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## **US\$55M Debt Facility Fully Funds Yanfolila Project**

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Hummingbird Resources PLC

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### **Hummingbird Resources plc ("Hummingbird Resources" or "the Company")**

#### **US\$55 Million Debt Facility Fully Funds Yanfolila Gold Project**

Hummingbird Resources (AIM: HUM), is pleased to announce a US\$45 million Senior Secured Term Facility and a US\$10 million Cost Overrun Facility (together the "Facility") with Taurus Funds Management Pty Limited (as manager of the Taurus Mining Finance Fund LP and Taurus Mining Finance Annex Fund LP) ("Taurus") for its Yanfolila Gold Project in Mali ("Yanfolila" or "the Project").

#### **Highlights:**

- US\$45 million Senior Secured Term Facility
  - Four-year term, 7.75% interest rate from point of Project Completion (as defined below) and 9% interest rate from draw down until that time, interest paid semi-annually
  - Five semi-annual repayments to be made commencing 30 September 2018 and ending 30 September 2020
  - 0.75% Gross Revenue Royalty capped at 2 million ounces ("Moz") of gold
  - No hedging requirement
- US\$10 million Cost Overrun Facility
  - 11% interest rate on drawn funds
- Existing Bridge Loan Facility with Taurus (as announced on 11 August 2014) increased to US\$25 million from US\$15 million and extended to 8 April 2017
  - Extension allows for documentation to be completed on the Facility
  - Bridge Loan expected to be refinanced by the Senior Secured Term Facility



- Total Project Capex for Yanfolila is US\$88 million which leaves the Project fully funded into positive cash flow with US\$71 million of equity raised earlier this year combined with this Facility
- On budget and schedule for first gold pour from Yanfolila by the end of 2017, targeting production of 132,000 oz in the first year

**Dan Betts, CEO of Hummingbird Resources, said:**

*"I am absolutely delighted after all the hard work by both parties to have reached this milestone.*

*"Following successful equity raisings totalling US\$71 million earlier this year, I am happy to report that construction is now well under way with over 20% of the Project capex committed. We are very pleased with the progress made to date on site and securing this additional debt facility sees the final corporate hurdle overcome in order to expedite the construction process ahead of our initial gold pour, targeted by the end of 2017.*

*"With the significantly lower debt gearing on the Project we are happy that it now satisfies Taurus' requirements. Taurus has completed all technical due diligence and the extension of the Bridge Facility by a further US\$10 million is representative of the commitment to Yanfolila. Importantly there are no significant conditions precedent required to refinance the Bridge Facility into the first draw of the Term Facility. It is exciting to go into 2017 with a fantastic team in place and a fully funded, high margin gold project already well into the construction phase.*

*"I would like to thank all the Hummingbird and Taurus staff for their hard work in getting to this momentous point for the Company."*

**Michael Davies, Executive Director of Taurus, said:**

*"We have completed an extremely rigorous due diligence process on the Yanfolila Gold Project and are pleased to sign the mandate for the debt facility with Hummingbird. We continue to work closely with the Company as they develop and commission the Project and look forward to a long and fruitful relationship."*



## Further Information

Hummingbird has entered into a mandate letter and extension to the Bridge Loan Facility with Taurus (the "Mandate Letter").

Mandate for US\$55 million Facility:

The Mandate Letter confirms the completion of satisfactory technical, social and environmental due diligence and sets out the key terms of the mandate for the US\$45 million Senior Secured Loan Facility and linked US\$10 million Cost Overrun Facility.

Under the Facility, Taurus will provide a four-year US\$45 million Senior Secured Loan and US\$10 million Cost Overrun Facility. Interest will be charged at a rate of 7.75% on the Senior Secured Loan from Project Completion (which includes passing a number of economic and mechanical tests associated with being in commercial production, and the establishment of a Debt Service Reserve Account) and 9% from draw down until that time, with semi-annual payments. Interest will be charged at a rate of 11% on the Cost Overrun Facility on drawn funds. Additionally, the Facility has an Arranging Fee of 2%, and an undrawn commitment fee of 2%.

The Senior Secured Facility is to be repaid through five semi-annual repayments commencing 30 September 2018. Repayments are to be the higher of an agreed amortisation profile or 40% of free cash flow after paying interest. The Cost Overrun Facility is to be repaid using 50% of free cash flow post meeting the required repayment of the Senior Secured Facility and interest payments. Additionally, early repayments are permitted without penalty.

Availability of the first tranche of the Facility to refinance any amounts outstanding under the Bridge Loan Facility is subject to finalisation of documentation and the satisfaction of limited conditions precedent (in line with the Bridge Facility). The availability of the balance of the Facility is subject to further conditions precedent typical for a senior secured facility and cost overrun facility.

Extension to Bridge Loan Facility:

To allow the development of the Yanfolila Gold Project to continue whilst documentation is completed, Taurus has agreed to increase the amount available to be drawn under the Bridge Loan Facility from US\$15 million to US\$25 million and to extend the term of the Bridge Loan until 8 April 2017.



The Mandate Letter provides for the first tranche of the Senior Secured Term Loan Facility to be used to refinance amounts outstanding under the Bridge Loan Facility.

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

**\*\*ENDS\*\***

**For further information, please visit [www.hummingbirdresources.co.uk](http://www.hummingbirdresources.co.uk) or contact:**

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## About Hummingbird Resources Plc

### Notes to Editors

Hummingbird Resources (AIM: HUM) is building a leading gold production, development and exploration company. The Company has two core gold projects, the near-term production Yanfolila Gold Project in Mali and the Dugbe Gold Project in Liberia. It is currently building Yanfolila targeting first production by end of 2017, which has a Probable Reserve of 709,800oz @ 3.14g/t and total Resources of 1.8Moz of gold and an additional 390,700oz of non-compliant exploration potential. The high grade gold project has low operating costs of US\$695/oz AISC with 132,000oz of first full year's production.

The 4.2Moz Dugbe Gold Project in Liberia provides Hummingbird with excellent development upside. An optimisation of the DFS is on-going whilst Yanfolila is brought to production in the near-term. Additionally, the Company has 4,000km<sup>2</sup> highly prospective exploration ground in Mali and Liberia and is constantly evaluating new quality assets.

This information is provided by RNS

The company news service from the London Stock Exchange

