

## Hazelwood signs trade finance terms sheet

Hazelwood Resources Ltd (**Hazelwood**) is pleased to announce that it has signed a Terms Sheet for a secured Revolving Trade Finance Facility for the purchase of inventory items for its majority owned ATC Ferrotungsten Project in Vietnam.

Under the non-binding Terms Sheet, LH Asian Trade Finance Fund Ltd (**Lender**) has agreed to provide up to \$US6 million trade finance\*, Hazelwood and the Lender are proceeding with the documentation of a formal, binding agreement, the final terms of which shall be announced following the finalisation of the documentation.

Entry into the Terms Sheet was facilitated by Bashan Resources Pte Ltd of Singapore (**Bashan**). Bashan has indicated that a further \$US6 million of trade finance could be made available to a total maximum drawn amount of \$US12m, subject to the satisfactory servicing of the initial trade finance facility.

Negotiations continue with local suppliers of tungsten feedstock. A consignment of locally sourced material has been delivered to the ATC Ferrotungsten Plant for analysis. This is in addition to a consignment of high grade wolframite concentrate that Hazelwood has procured from a Central Asian based producer.

It is with regret that Hazelwood Resources Ltd advises that Executive Chairman Mark McAuliffe retired from the Board of the company and its subsidiaries on 23 August 2011. Mr. McAuliffe retired for personal reasons.

Mr. McAuliffe was Executive Chairman from incorporation of the Company in 2006. He fulfilled the joint role of Chairman and Managing Director until late 2009 when the Company chose to split the two roles. As Chairman and formerly a legal practitioner, Mr. McAuliffe's role in establishing the Company and assisting in the more complex aspects of international transactions for the Company has been of much benefit. The Company thanks him for his significant contribution.

Mr. Butler-Blaxell will assume the role of Executive Chairman.

*For further enquiries contact:*  
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*Executive Chairman*  
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**Mechanical (cold) commissioning of furnace tilting hydraulic system**



**Rear view of main office building**

\*The Lender has conducted preliminary investigations. The provision of the Revolving Trade Finance Facility is subject to completion of final due diligence investigations and investment committee approval by the Lender and the parties agreeing to final terms and documentation.

Under the Terms Sheet, the Revolving Trade Finance Facility will be secured, have an interest rate of 9%, interest period of a minimum of 30 days and be subject to various draw down conditions and conditions subsequent. The Lender may be issued Hazelwood ordinary shares equivalent to 200% of the facility limit or outstanding loan amount upon default of the Revolving Trade Finance Facility. Warrants may also be issued to the Lender under the terms of the Revolving Trade Finance Facility, subject to the parties agreeing final terms of the warrants.