

# Credit Approvals Secured for Hemi Gold Project Financing

## Highlights

- **Receipt of Credit Approved Term Sheets from a syndicate of leading domestic and offshore commercial banks**
- **The proposed A\$1.0 billion senior debt facility and De Grey's existing cash is expected to fully fund the development cost of the Hemi Gold Project**
- **Commercial terms are considered to be attractive, including potentially longer tenor facilities with Australian Government agencies and an additional A\$130m cost overrun facility**
- **Marks a key milestone as De Grey continues through to construction, with orders of long lead items continuing with the Company to commence construction following a Final Investment Decision upon the receipt of required environmental approvals**

De Grey Mining Limited (ASX: DEG, "**De Grey**" or "**Company**") is pleased to announce that it has received credit approved term sheets from a range of leading domestic and international commercial banks ("**Commercial Banks**"). The commercial terms provided by the Commercial Banks contain competitive terms, reflecting the Tier-1 nature of the Hemi Gold Project (the "**Project**") in Western Australia.

Australian government credit agencies, the Northern Australia Infrastructure Facility ("**NAIF**") and Export Finance Australia ("**EFA**") ("**Government Agencies**") are in the final stages of considering their participation in the lending syndicate. In total, the Commercial Banks and potentially Government Agencies are expected to provide a A\$1.0 billion senior debt facility and A\$130 million cost overrun facility (together, the "**Debt Facilities**"), to finance the development of the Project.

The credit approved terms received satisfy the targeted Debt Facilities. It is anticipated that the syndicate will be structured to optimise commercial terms, tenor, timing and flexibility of the Debt Facilities. Once finalised, when combined with De Grey's existing cash balance exceeding A\$850 million, the Debt Facilities are expected to provide the balance of funding required for the Project.

The timing and terms of the credit approved term sheets are consistent with the guidance provided in the Company's March Quarter 2024 Report. De Grey has completed an extensive legal, technical, and financial due diligence program with the Commercial Banks and Government Agencies and is expected to finalise formal documentation in the second half of 2024. The Company will provide further information on the Debt Facilities as and when binding agreements are finalised.

Azure Capital is engaged as financial advisor to De Grey and Gibert & Tobin as legal advisor in relation to the debt financing.



**De Grey Chief Financial Officer, Peter Canterbury, commented:**

*"We have reached another significant corporate milestone as we move closer to the commencement of construction of Hemi. We look forward to moving ahead with our lender group and finalising documentation over the coming months to achieve the targeted \$1.0bn senior debt facility in the second half of 2024.*

*Combined with our existing cash reserves exceeding \$850m following our recent \$600m equity raising, the proposed debt package is expected to fully finance the development of Hemi and brings us closer to a final investment decision once we receive environmental approvals for commencement of Project construction."*

**This announcement has been authorised for release by the De Grey Board.**

**For further information, please contact:**

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## **ADDITIONAL INFORMATION**

### **Forward looking statements disclaimer**

This announcement has been prepared by De Grey Mining Ltd (**Company**) and contains forward-looking statements. Forward-looking statements include those containing words such as "anticipate", "estimates", "forecasts", "indicative", "should", "will", "would", "expects", "plans" or similar expressions.

Such forward-looking statements are based on information available as at the date of this announcement and are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, and which could cause actual results or trends to differ materially from those expressed in this announcement.

Relevant factors include risks associated with exploring for gold, project development and construction and the mining, processing and sale of gold, including without limitation, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Readers of this announcement are cautioned not to place undue reliance on forward-looking statements included in it.

Forward looking statements in this announcement only apply at the date of issue. Subject to any continuing obligations under applicable law or any relevant securities exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.