



Standstill in relation to Syndicated Facilities Agreement

Eastern Goldfields Limited (ASX: EGS) (**Eastern Goldfields** or the **Company**) refers to its previous announcements regarding its syndicated facilities agreement with Investec Australia Limited (**Investec**) (**Syndicated Facilities Agreement**).

Under the terms of the Syndicated Facilities Agreement, the Company was required to make a repayment of \$5 million plus accumulated interest on 1 August 2018 (**Repayment**). The Company did not make the Repayment to Investec.

The Company has entered into a standstill agreement with Investec pursuant to which the date to make the Repayment was extended to 15 August 2018. The standstill agreement is conditional on:

- a) full repayment of all amounts owing under the Syndicated Facilities Agreement by no later than 12 September 2018;
- b) a capital plan being provided by the Company to Investec by no later than 9 August 2018;
- c) the issue of \$300,000 fully paid shares in the capital of the Company to Investec at an issue price equivalent to the price under the Company's recapitalisation capital raising; and
- d) existing hedging contracts in place with Investec being closed out with the proceeds applied against monies outstanding under the Facility Agreement.

If the Company is unable to comply with the conditions to the standstill period, Investec could enforce its default rights under the Syndicated Facility Agreement, which could have a material adverse effect on the Company's activities and financial condition.

Enquiries

Michael Fotios

Executive Chairman

T: +61 8 6241 1866

E: admin@easterngoldfields.com.au

BOARD OF DIRECTORS

Mr Michael Fotios
Executive Chairman

Mr Craig Readhead
Non-Executive Director

Mr Alan Still
Non-Executive Director

Mr Campbell Baird
Non-Executive Director

Mr Peter Mansell
Non-Executive Director

Mr Brendon Morton
Company Secretary

CHIEF EXECUTIVE

Mr Victor Rajasooriar

EASTERN GOLDFIELDS LIMITED

ACN 100 038 266
24 Mumford Place
Balcatta WA 6021

T: +61 8 6241 1866

F: +61 8 6241 1811

E: admin@easterngoldfields.com.au

www.easterngoldfields.com.au