



## Moberly Project Funding Package Established

### KEY POINTS

- Heemskirk has entered into a Term Sheet with Taurus Funds Management ("Taurus") to provide a US\$40m secured debt funding package over its Moberly Frac Sand Facility
- The funding package is subject to final due diligence and completion of standard legal documentation. The funding package is broken into two tranches:

Tranche 1: US\$25m to complete the 300,000 tpa construction and production development project (phase one)

Tranche 2: US\$15m to complete an expansion of the project (phase two) to a 600,000 tpa production level, once phase one has been successfully completed

- Moberly Frac Sand Project to progress to full contractor engagement and construction phases

The Company is very pleased to announce this milestone. This funding package allows Heemskirk to focus completely upon the development of the Moberly Frac Project in an efficient and timely manner, following on from the initial C\$2.4m footings stage of construction at the Moberly plant site which is currently underway.

For further information, please contact:

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Peter Bird  
Managing Director



**Key Terms of the Secured Debt Funding Package ("Facility")**

1. Up to US\$40m funding in two tranches as described above.
2. Interest Rate – 10% per annum, including any capitalised interest.
3. Arrangement Fee – 2% of Facility amount.
4. Commitment Fee – 2% on undrawn amounts at each phase.
5. Issue of 17.5 million options, 50% to be issued on date of signing the Facility and 50% to be issued pro rata for amounts drawn. Options strike price calculated at a 25% premium to the 10 day VWAP prior to date of signing the Facility.
6. 2% Free on Train Gross Revenue Royalty, ex Plant Price.
7. Maturity date 31 December 2018, plus 12 month extension option.
8. Standard project completion tests, conditions precedent and due diligence to be completed.

**About Taurus**

Taurus is an independent, Sydney based global fund manager whose clients include institutional and high net worth (wholesale) investors. Taurus specialises in investment products based on the mined commodities industry. Its team of geologists, mining engineers, mining financiers, metallurgists and portfolio managers provides the skills and experience for successful investing. Taurus was founded in 2006 and its first private equity fund commenced in July 2007.