

Rescheduling of repayment- agreement concluded

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Weatherly International PLC
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Weatherly International plc (AIM:WTI)

("Weatherly" or "the Company")

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Summary

Further to the announcement of 27 April 2017 Weatherly announces that it has formally concluded a further amendment and restatement agreement with Orion Mine Finance (Master) Fund I LP ("Orion") in relation to the facility agreement between Orion and the Company's subsidiary Ongopolo Mining Limited (the "Amended Facility"). Under the Amended Facility, the first repayment of Facility B Loans has been deferred to 30 June 2017. The Facility B Final Maturity Date remains unchanged at 29 February 2020, and each Facility B repayment will be increased accordingly. The repayment schedule of Facilities C and D has been deferred to 30 June 2017.

Debt Financing and rescheduling of repayments

Weatherly announces that, following discussions with Orion, it has entered into a further amendment and restatement agreement with Orion. Under the Amended Facility, the first repayment of Facility B Loans has been deferred to 30 June 2017 and Orion has agreed, effective until 30 June 2017, to limit its acceleration and enforcement rights on the terms set out in the Amended Facility. The Facility B Final Maturity Date remains unchanged at 29 February 2020, and each Facility B repayment will be increased so that the Facility B Loans will be repayable in 12 equal repayments.

As a loan rescheduling fee, Orion will receive, *inter alia*, the right to buy 700 tonnes of cathode each month from Ongopolo Mining Limited for the period from 1 May 2017 to 30 April 2018 at a price of US\$6000 per tonne (the "Updated Offtake Terms").

The repayment of the US\$8.6 million lent under Facilities C and D of the Amended Facility has been deferred until 30 June 2017.

If copper prices remain at current levels it is unlikely that the Company and its subsidiaries will generate sufficient surplus cash to meet all loan repayments under the Amended Facility when due and planned capital expenditure to support achieving production and operating cost targets. The Company continues to positively engage with Orion on the subject.

About Orion and Related Party Disclosure

Orion is a related party of the Company by virtue of being a substantial shareholder in the Company and consequently the entry into of the Amended Facility and the Updated Offtake Terms are deemed to be a related party transaction under the AIM Rules for Companies. The independent directors of Weatherly (being all of the directors other than Edwin Bennett, by virtue of his association with Orion) consider, having consulted with Weatherly's nominated adviser, RFC Ambrian, that the terms of the Amended Facility and the Updated Offtake Terms are fair and reasonable insofar as Weatherly's shareholders are concerned.

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About Weatherly

Weatherly is an AIM listed copper mining company operating in Namibia in southern Africa. Its principal assets are one operating open pit copper mine called Tschudi and two underground copper projects called Otjihase and Matchless.

This information is provided by RNS
The company news service from the London Stock Exchange

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