quarterly basis that commenced in November 2013 with an initial re-payment of approximately US\$5.6 million.